


JTC CORPORATION

ANNUAL REPORT
FY2019

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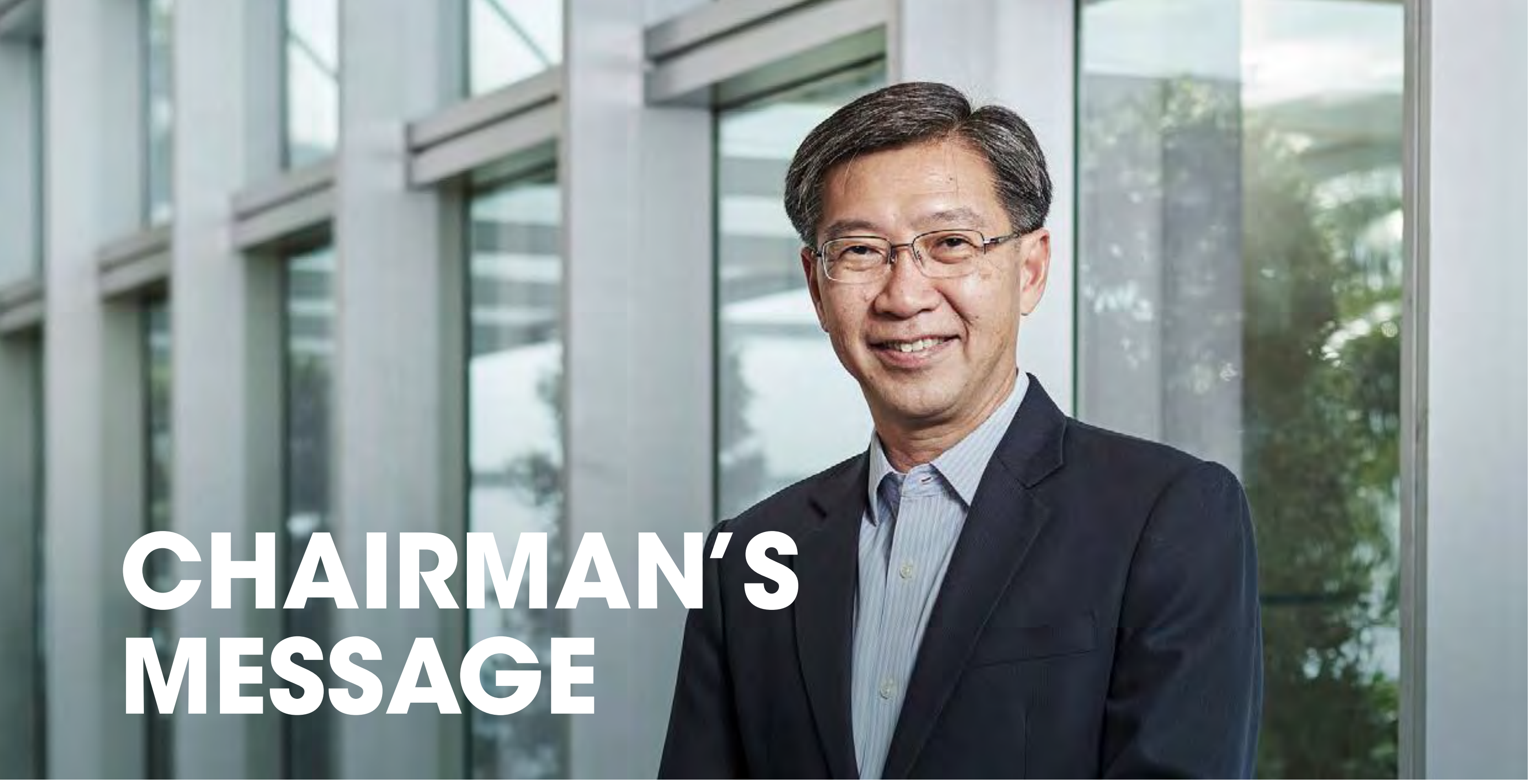
Artist's impression of Jurong Innovation District



CHAIRMAN'S MESSAGE

The past year has been challenging for the Singapore economy, and will likely remain so for the months ahead. The intensifying strategic competition between the US and China has curbed business confidence, even as the COVID-19 pandemic continues to disrupt both lives and livelihoods. Economies across the world are struggling, with the International Monetary Fund forecasting a global contraction of 5 per cent in 2020, the worst global downturn since the Great Depression in the 1930s.

