



**PT SUMMARECON AGUNG TBK AND ITS SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2022 AND FOR THE THREE-MONTH PERIOD ENDED**

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**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**As of March 31, 2022**  
(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)

	Notes	March 31, 2022 (Unaudited)	December 31, 2021 (Audited)
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2e,2s,2v,4,33	3,569,502,982	2,773,938,380
Trade receivables-net	2m,2v,5		
Related parties	2g,32	7,262,674	6,225,173
Third parties		391,625,173	242,853,329
Other receivables	2v	32,440,282	30,884,257
Due from related parties	2g,2v,32	65,047,918	64,212,480
Inventories	2h,2n,2o,6,12	9,372,034,795	9,253,912,596
Prepaid taxes	2u,18a	358,824,181	362,216,333
Prepaid expenses	2i	48,575,469	48,452,764
Advances	8	251,860,244	244,199,432
Other current financial assets	2v,11	3,640,859	3,640,859
<b>Total current assets</b>		<b>14,100,814,577</b>	<b>13,030,535,603</b>
<b>NON-CURRENT ASSETS</b>			
Trade receivables - net	2m,2v,5		
Third parties		67,206,838	31,706,439
Other receivables	2v	4,165,004	4,165,004
Due from related parties	2g,2v,32	52,105,312	51,105,312
Undeveloped land	2j,7,12	6,170,994,762	6,167,114,147
Investment in associates	2aa,11	76,167,415	72,887,190
Advances	8	871,425,505	899,871,429
Fixed assets - net	2k,2m,2o,9,12	308,269,205	317,846,663
Investment properties - net	2l,2m,2o,10,12,13	4,285,963,056	4,259,613,121
Deferred tax assets	2u	2,654,491	2,654,491
Other non-current financial assets	2e,2f,2v,11,12	1,193,573,931	1,106,528,583
Other non-current assets	2k	90,677,783	105,688,696
<b>Total non-current assets</b>		<b>13,123,203,302</b>	<b>13,019,181,075</b>
<b>TOTAL ASSETS</b>		<b>27,224,017,879</b>	<b>26,049,716,678</b>

The accompanying notes form an integral part of these consolidated financial statements.

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**As of March 31, 2022**  
**(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)**

	Notes	March 31, 2022 (Unaudited)	December 31, 2021 (Audited)
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Short-term bank loans	2s,2v,12,33	1,769,416,207	1,590,250,145
Trade payables to third parties	2s,2v,14,33	56,120,533	70,857,638
Other payables	2s,2v,15, 33	283,282,138	333,655,704
Accrued expenses	2s,2v,17,33	886,844,675	816,056,385
Taxes payable	2u,18b	74,308,560	73,297,733
Liability for short-term employee benefits	2r,2v,19	20,720,177	24,128,244
Contract liabilities	2b,2q,20		
Related parties	2g,32	3,517,197	5,038,364
Third parties		2,415,813,908	2,277,791,409
Security deposits	2m,2v,21		
Related parties	2g,32	218,869	644,002
Third parties		81,324,006	80,978,217
Unearned revenues	2m,2q,22		
Related party	2g,32	4,426,750	4,000,000
Third parties		374,707,117	363,336,912
Current maturities of long-term debts:			
Loans from banks and financing institutions	2s,2v,12,33	847,782,098	829,552,327
Bonds payable	2v,13	499,389,961	499,124,266
Lease liabilities	2b,2m,2v,16	54,575	54,575
<b>Total current liabilities</b>		<b>7,317,926,771</b>	<b>6,968,765,921</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term debts - net of current maturities:			
Loans from banks and financial institutions	2s,2v,12,33	3,244,748,599	3,921,110,147
Bonds payable	2v,13	199,312,858	199,255,115
Lease liabilities	2b,2m,2v,16	5,676,793	5,676,793
Other payables	2s,2v,15,33	15,239,287	5,851,613
Liability for long-term employee benefits	2r,2v,19	135,482,595	128,035,002
Contract liabilities	2b,2q,20		
Related parties	2g,32	3,228,110	3,228,110
Third parties		4,566,834,040	3,326,081,017
Security deposits	2m,2v,21		
Related parties	2g,32	7,245,121	10,425,457
Third parties		151,788,026	87,917,948
Unearned revenues	2m,2q,22		
Related party	2g,32	15,142,250	16,248,938
Third parties		127,537,530	127,510,293
Deferred tax liabilities	2u	19,387,157	19,387,157
<b>Total non-current liabilities</b>		<b>8,491,622,366</b>	<b>7,850,727,590</b>
<b>TOTAL LIABILITIES</b>		<b>15,809,549,137</b>	<b>14,819,493,511</b>

The accompanying notes form an integral part of these consolidated financial statements



**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**For the Three-Month Period Ended March 31, 2022**  
(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)

	Notes	For the Three-Month Period Ended March 31,	
		2022 (Unaudited)	2021 (Unaudited)
<b>NET REVENUES</b>	2b,2g,2m,2q,28,32	1,469,613,721	1,070,636,863
<b>COST OF SALES AND DIRECT COSTS</b>	2q,29	(636,224,142)	(580,586,446)
<b>GROSS PROFIT</b>		<b>833,389,579</b>	<b>490,050,417</b>
Selling expenses	2q,30	(76,930,041)	(56,926,972)
General and administrative expenses	2q,30	(190,794,446)	(153,648,734)
Other operating income		4,519,817	1,884,977
Other operating expenses		(66,398)	(109,695)
<b>INCOME FROM OPERATIONS</b>		<b>570,118,511</b>	<b>281,249,993</b>
Finance income		27,486,901	20,775,181
Finance costs	31	(303,517,736)	(227,176,927)
Equity in net profit of associates	2aa,11	3,280,225	2,757,686
<b>PROFIT BEFORE FINAL TAX AND INCOME TAX EXPENSE</b>		<b>297,367,901</b>	<b>77,605,933</b>
<b>FINAL TAX EXPENSE</b>	2u	<b>(58,209,846)</b>	<b>(40,881,241)</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>239,158,055</b>	<b>36,724,692</b>
<b>INCOME TAX BENEFIT (EXPENSE) - NET</b>	2u	<b>(3,511,804)</b>	<b>39,220</b>
<b>PROFIT FOR THE PERIOD</b>		<b>235,646,251</b>	<b>36,763,912</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
Item that will not be reclassified to profit or loss in subsequent periods:			
loss on employee benefits liability	2r	(1,400,676)	(3,384,421)
Deferred income tax	2u	-	9,808
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>234,245,575</b>	<b>33,389,299</b>
<b>INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>			
Owners of the Parent Entity		175,042,452	37,412,932
Non-controlling Interests	2d,23	60,603,799	(649,020)
<b>TOTAL</b>		<b>235,646,251</b>	<b>36,763,912</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>			
Owners of the Parent Entity		173,641,776	34,038,319
Non-controlling interests	2d,23	60,603,799	(649,020)
<b>TOTAL</b>		<b>234,245,575</b>	<b>33,389,299</b>
<b>BASIC EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY (full amount)</b>	2w,24,37	<b>10.60</b>	<b>2.59</b>

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**For the Three-Month Period Ended March 31, 2022**  
**(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)**

	Equity Attributable to Owner of the Parent Entity								
	Notes	Issued and fully paid capital stock	Additional paid-in capital	Differences from transactions with non-controlling Interests	Retained Earnings		Total	Non-controlling interests	Total equity
					Appropriated - reserved fund	Unappropriated			
<b>Balance as of December 31, 2020</b>		1,442,678,168	22,996,315	(1,665,128)	117,872,097	5,263,964,317	6,845,845,769	2,239,842,771	9,085,688,540
Issuance of capital stock with pre-emptive right phase II	1b,24,25	208,178,669	1,284,206,897	-	-	-	1,492,385,566	-	1,492,385,566
Appropriation for general reserve	26	-	-	-	2,324,108	(2,324,108)	-	-	-
Total comprehensive income for the year		-	-	-	-	322,936,535	322,936,535	225,987,250	548,923,785
Payments to non-controlling interest	23	-	-	-	-	-	-	(79,186,897)	(79,186,897)
Capital contributions paid by non-controlling interests	23	-	-	-	-	-	-	284,087,300	284,087,300
Capital reduction from non-controlling interest	23	-	-	-	-	-	-	(101,675,000)	(101,675,000)
Changes in non-controlling interest		-	-	-	-	-	-	(127)	(127)
<b>Balance as of December 31, 2021</b>		<b>1,650,856,837</b>	<b>1,307,203,212</b>	<b>(1,665,128)</b>	<b>120,196,205</b>	<b>5,584,576,744</b>	<b>8,661,167,870</b>	<b>2,569,055,297</b>	<b>11,230,223,167</b>

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**For the Three-Month Period Ended March 31, 2022**  
**(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)**

Notes	Equity Attributable to Owner of the Parent Entity							
	Issued and fully paid capital stock	Additional paid-in capital	Differences from transactions with non-controlling Interests	Retained Earnings		Total	Non-controlling interests	Total equity
				Appropriated - reserved fund	Unappropriated			
<b>Balance as of December 31, 2020</b>	1,442,678,168	22,996,315	(1,665,128)	117,872,097	5,263,964,317	6,845,845,769	2,239,842,771	9,085,688,540
Total comprehensive income for the period ended	-	-	-	-	34,038,319	34,038,319	(649,020)	33,389,299
Capital reduction from non-controlling interest	-	-	-	-	-	-	(41,650,000)	(41,650,000)
<b>Balance as of March 31, 2021</b>	<b>1,442,678,168</b>	<b>22,996,315</b>	<b>(1,665,128)</b>	<b>117,872,097</b>	<b>5,298,002,636</b>	<b>6,879,884,088</b>	<b>2,197,543,751</b>	<b>9,077,427,839</b>
<b>Balance as of December 31, 2021</b>	<b>1,650,856,837</b>	<b>1,307,203,212</b>	<b>(1,665,128)</b>	<b>120,196,205</b>	<b>5,584,576,744</b>	<b>8,661,167,870</b>	<b>2,569,055,297</b>	<b>11,230,223,167</b>
Total comprehensive income for the period ended	-	-	-	-	173,641,776	173,641,776	60,603,799	234,245,575
Payments to non-controlling interest	-	-	-	-	-	-	(50,000,000)	(50,000,000)
<b>Balance as of March 31, 2022</b>	<b>1,650,856,837</b>	<b>1,307,203,212</b>	<b>(1,665,128)</b>	<b>120,196,205</b>	<b>5,758,218,520</b>	<b>8,834,809,646</b>	<b>2,579,659,096</b>	<b>11,414,468,742</b>

The accompanying notes form an integral part of these consolidated financial statements

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Three-Month Period Ended March 31, 2022**  
**(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)**

		For the three-Month Period Ended March 31,	
	Notes	2022 (Unaudited)	2021 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers		2,402,108,736	1,373,535,766
Receipts of interest income		23,627,636	17,600,458
Cash payments to:			
Suppliers and for other operating expenses		(629,664,746)	(597,859,619)
Employees		(152,293,358)	(116,717,072)
Payments of:			
Interest expenses		(144,740,588)	(202,687,458)
Final tax		(87,232,243)	(60,254,698)
Income taxes		(1,218,296)	(842,642)
<b>Net cash provided by operating activities</b>		<b>1,410,587,141</b>	<b>412,774,735</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash dividend received from investment in other entities	11	1,825,000	-
Proceeds from sale of fixed assets	9	109,450	258,523
Acquisitions of investment properties		(50,283,582)	(14,210,000)
Acquisitions of undeveloped land		(33,934,604)	(63,116,308)
Acquisitions of fixed assets		(5,049,330)	(7,281,399)
Decrease in due from related parties		(1,835,438)	(4,860,214)
<b>Net cash used in investing activities</b>		<b>(89,168,504)</b>	<b>(89,209,398)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from bank loans		260,000,000	752,175,469
Capital contribution from non-controlling interests	12	9,266,765	-
Payments of loans from banks and financing institutions		(742,101,638)	(776,139,687)
Payments to non-controlling interest	12	(50,000,000)	-
Drawdown of (placement for) restricted time deposits		(3,019,162)	1,072,054
Capital reduction from non-controlling interest	23	-	(41,650,000)
<b>Net cash used in financing activities</b>		<b>(525,854,035)</b>	<b>(64,542,164)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>795,564,602</b>	<b>259,023,173</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	4	<b>2,773,938,380</b>	<b>1,656,482,289</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	4	<b>3,569,502,982</b>	<b>1,915,505,462</b>

The accompanying notes form an integral part of these consolidated financial statements

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Three-Month Period Ended March 31, 2022**  
**(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)**

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**1. GENERAL**

**a. The Company's Establishment**

PT Summarecon Agung Tbk (the "Company") was established within the framework of the Domestic Capital Investment Law based on notarial deed No. 308 dated November 26, 1975 of Ridwan Suselo, S.H. that has been changed to notarial deed No. 60 of Jony Frederik Berthold Tumbelaka Sinyal dated December 23, 1976 and then changed to notarial deed No. 434 of Ridwan Suselo dated June 28, 1977. All three was acknowledged and recorded by the Ministry of Justice in its Decision Letter No. YA 5/344/6 dated July 12, 1977 and was published in Supplement No. 597 of State Gazette No. 79 dated October 4, 1977 of the Republic of Indonesia. The articles of association has been amended from time to time, the latest amendment of which was notarized under deed No. 20 dated July 7, 2021 of Fathiah Helmi S.H., concerning the increase in the Company's issued and fully paid capital stock through the issuance of capital stock with pre-emptive rights Phase II totaling 2,081,786,678 new shares, which amendment was acknowledged and recorded by the Ministry of Law and Human Rights (MLHR) in its Decision Letter No. AHU-AH.01.03-0426491 dated July 8, 2021.

According to Article 3 of the Company's articles of association, its scope of activities comprises real estate development including the related supporting facilities. service and trading. Currently, the Company carries business in the sale or rental of real estate, shopping centers, and office facilities along with related facilities and infrastructures.

The Company is domiciled in East Jakarta. and its head office is located at Plaza Summarecon. Jl. Perintis Kemerdekaan No. 42, RT 010, RW 016, Kelurahan Kayu Putih, Kecamatan Pulo Gadung, Jakarta.

The Company started its commercial operations in 1976.

PT Semarop Agung is the ultimate parent entity of the Company and its subsidiaries (here in after collectively referred to as the "Group").

**b. The Company's Public Offerings**

**b1. The Company's Public Shares Offerings**

The Chairman of the Capital Market and Financial Institutions Supervisory Agency ("BAPEPAM-LK"). through its letter No. SI-085/SHM/MK.10/1990 dated March 1, 1990, effective at that date, declared the offering of 6,667,000 shares of the Company with a par value of Rp1,000 (full amount) per share to the public at an offering price of Rp6.800 (full amount) per share. The Company listed its shares on the Jakarta Stock Exchange on August 14, 1996.

Based on the minutes of the Stockholders' Extraordinary General Meeting ("EGM") which were notarized under deed No. 1 dated July 1, 1996 of Sutjipto. S.H., the stockholders approved the reduction in the par value of the Company's shares from Rp1,000 (full amount) to Rp 500 (full amount) per share. The amendment was acknowledged and recorded by the Ministry of Justice in its Decision Letter No. C2.9225.HT.01.04.TH.96 dated September 27, 1996 and was published in the State Gazette Republic of Indonesia No. 44. Supplement No. 2168 dated June 3, 1997.

Based on the minutes of the EGM which were notarized under deed No. 99 dated June 21, 2002 of Sutjipto, S.H., the stockholders approved the reduction in the par value of the Company's shares from Rp500 (full amount) to Rp100 (full amount) per share. The amendment was acknowledged and recorded by the MLHR in its Decision Letter No. C-12844 HT.01.04.TH.2002 dated July 12, 2002 and was published in the State Gazette Republic of Indonesia No. 77, Supplement No. 780 dated September 24, 2002.

In 2005, the Company issued additional 93,676,000 shares with a par value of Rp100 (full amount) per share which were issued for and fully paid by Valence Asset Limited. British Virgin Islands, at an offering price of Rp775 (full amount) per share. The Company listed these additional shares on the Jakarta Stock Exchange on November 17, 2005. This increase in the issued and fully paid capital stock was made under BAPEPAM-LK Regulation No. IX.D.4. Attachment to the Chairman of BAPEPAM-LK Decision No. Kep-44/PM/1998 regarding the additional shares issuance without Pre-Emptive Rights.

In 2006, the Company distributed 786,881,920 bonus shares with a par value of Rp100 (full amount) per share.

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Three-Month Period Ended March 31, 2022**  
**(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)**

**1. GENERAL (CONTINUED)**

**b. The Company's Public Offerings (continued)**

**b1. The Company's Public Shares Offerings (continued)**

On August 28, 2007, the Company's Registration Statement to offer its First Limited Public Offering of Rights to the Stockholders with the Issuance of Pre-emptive Rights totaling 459,014,453 new shares and a maximum of 229,507,226 Series I Warrants was declared effective. The Company listed these new shares on the Indonesia Stock Exchange

In June 2008, the Company distributed 3,217,893,796 bonus shares with a par value of Rp100 (full amount) per share.

In June 2010 and December 2009, a total of 436,340,202 and 1,013,046 Series I Warrants, respectively, were exercised.

Limited Public Offering I

In 2012, the Company issued 340,250,000 new shares with a nominal value of Rp100 (full amount) per share through the issuance of capital stock without preemptive rights phase I with minimum exercise price of Rp1,550 (full amount) per share, increasing the Company's issued and fully paid capital stock from 6,873,140,840 shares to 7,213,390,840 shares. The increase was acknowledged by PT Bursa Efek Indonesia through the letter No. Peng-P-00555/BEI.PPJ/10-2012 dated October 19, 2012.

Based on the minutes of the EGM held on June 5, 2013 which were covered by notarial deed No. 21 of Fathiah Helmi. S.H., the stockholders approved the distribution of bonus shares through the capitalization of additional paid-in capital amounting to Rp721,339,084, whereby each outstanding share received 1 bonus share. As a result, the issued and fully paid capital stock increased from Rp721,339,084 to Rp1,442,678,168. The distribution of the bonus shares was conducted on July 15, 2013.

Limited Public Offering II

On May 24, 2021, the Company obtained the Approval Letter No. S-67/D.04/2021 from the OJK to issued additional share capital through the issuance of with Pre-emptive Rights to the Company's shareholders. The new shares that is issued is as much as 2,081,786,678 shares with the nominal value Rp 100 (full amount) per share (Notes 24 and 25). All shares have been listed in the Indonesia Stock Exchange on June 9, 2021. Accordingly, the issued and fully paid shares increased from 14,426,781,680 shares to 16,508,568,358 shares.

**b2. The Company's Public Offerings of Bonds**

The Company has conducted several Public Offerings of Bonds and Sukuk since its establishment with the details as follows:

No	Bonds Name	Bond Amount	Ratings	Interest Rates	Revenue Sharing	Effective Date	Maturity Period	Maturity Date	Amount of Bonds Outstanding	Effective Letter Number
1	Obligasi Berkelanjutan I Summarecon Agung Tahap I Tahun 2013	450,000,000	idA+	10.85%	-	December 3, 2013	5 (five) years	December 11, 2018	-	03/12/2013 (S-400/D.04/2013)
2	Sukuk Ijarah Berkelanjutan I Summarecon Agung Tahap I Tahun 2013	150,000,000	idA+(sy)	-	16,275,000	December 3, 2013	5 (five) years	December 11, 2018	-	03/12/2013 (S-400/D.04/2013)
3	Obligasi Berkelanjutan I Summarecon Agung Tahap II Tahun 2014	800,000,000	idA+	11.50%	-	December 3, 2013	5 (five) years	October 10, 2019	-	03/12/2013 (S-400/D.04/2013)
4	Sukuk Ijarah Berkelanjutan I Summarecon Agung Tahap II Tahun 2014	300,000,000	idA+(sy)	-	34,500,000	December 3, 2013	5 (five) years	October 10, 2019	-	03/12/2013 (S-400/D.04/2013)
5	Obligasi Berkelanjutan II Summarecon Agung Tahap I Tahun 2015	500,000,000	idA+	11.25%	-	December 4, 2015	5 (five) years	December 16, 2020	-	04/12/2015 (S-569/D.04/2015)

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Three-Month Period Ended March 31, 2022**  
**(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)**

**1. GENERAL (CONTINUED)**

**b. The Company's Public Offerings (continued)**

**b2. The Company's Public Offerings of Bonds (continued)**

The Company has conducted several Public Offerings of Bonds and Sukuk since its establishment with the details as follows: (continued)

No	Bonds Name	Bond Amount	Ratings	Interest Rates	Revenue Sharing	Effective Date	Maturity Period	Maturity Date	Amount of Bonds Outstanding	Effective Letter Number
6	Obligasi Berkelanjutan II Summarecon Agung Tahap II Tahun 2017	800,000,000	idA+	8.80%	-	December 4, 2015	3 (three) years	November 28, 2020	-	04/12/2015 (S-569/D.04/2015)
7	Obligasi Berkelanjutan III Summarecon Agung Tahap I Tahun 2018	416,000,000	idA	10.75%	-	December 6, 2018	3 (three) years	December 6, 2021	-	29/11/2018 (S-163/D.04/2018)
8	Obligasi Berkelanjutan III Summarecon Agung Tahap II Tahun 2019 Seri A	500,000,000	idA	9.13%	-	October 15, 2019	3 (three) years	October 15, 2022	500,000,000	29/11/2018 (S-163/D.04/2018)
9	Obligasi Berkelanjutan III Summarecon Agung Tahap II Tahun 2019 Seri B	200,000,000	idA	9.50%	-	October 15, 2019	5 (five) years	October 15, 2024	200,000,000	29/11/2018 (S-163/D.04/2018)

**c. Board of Commissioners, Directors, Audit Committee, and Employees**

The Company's key management personnel include Commissioner and Director, Key management personnel have the authority and responsibility to plan, lead and control the activities of the Company.

The composition of the Company's Boards of Commissioners and Directors as of March 31, 2022 and December 31, 2021 was as follows:

Board of Commissioners

President  
 Commissioner : Soetjipto Nagaria  
 Commissioner : Harto Djojo Nagaria  
 Independent  
 Commissioner : Drs. H. Edi Darnadi  
 Independent  
 Commissioner : Lexy Arie Tumiwa  
 Independent  
 Commissioner : Ir. Ge Lilies Yamin

Board of Directors

President  
 Director : Ir. Adrianto P Adhi  
 Director : Liliawati Rahardjo  
 Director : Soegianto Nagaria  
 Director : Herman Nagaria  
 Director : Lydia Tjio  
 Director : Nanik Widjaja  
 Director : Ir. Sharif Benyamin  
 Director : Jason Lim

The composition of the Company's Audit Committee as of March 31, 2022 and December 31, 2021 was as follows :

Chairman : Lexy Arie Tumiwa  
 Member : Leo Andi Manciano  
 Member : Ir. Ge Lilies Yamin

The formation of the Company's Audit Committee is in accordance with the OJK Regulations No.55/POJK.04/2015.

The total amount of gross compensation for the key management of the Company was Rp 7,982,191 and Rp 4,492,454 for the three-month period ended March 31, 2022 and 2021.

The Group had 2,443 and 2,446 permanent employees, as of March 31, 2022 and December 31, 2021.

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
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**1. GENERAL (CONTINUED)**

**d. Structure of the Company's subsidiaries**

The Company had direct and indirect ownership in the following subsidiaries:

Name of Subsidiaries	Domicile	Principal Activity	Start of commercial	Percentage of Ownership (%)		Total Assets Before Eliminations	
				March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
<b>Direct subsidiaries</b>							
PT Bahagia Makmursejati (BHMS)	Jakarta	Property development	2003	99.99	99.99	12,996,967	12,926,876
PT Serpong Cipta Kreasi (SPCK)	Tangerang	Property development	2004	100.00	100.00	6,801,896,067	6,626,549,384
PT Anugerah Damai Abadi (AGDA)	Tangerang	Retail, food and beverages	2007	100.00	100.00	7,795,840	7,652,799
PT Summerville Property Management (SVPM)	Jakarta	Property management	2007	100.00	100.00	8,398,686	7,636,710
PT Gading Orchard (GDOR)	Jakarta	Property development	2008	100.00	100.00	67,027,098	62,973,573
PT Summarecon Property Development (SMPD)	Jakarta	Property development	2012	100.00	100.00	11,535,853,742	10,679,593,803
PT Summarecon Investment Property (SMIP)	Jakarta	Investment property	2012	100.00	100.00	4,161,790,867	4,161,765,858
PT Multi Abadi Prima (MTAP)	Jakarta	Gas station	2013	100.00	100.00	9,790,943	9,817,190
PT Citra Damai Agung (CTDA)	Jakarta	Property development	2014	100.00	100.00	2,051,447	2,038,884
PT Sagraha Mitraloka Elok (SMLE)	Jakarta	Trading	2017	100.00	100.00	2,456,785	2,597,307
PT Setia Mitra Edudharma (SMED)	Jakarta	Education	2020	100.00	100.00	217,985,539	213,301,209
PT Java Investama Properti (JVIP)	Jakarta	Investment property	-	100.00	100.00	15,082,830	15,082,848
PT Setia Mitra Intifajar (SMIF)	Jakarta	Infrastructure development	-	100.00	100.00	29,090,174	29,309,841
PT Mahakarya Sinar Simphoni (MSSP)	Tangerang	Investment property	-	100.00	100.00	2,711,376	2,695,758
PT Satu Summarecon Sukses (STSS)	Jakarta	Information system	-	100.00	100.00	1,417,756	1,615,348
<b>Indirect subsidiaries through SMPD</b>							
PT Eskage Tatanan Kota (EKTK)	Jakarta	Town management	2009	100.00	100.00	3,915,552	3,721,090
PT Bekasi Tatanan Kota (BKTK)	Bekasi	Town management	2012	100.00	100.00	14,705,816	14,339,928
PT Mahkota Permata Perdana (MKPP)	Bandung	Property development	2015	100.00	100.00	4,374,563,008	4,138,332,099
PT Sinergi Mutiara Cemerlang (SGMC)	Makassar	Property development	2018	53.94	53.94	1,541,332,515	1,498,503,253
PT Bandung Tatanan Kota (BDTK)	Bandung	Town management	2018	100.00	100.00	3,969,644	3,852,346
PT Karawang Tatanan Kota (KRTK)	Karawang	Town management	2018	100.00	100.00	3,916,464	3,589,792
PT Selaras Maju Mandiri (SLMM)	Jakarta	Property development	2018	100.00	100.00	1,983,665,819	1,941,238,794
PT Summa Sinar Fajar (SMSF)	Bekasi	Property development	2019	51.00	51.00	396,622,860	383,456,305

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**1. GENERAL (CONTINUED)**

**d. Structure of the Company's subsidiaries (continued)**

The Company had direct and indirect ownership in the following subsidiaries: (continued)

Name of Subsidiaries	Domicile	Principal Activity	Start of commercial	Percentage of Ownership (%)		Total Assets Before Eliminations	
				March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
<b>Indirect subsidiaries through SMPD (continued)</b>							
PT Summatoyo Talaga Harmoni (SMTH)	Karawang	Property development	2019	51.00	51.00	180,177,332	182,385,178
PT Kencana Jayaproperti Agung (KCJA)	Bogor	Property development	2020	51.00	51.00	2,129,397,669	1,593,204,437
PT Inovasi Jaya Properti (IVJP)	Jakarta	Property development	2021	100.00	100.00	3,123,683,050	2,589,798,293
PT Makassar Tatanan Kota (MKTK)	Makassar	Town Management	2021	100.00	100.00	2,040,049	2,342,940
PT Gunung Suwarna Abadi (GNSA)	Bogor	Property development	-	51.00	51.00	326,725,502	325,796,439
PT Gunung Srimala Permai (GNSP)	Bogor	Property development	-	51.00	51.00	246,892,195	235,574,657
PT Kencana Jayaproperti Mulia (KCJM)	Bogor	Property development	-	51.00	51.00	238,156,571	238,343,158
PT Aruna Cahaya Abadi (ARCA)	Jakarta	Town management	-	100.00	100.00	29,387,156	29,554,473
PT Kahuripan Jaya Mandiri (KHJM)	Bogor	Property development	-	51.00	51.00	29,260,923	11,905,093
PT Maju Lestari Properti (MJLP)	Jakarta	Property development	-	100.00	100.00	26,823,989	26,820,832
PT Mahkota Intan Cemerlang (MKIC)	Jakarta	Property development	-	100.00	100.00	194,570,596	194,628,168
PT Banyumas Eka Mandiri (BYEM)	Jakarta	Property development	-	100.00	100.00	115,354,726	115,440,909
PT Orient City (ORCT)	Jakarta	Property development	-	100.00	100.00	1,502,822	1,504,913
PT Bumi Perintis Asri (BMPA)	Tangerang	Property development	-	100.00	100.00	545,273	556,731
PT Duta Sumara Abadi (DTSA)	Jakarta	Property development	-	51.00	51.00	583,069,363	562,437,418
PT Sinar Mahakam Indah (SNMI)	Samarinda	Property development	-	89.37	89.37	52,366,182	52,290,067
PT Sinar Semesta Indah (SNSI)	Tangerang	Property development	-	100.00	100.00	752,236	751,532
PT Wahyu Kurnia Sejahtera (WYKS)	Jakarta	Property development	-	100.00	100.00	20,686,177	20,697,077
PT Taruna Maju Berkarya (TRMB)	Jakarta	Property development	-	100.00	100.00	814,193	813,223
PT Sunda Besar Properti (SDBP)	Bandung	Property development	-	100.00	100.00	1,340,333	1,333,358
PT Maju Singa Parahyangan (MJSP)	Bandung	Property development	-	100.00	100.00	1,338,809	1,330,900
PT Surya Mentari Diptamas (SYMMD)	Jakarta	Property development	-	51.00	51.00	319,446	368,526
PT Surya Menata Elokjaya (SYME)	Jakarta	Property development	-	100.00	100.00	3,624,746	3,604,255

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**1. GENERAL (CONTINUED)**

**d. Structure of the Company's subsidiaries (continued)**

The Company had direct and indirect ownership in the following subsidiaries: (continued)

Name of Subsidiaries	Domicile	Principal Activity	Start of commercial	Percentage of Ownership (%)		Total Asets Before Eliminations	
				March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
<b><u>Indirect subsidiaries through SMPD (continued)</u></b>							
PT Sukmabumi Mahakam Jaya (SBMJ)	Jakarta	Property development	-	100.00	100.00	1,105,674	1,100,432
PT Bintang Mentari Indah (BNMI)	Maros	Property development	-	100.00	67.54	306,462,052	299,246,923
PT Bogor Tatanan Kota (BGTK)	Bogor	Property development	-	100.00	100.00	2,494,403	2,469,906
PT Sinergi Mentari Fajar (SGMF)	Makassar	Property development	-	51.00	51.00	390,159,917	389,874,913
<b><u>Indirect ownership through SMIP</u></b>							
PT Lestari Mahadibya (LTMD)	Tangerang	Investment property	2006	100.00	100.00	1,074,566,384	1,092,713,306
PT Summarecon Hotelindo (SMHO)	Jakarta	Hotel	2010	100.00	100.00	265,015,751	267,283,392
PT Makmur Orient Jaya (MKOJ)	Bekasi	Investment property	2013	100.00	100.00	794,798,658	806,263,994
PT Kharisma Intan Properti (KRIP)	Tangerang	Investment property	2013	100.00	100.00	193,473,307	190,558,332
PT Dunia Makmur Properti (DNMP)	Jakarta	Investment property	2015	100.00	100.00	105,798,084	107,030,844
PT Summarecon Bali Indah (SMBI)	Jakarta	Investment property	2016	100.00	100.00	1,131,363,712	1,156,404,349
PT Permata Jimbaran Agung (PMJA)	Badung	Investment property	2016	61.60	61.60	646,713,251	671,674,423
PT Pradana Jaya Berniaga (PDJB)	Badung	Retail, food and beverages	2016	100.00	100.00	982,540	982,540
PT Hotelindo Permata Jimbaran (HOPJ)	Badung	Hotel	2017	61.60	61.60	246,046,467	265,525,492
PT Seruni Persada Indah (SRPI)	Jakarta	Investment property	-	100.00	100.00	405,739	403,259
PT Bali Indah Development (BLID)	Badung	Investment property	-	100.00	100.00	148,091,251	151,107,056
PT Bali Indah Property (BLIP)	Badung	Investment property	-	100.00	100.00	3,833,392	3,833,395
PT Bukit Jimbaran Indah (BKJI)	Badung	Property development	-	100.00	100.00	181,203	180,400
PT Bukit Permai Properti (BKPP)	Badung	Property development	-	100.00	100.00	477,193,562	477,153,518
PT Nirwana Jaya Semesta (NWJS)	Jakarta	Hotel	-	100.00	100.00	3,124,556	3,111,541
PT Sadhana Bumi Jayamas (SDBJ)	Jakarta	Investment property	-	100.00	100.00	84,665,579	84,685,833
PT Unota Persadajaya (UNPS)	Jakarta	Investment property	-	100.00	100.00	50,993,644	50,993,012
PT Java Orient Properti (JVOP)	Yogyakarta	Hotel	-	90.00	90.00	150,571,472	150,648,029
PT Mahakarya Buana Damai (MKBD)	Bandung	Investment property	-	100.00	100.00	260,800,093	250,184,428
PT Hotelindo Saribuana Damai (HSBD)	Bandung	Hotel	-	100.00	100.00	238,539	264,445
PT Hotelindo Java Properti (HIJP)	Yogyakarta	Hotel	-	100.00	100.00	236,768	244,826

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**1. GENERAL (CONTINUED)**

**d. Structure of the Company's subsidiaries (continued)**

The Company had direct and indirect ownership in the following subsidiaries: (continued)

Name of Subsidiaries	Domicile	Principal Activity	Start of commercial	Percentage of Ownership (%)		Total Assets Before Eliminations	
				March 31, 2022	December 31, 2021	March 31, 2022	31 December, 2021
<b><u>Indirect subsidiaries through SMIP (continued)</u></b>							
PT Hotelindo Cahaya Gemilang (HICG)	Jakarta	Hotel	-	100.00	100.00	244,498	252,182
PT Maha Karya Reksawarga (MKRW)	Karawang	Investment property	-	100.00	100.00	111,208,979	65,643,070
PT Mahakarya Lastari Gading (MKLG)	Jakarta	Investment property	-	100.00	100.00	5,532,858	5,569,323
PT Mahakarya Mitra Kreasi (MMKS)	Makassar	Investment property	-	100.00	100.00	5,190,217	5,159,582
<b><u>Indirect ownership through SPCK</u></b>							
PT Serpong Tatanan Kota (SPTK)	Tangerang	Town Management	2010	100.00	100.00	61,846,351	60,093,853
PT Jaya Bangun Abadi (JYBA)	Tangerang	Property development	-	100.00	100.00	88,885,239	89,121,109
PT Permata Cahaya Cemerlang (PMCC)	Tangerang	Property development	-	100.00	100.00	295,641,069	297,187,114
PT Surya Intan Properti (SYIP)	Tangerang	Property development	-	100.00	100.00	133,003,769	133,270,137
PT Mahkota Berlian Indah (MKBI)	Tangerang	Property development	-	100.00	100.00	75,338,938	75,738,407
PT Mahkota Permata Indah (MKPI)	Tangerang	Property development	-	100.00	100.00	84,416,659	82,538,180
<b><u>Indirect subsidiaries through SMIF</u></b>							
PT Jejaring Ultra Prima (JJUP)	Jakarta	Infrastructure development	2018	100.00	100.00	29,079,127	29,301,639
<b><u>Indirect subsidiaries through SMED</u></b>							
PT Bhakti Karya Sejahtera (BTKS)	Jakarta	Education	2013	100.00	100.00	129,049,494	123,844,545
PT Bhakti Karya Bangsa (BTKB)	Tangerang	Education	2016	100.00	100.00	24,666,493	26,091,302
PT Edustar Akademi Indonesia (ESAI)	Jakarta	Education	2021	60.00	60.00	12,114,672	12,108,613

In 2021 the Company established new Indirect subsidiaries through SMPD which is BGTK and SGMF.

As of March 31, 2022, JVIP, SMIF, MSSP, STSS, GNSA, GNSP, KCJM, ARCA, KHJM, MJLP, MKIC, BYEM, ORCT, BMPA, DTSA, SNMI, SNSI, WYKS, TRMB, SDBP, MJSP, SYMD, SYME, SBMJ, BNMI, BGTK, SGMF, SRPI, BLID, BLIP, BKJI, BKPP, NWJS, SDBJ, UNPS, JVOP, MKBD, HSB, HIJP, HICG, MKRW, MKLG, MMKS, JYBA, PMCC, SYIP, MKBI, and MKPI have not started their commercial operations.

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
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**1. GENERAL (CONTINUED)**

**e. Approval and authorization for the issuance of the consolidated financial statements**

The Company's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Indonesian Financial Accounting Standards, which were completed and authorized for issuance by the Board of Directors of the Company on April 28, 2022.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of preparation of the consolidated financial statements**

The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards ("SAK"), which comprise the Statements of Financial Accounting Standards ("PSAK") and Interpretations to Financial Accounting Standards ("ISAK") issued by the Financial Accounting Board of the Indonesian Institute of Accountants (DSAK - IAI) and OJK Rules No. VIII.G.7. These policies have been consistently applied to all years presented, unless otherwise stated.

The consolidated financial statements have been prepared in accordance with PSAK No. 1: Presentation of Financial Statements. The consolidated financial statements, except consolidated statement of cash flows, have been prepared on the accrual basis, using the historical cost basis of accounting, except for certain accounts which are measured on the basis described in the related accounting policies for those accounts.

The consolidated statement of cash flows, which have been prepared using the direct method, present receipts and disbursements of cash and cash equivalents classified into operating, investing and financing activities.

The annual financial reporting period of the Group is January 1 – December 31.

The reporting currency used in the preparation of the consolidated financial statements is the Indonesian rupiah (Rp), which is also the functional currency of the Group.

**b. Changes in accounting principles**

The Group has applied a number of amendments and improvements to accounting standards that are relevant to its financial reporting and effective for annual years beginning on or after January 1, 2021 as follows:

- Amendments to PSAK 22: Definition of Business

These amendments were issued to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments.

- Amendments to PSAK 71, Amendments to PSAK 55, Amendments to PSAK 60, Amendments to PSAK 62 and Amendments to PSAK 73 concerning Interest Rate Reference Reform - Phase 2 were adopted from IFRS concerning Interest Rate Benchmark Reform-Phase 2.

The interest reference reform refers to the global reform which agrees to replace Interbank Offered Rate ("IBOR") with an alternative interest rate reference.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**b. Changes in accounting principles (continued)**

The Group has applied a number of amendments and improvements to accounting standards that are relevant to its financial reporting and effective for annual years beginning on or after January 1, 2021 as follows:

- Amendments to PSAK 71, Amendments to PSAK 55, Amendments to PSAK 60, Amendments to PSAK 62 and Amendments to PSAK 73 concerning Interest Rate Reference Reform - Phase 2 were adopted from IFRS concerning Interest Rate Benchmark Reform. (continued)

Interest Rate Reference Reform – Phase 2 addresses issues that may affect financial reporting during the benchmark interest rate reform, including the impact of changes in contractual cash flows or hedging relationships that arise from replacing the benchmark interest rate with a new alternative reference.

Interest Rate Reference Reform - Stage 2 applies only to changes required by the benchmark interest rate reform for financial instruments and hedge relationships.

- Amendments to PSAK No. 73: Covid-19 Related Rent Concessions After June 30, 2021

On May 30, 2020, the DSAK IAI published Covid-19-Related Rent Concessions - amendment to PSAK 73: Leases. The amendments provide relief to lessee from applying PSAK 73 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid- 19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under PSAK 73, if the change were not a lease modification.

This practical expedient is applied only to rent concessions occurring as a direct consequence of the COVID-19 pandemic, and only if all of the following conditions were met:

1. The change in lease payments resulted in a revised consideration for the lease that was substantially the same as, or less than, the consideration for the lease immediately preceding the change;
2. Any reduction in lease payment affected only payments due on or before June 30, 2021; and
3. There was no substantive change to other terms and conditions of the lease

In light of the ongoing pandemic additional amendment was subsequently issued in March 2021 to extend the date in Point 2 above from June 30, 2021 to June 30, 2022.

If a lessee already applied the practical expedient in the May 2020 amendment, it is required to continue to apply the practical expedient consistently, to all lease contracts with similar characteristics and in similar circumstances, using the March 2021 amendment. If a lessee did not apply the practical expedient in the May 2020 amendment to eligible lease concessions, it is prohibited from applying the practical expedient in the March 2021 amendment.

The March 2021 amendment is to be applied retrospectively, recognizing the cumulative effect of initially applying that amendment as an adjustment to the opening balance of retained earnings at the beginning of the annual reporting period in which the lessee first applies the amendment.

**2021 Annual Improvements**

The following summary provides information on the annual improvements of PSAKs that are effective for annual periods beginning on or after January 1, 2021. The annual improvements of PSAK are basically a set of narrow scope amendments that provide clarification so that there are no significant changes to existing principles or new principles.

- PSAK 1: Presentation of Financial Statements, some changes regarding consideration made by management in the process of applying accounting policies that significantly affect the amounts they recognize in the financial statements.
- PSAK 13: Investment Property regarding disclosure of applying fair value model has been deleted.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- Amendments to PSAK No. 73: Covid-19 Related Rent Concessions After March 31, 2021 (continued)

**2021 Annual Improvements (continued)**

The following summary provides information on the annual improvements of PSAKs that are effective for annual periods beginning on or after January 1, 2021. The annual improvements of PSAK are basically a set of narrow scope amendments that provide clarification so that there are no significant changes to existing principles or new principles. (continued)

- PSAK 48: Impairment of Assets, regarding the scope of impairment of assets and deletion of the difference with IFRS in IAS 36 paragraph 04(a).
- PSAK 66: Joint Arrangement, Regarding adjustments in paragraphs 25, PP11, PP33A(b) and its footnotes, C12 and C14 regarding reference to PSAK 71: Financial instruments.
- Joint Arrangement, Regarding adjustments in paragraphs 25, PP11, PP33A(b) and its footnotes, C12 and C14 regarding reference to PSAK 71: Financial instruments.
- ISAK 16: Service concession arrangement, regarding adjustment in several paragraphs in illustrative example to be consistent with PSAK 72: Revenue from Contracts with Customers.

**c. Accounting standards issued but not yet effective**

The standards that are issued by the DSAK, but not yet effective for current consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Effective beginning on or after January 1, 2025

PSAK 74: Insurance Contracts

A comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, upon its effective date, PSAK 74 will replace PSAK 62: Insurance Contracts. PSAK 74 applies to all types of insurance contracts, life, non-life, direct insurance and re-insurance, regardless of the entities issuing them, as well as to certain guarantees and financial instruments with discretionary participation features, while a few scope exceptions will apply. The overall objective of PSAK 74 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers.

PSAK 74 is effective for reporting periods beginning on or after 1 January 2025, with comparative figures required. Early application is permitted, provided the entity also applies PSAK 71 and PSAK 72 on or before the date of initial application of PSAK 74. This standard is not expected to have any impact to the financial reporting of the Group upon first-time adoption.

Effective beginning on or after January 1, 2023

- Amendments to PSAK 1: Classification of Liabilities as Current or Non-current

The amendments specify the requirements for classifying liabilities as current or noncurrent. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation. Earlier application is permitted.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**c. Accounting standards issued but not yet effective (continued)**

The standards that are issued by the DSAK, but not yet effective for current consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective (continued).

Effective beginning on or after January 1, 2023 (continued)

- Amendments to PSAK 16: Fixed Assets - Proceeds before Intended Use

The amendments prohibit entities to deduct from the cost of an item of fixed assets, any proceeds from selling items produced while bringing that assets to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in the profit or loss.

The amendment is effective for annual reporting periods beginning on or after January 1, 2023 and shall be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

- Amendments to PSAK 25: Accounting Policies, Changes in Accounting Estimates and Errors Definition of Accounting Estimates.

The amendments introduces a definition of 'accounting estimates' and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted.

- Amendments to PSAK 46: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

This amendment proposes that entities recognize deferred tax assets and liabilities at the time of initial recognition, for example from a lease transaction, to eliminate differences in current practice for such transactions and similar transactions.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 with early adoption permitted.

Effective beginning on or after January 1, 2022

- Amendments to PSAK 22: Business Combinations – Reference to Conceptual Frameworks

These amendments clarify the interactions between PSAK 22, PSAK 57, ISAK 30 and the Conceptual Framework of Financial Reporting.

In general, the amendments to PSAK 22:

- Add a description regarding "liabilities and contingent liabilities within the scope of PSAK 57 or ISAK 30".
- Clarifying the contingent liabilities recognized at the acquisition date.
- Adds definition of a contingent asset and its accounting treatment.

These amendments will become effective on January 1, 2022 with earlier application permitted.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c. Changes in accounting principles (continued)**

Effective beginning on or after January 1, 2022 (continued)

- Amendments to PSAK 57: Provisions, Contingent Liabilities, and Contingent Assets regarding Aggravating Contracts - Contract Fulfillment Costs.

This amendment clarifies the cost of fulfilling a contract in relation to determining whether a contract is a burdensome contract.

The amendments to PSAK 57 provide that costs to fulfill a contract comprise of costs that are directly related to the contract. Costs that are directly related to the contract consist of:

1. Incremental costs to fulfill the contract, and
2. Allocation of other costs that are directly related to fulfilling the contract.

- 2020 Annual Improvements – PSAK 71: Financial Instruments

These improvements clarify the fees that are recognized by the borrower in relation to derecognition of financial liabilities. In determining the fee to be paid after deducting the fee received, the borrower only includes the fees paid or received between the borrower and lender, including fees paid or received by either the borrower or lender on other's behalf.

An entity applies the improvements to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. Earlier application is permitted.

- 2020 Annual Improvements – PSAK 73: Leases

The amendment to Illustrative Example 13 accompanying PSAK 73 removes from the example the illustration of the reimbursement of lease hold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

An entity applied the amendment prospectively to fair value measurements on or after the beginning on or after January 1, 2022 with earlier adoption permitted.

The Group is presently evaluating and has not yet determined the effects of these accounting standards on its financial statements.

**d. Principles of consolidation**

The consolidated financial statements include the subsidiary accounts owned by the Company with the equity ownership of more than 50%, either directly or indirectly through another subsidiary as disclosed in Note 1d.