As one of the world's most open economies, Singapore has been severely affected. Dampened external demand, supply chain disruptions and negative business sentiments will hurt us significantly. The Singapore economy is likely to contract by 5 to 7 per cent in 2020.

Helping our companies through challenging times

JTC's customers, big and small, have been hard hit by the negative global climate. As we go through this period, JTC is fully committed to help our companies through the difficulties ahead.

In the current climate, business sustainability and cash flow are top-of-mind concerns for every company. We have thus provided extensive rental support to our customers.

Eligible tenants were given at least two months of rental waivers, as part of the Government's relief packages. Rental increases were also put on hold for lessees, tenants and licensees till March 2021, while rental deferments were offered upon request. Cumulatively, the amount of rental support provided so far is greater than that provided during the 2008 recession.

Aside from rental support, JTC has also stepped up our non-financial assistance. Our Industry Connect programme aims to link customers with relevant government agencies and business partners to help them tide through this challenging period. To help businesses open safely, workshops on safe distancing measures were held jointly with trade associations like the Singapore Motor Workshop Association. A series of webinars to prepare businesses for a post-COVID-19 future was set up in collaboration with the Association of Small & Medium Enterprises (ASME), SkillsFuture Singapore, Workforce Singapore and the Singapore Manufacturing Federation. To support enterprises in developing their talent pipelines, we have pro-actively linked SMEs with institutes of higher learning, polytechnics and institutes of technical education.

Ready spaces in JTC estates have also been made available for companies which need to pivot quickly in support of our pandemic battle. These include face mask manufacturers at JTC Space @ Tuas, respirator producers at LaunchPad @ one-north, vaccine testing and production companies at MedTech Hub, and so on. JTC has also constructed temporary dormitories in selected factory space to house migrant workers being decanted from permanent dormitories affected by the COVID-19 outbreak.

Building for the future

Looking forward to a post-COVID-19 world, it is certain that technology and digitalisation will grow in importance. The pandemic has forced companies to accelerate their digital shift, with significant impact on their respective employees. In this vein, advanced manufacturing technologies, characterised by a high degree of automation and knowledge-intensity, will become even more critical to the growth industries of the future.

The development of an advanced manufacturing ecosystem at Jurong Innovation District (JID) is progressing well. JID is Singapore's largest living lab for new manufacturing technologies and solutions. To date, we have attracted advanced manufacturing investments from established global players such as Bosch Rexroth, Hyundai and Shimano. The anchoring of these players at JID will further elevate Singapore's status as a global advanced manufacturing hub.

Construction of the first phase of Punggol Digital District (PDD), Singapore's first smart business district, is ongoing, with completion targeted for 2024. PDD aims to attract prominent players in the info-comm technology (ICT) and digitalisation arena, through its strong ecosystem of academia, talent and technology.

Another important growth area is agri-food technology. To capture economic opportunities and enhance food resilience, JTC has begun development work on the Agri-Food Innovation Park (AFIP), which brings together agri-tech activities such as research and development, prototyping and high-tech farming operations into a single location. AFIP will be located in the rejuvenated Sungei Kadut Eco-District. In the long term, Sungei Kadut will become a centre for the development and implementation of climate-resilient and environmentally-responsive practices and industries.

Playing our part to combat climate change

Beyond the present COVID-19 crisis, climate change will pose an even more difficult and longer-lasting challenge to both governments and companies across the globe. As Singapore's lead industrial agency, JTC will ensure that our industrial infrastructure and business strategies pro-actively support our customers' growing commitment to environmental sustainability.

Through our clean energy programmes such as SolarRoof and SolarLand, JTC has utilised over 740,000 sqm of vacant land and rooftop space for solar installation and power generation. This is estimated to contribute over 82 MWp of solar energy, equivalent to powering 15,000 households, while reducing over 32,000 tonnes of carbon emissions per year.

Besides clean energy, JTC is actively promoting the concept of "circular economies". This happens when one company's waste products can be re-purposed as useful resources for other companies, thereby closing the industrial loop and creating sustainable ecosystems. In this regard, JTC has rallied our customers on Jurong Island to undertake a Circular Economy Study. Through this initiative, more than 50 companies on Jurong Island consented to share their usage data on energy, water and waste in order to identify potential synergies with each other. Besides reducing waste, such efforts will greatly enhance trust and collaboration between participating companies and strengthen the ecosystem in Jurong Island.

Gearing up for a post-COVID-19 world

The post-COVID-19 world will not be business as usual. Despite the uncertain and challenging economic outlook, JTC is committed to help our customers weather the immediate storm, as well as to strengthen their capabilities for the longer-term future.

We are confident in our ability to attract advanced manufacturing and high-tech investments that will strengthen Singapore's industrial base and generate good jobs for Singaporeans. We are also confident that we can support our companies to play an increasingly central role in the battle against climate change.

Working together with our customers, partners and stakeholders, JTC will help the Singapore economy to emerge stronger in the years ahead.

Tan Chong Meng
Chairman

2020 BOARD MANAGEMENT

Aerial view of one-north

As at 31 August 2020

CHAIRMAN

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

MEMBERS

Mr Ng Lang
Chief Executive Officer
JTC Corporation

Mr Michael Sim
Executive Director
Platanetree Capital Pte Ltd

Ms Jeanette Wong
Former Group Executive, Institutional Banking Group
DBS Group

Mr Olivier Lim
Chairman
Certis CISCO Security Pte Ltd

Mr Guy Harvey Samuel
Board Member
National Parks Board

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

Mr Ng Chee Keong
Chairman
Jurong Port Pte Ltd

Mr Vincent Chong
President & Chief Executive Officer
ST Engineering Ltd

LG Melvyn Ong
Chief of Defence
Ministry of Defence

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

Mr Mok Wei Wei
Managing Director
W Architects Pte Ltd

Mr Zainal Bin Sapari
Assistant Secretary General
National Trades Union Congress

Mr Adrian Chua
Deputy Secretary
Ministry of Trade and Industry

Mr Muthukrishnan Ramaswami
Partner
PeepalTree Pte Ltd

2020 SENIOR MANAGEMENT

As at 31 August 2020

Mr Ng Lang
Chief Executive Officer

Mr David Tan
Assistant Chief Executive Officer
Development Group

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

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

Chief Digital Officer

Mr Alvin Tan
Assistant Chief Executive Officer
Industry Cluster Group

CEO'S OFFICE

Ms Chee Wan Chin
Group Chief Financial Officer

Mr Jared Chng
Director
Billing & Reporting

Ms Caroline Wong
Director
Communications

Ms Lee Chuay Noi
Director
Human Resources

Mr Francis Nyan
Director
Treasury & Payments

Ms Cindy Chou
Director
JTC Academy

CORPORATE, POLICY & PLANNING

Ms Yvonne Lim
Group Director
Policy & Research

Mr Goh Thong
Director
Audit & Advisory

Mr Goh Chye Kiang
Director
Applications Development

Mr William Lim
Director
Centre for Information Management

Ms Wee Pei Yean
Director
Corporate Planning

Mr Alan Siow
Director
Digital Infrastructure & Operations

Mr Benjamin Chan
Director
Data Science

Mr Andy Yeo
Chief Information Security Officer
Digital Security & Design

Mr Mohamad Hafiz Bin Sayuti
General Counsel
Legal Services

Ms Stella Seow
Director
Valuation

DEVELOPMENT

Ms Josephine Loke
Group Director
Land Planning & Redevelopment

Dean
JTC Academy

Mr Tay Ter Long
Group Director
Contracts & Procurement

2020 Senior Management

As at 31 August 2020

Continued

Mr Kok Poh June
Group Director
New Estatest

Director
Smart District

Ms Elaine Lee
Acting Director
Contracts & Procurement (Construction)

Ms Jan Seow
Director
Land Planning

Ms Vivien Tan
Director
Land Redevelopment

Ms Finn Tay
Director
New Estates 1

Ms Gina Foo
Director
New Estates 2

Mr Nelson Liew
Director
New Estates 2

Ms Tang Hsiao Ling
Director
Urban Design & Architecture

ENTERPRISE CLUSTER

Mr Khoo Teng Seong
Group Director
Enterprise Cluster Group

Mr Leong Hong Yew
Group Director
Enterprise Cluster Group

Ms Ma Ping Nee
Group Director
Enterprise Cluster Group

Mr Tang Weng Chau
Acting Director
Housing & Community

Mr Lee Say Kee
Director
Industrial Estates

Ms Tang Li Fun
Director
Industrial Properties Management 1

Ms Gillian Phua
Acting Director
Industrial Properties Management 2

ENGINEERING AND OPERATIONS

Mr Calvin Chung
Group Director
Engineering

Director
Future of Building & Infrastructure

Mr Mark Koh
Group Director
Facilities & Estates Management

Mr Teo Tiong Yong
Group Director
Project Management

Mr Wong Wei Loong
Director
Building Projects

Mr Jason Foo
Director
Enforcement

Director
Facilities Planning & Advisory

Mr Ng Eng Sin
Director
Facilities Engineering & Systems

Mr Derrick Ong
Director
Facilities & Estates Management (Central)