All material intercompany accounts and transactions (including unrealized gains or losses) have been eliminated. A Subsidiary is fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date such control ceases.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**d. Principles of consolidation (continued)**

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests ("NCI"), even if this results in the NCI having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the loss of control in a subsidiary occurs, then the Group will cease the recognition of the assets, liabilities and other related equity components and the difference is recognized as profit and loss. Part of the remaining investment is recognized at fair value. Losses of a non-wholly owned Subsidiary are attributed to the NCI even if the losses create an NCI deficit balance.

If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- derecognizes the carrying amount of any non-controlling interests;
- derecognizes the cumulative translation differences recorded in equity;
- recognizes the fair value of the consideration received;
- recognizes the fair value of the consideration received;
- recognizes any surplus or deficit in profit or loss;
- reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**e. Cash and Cash equivalent**

Cash and cash equivalents in the statement of consolidated financial position comprise cash on hand and in banks and time deposits with maturities of three-month or less at the time of placement, which are not restricted as to withdrawal or are not pledged as collateral for loans that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value are classified as "Cash Equivalents". Cash in banks and time deposits which are restricted or pledged are presented as part of "Other Non-current Financial Assets".

**f. Restricted funds**

Restricted funds represent funds obtained from the bank through the Company's House Financing Credit facility ("KPR") and Apartement Financing Credit facility ("KPA") sales method which are restricted for use by the Group until gradual stages of completion of construction are completed depending on agreement with related banks.

**g. Principles of consolidation (continued)**

The Company and subsidiaries have transactions with related parties as defined in PSAK 7: Related party disclosures.

A related party is a person or entity that is related to the Group:

- a. An individual or family member is related to the Group if it:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of the parent entity of the Company.
  
- b. A party is considered to be related to the Group if:
  - (i) directly, or indirectly through one or more intermediaries, the party (i) controls, is controlled by, or is under common control within the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or, (iii) has joint control over the Group;
  - (ii) the party is an associate of the Group;
  - (iii) the party is a joint venture in which the Group is a venturer;
  - (iv) the party is a member of the key management personnel of the Group;
  - (v) the party is a close member of the family of any individual referred to in (a) or (d);
  - (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or,
  - (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

The transactions with related parties are made based on terms agreed by the parties. Such terms may not be the same as those for transactions with unrelated parties.

The details of the accounts and the significant transactions entered into with related parties are presented in Note 32.

Unless specifically identified as related parties, the parties disclosed in the Notes to the consolidated financial statements are unrelated parties.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**h. Inventories**

Inventories are stated at the lower of cost or net realizable value. Cost is determined by the weighted average method.

Properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, are held as inventories.

The cost of land under development consists of cost of undeveloped land, direct and indirect development costs related to real estate development activities and borrowing costs. Land under development is transferred to landplots available for sale when the land development is completed. Total project cost is allocated proportionately to the saleable landplots based on their respective areas.

The cost of apartment under construction consists of the cost of developed land, construction costs, borrowing costs and other costs related to the development of the apartment. Costs capitalized to apartment under construction are allocated to each apartment unit using the saleable area method.

The cost of land development, including land which is used for roads and infrastructure or other unsaleable area is located using saleable area.

The cost of buildings and apartments under construction is transferred to houses, shops and apartments (strata title) available for sale when the construction is substantially completed.

For residential property project, its cost is classified as part of inventories upon the commencement of development and construction of infrastructure. For commercial property project, upon the completion of development and construction of infrastructure, its cost remains as part of inventories or is reclassified to the related investment properties account, whichever is more appropriate.

Assessment of the estimation cost is reviewed at the end of each reporting period until the project is substantially completed. If there is a change, the Company will revise the cost.

Other inventories consist of food, beverages and others which are related to operational activities of the Group's hotel, club house and hospital are stated at the lower of cost or net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less estimated costs to complete and the estimated costs to sell. The decline in value of inventories is determined to writedown the carrying amount of inventories to their net realizable value and the decline is recognized as a loss in the consolidated statement of profit or loss and other comprehensive income.

**i. Prepaid expenses**

Prepaid expenses are amortised and charged to operations over the periods benefited using straight-line method and are presented as current asset or non-current asset based on their nature.

**j. Undeveloped land**

Undeveloped land is stated at cost or net realizable value, whichever is lower.

The cost of undeveloped land consisting of preacquisition and acquisition cost of land, is transferred to land under development upon commencement of land development.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**k. Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any, except for land which is not depreciated. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred, if the recognition criteria are met.

Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are met. All other repairs and maintenance costs that do not meet the recognition criteria are recognized in profit and loss as they are incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Years</u>	<u>Percentage</u>
Buildings and infrastructures	2-40 years	50%-2,5%
Machineries and heavy equipments	10 years	10%
Vehicles	5-10 years	20%-10%
Furniture and office equipments	2-5 years	50%-20%

Land is stated at cost and is not depreciated.

Specific costs associated with the extension or renewal of land titles are deferred and amortized over the legal term of the landrights or economic life of the land, whichever period is shorter.

Construction in progress is stated at cost and is accounted as part of fixed assets. The accumulated costs are reclassified to the appropriate fixed asset or investment property account when the construction is completed and the constructed asset is ready for its intended use.

An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is credited or charged to operations in the year the asset is derecognized.

The fixed assets' residual values, useful lives and methods of depreciation are reviewed and adjusted prospectively, if appropriate, at each financial year end.

The costs incurred in order to acquire legal rights over land in the form of "Hak Guna Bangunan" (HGB) upon acquisition of land is recognized as part of the acquisition cost of the land in Fixed assets and is not amortized. Costs incurred in connection with the extension or renewal of the HGB are deferred and amortized throughout the validity period of the legal rights and presented as part of "Other non current financial assets" in the consolidated statement of financial position

**l. Investment properties**

Investment properties are stated at cost, which includes transaction cost, less accumulated depreciation and impairment loss, if any, except for land which is not depreciated. Such cost also includes the cost of replacing part of the investment properties if the recognition criteria are met, and excludes the daily expenses on their usage.

Investment properties consist of land, building and infrastructures, machinery and heavy equipment, hotel facilities and construction in progress held by the Group to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Depreciation is computed using the straightline method over the estimated useful lives of the investment properties as follow:

	<u>Years</u>	<u>Persentase</u>
Buildings and infrastructures	3-40 years	33.33%-2.5%
Machineries and heavy equipments	10 years	10%
Hotel facilities	2-5 years	50%-25%

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. Investment properties (continued)**

An investment property should be derecognized on disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gain or loss arising from the retirement or disposal of investment property is credited or charged to operations in the year the asset is derecognized.

Transfers to investment properties should be made when, and only when, there is a change in use, evidenced by the end of owner-occupation, commencement of an operating lease to another party or end of construction or development. Transfers from investment properties should be made when, and only when, there is a change in use, evidenced by the commencement of owner-occupation or commencement of development with a view to sell. The changes in the useful lives estimation is done after considering the effect of the repairs and maintenance performed by the Group.

**m. Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Grup as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

i) Right of use assets

The Group recognizes right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	<u>Years</u>	<u>Percentage</u>
Buildings and infrastructures	3-15 years	33.33%-6.67%

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right of use assets are also subject to impairment. Refer to the accounting policies in Note 20

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**m. Leases (continued)**

iii) Lease liabilities (continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iv) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of buildings and infrastructures (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of buildings and infrastructures that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of profit or loss and other comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned

**n. Capitalization of borrowing costs**

Capitalization of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the related asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. Borrowing costs consist of interests expense and other financing charges that the Group incurs in connection with the borrowing of funds.

Capitalization of borrowing costs commences when the activities to prepare the qualifying asset for its intended use have started and the expenditures for the qualifying asset and the borrowing costs have been incurred.

Capitalization of borrowing costs ceases when all activities necessary to prepare the qualifying asset for its intended use are substantially completed.

Capitalization of borrowing costs ceases when all activities necessary to prepare the qualifying asset for its intended use are substantially completed.

Interest is also capitalized on the purchase cost of a site property acquired specifically for development, but only where activities necessary to prepare the asset for development are in progress.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**o. Impairment of non-financial asset value**

The Group assesses at each reporting date whether there is an indication that assets may be impaired. If any such indication exists, or when annual impairment testing for assets (i.e., an intangible asset with an indefinite useful life, or an intangible asset not yet available for use) is required, the Group makes an estimate of the recoverable amounts of the respective assets.

An asset's recoverable amount is the higher of the asset's or its CGU's fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used to determine the fair value of the asset. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations, if any, are recognized in the consolidated statement of profit or loss and other comprehensive income under expense categories that are consistent with the functions of the impaired assets.

A previously recognized impairment loss for an asset is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Reversal of an impairment loss is recognized in the consolidated statement of profit or loss and other comprehensive income. After such a reversal, the depreciation charge on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**p. Stock issuance costs**

Costs incurred in connection with the Company's issuance of share capital to the public were offset directly with the proceeds and presented as deduction to additional paid-in capital account in the consolidated statement of financial position.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**q. Revenue and expenses recognition**

Revenue from contracts with customers

The Group has adopted PSAK 72: Revenue from Contracts with Customers, effective on or after January 1, 2020. The Group requires revenue recognition to fulfill five steps of assessment:

1. Identify contract(s) with customers;
2. Identify performance obligations in the contract. Performance obligations are promise in a contract to transfer to a customer goods or services that are distinct;
3. Determine the transaction price. Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to customer. If the consideration promised in a contract includes variable amount, the Group estimates the amount of consideration to which it expects to be entitled in exchange for transferring goods or services to a customer less the estimated amount of service level guarantee which will be paid during the contract period;
4. Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct goods or service promised in the contract. Where these are not directly observable, the relative stand-alone selling prices are estimated based on expected cost plus margin;
5. Recognition of revenue when the performance obligation is satisfied by transferring the goods or service to a customer (which is when the customer obtains control of that goods or service).

The Group is in the business of providing sales of houses, shops and other similar properties including landplots, etc. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from contracts from customers is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the assets. Downpayment from customers recognized as contract liabilities.

Rental and membership fees in sports club are recognized as income over the period of rental or membership. Rental and membership fees received in advance are presented as "Unearned Revenues". Revenues from restaurant operations are recognized when the goods are delivered or when the services have been rendered.

Revenue from hotel room occupancy is recognized on the basis of the period of occupancy. Revenue from other hotel services is recognized when the services are rendered or the goods are delivered to the customer. Revenues from medical services are recognized at the point of sale or upon delivery of services to the patients.

The elements of costs which are capitalized to real estate development projects include the pre-acquisition cost of land, cost of land acquisition and other costs attributable to the development activity of real estate. The costs are allocated to real estate development projects using either the saleable area method or the sales value method.

Expenses are recognized when incurred.

The revision of estimated costs or revenues, if any, which are generally attributed to real estate development activities must be allocated to ongoing and future projects. Revisions resulting from current period and prior period adjustments are recognized in the current period profit and loss, while revisions related to future periods are allocated to the remaining period of development.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**r. Employee benefits**

Short-term employee benefits

The Group recognizes short-term employee benefits liability (if any) when services are rendered and the compensation for such services are to be paid within twelve months after such services are rendered.

Post-employment benefits

For the a year period ended December 31, 2022 the Group recognized an funded employee benefits liability in accordance with Omnibus Law No. 11 Year 2020 dated November 2, 2020 and Government Regulation No. 35/2021 (PP 35/2021) dated February 2, 2021 (the "Law") and PSAK 24 (Revised 2013), "Employee Benefits". Under the Law, the Company is required to pay separation, appreciation and compensation benefits to its employees if the conditions specified in the Law are met.

For the year ended December 31, 2020 the Group recognized an funded employee benefits liability in accordance with Labor Law No. 13/2003 dated March 25, 2003 (the "Law") and PSAK 24 (2013), "Employee Benefits". Under the Law, the Group is required to pay separation, appreciation and compensation benefits to its employees if the conditions specified in the Law are met.

The Group also has a defined contribution plan covering substantially all of its eligible employees. The benefits under the Law have been calculated by comparing the benefits that will be received by an employee at normal pension age from the Pension Plan with the benefits as stipulated under the Law, after deducting the accumulated employee contribution and the related investment results. If the employer-funded portion of the Pension Plan benefit is less than the benefit as required by the Law, the Group will provide for such shortfall.

Pension costs under the Group's defined benefit pension plans are determined by periodic actuarial calculation using the projected-unit-credit method and applying the assumptions on discount rate, expected return on plan assets and annual rate of increase in compensation.

All re-measurements, comprising of actuarial gains and losses, and the return of plan assets (excluding net interest) are recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the interim consolidated statement of financial position to reflect the full value of the plan deficit and surplus. Remeasurements are not reclassified to profit or loss in subsequent periods.

All past service costs are recognized at the earlier of when the amendment/curtailment occurs and when the related restructuring or termination costs are recognized. As a result, unvested past service costs can no longer be deferred and recognized over the future vesting period

**s. Foreign currency transactions and balances**

The Company's consolidated financial statements are presented in Rupiah, which is also the Parent Company's functional currency. Each subsidiary determined its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transaction in foreign currencies are initially recorded by the Group at their respective functional currency rates prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are adjusted to reflect the average of the selling and buying rates of exchange prevailing at the last banking transaction date of the period, as published by Bank Indonesia and any resulting gains or losses are credited or changed to operations of the current period.

As of March 31, 2022 and December 31, 2021, the rates of exchange used were as follows:

Foreign Currency	March 31, 2022 (Full Amount)	December 31, 2021 (Full Amount)
1 Euro European (Euro)	16,004	16,127
1 Dollar United States of America (US\$)	14,349	14,269
1 Dollar Singapore (Sin\$)	10,605	10,534

Transactions in other foreign currencies are considered not significant.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**t. Provisions**

A provision is recognized when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

All of the provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligations, the provisions are reversed.

**u. Income tax**

The Group has adopted PSAK No. 46 (Revised 2014), "Income Tax".

Final tax

Tax regulation in Indonesia determined that certain taxable income is subjected to final tax. Final tax applied to the gross value of transactions is applied even when the parties carrying the transaction are recognizing losses. The calculation of final tax based on invoice of contract amount. Based on PSAK No. 46 above, final tax excluded from this PSAK's. Hence, there is no deferred tax assets/liabilities recognition. By applying the revised PSAK, the Group has decided to present all of the final tax arising from sales of landplots, houses, shops, apartment and interest income from bank and time deposits as separate line item.

The difference between the carrying amount of a revalued asset and its tax base is a temporary difference and gives rise to a deferred tax liability or asset, except for certain asset such as land, which realization is taxed with final tax on gross value of transaction.

According to Law No. 12 year 1994, the value of the transfer is the highest value among the values under the Deed of Assignment and the Tax Object Sales Value of related land and/or buildings.

Based on Government Regulation (PP) No. 5 dated March 23, 2002, income from shopping center rental is subjected to a final tax of 10% from related income. On November 4, 2008, the President of the Republic of Indonesia and the Minister of Law and Human Rights signed Government Regulation No. 71/2008 (PP No. 71/2008) effective January 1, 2009, the income of a taxpayer from transactions of transferring rights on land and/or building, is subjected to final tax of 5% from the sales or transfer, which has been replaced by Government Regulation (PP) No. 34/2016 dated August 8, 2016. Effective September 8, 2016, income from the transfer of land or buildings are subjected to final tax amounting to 2.5% of the value of the sale or transfer. Interest income from bank and time deposits are subjected to final tax amounting to 20%.

Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authority.

Current tax expense is determined based on the taxable profit for the year computed using the subjected prevailing tax rates.

Underpayment/overpayment of income tax are presented as part of "Income Tax Expense - Net" in the consolidated statement of profit or loss and other comprehensive income, The Group also presented interest/penalty, if any, as part of "Income Tax Expense - Net".

Amendments to tax obligations are recorded when a tax assessment letter is received or, if appealed against, when the result of the appeal is determined.

In March 2020, Peraturan Pemerintah Pengganti Undang-undang ("Perppu") Nomor 1 Tahun 2020 was enacted. The Perppu was effective applicable in Tax years 2020 and 2021 and provided a 22% flat tax rate of corporate income tax, further reduced to 20% for Tax year 2022 onwards. In May 2020, the Perppu was established as Undang-undang Number 2 Year 2020.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**u. Income tax (continued)**

Current tax (continued)

On October 29, 2021, the Government issued a Law of the Republic of Indonesia Number 7 Year 2021 about Harmonization of Tax Regulations which stipulates, among others, reduction to the tax rates for corporate income taxpayers and permanent establishments entities from previously 25% to become 22% starting in fiscal year 2022 and onwards (previously 20% as stipulated in Perppu Number 1 Year 2020) and further reduction of 3% for corporate income tax payers that fulfill certain criteria.

Deferred tax

Deferred tax assets and liabilities are recognized using the liability method for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities in the financial statements and their respective tax bases at each reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and accumulated fiscal losses to the extent that it is probable that taxable profit will be available in future years against which the deductible temporary differences and accumulated fiscal losses can be utilized.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. At the end of each reporting period, the Group reassesses unrecognized deferred tax assets. The Group recognizes a previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

**v. Financial Instruments**

**i. Financial Assets**

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost and fair value through other comprehensive income (OCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of accounts receivable - trade that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Account receivable - trade that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PSAK 72. Refer to the accounting policies in section Note 2q.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**v. Financial Instruments (continued)**

**i. Financial Assets (continued)**

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes cash and cash equivalents, trade receivables, other receivables, due from related parties and other financial assets.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under PSAK 50: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**v. Financial Instruments (continued)**

**i. Financial Assets (continued)**

Derecognition (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12- months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**ii. Financial Liabilities**

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings and payables

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include short-term bank loans, trade payables to third parties, other payables, accrued expenses, liability for short-term employee benefits - salaries and other allowances, loans from banks and financing institutions, bonds payable, lease liabilities, due to related parties, security deposits and other non current financial liabilities.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**v. Financial Instruments (continued)**

**iii. Financial Liabilities (continued)**

Initial Recognition and Measurement (continued)

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interestbearing loans and borrowings are subsequently measured at amortized cost using the SBE method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the SBE amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the SBE. The SBE amortization is included as finance expenses in the consolidated statement of profit or loss and other comprehensive income.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statements of profit or loss and other comprehensive income.

**ii. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**w. Earnings per share**

Earnings per share is computed based on the weighted average number of issued and fully paid shares during the year.

As of March 31, 2022 and December 31, 2021, the Group has no outstanding potential dilutive ordinary shares.

**x. Information segment**

A segment is a distinguishable component of the Group that is engaged either in providing certain products and services (business segment) or in providing products and services within a particular economic environment (geographical segment), which is subjected to risks and rewards that are different from those in other segments.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. They are determined before intragroup balances and intra-group transactions are eliminated. The amount of each segment item reported is the measure reported to the chief operating decision-maker for the purposes of making decisions about allocating resources to the segment and assessing its performance. Supplementary information for each operating segments are presented in Note 36.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**y. Business combination of entities under common control**

Transfer of business within entities under common control does not result in a change of the economic substance of ownership of the business being transferred and does not result in gain or loss to the Group or to the individual entity within the Group. Since the transfer of business of entities under common control does not result in a change of the economic substance, the business being exchanged is recorded at book value as a business combination using the pooling-of-interests method.

Under the pooling-of-interests method, the components of the financial statements for the period during which the restructuring occurred and for other periods presented, for comparison purposes, are presented in such a manner as if the restructuring had already happened from the beginning of the periods during which the entities were under common control. The difference between the carrying amounts of the business combination transaction and the consideration transferred is recognized as part of the account "Additional Paid-in Capital".

**z. Fair Value Measurement**

The fair value of an assets or a liability is measured using the assumptions that market participants would use when pricing the assets or liability, assuming the market participants act their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in ints highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**aa. Investment in associates**

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. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date.

The consolidated statement of profit or loss and other comprehensive income reflects the Group's share of the results of operations of the associate. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The Group determines whether it is necessary to recognize an impairment loss on the Group's investments in associates. The Group determines at each reporting date whether there is any objective evidence that the investments in the associates are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and their carrying value and recognizes the amount in the consolidated statement of profit or loss and other comprehensive income.

The financial statements of the associates are prepared for the same reporting period with the Group

**bb. Current and non-current classification**

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- (i) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- (ii) held primarily for the purpose of trading,
- (iii) expected to be realised within 12 months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- (i) expected to be settled in the normal operating cycle,
- (ii) held primarily for the purpose of trading,
- (iii) due to be settled within twelve months after the reporting period, or
- (iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**cc. Events after the financial reporting period**

Post year-end events that provide additional information about the Group's position at reporting period (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgment**

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations and assumptions, which have the most significant effect on the amounts recognized in the financial statements:

- **Determination of functional currency**

Management has made judgment on the determination of functional currency. The functional currency of the Company is the currency of the primary economic environment in which each entity operates. It is the currency that mainly influences net revenue and cost of revenues in the future period

- **Classification of financial assets and liabilities**

Company determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK. Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Company's accounting policies disclosed in Note 2v

- **Classification of property**

The Group determines whether an acquired property is classified as investment property, fixed assets or inventory:

- Investment property consists of land, buildings and infrastructures (principally offices, commercial warehouse and retail property), machinery and heavy equipment, hotel facilities and constructions in progress which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.
- Fixed assets consists of land, buildings and infrastructures, machinery and heavy equipment, office and furniture equipment and constructions in progress which are occupied substantially for use by, or in the operations of, the Group, and for sale in the ordinary course of business, but are held primarily not to earn rental income.
- Inventory consists of property that is held for sale in the ordinary course of business. Principally, this is residential property that the Group develops and intends to sell before or on completion of construction

- **Valuation of property**

The fair value of land and buildings disclosed under the "Fixed assets" and "Investment properties" accounts are determined by independent real estate valuation experts using recognized valuation techniques. These techniques comprise the cost approach and market and revenue valuation methods. In some cases, the fair value is determined based on recent real estate transactions with similar characteristics and location to those of the Group's assets. Total fair value as of March 31, 2022 and December 31, 2021, is disclosed in Notes 9 and 10 to the consolidated financial statements

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)**

**Judgment (continued)**

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations and assumptions, which have the most significant effect on the amounts recognized in the financial statements: (continued)

- **Financial instruments**

The Group carries certain financial assets at fair values, which requires the use of accounting estimates. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair values would differ if the Group utilized different valuation methodology. Any changes in fair values of these financial assets would affect directly the Group's profit or loss.

**Estimates and Assumptions**

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:

- **Estimating useful lives of fixed assets and investment properties**

The Group estimates the useful lives of its fixed assets and investment properties based on expected asset utilization as anchored on business plans and strategies that also consider expected future technological developments and market behavior. The estimation of the useful lives of fixed assets and investment properties is based on the Group's collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful lives are reviewed at least each financial year end and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limitations on the use of the assets.

It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in the factors mentioned above.

The amounts and timing of recorded expenses for any year are affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the Group's fixed assets and investment properties increases the recorded cost of sales and direct costs and operating expenses and decreases total assets. Further details on fixed assets and investment properties are disclosed in Notes 9 and 10.

- **Estimation of pension cost and other employee benefits**

The cost of defined benefit plan and the present value of the pension obligation are determined using the projected-unit-credit method. Actuarial valuation includes making various assumptions which consist of, among other things, discount rates, expected rates of return on plan assets, rates of compensation increases and mortality rates. Actual results that differ from the Group's assumptions are recognized as other comprehensive income. Due to the complexity of the valuation and its underlying assumptions and long-term nature, a defined benefit obligation is highly sensitive to changes in assumptions.

While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual experience or significant changes in its assumptions may materially affect its employee benefit liabilities.

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)**

**Estimates and Assumptions (continued)**

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: (continued)

- **Uncertain tax exposure**

In certain circumstances, the Company may not be able to determine the exact amount of its current or future tax liabilities due to ongoing investigations by, or negotiations with, the taxation authority. Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. In determining the amount to be recognized in respect of an uncertain tax liability, the Company applies similar considerations as it would use in determining the amount of a provision to be recognized in accordance with ISAK 34, "Uncertainty over income tax treatments". The Company makes an analysis of all tax positions related to income taxes to determine if a tax liability for unrecognized tax benefit should be recognized

- **Consideration of significant financing component in a contract**

The Group sells houses, shops, offices, apartments, etc after signing the sales and purchase contract with payment method which is hard cash and cash installment. This type of contract includes two alternative payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the houses, shops, offices, apartments, etc or payment of a lower transaction price when the contract is signed. The Group concluded that there is a significant financing component for those contracts where the customer elects to pay in advance considering the length of time between the customer's payment and the transfer of houses, shops, offices, apartments, etc to the customer, as well as the prevailing interest rates in the market.

In determining the interest to be applied to the amount of consideration, the Group concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the houses, shops, offices, apartments, etc to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

- **Leases - Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating)

- **Provision for expected credit losses of trade receivables**

The Group estimates expected credit losses for trade receivables using simplified approach of ECL. The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the customers historical observed loss rates. The Group will calibrate the matrix to adjust historical credit loss experience with forwardlooking information. For instance, if forecast economic conditions closely related to the historical observed loss are expected to deteriorate over the next year which can lead to an increased number of defaults in the sectors where customers are operating, the historical losses are adjusted accordingly. At every reporting date, the historical observed loss rates are updated and changes in the forward-looking estimates are analyzed.

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)**

**Estimates and Assumptions (continued)**

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: (continued)

- **Provision for expected credit losses of trade receivables (continued)**

The assessment of the correlation between historical observed loss rates, forecast economic conditions and ECLs, is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical observed loss rate and forecast of economic conditions may not be representative of customer's actual default in the future.

Further details on trade receivables are disclosed in Note 5.

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**4. CASH AND CASH EQUIVALENTS**

This account consists of:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
<b>Cash</b>		
Rupiah	3,713,235	3,698,319
Foreign currencies	327,129	327,138
Total cash	<u>4,040,364</u>	<u>4,025,457</u>
<b>Cash in Banks</b>		
<b>Rupiah</b>		
PT Bank Permata Tbk	747,932,353	350,125,341
PT Bank Central Asia Tbk	572,662,118	484,585,688
PT Bank Mandiri (Persero) Tbk	137,825,894	130,177,656
PT Bank CIMB Niaga Tbk	84,941,309	25,241,526
PT Bank BCA Syariah	63,357,871	25,287,078
Others (each below Rp50,000,000)	179,896,188	50,175,363
<b>United States Dollar</b>		
PT Bank Permata Tbk	274,565	125,817
Others (each below Rp5,000,000)	6,287,849	5,973,067
Total cash in banks	<u>1,793,178,147</u>	<u>1,071,691,536</u>
<b>Time deposits</b>		
<b>Rupiah</b>		
PT Bank Permata Tbk	1,324,150,000	1,227,100,254
PT Bank BCA Syariah	254,450,000	255,450,000
PT Bank Central Asia Tbk	80,804,463	102,804,463
Others (each below Rp50,000,000)	6,802,015	6,791,758
<b>United States dollar</b>		
PT Bank Permata Tbk	99,681,514	99,681,514
PT Bank Resona Perdania	4,170,719	4,170,117
PT Bank OCBC NISP Tbk	2,225,760	2,223,281
Total time deposits	<u>1,772,284,471</u>	<u>1,698,221,387</u>
<b>Total cash and cash equivalents</b>	<u><b>3,569,502,982</b></u>	<u><b>2,773,938,380</b></u>

Ranges of interest rates of time deposits are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Rupiah	1.90% - 3.75%	2.00% - 4.00%
United States dollar	0.35% - 0.75%	0.30% - 0.75%

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**4. CASH AND CASH EQUIVALENTS (CONTINUED)**

As of March 31, 2022 and December 31, 2021, cash on hand is covered by insurance against theft and other risks with PT Asuransi Multi Artha Guna, PT Asuransi Umum Mega, PT Asuransi Reliance Indonesia, PT Asuransi FPG Indonesia and PT China Taiping Insurance Indonesia, all third parties, with total coverage of Rp47,360,714 (2021: Rp47,360,714). The Group's management believes that the coverage is adequate to cover possible losses arising from such risks.

Interest income from time deposits is presented in the consolidated statement of profit or loss and other comprehensive income as part of "Finance income".

All cash in banks and time deposits are placed in third-party banks. As of March 31, 2022 and December 31, 2021, no cash and cash equivalents are pledged as collateral for loans.

**5. TRADE RECEIVABLES – NET AND OTHER RECEIVABLES**

The details of trade receivables are as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
<u>Related parties (Note 32)</u>		
Rental of retail and commercial investment properties	4,785,506	4,840,627
Management fee	1,408,401	955,468
Hotel services	324,972	324,972
Others	743,795	104,106
Sub-total	<u>7,262,674</u>	<u>6,225,173</u>
<u>Third parties</u>		
Sale of houses, shops and landplots	165,790,503	51,072,813
Rental of retail and commercial investment properties	144,488,234	121,651,992
Sale of apartments	105,559,833	63,622,795
Hotel services	7,190,762	4,312,410
Others	50,605,579	48,700,890
Sub-total	<u>473,634,911</u>	<u>289,360,900</u>
<b>Total trade receivable - net</b>	<b>480,897,585</b>	<b>295,586,073</b>
Allowance for expected credit losses	(14,802,900)	(14,801,132)
<b>Total trade receivable - net</b>	<b>466,094,685</b>	<b>280,784,941</b>
Less current - portion	(398,887,847)	(249,078,502)
<b>Non-current - portion</b>	<b>67,206,838</b>	<b>31,706,439</b>

The movements of allowance for expected credit losses of trade receivables are as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Beginning balance	14,801,132	1,677,375
Provision during the year	1,768	13,677,632
Allowance written – off/ reversal during the year	-	(553,875)
<b>Ending balance</b>	<b>14,802,900</b>	<b>14,801,132</b>

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**5. TRADE RECEIVABLES – NET AND OTHER RECEIVABLES (CONTINUED)**

Allowance for expected credit losses of trade receivables is individual assessment based on the best available facts and circumstances.

All of the Group's trade receivables are denominated in Rupiah. The non-current trade receivables amounted Rp67,208,838 (2021: Rp31,706,439) above have maturity between 2 to 4 years after the reporting date. As of March 31, 2022 and December 31, 2021, there are no trade receivables collateralized in relation to its loan.

The Group's management believes that the expected credit loss of trade receivables is adequate to cover possible losses that may arise from impairment of receivables.

**6. INVENTORIES**

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Inventories consist of:		
Inventories available for sale		
Apartments	422,864,220	369,957,728
Houses	140,087,265	117,055,542
Shops	137,758,059	97,975,468
Offices	126,294,148	143,147,169
Landplots	109,529,789	112,333,227
Total inventories available for sale	<u>936,533,481</u>	<u>840,469,134</u>
Inventories under construction		
Buildings	5,067,451,713	5,027,724,733
Landplots	2,806,647,588	2,726,837,953
Apartments	518,596,388	613,973,561
Total inventories under construction	<u>8,392,695,689</u>	<u>8,368,536,247</u>
Others	42,805,625	44,907,215
<b>Total inventories</b>	<b><u>9,372,034,795</u></b>	<b><u>9,253,912,596</u></b>

The movements in the buildings and apartments inventories under construction account are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Beginning balance	5,641,698,294	5,119,163,061
Production costs	393,633,286	2,187,502,095
Transfers to buildings and apartments inventories available for sale	(449,283,479)	(1,664,966,862)
<b>Ending Balance</b>	<b><u>5,586,048,101</u></b>	<b><u>5,641,698,294</u></b>

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**6. INVENTORIES (CONTINUED)**

The movements in the inventories available for sale account are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Beginning balance		
Apartements	369,957,728	478,873,190
Offices	143,147,169	202,233,434
Houses	117,055,542	206,338,005
Shops	97,975,468	73,283,604
Transfer from buildings and apartments inventories under construction	449,283,479	1,664,966,862
Cost of sales (Note 29)		
Shops	(146,072,653)	(158,785,469)
Houses	(107,366,238)	(1,298,741,890)
Apartements	(86,901,803)	(413,301,092)
Warehouses	(5,993,133)	(2,563,835)
Offices	(4,081,867)	(24,166,902)
<b>Ending balance</b>	<b><u>827,003,692</u></b>	<b><u>728,135,907</u></b>

In 2022, the reclassification of investment properties from inventories amounted to Rp19,435,707 (2021: Rp39,574,189) (Note 10).

In 2022, reclassifications from investment properties to inventories with net book value of RpNil (2021: Rp7,763,855) (Note 10).

Contract liabilities received related to the above mentioned inventories as of March 31, 2022 amounted to Rp6,989,393,255 (2021: Rp5,612,138,900) presented as contract liabilities in the consolidated statement of financial position in Note 20.

As of March 31, 2022 inventories amounting to Rp708,710 (2021: Rp708,710) were used as collateral for bank loans payable to BCA (Note 12). As of March 31, 2022, borrowing costs which were capitalized to inventories amounted to Rp32,144,825 (2021: Rp33,367,293).

As of March 31, 2022, houses, shops and apartments inventories are covered by insurance against fire and other risks with PT Asuransi FPG Indonesia, PT China Taiping Insurance Indonesia, PT Asuransi Multi Arthaguna, all third parties, with total coverage of Rp 615,247,554 and US\$ 291,009,958 (2021: Rp 615,247,554 and US\$ 291,009,958). The Group's management is of the opinion that the above coverage is adequate to cover possible losses arising from such risks.

As of March 31, 2022 revenue from property development presented as part of net revenues in the consolidated statement of profit or loss and other comprehensive income amounted to Rp1,017,593,327 (2021: Rp747,701,246) (Note 28).

The fair value of certain inventories as of March 31, 2022 amounting to Rp4,257,720,000 (2021: Rp4,257,720,000) was determined by independent appraisers KJPP Hendra and Partners in its report dated March 17, 2021.

Based on the review of the physical conditions and net realizable value of inventories as of March 31, 2022 and 2021, the Group's management believes that inventories are realizable at the above amounts and no provision for losses is necessary.

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**7. UNDEVELOPED LAND**

The details of undeveloped land are as follows:

<b>Location</b>	<b>March 31, 2022</b>		<b>December 31, 2021</b>	
	<b>Area (m<sup>2</sup>)</b>	<b>Total</b>	<b>Area (m<sup>2</sup>)</b>	<b>Total</b>
Summarecon Serpong	2,929,434	953,802,410	2,941,888	952,276,944
Summarecon Bekasi	3,743,982	953,598,138	3,757,727	951,971,324
Summarecon Bandung	3,013,069	1,555,405,606	3,013,069	1,591,959,644
Summarecon Karawang	101,749	126,315,904	101,749	126,315,904
Summarecon Makassar	3,239,102	933,080,634	3,239,102	909,055,162
Summarecon Bogor	3,814,516	847,030,978	3,814,516	833,821,727
Others	2,448,567	801,761,092	2,437,197	801,713,442
<b>Total undeveloped land</b>	<b>19,290,419</b>	<b>6,170,994,762</b>	<b>19,305,248</b>	<b>6,167,114,147</b>

The status of ownership of undeveloped land is as follows

<b>Status</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>
	<b>Area (m<sup>2</sup>)</b>	<b>Area (m<sup>2</sup>)</b>
Land certificates building usage right (HGB)	10,457,134	10,450,219
Non HGB	8,833,285	8,855,029
<b>Total</b>	<b>19,290,419</b>	<b>19,305,248</b>

The undeveloped land includes lands that are still under legal case (Note 36).

The deduction to undeveloped land was used for the projects of property Group.

As March 31, 2022, reclassifications from undeveloped land to investment property with net book value of RpNil (2021: Rp10,379,435) were due to started of leases assets (Note 10).

Management believes that there will be no issue in obtaining the land certificates and the extension of the land rights since all the land were legally acquired and supported by sufficient evidence of ownership.

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**7. UNDEVELOPED LAND (CONTINUED)**

As of March 31, 2022 and December 31, 2021 some undeveloped land properties are pledged as collateral for loans from banks (Note 12) with details of the carrying value of the assets as follows:

<u>Location</u>	<b>March 31, 2022</b>		<b>December 31, 2021</b>	
	<b>Area (m<sup>2</sup>)</b>	<b>Total</b>	<b>Area (m<sup>2</sup>)</b>	<b>Total</b>
Summarecon Bandung				
- PT Bank Central Asia Tbk	955,484	1,035,698,634	955,484	1,035,698,634
Summarecon Makassar				
- PT Bank Central Asia Tbk	573,753	488,983,000	573,753	488,983,000
Summarecon Serpong				
- PT Bank Mandiri (Persero) Tbk	284,144	26,710,673	284,144	26,710,673
- PT Bank OCBC NISP Tbk	184,499	20,543,073	184,499	20,543,073
- PT Bank Central Asia Tbk	161,738	15,370,785	161,738	15,370,785
- PT Bank KEB Hana Indonesia	108,134	10,277,163	108,134	10,277,163
Summarecon Bogor				
- PT Bank BCA Syariah	253,491	250,000,000	253,491	250,000,000
- PT Bank Danamon Indonesia Tbk	260,049	250,000,000	260,049	250,000,000
<b>Total</b>	<b>2,781,292</b>	<b>2,097,583,328</b>	<b>2,781,292</b>	<b>2,097,583,328</b>

As of March 31, 2022 and December 31, 2021, there is no undeveloped land used for collateral for bonds payable.

No borrowing costs have been capitalized to undeveloped land as of March 31, 2022 and December 31, 2021.

The fair value of undeveloped land as of March 31, 2022 amounting to Rp26,473,030,000 (2021: Rp26,473,030,000) was determined by independent appraisers KJPP Hendra and Partners in its report dated March 17, 2021 and March 11, 2022.

<u>Location</u>	<b>Carrying value</b>	<b>Fair value</b>
Summarecon Serpong	953,802,410	9,067,180,000
Summarecon Bekasi	953,598,138	5,941,200,000
Summarecon Bandung	1,555,405,606	4,085,090,000
Summarecon Karawang	126,315,904	166,250,799
Summarecon Makassar	933,080,634	2,832,540,000
Summarecon Bogor	847,030,978	3,169,810,000
Others	801,761,092	1,480,959,201
<b>Total</b>	<b>6,170,994,762</b>	<b>26,743,030,000</b>

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**8. ADVANCES AND PREPAID EXPENSES**

This account consists of advances for:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Current advances for:		
Purchase of construction materials	97,839,236	107,071,405
Agency	86,533,558	88,781,929
Others	67,487,450	48,346,098
Total current advance payments	<u>251,860,244</u>	<u>244,199,432</u>
Non-current advances for:		
Purchase of:		
Land	859,326,410	887,427,431
Fixed assets and investment properties	12,099,095	12,443,998
Total non-current advances	<u>871,425,505</u>	<u>899,871,429</u>
<b>Total advances</b>	<b><u>1,123,285,749</u></b>	<b><u>1,144,070,861</u></b>

**9. FIXED ASSETS - NET**

	<b>March 31, 2022</b>				<b>Balance March 31, 2022</b>
	<b>Balance December 31, 2021</b>	<b>Additions</b>	<b>Deductions**</b>	<b>Reclassifications</b>	
<b><u>Cost</u></b>					
<b><u>Direct Ownership</u></b>					
Land	23,872,071	-	-	-	23,872,071
Buildings and infrastructures	309,339,422	430,626	-	-	309,770,048
Machineries and heavy equipments	98,223,674	1,144,550	-	-	99,368,224
Vehicles	115,514,925	1,094,677	423,123	-	116,186,479
Furniture and office equipments	547,860,530	2,295,196	38,075	-	550,117,651
Sub-total	<u>1,094,810,622</u>	<u>4,965,049</u>	<u>461,198</u>	-	<u>1,099,314,473</u>
Right of use - Buildings	6,648,160		-	-	6,648,160
Construction in progress	11,738,729	84,281	-	-	11,823,010
Total cost	<u>1,113,197,511</u>	<u>5,049,330</u>	<u>461,198</u>	-	<u>1,117,785,643</u>
<b><u>Accumulated Depreciation</u></b>					
<b><u>Direct Ownership</u></b>					
Buildings and infrastructures	149,003,491	3,053,256	-	-	152,056,747
Machineries and heavy equipments	59,445,350	2,066,335	-	-	61,511,685
Vehicles	101,592,035	2,020,164	423,123	-	103,189,076
Furniture and office equipments	484,324,035	7,440,366	38,075	-	491,726,326
Sub-total	<u>794,364,911</u>	<u>14,580,121</u>	<u>461,198</u>	-	<u>808,483,834</u>

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**9. FIXED ASSETS – NET (CONTINUED)**

	March 31, 2022				Balance March 31, 2022
	Balance December 31, 2021	Additions	Deductions**	Reclassifications	
Right of use - Buildings	985,937	46,667	-	-	1,032,604
Total accumulated depreciation	795,350,848	14,626,788	461,198	-	809,516,438
<b>Net book value</b>	<b>317,846,663</b>				<b>308,269,205</b>
	December 31, 2021				Balance December 31, 2021
	Balance December 31, 2020	Additions	Deductions**	Reclassifications	
<b>Cost</b>					
<b>Direct Ownership</b>					
Land	20,740,281	3,131,790	-	-	23,872,071
Buildings and infrastructures	308,036,202	13,515,858	-	(12,212,638)	309,339,422
Machineries and heavy equipments	96,673,966	2,154,805	605,097	-	98,223,674
Vehicles	116,045,613	1,682,819	2,213,507	-	115,514,925
Furniture and office equipments	512,994,648	27,261,836	422,727	8,026,773	547,860,530
Sub-total	1,054,490,710	47,747,108	3,241,331	(4,185,865)	1,094,810,622
Right of use - Buildings	6,648,160	-	-	-	6,648,160
Construction in progress	19,952,796	1,165,292	-	(9,379,359)	11,738,729
Total cost	1,081,091,666	48,912,400	3,241,331	(13,565,224)	1,113,197,511
<b>Accumulated Depreciation</b>					
<b>Direct Ownership</b>					
Buildings and infrastructures	150,568,825	12,469,464	-	(14,034,798)	149,003,491
Machineries and heavy equipments	51,963,985	8,086,462	605,097	-	59,445,350
Vehicles	94,634,257	9,074,323	2,116,545	-	101,592,035
Furniture and office equipments	451,859,655	32,920,052	455,672	-	484,324,035
Sub-total	749,026,722	62,550,301	3,177,314	(14,034,798)	794,364,911
Right of use - Buildings	369,393	616,544	-	-	985,937
Total accumulated depreciation	749,396,115	63,166,845	3,177,314	(14,034,798)	795,350,848
<b>Net book value</b>	<b>331,695,551</b>				<b>317,846,663</b>

\*\*consists of sales and disposals

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**9. FIXED ASSETS - NET (CONTINUED)**

Depreciation of fixed assets - net was charged to the following:

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
General and administrative expenses (Note 30)	12,949,910	14,919,802
Cost of sales and direct costs	1,676,878	1,506,718
<b>Total depreciation expense</b>	<b><u>14,626,788</u></b>	<b><u>16,426,520</u></b>

The details of sales of fixed assets - net are as follows:

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Cost	226,075	716,429
Accumulated depreciation	226,075	(661,861)
Net book value	-	54,568
Selling price	109,450	258,523
<b>Gain on sale of fixed assets - net</b>	<b><u>109,450</u></b>	<b><u>203,955</u></b>

The details of construction in progress are as follows:

Project	<u>March 31, 2022</u>		<u>December 31, 2021</u>	
	Total	Percentage of Completion (%)	Total	Percentage of Completion (%)
Plaza Office	8,436,741	5.29	8,436,741	5.29
Marketing Gallery	-	-	-	-
Others	3,386,269		3,301,988	
<b>Total construction in progress</b>	<b><u>11,823,010</u></b>		<b><u>11,738,729</u></b>	

The percentages of completion of the construction in progress are based on the actual expenditures incurred compared to the budgeted project cost.

Below are the estimated completion dates of the projects under construction in progress as of March 31, 2022:

	<u>Estimated Completion Dates</u>
Plaza Office	January 2030

As of March 31, 2022 and December 31, 2021, no borrowing costs were capitalized to fixed assets.

In 2022, reclassifications of fixed assets with net book value of RpNil (2021: Rp7,557,199), to investment properties were due to the change in management's intention on the use of the related assets (Note 10).

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**9. FIXED ASSETS - NET (CONTINUED)**

As of March 31, 2022, reclassifications of investment property with net book value of RpNil (2021: Rp156,836), to fixed asset due to the change in management's intention on the use of the related assets.

In 2022, reclassifications of prepaid expense with net book value of RpNil (2021: Rp7,869,937) to fixed assets were due to the change in management's intention on the use of the related assets.

In 2022, reclassifications of construction in progress - fixed assets to fixed assets amounted to RpNil (2021: Rp9,379,359).

As of March 31, 2022, fixed assets, except land, are covered by insurance against fire, flood and other risks (all-risks) under blanket policies with several companies, including PT Asuransi FPG Indonesia, PT Asuransi Allianz Utama Indonesia, PT Asuransi Sinarmas, PT Asuransi Bintang, PT Asuransi Multi Artha Guna, PT Asuransi Realiance Indonesia, PT Asuransi Umum Mega, PT Asuransi Central Asia, PT Asuransi ETIQA Internasional Indonesia, all third parties, with sum insured amounting to US\$22,160,632 and Rp119,852,602 (2021: US\$22,160,632 and Rp119,852,602). In 2022, the Group's management believes that the above coverages are adequate to cover possible losses arising from such risks.

As of March 31, 2022, fixed assets with net book value of Rp6,625,947 (2021: Rp6,625,947), are used as collateral for the loans from banks and financial institutions.

The detail of fair value of certain land and building as of March 31, 2022 amounting to Rp711,024,00 (2021: Rp711,024,000) was determined by independent appraisers KJPP Hendra and Partners in its report dated March 17, 2021.

Based on management's assessment, there are no events or changes in circumstances which may indicate an impairment in the value of fixed assets as of March 31, 2022 and December 31, 2021.