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

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

Mr Koh Chwee
Director
Infrastructure Projects

Director
Workplace Safety & Construction Quality

Mr Kenny Lim
Acting Director
Public Projects

Mr Chua Leong Yew
Director
Reclamation

Ms Tan Su Chern
Director
Technical Services

Mr Vincent Chew
Director
Jurong Island Security Division

INDUSTRY CLUSTER

Mr Leow Thiam Seng
Group Director
Industry Cluster Group

Ms Christine Wong
Group Director
Industry Cluster Group

Ms Lim AiTing
Acting Director
Aerospace & Marine

Mr Cheong Wee Lee
Director
Biomedical & Electronics

Mr Aw Wei Been
Director
Cluster Solutions

Ms Cindy Koh
Director
Energy & Chemicals

Mr Eugene Lim
Director
Food & Lifestyle

Mr Ng Wee Leong
Acting Director
Info-Comm Media & Start-Up

Mr Anil Das
Director
Logistics & Land Transport

Mr Cheang Tick Kei
Director
Precision Engineering & Advanced Manufacturing

Mr Lim Junwei
Director
Urban Solutions & Construction

FY2019 HIGHLIGHTS

New Allocation of JTC's Industrial Land

Land Area (Ha)
291.7

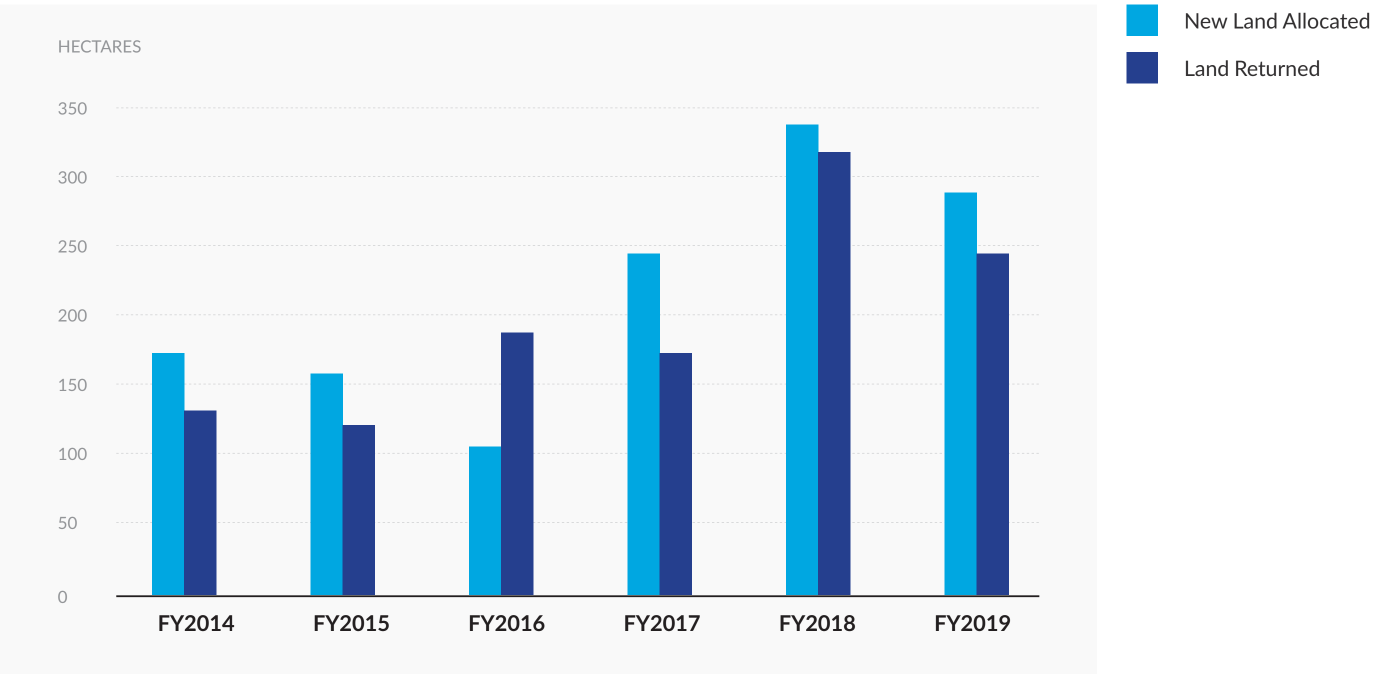
No. of companies
118

New Allocation of JTC's Industrial Land by Industry

- 52% Chemicals
- 16% Construction
- 4% General Manufacturing
- 18% Other Industries
- 3% Biomedical Manufacturing
- 7% Transport Engineering