**10. INVESTMENT PROPERTIES - NET**

	March 31, 2022				Balance March 31, 2022
	Balance	Additions	Deductions**	Reclassifications	
	December 31, 2021				
<b><u>Cost</u></b>					
Land	989,566,335	-	-	-	989,566,335
Buildings and infrastructures	4,048,914,266	3,421,772	-	19,435,707	4,071,771,745
Machineries and heavy equipments	808,971,868	9,519,240	-	-	818,491,108
Hotel facilities	329,970,858	31,805	-	-	330,002,663
Sub-total	6,177,423,327	12,972,817	-	19,435,707	6,209,831,851
Construction in Progress	155,996,932	37,310,765	-	-	193,307,697
Total cost	6,333,420,259	50,283,582	-	19,435,707	6,403,139,548
<b><u>Accumulated Depreciation</u></b>					
Buildings and infrastructures	1,229,642,354	29,542,049	-	-	1,259,184,403
Machineries and heavy equipments	614,692,887	12,216,586	-	-	626,909,473
Hotel facilities	229,471,897	1,610,719	-	-	231,082,616
Total accumulated depreciation	2,073,807,138	43,369,354	-	-	2,117,176,492
<b>Net book value</b>	<b>4,259,613,121</b>				<b>4,285,963,056</b>

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**10. INVESTMENT PROPERTIES - NET (CONTINUED)**

	December 31, 2021					
	Balance					Balance
	December 31, 2020	Additions	Deductions**	Reclassifications	December 31, 2021	
<b><u>Cost</u></b>						
Land	971,079,932	7,467,988	-	11,018,415	989,566,335	
Buildings and infrastructures	4,038,768,331	21,327,495	63,920,539	52,738,979	4,048,914,266	
Machineries and heavy equipments	802,588,292	9,731,076	3,347,500	-	808,971,868	
Hotel facilities	285,642,642	186,566	-	44,141,650	329,970,858	
Sub-total	6,098,079,197	38,713,125	67,268,039	107,899,044	6,177,423,327	
Construction in Progress	166,220,106	34,493,535	-	(44,716,709)	155,996,932	
Total cost	6,264,299,303	73,206,660	67,268,039	63,182,335	6,333,420,259	
<b><u>Accumulated Depreciation</u></b>						
Buildings and infrastructures	1,117,524,101	121,115,771	22,589,721	13,592,203	1,229,642,354	
Machineries and heavy equipments	561,466,504	53,226,383	-	-	614,692,887	
Hotel facilities	202,747,985	26,723,912	-	-	229,471,897	
Total accumulated depreciation	1,881,738,590	201,066,066	22,589,721	13,592,203	2,073,807,138	
<b>Net book value</b>	<b>4,382,560,713</b>				<b>4,259,613,121</b>	

\*\* consists of disposal

Depreciation of investment properties - net was charged to the following:

	March 31, 2022	March 31, 2021
Cost of sales and direct costs	43,339,900	200,840,838
General and administrative expense (Note 30)	29,454	225,228
<b>Total</b>	<b>43,369,354</b>	<b>201,066,066</b>

As of March 31, 2022, Grup disposed of some investment property with net book value as RpNil (2021: Rp44,678,318). In 2021 disposals mainly due to part of the building got caught damaged.

In 2022, reclassifications of construction in progress to investment properties amounted to RpNil (2021: Rp44,716,709).

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**10. INVESTMENT PROPERTIES - NET (CONTINUED)**

In 2022, reclassifications of investment properties with net book value of Rp0 (2021: Rp7,557,199) from undeveloped land were due to started of leases assets (Note 9).

In 2022, reclassifications of investment properties with net book value of RpNil (2021: Rp10,379,435) from undeveloped land were due to management's plan for the investment properties segment (Note 7).

In 2022, reclassifications from inventories to investment properties from inventories with net book value of Rp19,435,706 (2021: Rp39,574,189) (Note 6).

In 2022, reclassifications of investment properties with net book value of RpNil (2021: Rp156,836), to fixed asset due to the change in management's intention on the use of the related assets (Note 9).

In 2022, reclassifications of investment property to inventories with net book value of RpNil (2021: Rp7,763,855) (Note 6).

The details of construction in progress are as follows:

Project	March 31, 2022		December 31, 2021	
	Total	Percentage of Completion (%)	Total	Percentage of Completion (%)
Summarecon Mall Bandung	125,130,553	22,99	117,511,265	21,59
Harris Kelapa Gading Renovation	-	-	-	-
Others	68,177,144		38,485,667	
<b>Total construction in progress</b>	<b>193,307,697</b>		<b>155,996,932</b>	

Below are the estimated completion dates of the projects under construction in progress as of March 31, 2022:

	Estimated Completion Dates
Summarecon Mall Bandung	October 2023

The percentages of completion of the construction in progress are based on the actual expenditures incurred compared to the total budgeted project cost.

As of March 31, 2022 and December 31, 2021, there is no borrowing cost capitalized to investment properties.

As of March 31, 2022, investment properties, except land, are covered by insurance against fire, flood and other risks (all risks) under blanket policies with several companies, including PT Asuransi FPG Indonesia, PT Asuransi Allianz Utama Indonesia, PT Asuransi Sinar Mas, PT Asuransi Bintang, PT Asuransi Multi Artha Guna, PT Asuransi Realiance Indonesia, PT Asuransi Umum Mega, PT Avrist General Insurance, all third parties, with sum insured amounting to US\$672,686,578 and Rp1,373,907,251 (2021: US\$672,686,577 and Rp1,373,907,251).

As of March 31, 2022, the Group also covered its investment properties by insurance against terrorism and sabotage or US\$388,016,395 and Rp967,723,536 (2021: US\$388,016,395 and Rp967,723,536). In addition, the Group also obtained insurance against business interruption amounting to Rp1,700,792,278 (2021: Rp1,700,792,278). The Group's management believes that the above coverages are adequate to cover possible losses arising from such risks.

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**10. INVESTMENT PROPERTIES – NET (CONTINUED)**

As of March 31, 2022, Investment properties with net book value of Rp1,931,356,733 (2021: Rp1,931,356,733) are pledged as collateral for the loans from banks and financial institutions, bonds payable (Note 12).

The fair value of investment property (certain land and building) with net book value amounting to Rp3,791,278,469 (2021: Rp3,808,838,247) as of March 31, 2022 amounting to Rp22,723,408,000 (2021: Rp22,723,408,000) was determined by independent appraisers KJPP Hendra and Partners in its report dated March 17, 2021 and March 11, 2022.

As of March 31, 2022, Rental income from investment properties recognized in the consolidated statement of profit or loss and other comprehensive income amounted to Rp310,731,367 (2021: Rp207,332,237).

Cost of sales and direct costs from investment properties which earn rentals recognized as investment properties and others from hotels in the consolidated statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2022 amounted to Rp106,539,893 and Rp5,079,135 (2021: Rp117,687,594 and Rp22,217,895), while cost of sales and direct costs from investment properties which do not earn rentals recognized as investment properties and others from hotels in the consolidated statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2022 amounted to Rp32,303,064 and Rp26,813,829 (2021: Rp12,685,064 and Rp20,166,833).

Based on the Group's assessments, there were no events or changes in circumstances which indicated an impairment in the value of investment properties as of March 31, 2022 and December 31, 2021.

**11. OTHER FINANCIAL ASSETS AND INVESTMENT IN ASSOCIATES**

a. Other financial assets, this account consists of the following:	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Other current financial assets:		
Security deposits	3,640,859	3,640,859
Other non-current financial assets:		
Restricted time deposits:		
PT Bank CIMB Niaga Tbk	175,993,700	163,884,537
PT Bank Permata Tbk	167,506,694	160,060,918
PT Bank Mandiri (Persero) Tbk	128,725,000	120,763,765
PT Bank Maybank Indonesia Tbk	89,869,082	82,601,309
PT Bank OCBC NISP Tbk	82,930,960	80,581,153
PT Bank Danamon Indonesia Tbk	36,864,594	31,749,903
PT Bank China Construction Bank Indonesia Tbk	19,534,074	19,384,686
PT Bank Mandiri Syariah	11,128,685	8,801,661
Others (each below Rp10,000,000)	16,626,415	16,761,393
Restricted cash in banks:		
PT Bank Central Asia Tbk	422,336,186	385,729,773
PT Bank UOB Indonesia Tbk	23,810,613	23,965,564
Others (each below Rp20,000,000)	5,672,458	231,101
Investment in other entities measured at fair value	737,500	212,500
Security deposits	11,837,970	11,800,320
Total other non-current financial assets	1,193,573,931	1,106,528,583

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**Total other non-current financial** 1,197,214,790 1,110,169,442

**11. OTHER FINANCIAL ASSETS AND INVESTMENT IN ASSOCIATES (CONTINUED)**

As of March 31, 2022 and December 31, 2021, the restricted time deposits in PT Bank CIMB Niaga Tbk (CIMB), PT Bank Permata Tbk (Permata), PT Bank Mandiri (Persero) Tbk (Mandiri), PT Maybank Indonesia Tbk (Maybank), PT Bank OCBC NISP Tbk (OCBC), PT Bank Danamon Indonesia Tbk (Danamon), PT Bank China Construction Bank Indonesia (CCB), PT Bank Mandiri Syariah (Mandiri Syariah) and others are used as collateral for the corporate guarantees provided by the Company SMPD, MKPP, SGMC, SMSF and SPCK to those banks on the housing loans obtained by the customers of the Company, SMPD, MKPP, SGMC, SMSF and SPCK.

Restricted account bank on BCA is used as collateral for bank loan and the payment of interest which is had by company and LTMD from the Bank. (Note 12)

Then restricted bank account from BCA, UOB, and others is temporary account which is used as collateral guarantees for houses and apartments ownership credit facility from company, SMPD, MKPP, SGMC, SPCK and KCJA.

Entities	March 31, 2022		December 31, 2021	
	Total	Percentage of Ownership (%)	Total	Percentage of Ownership (%)
PT Daksawira Perdana	687,500	6.25	162,500	6.25
PT Jakartabar Cosmopolitan	50,000	1.00	50,000	1.00
<b>Total</b>	<b><u>737,500</u></b>		<b><u>212,500</u></b>	

The investment in other entities represents unquoted shares whereas the Company's Management believes the carrying amount represents it's fair value.

As of March 7, 2022, the Company received dividends from PT Daksawira Perdana amounted to Rp1,825,000, of which Rp525,000 will be deposited back into PT Daksawira Perdana's account and used to increase the company's investment in PT Daksawira Perdana.

**b. Investment in associates**

This account represent investment in PT Bhakti Karya Vita (BTKV). BTKV domiciled in Tangerang and had started it's commercial operation in 2011.

The detail of investment in BTKV as of March 31, 2022 as follows:

Book Value	Percentage of Ownership (%)	Additions (Deduction)	Equity in net profit of associates	Carrying Values
72,887,190	40	-	3,280,225	76,167,415

The detail of investment in BTKV as of December 31, 2021 as follow:

Book Value	Percentage of Ownership (%)	Additions (Deduction)	Equity in net profit of associates	Carrying Values
65,794,596	40	(1,248,000)	8,340,594	72,887,190

\*dividend payment.

The investment in BTKV represents unquoted equity shares accounted for at equity method.

\*In the stockholders' annual general meetings held on June 3, 2021 the BTKV stockholders approved the distribution of

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cash dividend amounting to Rp16,000 (full amount) per share or equivalent to Rp1,248,000.

**11. OTHER FINANCIAL ASSETS AND INVESTMENT IN ASSOCIATES (CONTINUED)**

b. Investment in associates (continued)

Based on Management assessment, there was no impairment of investment in BTKV since there were no events or changes in circumstances that indicated the impairment.

Additional information on the investments in associates are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Current assets	55,310,900	45,508,183
Non-current assets	161,797,385	163,052,063
Current liabilities	21,706,978	24,787,829
Non-current liabilities	-	-
	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Net revenues	41,474,596	40,851,206
Net comprehensive income for the year	8,200,562	6,894,216

**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS**

a. The short-term bank loans are due to the following third parties:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Rupiah		
PT Bank Central Asia Tbk	504,318,522	507,460,292
PT Bank HSBC Indonesia	250,000,000	250,000,000
PT bank BTPN Tbk (d/h PT Sumitomo Mitsui Indonesia)	250,000,000	250,000,000
PT Bank Muamalat Indonesia Tbk	235,000,000	25,000,000
PT Bank CIMB Niaga Tbk	200,000,000	200,000,000
PT Bank Resona Perdania (IDR)	132,000,000	132,000,000
PT Bank Mayora Tbk	125,000,000	100,000,000
PT Bank Danamon Tbk	1,352,685	3,444,853
PT Bank KEB Hana Indonesia	-	26,000,000
PT Bank Mandiri (Persero) Tbk	-	25,000,000
United States dollar		
PT Bank Resona Perdania (US\$5.000.000 as of March 31, 2022 and December 31, 2021)	71,745,000	71,345,000
<b>Total</b>	<u><b>1,769,416,207</b></u>	<u><b>1,590,250,145</b></u>

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**b. The long-term loans from banks and financial institutions are due to the following third parties:**

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Rupiah		
PT Bank Central Asia Tbk	2,170,314,482	2,260,698,907
PT Bank Mandiri (Persero) Tbk	962,500,000	1,000,000,000
PT Bank OCBC NISP Tbk	578,500,000	1,086,250,000
PT Bank KEB Hana Indonesia	160,000,000	165,000,000
PT Bank Danamon Indonesia Tbk	76,131,921	76,131,921
PT Bank Central Asia Syariah	47,708,056	67,386,402
PT BCA Finance	1,388,402	1,943,334
United States dollar		
PT Bank Central Asia Tbk	107,676,822	107,076,494
<b>Total loans</b>	<b>4,104,219,683</b>	<b>4,764,487,058</b>
Less of unamortized debt commission fees	(11,688,986)	(13,824,584)
Net	4,092,530,697	4,750,662,474
Less current maturities	(847,782,098)	(829,552,327)
<b>Long-term portion</b>	<b>3,244,748,599</b>	<b>3,921,110,147</b>

As of March 31, 2022 and December 31, 2021, the details of future installments of the long-term loans from banks and financial institutions are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
<b>Year Due</b>		
2022	-	832,727,613
2023	851,086,892	747,506,835
2024	681,651,910	980,359,644
2025	997,902,276	840,546,121
2026	621,961,277	550,956,910
2027	444,314,925	435,351,068
2028	362,912,425	352,038,867
2029	124,389,978	20,000,000
2030	20,000,000	5,000,000
<b>Total installments</b>	<b>4,104,219,683</b>	<b>4,764,487,058</b>

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**a. Short-term bank loan:**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
<b>Company and PT Bank Central Asia Tbk</b>  <i>Demand Loan Credit facility</i>	Rp500,000,000	Until October 2022 (Note 41a)	January 2022	Monthly	2022: 7.00%, 2021: 7.25%	-	Working Capital	2022: 0/ (Rp0), 2021: Rp250,000,000/ (Rp0)	2022: Rp500,000,000, 2021: Rp500,000,000
<b>Company and PT Bank Central Asia Tbk</b>  <i>Credit facility</i>	Rp80,000,000	Until October 2022 (Note 41a)	January 2022	Monthly	2022: 7.25%, 2021: 7.25%	Investment propertie MKG3 (Notes 10)	Working Capital	2022: Rp0/(Rp0), 2021: Rp0/(Rp0)	2022: Rp0, 2021: Rp0
<b>SGMC and PT Bank Central Asia Tbk</b>  <i>Bank overdraft Credit facility</i>	Rp50,000,000	Until August 2022	August 2022	Monthly	2022: 7.25%, 2021: 7.25%	Inventories and Undeveloped land (Notes 6 and 7)	Working Capital	2022: Rp0/ (Rp1,712,033), 2021: Rp0/(Rp37,503,897)	2022: Rp0, 2021: Rp1,712,033
<b>SPCK and PT Bank Central Asia Tbk</b>  <i>Bank overdraft Credit facility</i>	Rp80,000,000	Until September 2022	September 2022	Monthly	2022: 7.25%, 2021: 7.25%	Inventories and Undeveloped land (Notes 6 and 7)	Working Capital	2022: Rp0/ (Rp1,429,737), 2021: Rp5,748,259/ (Rp5,165,011)	2022: Rp4,318,522, 2021: Rp5,748,259
<b>SPCK and PT Bank Central Asia Tbk</b>  <i>Credit facility</i>	Rp100,000,000	Until September 2022	September 2022	Monthly	2022: 7.25%, 2021: 7.25%	Inventories and Undeveloped land (Notes 6 and 7)	Working Capital	2022: Rp0/(Rp0), 2021: Rp0/(Rp0)	2022: Rp0, 2021: Rp0
<b>MKPP and PT Bank Central Asia Tbk</b>  <i>Bank overdraft Credit facility</i>	Rp100,000,000	Until December 2022	March 2022	Monthly	2022: 7.25%, 2021: 7.25%	Undeveloped Land (Notes 7)	Working Capital	2022: Rp0/(R0), 2021: Rp0/(Rp0)	2022: Rp0, 2021: Rp0

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**a. Short-term bank loan (continued)**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
<b>Company and PT Bank HSBC Indonesia</b>  Loan term Credit Facility	Rp300,000,000	Until July 2022	July 2022	Monthly	2022: 7.00%, 2021: 7.00%	-	Working Capital	2022: Rp0/(Rp0), 2021:Rp0/ (Rp50,000,000)	2022: Rp250,000,000, 2021: Rp250,000,000
<b>Company and PT Bank BTPN Tbk</b>  Revolving Credit facility	Rp250,000,000	Until August 2022	August 2022	Monthly	2022: 6.60%, 2021: 6.60%	-	Working Capital	2022:Rp0/ (R0), 2021: Rp500,000,000/ (Rp500,000,000)	2022: Rp250,000,000, 2021: Rp250,000,000
<b>Company and PT Bank CIMB Niaga Tbk</b>  Loan term Credit Facility	Rp300,000,000	Until September 2022	September 2022	Monthly	2022: 6.75%, 2021: 6.75%	-	Working Capital	2022: Rp0/(Rp0), 2021: Rp575,000,000/ (Rp650,000,000)	2022: Rp200,000,000, 2021: Rp200,000,000
<b>Company and PT Bank Muamalat Indonesia Tbk</b>  Loan term Credit Facility	Rp250,000,000	Until July 2022	July 2022	Monthly	2022: 6.00%, 2021: 8.00%	-	Working Capital	2022: Rp235,000,000/ (Rp25,000,000), 2021: Rp275,000,000/ (Rp500,000,000)	2022: Rp235,000,000 2021: Rp25,000,000,
<b>Company and PT Bank Resona Perdanía</b>  Revolving Credit facility	US\$5,000,000 and Rp130,000,000	Until December 2022	December 2022	Monthly	2022: 4.14% - 7.05%, 2021: 4.14% - 7.05%	Investment properties (Notes 10)	Working Capital	2022: US\$0 and Rp0/ (US\$0 and Rp0)  2021: US\$0 and Rp0/ (US\$0 and Rp0)/	2022: US\$5,000,000 or equivalent to Rp74,240,000 (Notes 33) and Rp130,000,000  2021: US\$5,000,000 000 or equivalent to Rp71,345,000 (Notes 33) and Rp130,000,000

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**a Short-term bank loan (continued)**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
<b>SPCK and PT Bank Resona Perdana</b>  Working Capital Credit facility	Rp30.000.000	Until December 2022	August 2022	Monthly	2022: 7.05%, 2021: 7.05%	Undeveloped land own JBA	Working Capital	2022: Rp0/(Rp0), 2021: Rp0/(Rp0)	2022: Rp2,000,000, 2021: Rp2,000,000
<b>Company and PT Bank Mayora Tbk</b>  Loan term Credit facility	Rp200.000.000	Until October 2022	October 2022	Monthly	2022: 7.00%, 2021: 7.00%	-	Working Capital	2022: Rp25,000,000/ (Rp0), 2021: Rp0/(Rp100,000,000)	2022: Rp100,000,000, 2021: Rp100,000,000
<b>KCJA and PT Bank Danamon Indonesia Tbk</b>  Bank Overdraft Credit facility	Rp50.000.000	Until June 2023	June 2023	Monthly	2022: 7.75%, 2021: 7.75%	Undeveloped land (Note 7)	Working Capital	2022: Rp0/ (Rp2,092,168), 2021: Rp3,249,391/(Rp0)	2022: Rp1,352,685, 2021: Rp3,444,853
<b>Company and PT Bank KEB Hana Indonesia Tbk</b>  Bank Overdraft Credit facility	Rp100.000.000	Until July 2022	July 2022	Monthly	2022: 7.75%, 2021: 7.00%	Undeveloped land and investment properties (Note 7 and 10)	Working Capital	2022: Rp0/ (Rp0), 2021: Rp0/ (Rp73,833,701)	2022: Rp0, 2021: Rp0
<b>Company and PT Bank KEB Hana Indonesia Tbk</b>  Loan term Credit facility	Rp100.000.000	Until July 2022	July 2022	Monthly	2022: 7.00%, 2021: 7.00%	-	Working Capital	2022: Rp0/(Rp26,000,000), 2021: Rp26,000,000/ (Rp100,000,000)	2022: Rp0, 2021: Rp26,000,000

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**a Short-term bank loan (continued)**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
<b>Company and PT Bank Mandiri (Persero) Tbk</b>  Working Capital Credit facility	Rp200,000,000	Until June 2022	June 2022	Monthly	2022: 7.25%, 2021: 7.75%	MKOJ's investment property and Hote Bulding Harris Bekasi (Notes 10)	Working Capital	2022: Rp0/ (Rp25,000,000), 2021: Rp0/ (Rp175,000,000)	2022: Rp0, 2021: Rp25,000,000
<b>Company and PT Bank OCBC NISP</b>  <i>Demand Loan</i> Credit facility	Rp600,000,000	Until May 2022	May 2022	Monthly	2022: 6.75%, 2021: 7.25%	Company's Land and Building (Note 9 and 10)	Working Capital	2022: Rp0/(Rp0), 2021: Rp150,000,000/ (Rp675,000,000)	2022: Rp0, 2021: Rp0
<b>Total Short-term bank loan</b>	<b>US\$5,000,000 and Rp3,420,000,000</b>							<b>2022 US\$0 and Rp260,000,000/(US\$0 and Rp81,233,938)</b>  <b>2021: US\$0 and Rp1,784,997,650/(US \$0 and Rp2,866,502,609</b>	<b>2022: US\$5,000,000 or equivalent to Rp71,745,000 and Rp1,697,671,207</b>  <b>2021: US\$5,000,000 or equivalent to Rp71,345,000 and Rp1,518,905,145</b>

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**b.1 Long-term bank loan (continued)**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
<b>Company and PT Bank Central Asia Tbk</b>  Investment Credit Facility	Rp550,000,000	February 2016 - February 2023	Quarterly installment ( <i>second quarter 2018 - first quarter 2023</i> )	<i>Quarterly</i>	2022: 7.25%, 2021: 7.25%	Investment Property (MKG3) (Notes 10)	Construction of The Kensington Royal Suite Apartement	2022: Rp0/ (Rp41,250,000), 2021: Rp0/ (Rp123,750,000)	2022: Rp181,500,000 2021: Rp222,750,000
<b>Company and PT Bank Central Asia Tbk</b>  Investment Credit Facility	Rp750,000,000	April 2021 - April 2029	Quarterly installment	<i>Quarterly</i>	2022: 7.25%, 2021: 7.25%	Investment Property (MKG3) (Notes 10)	General Purpose	2022: Rp0/(Rp0), 2021: Rp0/(Rp0)	2022:Rp0, 2021:Rp0
<b>Company and certain subsidiary and PT Bank Central Asia Tbk</b>  Investment Credit Facility	Rp650,000,000  Company: Rp75,000,000, MKOJ: Rp165,000,000, DNMP: Rp70,000,000, SMHO: Rp65,000,000, LTMD: Rp225,000,000, KRIP: Rp50,000,000	September 2013 - September 2023	Quarterly installment ( <i>fourth quarter 2016 -third quarter 2022</i> )	<i>Quarterly</i>	2022: 7.00 - 7.25%, 2021: 7.00 - 7.25%	Investment Property MKG3	Constructions of Hotel Pop! Kelapa Gading MKOJ : Constructions of Harris Hotel Bekasi, DNMP: Constructions of Plaza Summarecon Bekasi, SMHO: Purchase of equipment Hotel Pop! Kelapa Gading and Harris Hotel Bekasi, LTMD: Constructions of Summarecon Digital Center, KRIP: Constructions of Scientia Business Park	2022 Rp0/ (Rp3,750,000)  2021: Rp0/ (Rp11,250,000),	2022: Rp191,250,000 2021: Rp195,000,000,

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**b.1 Long-term bank loan (continued)**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
<b>SPCK and PT Bank Central Asia Tbk</b>  Investment Credit Facility I	Rp100,000,000	September 2013 - September 2022	Quarterly installment - (fourth quarter 2016 - third quarter 2022)	Quarterly	2022: 7.25%, 2021: 7.25%	Inventories and Undeveloped land (Notes 6 and 7)	Construction of The Spring Club	2022 Rp0/ (Rp5,000,000) 2021: Rp0/ (Rp15,000,000)	2022: Rp10,000,000 2021: Rp15,000,000
<b>SPCK and PT Bank Central Asia Tbk</b>  Investment Credit Facility II	Rp200,000,000	June 2015 - June 2022	Quarterly installment - (fourth quarter 2017 – second quarter 2022)	Quarterly	2022: 7.25%, 2021: 7.25%	Inventories and Undeveloped land (Notes 6 and 7)	General purpose financing capital expenditure and development cost	2022: Rp0/ (Rp12,500,000) 2021: Rp0/ (Rp37,500,000)	2022: Rp12,500,000 2021: Rp25,000,000
<b>SPCK and PT Bank Central Asia Tbk</b>  Investment Credit Facility III	Rp400,000,000	January 2016 - February 2023	Quarterly installment (fourth quarter 2018 – first quarter 2023)	Quarterly	2022: 7.25%, 2021: 7.25%	Inventories and Undeveloped land (Notes 6 and 7)	Construction house, apartemen and infrastructure of Summarecon Serpong	2022: Rp0/ (Rp25,000,000) 2021: Rp0/ (Rp75,000,000)	2022: Rp100,000,000 2021: Rp125,000,000
<b>SPCK and PT Bank Central Asia Tbk</b>  Investment Credit Facility IV	Rp425,000,000	November 2017 - November 2026	Quarterly installment	Quarterly	2022: 7.25%, 2021: 7.25%	Inventories and Undeveloped land (Notes 6 and 7)	Capital and project development cost apartemen, house and infrastructure in Summarecon Serpong area	2022: Rp0/ (Rp2,884,425) 2021: Rp26,189,500/ (Rp0),	2022: Rp54,804,075 2021: Rp57,688,500
<b>LTMD and PT Bank Central Asia Tbk</b>  Investment Credit Facility II	Rp350,000,000	April 2011 - March 2023	Quarterly installment (second quarter 2013 - first quarter 2023)	Quarterly	2022: 7.00%, 2021: 7.00%	Investment properties and temporary account (Note 10 and 11)	Construction of Summarecon Mal Serpong Stages II	2022: Rp0/ (Rp0) 2021: Rp0/(Rp0),	2022: Rp63,000,000 2021: Rp63,000,000

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**b.1 Long-term bank loan (continued)**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
<b>PMJA, HOPJ and PT Bank Central Asia Tbk</b>  Investment Credit Facility	PMJA : Rp220,000,000 HOPJ : Rp307,000,000	December 2013 – June 2027	Quarterly installment (third quarter 2017 – fourth quarter 2026)	Quarterly	2022: 7.00% 2021: 7.00%	Fixed asset, investment properties and PMJA's and HOPJ's shares (Notes 9 and 10)	Construction of Movenpick Resort & Spa	2022: Rp0/(Rp0), 2021: Rp0/(Rp0)	2022: Rp476,010,407 2021: Rp476,010,407
<b>PMJA, HOPJ and PT Bank Central Asia Tbk</b>  Investment Credit Facility	PMJA : US\$5,000,000 HOPJ : US\$4,800,000	September 2013 - June 2027	Quarterly installment (third quarter 2017 – fourth quarter 2026)	Quarterly	2022: 4.50%, 2021: 4.50%	Fixed asset, investment properties and PMJA's and HOPJ's shares (Notes 9 and 10)	Construction of Movenpick Resort & Spa	2022: US\$0 or equivalent to Rp0/ (US\$0 or equivalent to Rp0)  2021: US\$0 or equivalent to Rp0/ (US\$0 or equivalent to Rp0)	2022: US\$7,504,134 (Notes 33) or equivalent to Rp107,676,822  2021: US\$7,504,134 (Notes 33) or equivalent to Rp107,076,494
<b>SGMC and PT Bank Central Asia Tbk</b>  Investment Credit Facility	Rp200,000,000	November 2017 - October 2026	Quarterly installment	Monthly	2022: 7.25%, 2021: 7.25%	Undeveloped land (Notes 7)	Capital and Project development cost apartment, house and infrastructure in Summarecon Mutiara Makassar area	2022: Rp0/(Rp0), 2021: Rp0/(Rp0)	2022: Rp200,000,000, 2021: Rp200,000,000
<b>SGMC and PT Bank Central Asia Tbk</b>  Investment II Credit Facility	Rp200,000,000	August 2019 - October 2025	Quarterly installment	Monthly	2022: 7.25%, 2021: 7.75%	Undeveloped land (Notes 7)	Capital and Project development cost apartment, house and infrastructure in Summarecon Mutiara Makassar area	2022: Rp0/(Rp0), 2021: 2021: Rp0/(Rp0)	2022: Rp200,000,000 2021: Rp200,000,000
<b>MKPP and PT Bank Central Asia Tbk</b>  Investment Credit facility	Rp500,000,000	June 2016 – June 2026	Quarterly installment	Monthly	2022: 7.25%, 2021: 7.25%	Undeveloped land (Notes 7)	Construction project residential and infrastructure in Summarecon Bandung area	2022: Rp0/ (Rp0) 2021: Rp0/ (Rp200,000,000)	2022 : Rp281,250,000 2021 : Rp281,250,000

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**b.1 Long-term bank loan (continued)**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
<b>MKPP and PT Bank Central Asia Tbk</b>  Credit Facility Investasi II	Rp400,000,000	October 2019 - October 2027	Quarterly	Monthly	2022: 7.25%, 2021: 7.25%	Undeveloped Land (Note 7)	Construction project residential and infrastructure in Summarecon Bandung area	2022: Rp0/(Rp0), 2021: Rp0/(Rp0)	2022: Rp400,000,000, 2021: Rp400,000,000
<b>Company and PT Bank OCBC NISP Tbk</b>  Credit Facility Investasi	Rp1,100,000,000	October 2019 - September 2028	Quarterly installment (fourth quarter 2021 – third quarter 2028)	Quarterly	2022: 7.25%, 2021: 8.25%	Undeveloped Land (Note 7)	Construction project residential and infrastructure in Summarecon Bekasi area	2022: Rp0/ (Rp507,750,000), 2021: Rp0/ (Rp13,750,000)	2022: Rp578,500,000 2021: Rp1,086,250,000,
<b>Company and PT Bank Mandiri (Persero) Tbk</b>  Credit Facility Investasi	Rp1,100,000,000	June 2020 - June 2025	Quarterly	Monthly	2022: 7.25%, 2021: 7.75%	Investment properties MKOJ (Note 10)	General Purpose	2022: Rp0/ (Rp37,500,000) 2021: Rp0/ (Rp100,000,000),	2022: Rp962,000,000, 2021: Rp1,000,000,000
<b>Company and PT Bank KEB Hana Indonesia</b>  Credit Facility Working Capital	Rp200,000,000	April 2020 - March 2030	Quarterly	Quarterly	2022: 8.00%, 2021: 8.50%	Undeveloped Land and Investment Property (Note 7 and 10)	Working Capital	2022: Rp0/ (Rp5,000,000) 2021: Rp0/ (Rp20,000,000),	2022: Rp160,000,000, 2021: Rp165,000,000
<b>KCJA and PT Bank Danamon Indonesia Tbk</b>  Credit Facility Investasi	Rp200,000,000	June 2020 – June 2025	Quarterly	Monthly	2022: 7.75%, 2021: 7.25%	Undeveloped Land (Note 7)	Capex Financing and Development Cost for residential and commercial projects as well as infrastructure in the Summarecon Bogor area	2021: Rp0/ (Rp0) 2021: Rp56,303,052/ (Rp0),	2022: Rp76,131,921, 2021: Rp76,131,921

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**b.1 Long-term bank loan (continued)**

Parties	Total facilities (in thousand)	Loan Periods	Installment Payment for the periods	Interest payment	Annual interest rate	Collateral	Purpose	Current year drawdown (principal payment)	Balance as of March 31, 2022
KCJA, GNSA, GNSP and PT Bank Central Asia Syariah  Credit Facility Investasi	Rp250,000,000	December 2018 - May 2026	Quarterly	Monthly	2022: 8.50%, 2021: 8.50%	Undeveloped Land (Note 7)	Construction project residential and infrastructure in Summarecon Bogor area	2022: Rp0/ (Rp19,678,346) 2021: Rp0/ (Rp175,598,322),	2022: Rp47,708,056, 2021: Rp67,386,402
<b>Total long-term bank loans</b>	<b>Rp8,102,000,000 and US\$ 9,800,000</b>							<b>2022: US\$0 and Rp0/ (US\$0 and Rp660,312,771</b>  <b>2021: US\$0 and Rp82,492,552/ (US\$0 and Rp1,001,848,322)</b>	<b>2022: US\$7,504,134 or equivalent to Rp 107,676,822 and Rp3,994,654,459</b>  <b>2021: US\$7,504,134 or equivalent to Rp107,076,494 and Rp4,655,467,230</b>

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**12. SHORT-TERM BANK LOANS AND LONG-TERM DEBTS (CONTINUED)**

**b1. Long-term bank loan (continued)**

During 2022 and 2021, BCA approved the request of delay principal installments and decreasing bank interest rates on bank loans of the Company and certain subsidiaries.

As of April 12, 2022, BCA approved the request of capital decrease on LTMD and MKOJ, also therefore has canceled the request for COVID-19 restructuring that was previously submitted.

Under the loan agreements, the Group (debtors) must comply with several covenants, as follows:

- a. Maintain certain financial ratios:
  - (1) EBITDA to interest expense;
  - (2) Debt to equity ratio;
  - (3) Maintain positive equity and profit.
- b. Debtors must obtain written approval from the Creditor prior to performing the following activities:
  - (1) Provide loans, act as guarantor/pledgor in any form and with any name and/or pledge the Company's assets to other parties, including but not limited to affiliates, both direct or indirectly related, and to third parties in the amount greater than 20% of the Company's total equity for each transaction, except in the ordinary course of business;
  - (2) Sell or dispose of their major assets used in their business, except under normal business transactions
  - (3) Enter into merger, consolidation, acquisition, liquidation; and,
  - (4) Amend its articles of association, except increase their capital stock.
- c. Submit a notification letter for dividend distribution.

As of March 31, 2022 and December 31, 2021, the Group is in compliance with all of the debt covenants related to the above short-term bank loans and long-term debts.

**b2. Loans from financing institution**

**PT BCA Finance**

The loans from PT BCA Finance represent drawdowns from various consumer financing credit facilities obtained by the Company and its subsidiaries, which were used to finance the acquisitions of vehicles. The loans are payable in monthly installments at different dates, the latest up to April 18, 2023, and are collateralized by the vehicles purchased (Note 9). The outstanding loans as of March 31, 2022 amounted to Rp1,388,402 (2021: Rp1,943,334).

In 2022, the Group has made principal payments totaling Rp554,929 (2021: Rp3,768,558).

In 2022 and 2021, the loans bore interest at annual rates ranging from 6.99% until 13.23%.

There are no covenants imposed by PT BCA Finance in relation to these loans.

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**13. BONDS PAYABLE**

The details of bonds issued are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
<b><u>Face Value</u></b>		
Obligasi Berkelanjutan III Tahap II	700,000,000	700,000,000
Total face value	<u>700,000,000</u>	<u>700,000,000</u>
Less deferred issuance costs (net of current amortization of Rp323,438 in March 31, 2022 and Rp3,727,893 in December 31, 2021)	<u>(1,297,181)</u>	<u>(1,620,619)</u>
<b>Net</b>	<b>698,702,819</b>	<b>698,379,381</b>
Less current maturities	<u>(499,389,961)</u>	<u>(499,124,266)</u>
<b>Long-term portion</b>	<b><u>199,312,858</u></b>	<b><u>199,255,115</u></b>

The details of the above deferred issuance costs and the related accumulated amortization are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Obligasi Berkelanjutan II Tahap I	8,919,096	8,919,096
Obligasi Berkelanjutan II Tahap II	5,008,600	5,008,600
Obligasi Berkelanjutan III Tahap I	7,147,712	7,147,712
Obligasi Berkelanjutan III Tahap II	4,237,900	4,237,900
<b>Total</b>	<b><u>25,313,308</u></b>	<b><u>25,313,308</u></b>
Less deferred issuance costs (net of current amortization of Rp323,438 in March 31, 2022 and Rp3,727,893 in December 31, 2021 )	<u>(24,016,127)</u>	<u>(23,692,689)</u>
<b>Neto</b>	<b><u>1,297,181</u></b>	<b><u>1,620,619</u></b>

**Obligasi Berkelanjutan III Tahap I (“OB III Tahap I”)**

On December 6, 2018, the Company issued OB III Tahap I with nominal value of Rp416,000,000 with fixed annual interest rate of 10.75%. Interest will be paid quarterly. Interest will be paid quarterly, which started on December 6, 2018 and will continue up to December 6, 2021. The OB III Tahap I have been fully paid on December 2, 2021.

The OB III Tahap I has been listed in the Indonesia Stock Exchange since December 6, 2018

PT Pemeringkat Efek Indonesia (Pefindo), a securities rating agency in Indonesia, gave a rating of idA (single A) for the OB III Tahap I in 2021.

**Obligasi Berkelanjutan III Tahap II (“OB III Tahap II”)**

On October 15, 2019, the Company issued OB III Tahap II with two series that is Series A with nominal value of Rp500,000,000 and Series B with nominal value of Rp200,000,000 with fixed annual interest rate of 9.125% and 9.500%, respectively. Interest will be paid quarterly, which started on January 15, 2020 and will continue up to October 15, 2020 for Series A and will continue up to October 15, 2024 for Series B. The OB III Tahap II will mature each on October 15, 2022 for Obligasi Series A and October 15, 2024 for Obligasi Series B.

The OB III Tahap II has been listed in the Indonesia Stock Exchange since October 16, 2019.

PT Pemeringkat Efek Indonesia (Pefindo), a securities rating agency in Indonesia, gave a rating of idA (single A) for the OB III Tahap II in 2021.

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**13. BONDS PAYABLE (CONTINUED)**

**Obligasi Berkelanjutan II Tahap I (“OB II Tahap I”)**

On December 16, 2015, the Company issued OB II Tahap I with nominal value of Rp500,000,000 with fixed annual interest rate of 11.25%. Interest will be paid quarterly, which started on March 16, 2016 and continue up to December 16, 2020. The OB II Tahap I have been fully paid on December 16, 2020.

The OB II Tahap I has been listed in the Indonesia Stock Exchange since December 17, 2015.

The OB II Tahap I use Investment Property as collateral. (Notes 10)

PT Pemeringkat Efek Indonesia (Pefindo), a securities rating agency in Indonesia, gave a rating of idA (single A) for the OB II Tahap I in 2020.

**Obligasi Berkelanjutan II Tahap II (“OB II Tahap II”)**

On November 28, 2017, the Company issued OB II Tahap II with nominal value of Rp800,000,000 with fixed annual interest rate of 8.80%. Interest will be paid quarterly, which started on November 28, 2017 and will continue up to November 28, 2020. The OB II Tahap II have been fully paid on November 28, 2020.

The OB II Tahap II has been listed in the Indonesia Stock Exchange since November 28, 2017.

The OB II Tahap II use Investment Property as collateral. (Notes 10)

PT Pemeringkat Efek Indonesia (Pefindo), a securities rating agency in Indonesia, gave a rating of idA (single A) for the OB II Tahap I in 2020.

All the Company's bonds have the same trustee, which is PT Bank Permata Tbk. Based on Perjanjian Perwaliananatan Obligasi, the Company is required to comply with the following covenants:

- a. Maintain certain financial ratios:
- (1) *Interest-bearing debt to equity ratio of not more than 3:1;*
  - (2) EBITDA to interest expense ratio of not less than 1:1; except from PT Bank Permata Tbk not less than 1.5:1;
  - (3) Collateral value, which should be appraised every year by an appraiser registered with BAPEPAM-LK, to the bonds payable of not less than 1:1.

The Company has complied with all of the above financial ratios.

- b. The Company is not allowed to conduct the following activities without the prior consent of the trustee:
- (i) Pay or make or distribute payments to others in the current year as long as the Company default to make payments of its obligation to the bondholders;
  - (ii) Provide loans to other parties;
  - (iii) Enter into merger, consolidation, acquisition, liquidation;
  - (iv) Change the Company's major activities; and
  - (v) Decrease their respective authorized capital stock, issued and fully paid capital stock.

As of March 31, 2022 and December 2021, the Company has complied with the covenants stated in the agreements on the bonds.

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**14. TRADE PAYABLES TO THIRD PARTIES**

Trade payables to third parties consist of purchases of goods and services from the following:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Suppliers	47,750,379	63,845,061
House construction contractors	2,491,932	1,298,599
Infrastructure construction contractors	1,685,832	1,563,441
Others (each below Rp1,000,000)	4,192,390	4,150,537
<b>Total trade payables to third parties</b>	<b>56,120,533</b>	<b>70,857,638</b>

The details of trade payables to third parties based on their original currencies (Note 33) are as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Rupiah	55,708,792	70,447,939
United States Dollar (US\$28,263 as of March 31, 2022 and US\$28,275 as of December 31, 2021 )	405,546	403,456
European Euro (Euro387 as of March 31, 2022 and December 31, 2021 )	6,195	6,243
<b>Total trade payables to third parties</b>	<b>56,120,533</b>	<b>70,857,638</b>

None of the Company's assets are pledged as collateral in relation to trade payables to third parties as of March 31, 2022.

**15. OTHER PAYABLES**

Other payables are liabilities to third parties and related parties and consist of:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
<u>Third parties:</u>		
Deposits payable	205,144,035	263,112,557
Supplier deposit VAT	38,824,188	34,283,255
Others (each below Rp10,000,000)	54,553,202	42,111,505
<b>Total other payables</b>	<b>298,521,425</b>	<b>339,507,317</b>
Less current maturities	(283,282,138)	(333,655,704)
<b>Long-term portion</b>	<b>15,239,287</b>	<b>5,851,613</b>

Deposits payable are cash receipts from third parties for transactions which have not been realized.

Others mainly represent dividend payable and purchase of fixed asset and investment properties.

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**16. LEASE LIABILITIES**

**Certain subsidiaries as Lessee**

The certain subsidiaries have lease contract for office building used in its operations. The certain subsidiaries are restricted from assigning and subleasing the leased assets. Lease of that office buildings has terms 3 - 15 years. The certain subsidiaries also have lease contract for house building with lease terms of less than 12 months or with low value. The certain subsidiaries also have lease contract for office building with lease terms of less than 12 months or with low value. The certain subsidiaries apply recognition exemptions for these leases and recognize lease expenses on a straight-line basis in the statement of profit or loss and other comprehensive income

Movement of lease liabilities:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Beginning balance	5,731,368	5,782,134
Addition during the year	-	-
Addition of interest	-	455,825
Payment of lease liabilities during the year	-	(506,591)
<b>Sub-total</b>	<b>5,731,368</b>	<b>5,731,368</b>
Less current portion	(54,575)	(54,575)
<b>Long-term Portion</b>	<b>5,676,793</b>	<b>5,676,793</b>

Amounts recognized in the statement of profit or loss and other comprehensive income:

	<b>For the Three-Month Period Ended</b>	
	<b>March 31,</b>	
	<b>2022</b>	<b>2021</b>
Depreciation expense of right of use assets	46,667	284,154
Interest expense on lease liabilities	-	114,342
Expense relating to lease of low value and short-term lease	396,067	197,726
<b>Total</b>	<b>442,734</b>	<b>596,222</b>

**17. ACCRUED EXPENSES**

This account consists of accruals for:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Development of projects, infrastructures social and public facilities	661,035,792	602,086,850
Promotion	48,820,893	44,595,139
Repairs and maintenance	48,452,817	46,670,842
Interest expense	25,948,065	34,592,601
Electricity, water, and telephone	22,552,563	22,011,467
Security	20,639,217	18,282,372
Others (below Rp20,000,000)	59,395,328	47,817,114
<b>Total accrued expenses</b>	<b>886,844,675</b>	<b>816,056,385</b>

As of March 31, 2022 and December 31, 2021, accruals of projects, infrastructures, social and public facilities were provided for of the Group which are involved in property development. The accruals were computed based on cost per square meter (sqm) to be spent on the area to be developed as infrastructures, social and public facilities.

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**18. TAXATION**

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
<b>a. Prepaid taxes consist of:</b>		
Article 21	521	2,631
Final income tax	241,767,343	212,230,988
Value added tax	117,056,317	149,982,714
<b>Total prepaid taxes</b>	<b><u>358,824,181</u></b>	<b><u>362,216,333</u></b>
<b>b. Taxes payable consist of:</b>		
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Income taxes payable:		
Article 21	4,721,407	5,075,324
Article 23	2,141,022	3,026,296
Article 25	4,802	137,124
Article 26	64,388	150,137
Article 29	4,143,646	752,499
Final income tax	58,206,420	57,692,463
Development tax	5,026,875	6,463,890
<b>Total taxes payable</b>	<b><u>74,308,560</u></b>	<b><u>73,297,733</u></b>

**19. EMPLOYEE BENEFITS LIABILITIES**

The Company and its subsidiaries provide benefits to their qualified employees based on the provisions of Omnibus Law No. 11 Year 2020 dated November 2, 2020 and the Government Regulation No. 35 Year 2021 dated February 2, 2021. The benefits are funded, except for PT Summarecon Hotelindo, PT Hotelindo Permata Jimbaran and PT Bhakti Karya Bangsa.

The Company registered its permanent employees to retirement funds which is organized by Dana Pensiun Lembaga Keuangan Central Asia Raya all of which are placed as time deposits.

**20. CONTRACT LIABILITIES**

Contractual liabilities received from customers consist of:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
<u>Related parties (Note 32)</u>		
Apartements	3,517,197	3,517,197
Shops	3,228,110	3,228,110
Houses	-	1,521,167
<u>Third parties</u>		
Houses	5,498,301,237	4,049,973,440
Shops	677,499,319	927,893,305
Landplots	524,839,577	343,730,659
Apartements	256,251,191	243,572,083
Offices	14,981,883	19,434,274

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**20. CONTRACT LIABILITIES (CONTINUED)**

Contractual liabilities received from customers consist of: (continued)

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
<u>Third parties (continued)</u>		
Others	10,774,741	19,268,665
<b>Total contract liabilities</b>	<b>6,989,393,255</b>	<b>5,612,138,900</b>
Less current maturities	(2,419,331,105)	(2,282,829,773)
<b>Long-term portion</b>	<b>4,570,062,150</b>	<b>3,329,309,127</b>

**21. SECURITY DEPOSITS**

The details of security deposits are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Security deposits:		
<u>Related parties (Note 32)</u>		
Rent	7,222,214	10,794,799
Telephone	103,000	136,000
Others	138,776	138,660
<u>Third parties</u>		
Rent	146,695,890	87,089,842
Others	86,416,142	81,806,323
<b>Total</b>	<b>240,576,022</b>	<b>179,965,624</b>
Less current maturities	(81,542,875)	(81,622,219)
<b>Long-term portion</b>	<b>159,033,147</b>	<b>98,343,405</b>

**22. UNEARNED REVENUES**

This account consists of unearned revenues as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
<u>Related party (Note 32)</u>		
Commercial and others	19,569,000	20,248,938
<u>Third parties</u>		
Mall and retail	417,637,646	425,591,416
Commercial and others	79,740,123	62,185,103
Office	3,925,965	2,121,427
Residential	940,913	949,259
<b>Total unearned revenues</b>	<b>521,813,647</b>	<b>511,096,143</b>
Less current maturities	(379,133,867)	(367,336,912)
<b>Long-term portion</b>	<b>142,679,780</b>	<b>143,759,231</b>

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**23. NON-CONTROLLING INTERESTS**

The details of total equity attributable to noncontrolling interests of consolidated Subsidiaries are as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
SMPD and subsidiaries	1,336,573,150	1,339,696,768
SPCK and subsidiaries	1,256,615,066	1,236,782,779
SMED and subsidiaries	3,307,892	3,305,929
SMIP and subsidiaries	(16,837,018)	(10,730,183)
BHMS	6	4
<b>Total equity attributable to non-controlling interests</b>	<b>2,579,659,096</b>	<b>2,569,055,297</b>

As of March 31, 2022, deposits for stock subscription amounted to RpNil (2021: Rp284,087,300) whereas the capital reduction amounted to RpNil (2021: Rp101,675,000) from non-controlling interests of SMPD and subsidiaries.

Total comprehensive gain attributable to non-controlling interests for the three-month period, March 31, 2022 amounted to Rp60,603,799 and March 31, 2021 loss amounted to Rp649,020.

For the three-month period ended March 31, 2022, payments to non-controlling interest related to revenue sharing on SPCK amounted to Rp50,000,000 (2021: Rp79,186,897).

**24. CAPITAL STOCK**

The composition of the Company's stockholders as of March 31, 2022 is as follows:

	<b>Number of shares issued and fully paid</b>	<b>Percentage of Ownership (%)</b>	<b>Total</b>
<u>Commissioner</u>			
Harto Djojo Nagaria	20,800,002	0.13	2,080,000
<u>Director</u>			
Liliawati Rahardjo	230,933,636	1.40	23,093,364
<u>Ownership of 5% or more</u>			
PT Semarop Agung	5,585,167,916	33.83	558,516,792
Others (each below 5% ownership)	10,671,666,804	64.64	1,067,166,681
<b>Total</b>	<b>16,508,568,358</b>	<b>100.00</b>	<b>1,650,856,837</b>

The composition of the Company's stockholders as of December 31, 2021 is as follows:

	<b>Number of shares issued and fully paid</b>	<b>Percentage of Ownership (%)</b>	<b>Total</b>
<u>Commissioner</u>			
Harto Djojo Nagaria	20,500,002	0.12	2,050,000
<u>Director</u>			
Liliawati Rahardjo	227,045,136	1.38	22,704,514
<u>Ownership of 5% or more</u>			
PT Semarop Agung	5,585,167,916	33.83	558,516,792
Others (each below 5% ownership)	10,675,855,304	64.67	1,067,585,531
<b>Total</b>	<b>16,508,568,358</b>	<b>100.00</b>	<b>1,650,856,837</b>

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**25. ADDITIONAL PAID-IN CAPITAL**

As of March 31, 2022 and December 31, 2021, the balance of this account arise from the following:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Share premium	721,671,346	721,671,346
Other paid-in capital	17,103,214	17,103,214
Issuance of capital stock with pre-emptive right phase II (Note 1b)	1,284,206,897	1,284,206,897
Differences in value of transactions of entities under common control	5,560,839	5,560,839
Bonus shares	(721,339,084)	(721,339,084)
<b>Total</b>	<b><u>1,307,203,212</u></b>	<b><u>1,307,203,212</u></b>

Share premium represents the excess of the amounts received and/or the carrying value of shares and converted warrants over the par value of the shares issued after offsetting all stock/warrant issuance costs.

Other paid-in capital represents the excess of the carrying value of shares distributed as dividends over the par value of the shares issued.

Differences in value of transactions of entities under common control represent the differences between the acquisition cost and the book value of a subsidiary which was acquired indirectly by other subsidiaries and Soetjipto Nagaria (controlling party) using the pooling-of-interests method in 2012.

**26. APPROPRIATED RETAINED EARNINGS - GENERAL RESERVE**

Based on the minutes of stockholders' annual general meetings held on August 24, 2021, the Company stockholders approved the appropriation of general reserve amounting to Rp2,324,108 and already presented as part of "Appropriated retained earnings - reserve fund" in the consolidated statement of financial position

As of March 31, 2022, the balances of the general reserve are less than 20% of the issued and fully paid capital stock. The additional reserve will be made after obtaining the approval from the stockholders in their next annual meeting.

Based on article 70 in Law of Republic of Indonesia No.40 year 2007, the Company must set aside certain part of net profits for reserve funds which shall be minimum 20% of total subscribed capital and deposited.

**27. CASH DIVIDENDS**

In the stockholders' annual general meetings held on August 24, 2021, the Company's stockholders approved to did not distribute cash dividend in 2021

As of March 31, 2022, the dividend payable balance amounted to Rp2,161,966 (2021: Rp2,161,966), which is presented as part of "Other Payables" in the consolidated statement of financial position.

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**28. NET REVENUES**

The details of net revenues are as follows:

	For The Three-Month Period Ended	
	March 31,	
	2022	2021
<b>Property development</b>		
<u>Third parties</u>		
Shops	450,188,612	151,676,841
Houses	221,778,935	442,687,353
Apartements	162,943,271	96,251,594
Landplots	159,358,251	17,857,448
Offices	8,479,559	31,423,180
Others	14,844,699	7,804,830
Sub-total	1,017,593,327	747,701,246
<b>Investment properties</b>		
<u>Related parties (Note 32)</u>		
Mall and retail	6,446,003	4,641,518
Offices	2,010,468	1,630,999
Commercial and others	1,106,688	1,000,000
<u>Third parties</u>		
Mall and retail	280,678,312	183,568,780
Commercial and others	13,882,673	11,616,852
Offices	5,801,463	4,016,968
Residential	805,760	857,120
Sub-total	310,731,367	207,332,237
<b>Others</b>		
<u>Related parties (Note 32)</u>		
Estate and property management	25,236	26,074
Others	2,072,880	1,045,909
<u>Third parties</u>		
Estate and property management	80,907,902	72,480,457
Hotel	43,814,646	30,678,841
Leisure	10,103,589	9,240,966
Others	4,364,773	2,131,133
Sub-total	141,289,026	115,603,380
<b>Total net revenues</b>	<b>1,469,613,721</b>	<b>1,070,636,863</b>

Revenue from sales to related parties was 0.79% as of March 31, 2022 (2021: 0.78%). As of March 31, 2022 and 2021, no revenue exceeding 10% of annual net revenues were earned from any single customer.

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**29. COST OF SALES AND DIRECT COSTS**

The details of cost of sales and direct costs are as follows:

	<b>For The Three-Month Period Ended</b>	
	<b>March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Property development</b>		
Shops	146,072,653	45,392,699
Houses	107,366,238	233,229,995
Apartements	86,901,803	50,404,394
Landplots	21,503,138	3,825,499
Offices	4,081,867	13,306,866
Others	5,993,133	-
Sub-total	<u>371,918,832</u>	<u>346,159,453</u>
<b>Investment properties</b>		
Mall and retail	126,841,687	117,890,719
Offices	5,860,001	6,065,942
Commercial and others	5,412,062	5,642,067
Residential	729,207	773,931
Sub-total	<u>138,842,957</u>	<u>130,372,659</u>
<b>Others</b>		
Estate and property management	75,643,310	64,258,475
Hotel	31,892,964	27,724,313
Leisure	10,282,257	8,725,079
Others	7,643,822	3,346,467
Sub-total	<u>125,462,353</u>	<u>104,054,334</u>
<b>Total cost of sales and direct costs</b>	<u><b>636,224,142</b></u>	<u><b>580,586,446</b></u>

For the three-month period ended March 31, 2022 and 2021, no purchases exceeding 10% of net revenues were made from any single supplier.

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**30. OPERATING EXPENSES**

The details of operating expenses are as follows:

	<b>For The Three-Month Period Ended</b>	
	<b>March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b><u>Selling expenses</u></b>		
Promotion and advertising	33,031,749	32,614,184
Agency	30,783,462	9,957,658
Others (each below Rp7,000,000)	13,114,830	14,355,130
Total selling expenses	76,930,041	56,926,972
<b><u>General and administrative expenses</u></b>		
Salaries and employee benefits	132,749,943	103,909,568
Depreciation (Notes 9 and 10)	12,979,364	14,997,674
Repair and maintenance	4,363,089	3,396,905
Others (each below Rp4,000,000)	40,702,050	31,344,587
Total general and administrative expenses	190,794,446	153,648,734
<b>Total operating expenses</b>	<b>267,724,487</b>	<b>210,575,706</b>

**31. FINANCE COSTS**

The details of finance costs are as follows:

	<b>For The Three-Month Period Ended</b>	
	<b>March 31,</b>	
	<b>2022</b>	<b>2021</b>
Interest expenses:		
Loans from banks	87,804,295	136,348,905
Bonds payable	16,105,916	26,977,222
Other payables	41,015	125,227
Interest from contract revenue	193,008,709	55,412,330
Others	6,557,801	8,313,243
<b>Total finance costs</b>	<b>303,517,736</b>	<b>227,176,927</b>

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**32. BALANCES AND TRANSACTIONS WITH RELATED PARTIES**

The Group, in its regular conduct of business, has engaged in transactions with related parties. The balances of the accounts and transactions are as follows:

	Amount		Percentage to total consolidated assets/liabilities (%)	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
<b>Trade receivables (Note 5)</b>				
<b>Trade receivables - current</b>				
<u>Other related parties</u>				
Yayasan Pendidikan Pradita Indonesia	3,804,692	955,468	0.0140	0.0037
Yayasan Akademi Anak Indonesia	716,111	466,211	0.0026	0.0018
Edwin Eka Putra Halim	21,169	21,169	0.0001	0.0001
Thomas Lundi Halim	2,000	2,000	0.0000	0.0000
PT Maktosa Jaya Indah	-	3,267	-	0.0000
<u>Under common control</u>				
PT Star Maju Sentosa	2,389,215	4,454,790	0.0088	0.0171
<u>Key management personnel</u>				
Soegianto Nagaria	296,423	294,276	0.0011	0.0011
Theresia Mareta	24,335	18,597	0.0001	0.0001
Soetjipto Nagaria	8,162	8,162	0.0000	0.0000
Harto Djojo Nagaria	566	566	0.0000	0.0000
Ge Lilies Yamin	-	667	-	0.0000
<b>Total trade receivable - current</b>	<b>7,262,674</b>	<b>6,225,173</b>	<b>0.0267</b>	<b>0.0239</b>
<b>Total trade receivable</b>	<b>7,262,674</b>	<b>6,225,173</b>	<b>0.0267</b>	<b>0.0239</b>
<b>Due from related parties</b>				
<b>Due from related parties - current</b>				
<u>Other related party</u>				
Yayasan Akademi Anak Indonesia	7,500,000	7,500,000	0.0275	0.0288
<u>Under common control</u>				
PT Star Maju Sentosa	489,937	489,437	0.0018	0.0019
<u>Joint venture</u>				
PT Jakartabarbaru Cosmopolitan	57,057,981	56,223,043	0.2096	0.2158
<b>Total due from related parties - current</b>	<b>65,047,918</b>	<b>64,212,480</b>	<b>0.2389</b>	<b>0.2465</b>

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**32. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

The Group, in its regular conduct of business, has engaged in transactions with related parties. The balances of the accounts and transactions are as follows: (continued)

	Amount		Percentage to total consolidated assets/liabilities (%)	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
<b>Due from related parties - non-current</b>				
<u>Other related parties</u>				
Yayasan Pendidikan Pradita Indonesia	52,105,312	51,105,312	0.1914	0.1962
Total due from related parties - non-current	52,105,312	51,105,312	0.1914	0.1962
<b>Total due from related parties</b>	<b>117,153,230</b>	<b>115,317,792</b>	<b>0.4303</b>	<b>0.4427</b>
<b>Contract liabilities</b>				
<b>Contract liabilities - current</b>				
<u>Key management personnel</u>				
Herman Nagaria	3,517,197	3,517,197	0.0222	0.0237
<u>Other related party</u>				
PT Maktosa Jaya Indah	-	1,521,167	-	0.0103
<b>Total contract liabilities - current</b>	<b>3,517,197</b>	<b>5,038,364</b>	<b>0.0222</b>	<b>0.034</b>
<b>Contract liabilities</b>				
<b>Contract liabilities – non current</b>				
<u>Key management personnel</u>				
Herman Nagaria	3,228,110	3,228,110	0.0204	0.0217
<b>Total Contract liabilities – non current</b>	<b>3,228,110</b>	<b>3,228,110</b>	<b>0.0204</b>	<b>0.0217</b>

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**32. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

The Group, in its regular conduct of business, has engaged in transactions with related parties. The balances of the accounts and transactions are as follows: (continued)

	Amount		Percentage to total consolidated assets/liabilities (%)	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
<b>Security deposits</b>				
<b>Security deposits - current</b>				
<u>Key management personnel</u>				
Soegianto Nagaria	9,914	9,638	0.0001	0.0001
Liliawati Rahardjo	8,732	8,372	0.0001	0.0001
Adrianto P. Adhi	6,444	6,317	0.0000	0.0000
Lexy Arie Tumiwa	4,216	4,106	0.0000	0.0000
Ge Lilies Yamin	3,224	3,114	0.0000	0.0000
Harto Djojo Nagaria	2,897	2,897	0.0000	0.0000
Herman Nagaria	2,822	2,733	0.0000	0.0000
<u>Other related party</u>				
PT Maktosa Jaya Indah	9,174	8,887	0.0001	0.0001
Theresia Mareta	6,954	6,695	0.0000	0.0000
Yayasan Syiar Bangsa	-	426,750	-	0.0029
<u>Under common control</u>				
PT Star Maju Sentosa	164,492	164,493	0.0010	0.0011
<b>Total Security deposits - current</b>	<b>218,869</b>	<b>644,002</b>	<b>0.0014</b>	<b>0.0043</b>
<b>Security deposits - non current</b>				
<u>Security deposits - non current</u>				
Yayasan Akademi Anak Indonesia	224,228	3,000	0.0014	0.0000
Yayasan Syiar Bangsa	112,188	112,188	0.0007	0.0008
<u>Under common control</u>				
PT Star Maju Sentosa	6,908,705	10,310,269	0.0437	0.0696
<b>Total security deposits - non current</b>	<b>7,245,121</b>	<b>10,425,457</b>	<b>0.0458</b>	<b>0.0704</b>
<b>Total security deposits</b>	<b>7,463,990</b>	<b>11,069,459</b>	<b>0.0472</b>	<b>0.0747</b>

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**32. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

The Group, in its regular conduct of business, has engaged in transactions with related parties. The balances of the accounts and transactions are as follows: (continued)

	Amount		Percentage to total consolidated assets/liabilities (%)	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
<b>Unearned revenues</b>				
<b>Unearned revenues - current</b>				
<u>Other related party</u>				
Yayasan Syiar Bangsa	4,426,750	4,000,000	0.0280	0.0270
<b>Unearned revenues - non-current</b>				
<u>Other related party</u>				
Yayasan Syiar Bangsa	15,142,250	16,248,938	0.0958	0.1096
<b>Total unearned revenues</b>	<b>19,569,000</b>	<b>20,248,938</b>	<b>0.1238</b>	<b>0.1366</b>
	Amount		Percentage to total consolidated net revenue (%)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Net revenues</b>				
<u>Other related parties</u>				
Yayasan Inti Prima Bangsa	3,234,561	2,464,403	0.2288	0.2302
Yayasan Syiar Bangsa	1,708,147	1,000,000	0.1208	0.0934
Yayasan Akademi Indonesia	773,253	-	0.0450	-
PT Maktosa Jaya Indah	4,212	4,137	0.0003	0.0004
Theresia Mareta	3,919	3,733	0.0003	0.0003
<u>Under common control</u>				
PT Star Maju Sentosa	5,920,078	4,854,023	0.4188	0.4534
<u>Key management personnel</u>				
Liliawati Rahardjo	5,125	4,881	0.0004	0.0005
Soegianto Nagaria	3,919	5,111	0.0003	0.0005
Herman Nagaria	2,094	536	0.0001	0.0000
Adrianto P. Adhi	1,568	3,427	0.0001	0.0003
Lexy Arie Tumiwa	1,568	1,493	0.0001	0.0001
Ge Lilies Yamin	1,568	1,493	0.0001	0.0001
Harto Djojo Nagaria	1,263	1,263	0.0001	0.0001
<b>Total net revenues</b>	<b>11,661,275</b>	<b>8,344,500</b>	<b>0.8152</b>	<b>0.7793</b>

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**32. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

The amounts due from and due to related parties resulting from non-trade transactions are non-interest bearing and have no fixed repayment dates and will be settled in cash, There are no security deposits given or received for each due to and due from related parties

As of March 31, 2022, the Group management believes that all due from related parties are collectible, therefore no allowance and impairment needed.

The nature of related parties relationships and transactions with the related parties is as follows:

Related parties	Relationships	Transaction
Yayasan Inti Prima Bangsa	Others	Management fee and space rental
Yayasan Akademi Anak Indonesia	Others	Non-trade receivables
Edwin Eka Putra Halim	Subsidiary's shareholders	Hotel receivables
Thomas Lundi Halim	Subsidiary's shareholders	Hotel receivables
PT Star Maju Sentosa	Under common control	Deposit and space rental
PT Maktosa Jaya Indah	Shareholders	Sales of houses, Deposits receivables and revenue of estate management
Soegianto Nagaria	Key management personnel	Trade receivables, deposits and revenue of estate management
Theresia Mareta	Close family member of Director	Trade receivables, deposits and revenue of estate management
Soetjipto Nagaria	Key management personnel	Hotel receivables
Harto Djojo Nagaria	Key management personnel	Trade receivables, deposits and revenue of estate management
PT Jakartabarbaru Cosmopolitan	Joint venture	Non-trade receivables
Yayasan Pendidikan Pradita Indonesia	Others	Non-trade receivables
Herman Nagaria	Key management personnel	Sales of apartment, deposits and revenue of estate management
Liliawati Rahardjo	Key management personnel	Deposits and revenue of estate management
Adrianto P. Adhi	Key management personnel	Deposits and revenue of estate management
Lexy Arie Tumiwa	Key management personnel	Deposits and revenue of estate management
Ge Lilies Yamin	Key management personnel	Deposits and revenue of estate management
Yayasan Syiar Bangsa	Others	Space rental revenue

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**33. ASSETS AND LIABILITIES IN FOREIGN CURRENCIES**

As of March 31, 2022 and December 31, 2021, the Group has monetary assets and liabilities denominated in foreign currencies are as follows

	<b>March 31, 2022</b>		<b>December 31, 2021</b>	
	Foreign currency	Rupiah equivalent	Foreign currency	Rupiah equivalent
<b><u>Assets</u></b>				
Cash and cash equivalents				
United States Dollar	US\$	7,855,669	US\$	7,867,006
European Euro	Euro	6,723	Euro	6,744
Singapore Dollar	Sin\$	1,506	Sin\$	1,503
Others	AUD	12,958	AUD	13,333
Total assets in foreign currencies		112,967,535		112,500,934
<b><u>Liabilities</u></b>				
Short-term bank loan				
United States Dollar	US\$	5,000,000	US\$	5,000,000
Long-term bank loan				
United States Dollar	US\$	7,504,134	US\$	7,504,134
Trade payables to third parties				
United States Dollar	US\$	28,263	US\$	28,275
European Euro	Euro	387	Euro	387
Others payables				
United States Dollar	US\$	31,765	US\$	89,096
Singapore Dollar	Sin\$	57,331	Sin\$	-
Accrued Expense				
United States Dollar	US\$	326,751	US\$	326,751
Total liabilities in foreign currencies		185,585,907		184,764,918
<b>Liabilities in foreign currencies - net</b>		<b>(72,618,372)</b>		<b>(72,263,984)</b>

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**34. OPERATING SEGMENT**

**March 31, 2022 and for The Three-Month period ended**

	<b>Property Development</b>	<b>Investment Property</b>	<b>Leisure &amp; Hospitality</b>	<b>Others</b>	<b>Consolidation</b>
Net revenue	1,017,593,327	310,731,367	53,918,235	87,370,791	1,469,613,721
Gross profit	645,674,496	171,888,411	11,743,013	4,083,659	833,389,579
Income from operations	444,194,991	149,538,522	(6,497,962)	(17,117,040)	570,118,511
Finance income					27,486,901
Finance costs					(303,517,736)
Equity in net profit of associates					3,280,225
<b>Profit before final tax and income tax expense</b>					<b>297,367,901</b>
Final tax expense					(58,209,846)
<b>Profit before income tax</b>					<b>239,158,055</b>
Income tax expense					(3,511,804)
<b>Profit for the period</b>					<b>235,646,251</b>
<b>Other information</b>					
Segment assets	22,163,358,017	4,243,249,411	464,478,888	352,931,563	27,224,017,879
Segment liabilities	13,830,273,736	1,264,466,748	548,589,440	166,219,213	15,809,549,137
Acquisition of fixed assets and investment properties	2,256,189	50,777,932	510,287	1,788,504	55,332,912
Depreciation	8,843,705	36,782,103	9,181,536	3,188,798	57,996,142

**March 31, 2021 and for The Three-Month Period Ended**

	<b>Property Development</b>	<b>Investment Property</b>	<b>Leisure &amp; Hospitality</b>	<b>Others</b>	<b>Consolidation</b>
Net revenue	747,701,246	207,332,237	39,919,808	75,683,572	1,070,636,863
Gross profit	401,541,793	76,959,579	3,470,415	8,078,630	490,050,417
Income from operations	246,922,616	53,724,818	(10,413,975)	(8,983,466)	281,249,993
Finance income					20,775,181
Finance costs					(227,176,927)
Equity in net profit of associates					2,757,686
<b>Profit before final tax and income tax expense</b>					<b>77,605,933</b>
Final tax expense					(40,881,241)
<b>Profit before income tax</b>					<b>36,724,692</b>
Income tax expense					39,220
<b>Profit for the period</b>					<b>36,763,912</b>

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**34. OPERATING SEGMENT (CONTINUED)**

	March 31, 2021 and for The Three-Month Period Ended				
	Property Development	Investment Property	Leisure & Hospitality	Others	Consolidation
<b>Other information</b>					
Segment assets	20,478,975,771	4,233,641,681	490,300,901	362,423,642	25,565,341,995
Segment liabilities	14,475,168,950	1,371,774,008	489,678,798	151,292,400	16,487,914,156
Acquisition of fixed assets and investment properties	3,198,179	3,198,179	3,198,179	3,198,179	3,198,179
Depreciation	8,850,377	8,850,377	8,850,377	8,850,377	8,850,377

**35. SIGNIFICANT AGREEMENTS AND COMMITMENTS**

- a. In August 2020, PT Edustar Akademi Indonesia (ESAI) gave credit facility to Yayasan Akademi Anak Indonesia (YAAI), with the plafond of Rp6,000,000. This credit facility has a term of 12 months and will mature on August 19, 2021. This credit facility bears an interest rate of 9.25% per annum which will be paid monthly. The agreement has been amended on September 10, 2021, whereby the parties agreed to increase the loan facility to Rp20,000,000 which will end on August 19, 2022 with an interest rate of 9.5% (valid from December 20, 2021 – August 19, 2022) and 7.5% (valid from May 21, 2021 – December 19, 2021).
- b. In January 2019, PT Serpong Cipta Kreasi (SPCK) entered into following agreements with certain parties as follows:
  1. Collaboration agreement named KSO Summarecon Lestari Lakeview (KSO SLL) to develop land owned by Lestari Kreasi (LK) located in Tangerang. Profit or loss from the operation will be distributed with the percentage allocation 70% to SPCK and 30% to LK. This agreement is valid for 10 years until September 18, 2027 and is notarized under deed No. 62 dated January 31, 2019 of Dewi Himijati Tandika, S.H.
  2. Collaboration agreement with PT Variatata (VT) named KSO Summarecon Variatata Serpong (KSO SVS) to develop land owned by Variatata located in Tangerang. Profit or loss from the operation will be distributed with the percentage allocation 20% to VT and 80% to SPCK. This agreement is valid for 10 years until September 18, 2027 and is notarized under deed No. 63 dated January 31, 2019 of Dewi Himijati Tandika, S.H.
  3. Collaboration agreement with PT Lestari Kreasi (LK) and PT Telaga Gading Serpong (TGS) named KSO Summarecon Lakeview Serpong (KSO Summarecon Lakeview) to develop East Business Unit Land located in Tangerang. Profit or loss from the operation will be distributed with the percentage allocation 5% to TGS, 40% to LK and 55% to SPCK. The agreement is valid for 10 years until April 29, 2029 and is notarized under deed No. 64 dated January 31, 2019 of Dewi Himijati Tandika, S.H.
  4. Collaboration agreement with PT Jakartabarbaru Cosmopolitan (JBC) named KSO Summarecon Serpong (KSO Summarecon Serpong) to develop Business Unit 2 Land and Business Unit 2 Enclosed Land located in Tangerang. Profit or loss from the operation will be distributed with the percentage allocation 20% to JBC and 80% to SPCK. The agreement is valid for 10 years until July 18, 2029 and is notarized under deed No. 65 dated January 31, 2019 of Dewi Himijati Tandika, S.H.
- c. On December 31, 2018, PT Sinergi Mutiara Cemerlang (SGMC) entered into credit facility agreement from PT Mutiara Properti Cemerlang (MPC) which was notarized under deed No. 69 dated June 8, 2018 of Dewi Himijati Tandika, S.H., amounting to Rp24,358,494,390 and will mature on June 8, 2022. This credit facility bears an interest rate of 13% per annum.

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**35. SIGNIFICANT AGREEMENTS AND COMMITMENTS (CONTINUED)**

- d. On March 8, 2018, PT Bhakti Karya Bangsa (BTKB) gave credit facility to Yayasan Pendidikan Inti Prima Bangsa (YIPB), with the plafond of Rp18,784,000,000. This credit facility has a term of 60 months which will mature on March 8, 2023. This credit facility bears an interest rate of 11.25% per annum which will be paid monthly. This agreement has been amended on September 20, 2019, which BTKB and YIPB agreed to increase credit facility from Rp18,784,000 to Rp21,284,000.
- e. The Company and certain Subsidiaries entered into agreements with several banks ("Bank"), wherein such banks will provide credit facilities to the buyers of shops, commercial buildings, apartments of the Company and certain Subsidiaries. In general, the validity period of these agreements have not been determined since the agreement date. In the agreements, the Company and certain subsidiaries will be fully responsible and act as guarantor for the payment of all amounts due to the Bank including, principal and other costs incurred in the loan agreements made by and between the Buyer/Debtor with the Bank (buy back guarantee):
1. Before the buyer/debtor has signed the Deed of Sale and Purchase (AJB),
  2. Before the buyer/debtor has signed the Power of Attorney to Encumber Security over Land (SKMHT)/Deed of Granting of Security Rights (APHT) and or,
  3. The buyer/debtor buyers had neglected its obligation to pay the installment for Three-Month consecutively to the Bank.

The guarantee will be provided as long as AJB has not been signed. This guarantee cannot be withdrawn or revoked as long as AJB on certificate of Unit Rights and APHT have not been signed, and have not been submitted and accepted by the bank.

- f. On May 1, 2017, PT Hotelindo Permata Jimbaran (HOPJ) entered into tradename and trademark license agreement with Soho Hospitality Co.,Ltd, wherein HOPJ has the right to use the name "Above Eleven" and the restaurant will be named "Above Eleven, Bali". HOPJ agreed to pay royalties as compensation, which is computed at the rate in accordance with the terms of the agreement. This agreement is valid for 5 years from the signing of the agreement and will not be renewed.
- g. On July 28, 2016, PT Bhakti Karya Bangsa (BTKB) entered into an operational agreement with Yayasan Pendidikan Inti Prima Bangsa (YIPB), whereby BTKB agreed to collaborate with YIPB in reforming the quality of education and management system in YIPB as well as elevating Sekolah Tinggi Manajemen Informatika dan Komputer Inovasi Sains Teknologi dan Bisnis (STMIK ISTB) to a university with an international level of competency standard.
- h. In November 2014, PT Summarecon Hotelindo (SMHO) entered into the following agreements with Pop International Hotels Corporation (PIHC) and PT Tauzia International Management (Tauzia):
1. Tradename and Trademark License Agreements, wherein SMHO has the rights to use the name "Pop Hotels" and its hotel will be named "Pop! Hotel Kelapa Gading". SMHO agreed to pay royalty as compensation, which are computed at the rate in accordance with the terms of the agreement. This agreement is valid for 10 years starting from the commercial operations of the hotel.
  2. Hotel Management Agreement, wherein Tauzia is engaged as operator of Pop! Hotel Kelapa Gading. Tauzia is entitled to receive fees, which are computed at the rate in accordance with the terms of the agreement.

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**35. SIGNIFICANT AGREEMENTS AND COMMITMENTS (CONTINUED)**

- i. In December 2011, PT Hotelindo Permata Jimbaran (HOPJ) entered into the following agreements with Movenpick Hotels and Resort Management AG (MH&R) as follows:
1. Marketing and Hotel Services Agreement with MH&R, wherein MH&R agreed to provide hotel management services including human resource development, marketing and reservations. MH&R is entitled to receive contribution and marketing fees as compensation, which are computed at the rate in accordance with the terms of the agreement. This agreement is valid for 15 years starting from the commercial operations of the hotel. On February 10, 2022, there was a transfer of responsibility from MP Investment AG to PT AAPC Indonesia. As described in the agreement, starting January 1, 2021 PT HOPJ agreed to transfer tariff payments related to Hotel Marketing and Services from Movenpick Hotels and Resorts Management AG to PT AAPC Indonesia.
  2. Tradename and Trademark License Agreements with MH&R, wherein HOPJ is authorized to use the name "Movenpick" and the hotel will be named "Movenpick Resort & Spa Jimbaran, Bali". HOPJ agreed to pay royalty as compensation, which are computed at the rate in accordance with the terms of the agreement. This agreement is valid for 15 years, commencing from the start of the commercial operations of the hotel. On February 10, 2022, there was a transfer of responsibility from MP Investment AG to PT AAPC Indonesia. As described in the agreement, starting January 1, 2021 PT HOPJ agreed to transfer royalty payments related to the License of Trade Names and Trademarks from Movenpick Hotels and Resorts Management AG to PT AAPC Indonesia.
  3. Hotel Management Consulting Agreement with MH&R, wherein MH&R is engaged as the sole and exclusive advisor and consultant to supervise, direct, manage and control the operations of Movenpick Resort & Spa Jimbaran, Bali. MH&R is entitled to receive consultation fees as compensation, which are computed at the rate in accordance with the terms of the agreement. This agreement is valid for 15 years, commencing from the start of the commercial operations of the hotel. On February 10, 2022, there was a transfer of responsibility from MP Investment AG to PT AAPC Indonesia. As described in the agreement, starting January 1, 2021 PT HOPJ agreed to transfer the tariff payment related to Management Consultation from Movenpick Hotels and Resorts Management AG to PT AAPC Indonesia.
- j. In November 2009, PT Summarecon Hotelindo (SMHO) entered into the following agreements with Harris International Hotels Corporation (HIHC) and PT Tauzia International Management (Tauzia):
1. Tradename and Trademark License Agreements, wherein SMHO has the rights to use the name "Pop Hotels" and its hotel will be named "Pop! Hotel Kelapa Gading". SMHO agreed to pay royalty as compensation, which are computed at the rate in accordance with the terms of the agreement. This agreement is valid for 10 years starting from the commercial operations of the hotel. The agreement already extended based on amendments on April 30, 2020 and this effective until May 11, 2025.
  2. Hotel Management Agreement, wherein Tauzia is engaged as operator of Pop! Hotel Kelapa Gading. Tauzia is entitled to receive fees, which are computed at the rate in accordance with the terms of the agreement.
  3. On April 30, 2020, PT SummareconHotelindo (SMHO) and the Company entered into an amendment of Hotel Management Consulting Agreement with Tauzia wherein Tauzia is engaged as the sole and exclusive advisor and consultant to supervise, direct, manage and control the operations of HARRIS Hotel Kelapa Gading. Tauzia is entitled to receive fees, which are computed at the rate in accordance with the terms of the agreement. This agreement amendment is valid for 5 years, starting from May 12, 2020, the commencement date of the Hotel operations. Incentive fees are payable monthly.

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**36. LITIGATIONS**

The Company and certain subsidiaries in the Group involved in several lawsuit as follows :

- a. KCJA (Intervenor I) and other Defendants vs Jantje Manesah Agung (Plaintiff) in relation to land dispute over 85,940m<sup>2</sup> (eighty five thousand nine hundred forty square meters) of land located in Bogor. On October 29, 2015, this claim was filed to North Jakarta District Court. On April 7, 2016, KCJA has requested to interfere in this case. On April 3, 2017, North Jakarta District Court decided to refuse Plaintiff's claim. On July 22, 2021, DKI Jakarta High Court has made the decision of ruling North Jakarta District's decision to be legally binding. As of the completion date of the consolidated financial statements, the litigation has become legally binding.
- b. MKPP (Defendant) and other Defendants vs Hj. Sukaesih Binti Suarma Alias Ny. Tjartjih Binti Suarma (Deceased Plaintiff) in relation to land dispute over 8,050m<sup>2</sup> (eight thousand fifty square meters) of land located in Bandung. On April 7, 2017, this claim was filed to Bandung District Court. Bandung district court decided to grant the Plaintiff's claim. On March 1, 2018, the Plaintiff filed an appeal to Bandung High Court. As of judgment, on March 1, 2018, Defendant filed an appeal to Bandung High Court. On November 13, 2018, Bandung High Court decided to refuse the Plaintiff's claim. On December 10, 2018, the Plaintiff filed an appeal to the Supreme Court. Supreme Court's issued a judgement ruling to grant the Plaintiff's claim. Based on Supreme Court's decision, on December 2, 2019, the Defendants appealed for Judicial Review to Supreme Court. As of the date of approval and authorization for issuance of these consolidated financial statements, this litigation has become legally binding.
- c. The Company (Defendant IV) and other Defendants vs MAKAWI et al. as Plaintiffs in relation to land dispute over 33,100m<sup>2</sup> of land located in Kel. Kelapa Gading Barat (previously was Kelurahan Pengangsaan Dua), Kec. Kelapa Gading (previously was Kecamatan Koja), North Jakarta. This claim was filed at North Jakarta District Court Secretariat on March 28, 2019. On January 25, 2021, North Jakarta Courts issued a judgement ruling to grant part of the Plaintiff's claim. On February 4, 2021, the Defendant filed an appeal to Jakarta High Court. On December 23, 2021, Jakarta High Court decided to refuse the Plaintiff's claims. On February 14, 2021, the Plaintiff filed an appeal to the Supreme Court. As of the date of approval and authorization for issuance of these consolidated financial statements, the aforementioned case is still under review by the Supreme Court of Republic Indonesia.
- d. The Company (Defendant II) and other Defendants vs Ir.H. Novalita Namida H, MT as Plaintiff in relation to Plaintiff's request to put confiscated/withdraw Defendant's assets such as 1 (one) unit of SpringLake Summarecon Bekasi Apartement, located in Jl. Boulevard Jend. A. Yani, Kel. Marga Mulya, Kec. Bekasi Utara, Bekasi (bought from Defendant II) as compensation on Defendant's action against law. This claim was filed at Bekasi District Court Secretariat on April 5, 2019. On April 21, 2020, Bekasi District Court's issued a judgement ruling to refuse the Plaintiff's claim. On May 4, 2020, the Plaintiff filed an appeal to Bandung High Court. On November 19, 2020, Bandung High Court's issued a judgement ruling to refuse the Plaintiff's claim. On February 8, 2021, the Plaintiff filed an appeal to the Supreme Court. On February 22, 2021, Appellant (previous Plaintiff) has been withdrawn their appeal. This litigation has become legally binding.
- e. The Company (Plaintiff) vs Robert Sudjasmin (Defendant I) and the other Defendants and Codefendants in relation to a typing error in the minutes of auction numbers in dictum of North Jakarta District Court Decision No.17/Pdt.G/1991/PN.JKT.UT jo. Jakarta High Court decision No.158/PDT/1993/PT.DKI jo. Supreme Court decision No. 538 K/Pdt/1994 jo. No. 466 PK/Pdt/2002. The claim was filed on August 20, 2013 and on September 1, 2014, the North Jakarta District Court accepted the Plaintiff's appeal. Based on the North Jakarta District Court's decision, Defendant II and Defendant I, on October 1, 2014 and September 11, 2014 filed appeal to DKI Jakarta High Court. On November 26, 2015, DKI Jakarta High Court has made the decision of ruling North Jakarta District's decision to be legally binding. Based on DKI Jakarta High Court's decision, Defendant I filed appeal to Supreme Court. On June 21, 2017, Supreme Court issued a judgement ruling to refuse the Defendant's claim. Based on Supreme Court's decision, Defendant I (Republic of Indonesia Cq. Republic of Indonesia Government Cq. Ministry of Finance of Republic of Indonesia (Previously Finance Department of Republic of Indonesia) Cq. Badan Urusan Piutang Negara Cq. Kantor Wilayah VII Direktorat Jenderal Kekayaan Negara Jakarta (previously Badan Urusan Piutang Negara Kantor Wilayah VI Jakarta)) and Defendant II (Republic of Indonesia Cq. Republic of Indonesia Government Cq. Ministry of Finance of Republic of Indonesia (Previously Finance Department of Republic of Indonesia) Cq. Directorate General of Taxation Cq. State Assets and Auction Service Office (previously Kantor Lelang Negara Klas I Jakarta)) on August 10, 2018 appealed for Judicial Review to Supreme Court. On November 24, 2021, Supreme Court's issued a judgement ruling to refuse the Plaintiff's claim.

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**36. LITIGATIONS (CONTINUED)**

The Company and certain subsidiaries in the Group involved in several lawsuit as follows: (continued)

- f. CTDA (Defendant II) and other Defendants vs H. Husin bin Madi as Plaintiff and other Plaintiffs in relation to land dispute over 9,240m<sup>2</sup> located in Kel. Rawa Terate, Kec. Cakung, East Jakarta. This claim was filed at East Jakarta District Court Secretariat on June 25, 2019. On October 1, 2020, East Jakarta District Court's issued a judgement ruling to refuse the Plaintiff's claim. On October 13, 2020, the Plaintiff filed an appeal to DKI Jakarta High Court. As of the completion date of the consolidated financial statements, the aforementioned case is still under review by DKI Jakarta High Court.
- g. SGMC (Defendant V) and other Defendants vs Bollo and Kadir M (Plaintiff) in relation to a claim over approximately 13,700m<sup>2</sup> (thirteen thousand seven hundred square meters) located in Kelurahan Bulurokeng, Kecamatan Biringkanaya, Kota Makassar. The claim was filed at Makassar District Court Secretariat on February 28, 2020. On January 7, 2021 Makassar District Court's issued a judgement ruling to refuse the Plaintiff's claim. On January 15, 2021, the Plaintiff filed an appeal to Makassar High Court. On June 15, 2021, Makassar High Court has made the decision of ruling Makassar District's decision to be legally binding. Based on Makassar High Court's decision, on August 4, 2021, the Plaintiff's filed an appeal to Supreme Court of Republic Indonesia. As of the date of approval and authorization for issuance of these consolidated financial statements, the aforementioned case is still under review by the Supreme Court of Republic Indonesia.
- h. GNSA (Defendant I) and other Defendants vs Erlin Erliany (Plaintiff) and other Plaintiffs through the against the law from the Defendants in relation to Pelaksanaan Peningkatan Jalan dan Pembangunan Infrastruktur Pengendali Terhadap Pengaruh Pembangunan Bukaan Jalan Tol Jagorawi KM. 42.5. The claim was filed at Bogor District Court Secretariat on August 19, 2020. On June 7, 2021, GNSA (Defendant I) and other Defendants and Plaintiff and other Plaintiffs signed the Peace Agreement and on June 16, 2021 Bogor District Court ruling the Peace Agreement. This litigation has become legally binding.
- i. KCJA (Defendant) vs Ujang Tajudin Adjie (Plaintiff) in relation to a claim over approximately 500m<sup>2</sup> (five hundred square meters) located in Desa Cibanon, Kecamatan Sukaraja, Kabupaten Bogor. The claim was filed at Cibinong District Court Secretariat on August 31, 2020. On January 20, 2021, the Plaintiff filed a withdrawal for lawsuits. This litigation has been withdrawn by the Plaintiff. This litigation has become legally binding.
- j. SGMC (Defendant II) and other Defendants vs Hasiahi as Plaintiff in relation to land dispute over 2,400m<sup>2</sup> located Kelurahan Bulurokeng (before Kampong Bonelengga). This claim was filed at Makassar District Court Secretariat on September 14, 2020. On April 20, 2021, Makassar District Court's issued a judgement ruling to refuse the Plaintiff's claim. On May 17, 2021, the Plaintiff filed an appeal to Makassar High Court. On August 5, 2021, Makassar High Court has made the decision of ruling Makassar District Court's decision to be legally binding. As of the completion date of the consolidated financial statements, the litigation has become legally binding.
- k. KCJA (Defendant II Intervenor) and Bupati Bogor (Defendant) vs Suko Sarjono, AK, DKK (Plaintiff) in relation to Defendant's Decision No: 591.1/001/00071/bpt/2013 concerning Location Permit and No: 591.1/001.OSS/00040/DPMP/TSP/2021 concerning Approval of Fulfillment of Online Single Submission (OSS) Location Permit Commitments. This claim was filed at Bandung District Court Secretariat on October 28, 2021. On December 8, 2021, the Company submitted a request for intervention in the litigation. On March 23, 2022, Bandung District Court Secretariat issued a judgement ruling to refuse the Plaintiff's claim. Based on the judgement, on March 28, 2022, Plaintiff filed an appeal to Jakarta High Court Secretariat. As of the completion date of the consolidated financial statements, the aforementioned case is still under review by the Jakarta High Court Secretariat.
- l. KCJA (Defendant II Intervenor) and BPN Kabupaten Bogor (Defendant) vs Suko Sarjono, AK, DKK as Plaintiff in relation to Decision Letter for Right for Use Building over 54,279m<sup>2</sup> and 7,294m<sup>2</sup> land located in Sukaraja, Bogor. This claim was filed at Bandung District Court Secretariat on December 13, 2021. On January 17, 2021, KCJA has requested to intervene in this case.

The Company's management believes that the above litigations will not have material effect and will not influence the going concern status of the Group and that these matters can be settled in accordance with the existing laws.

**PT SUMMARECON AGUNG Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Three-Month Period Ended March 31, 2022**  
**(Expressed in thousands of Indonesian Rupiah, unless otherwise stated)**

**37. EARNINGS PER SHARE**

	For the Three-Month Period Ended	
	March 31,	
	2022	2021
Profit for the Three-Month period attributable to the owners of the Parent Entity	175,042,452	37,412,932
Weighted average number of shares for calculation of earnings per share	16,508,568,368	14,426,781,680
<b>Earnings per share attributable to owners of the Parent Entity (full amount)</b>	<b>10.60</b>	<b>2.59</b>

**38. NON-CASH ACTIVITIES**

	For the Three-Month Period ended	
	March 31,	
	2022	2021
Reclassification of undeveloped land to inventories in progress	34,689,331	78,649,796
Acquisition of undeveloped land credited to:		
Advance	-	1,588,207
Reclassification of investment properties from inventories	19,435,706	18,796,814

**39. OTHER MATTER**

This Covid-19 pandemic in 2020 has caused global and domestic economic slowdown. The extent of such impact will depend on certain future development which cannot be predicted at this moment, including the duration of the spread of the outbreak, economic and social measures that are being taken by the government authorities to eradicate COVID-19 threat. The management is closely monitoring the Company's operations, liquidity and resources, and is actively working to minimize the current and future impact of this unprecedented situation.

**40. SUBSEQUENT EVENTS**

- a. On April 12, 2022, BCA has approved the request of reduction of capital stock of LTMD and MKOJ, also has been declined the request of to BCA to delay the COVID-19 loan restructuring.
- b. On February 18, 2022, the shareholders of BTKB agreed to decrease its authorized capital stock from Rp150,000,000 to Rp100,000,000 and its issued and fully paid capital stock from Rp50,216,688 to Rp35,000,000 with the par value of Rp1,000 (full amount) per share. SMED subscribed for all of the decrease of 15,216,688 shares or amounting to Rp15,216,688. After the decrease of capital stock, the percentage of SMED's ownership 99.99% and BHMS's ownership 0.01%. The decrease in authorized share capital and paid up capital was notarized under deed No. 51 dated February 18, 2022 and was acknowledged and recorded by the Ministry of Law and Human Rights (MLHR) in its Decision Letter No, AHU-0029642.AH.01.02 Year 2022 dated April 24, 2022.
- c. SPCK (Defendant) vs Yayasan Perlindungan Konsumen Amanat Perjuangan Rakyat Malang (YAPERMA) as plaintiff in relation to Land and Building Selling Agreement of Maxwell Cluster at Summarecon Serpong No No. E.0010/SSPG/RMH/2019 dated May 31, 2019. This claim was filed at Tangerang District Court at April 5, 2022. As of the completion date of the consolidated financial statements, the aforementioned case is still under review by the Tangerang High Court Secretariat.