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

New Land Allocated and Land Returned (ha), FY2014-FY2019



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

FY2019 HIGHLIGHTS

New Allocation of JTC's Ready Built Facilities

Area ('000 sqm)
213.9

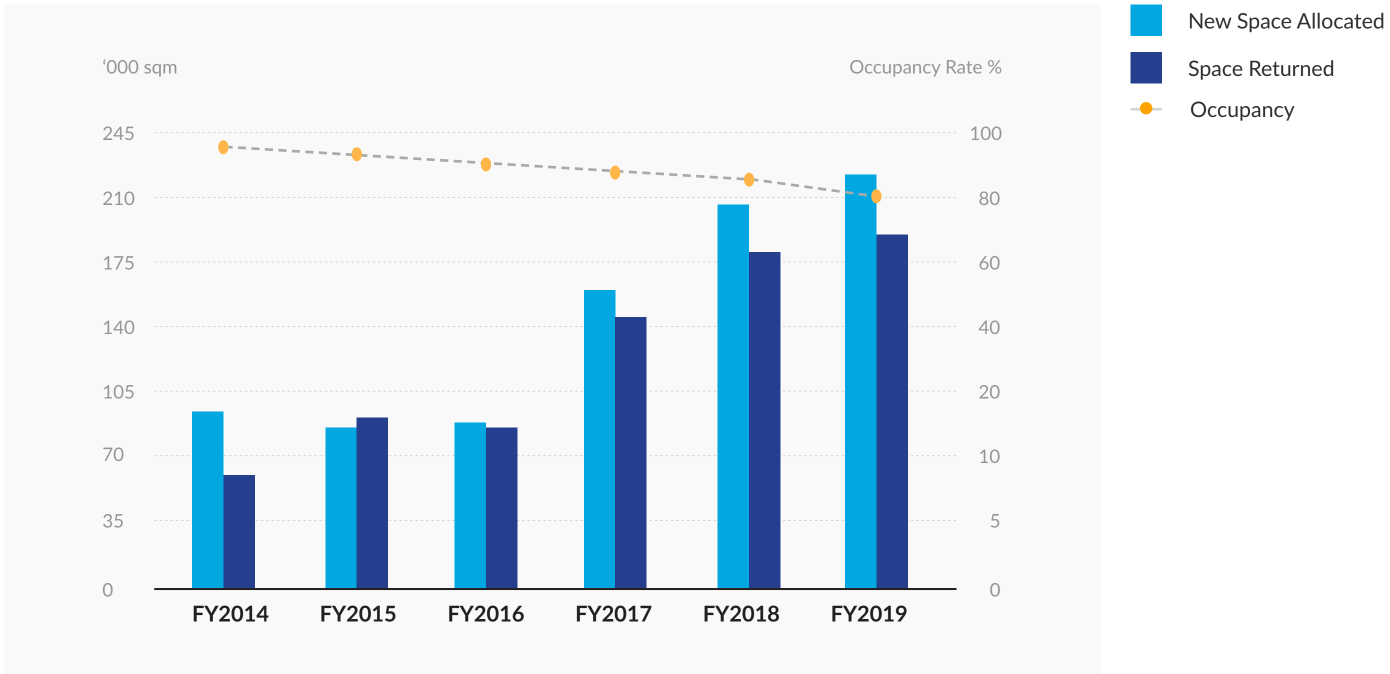
No. of companies
665

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

- 18% General Manufacturing
- 11% Construction
- 10% Transport Engineering
- 9% Precision Engineering
- 6% Professional Scientific and Technical Activities
- 5% Transportation & Storage
- 41% Other Industries

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

New Space Allocated, Space Returned and Occupancy Rate of JTC's Ready-Built Facilities ('000 sqm), FY2014-FY2019



Source for Occupancy Rate: J-Space

HELPING OUR COMPANIES TIDE THROUGH CHALLENGING TIMES

Matching industry and talent, one intern at a time

Matchmaking Customers with Business Partners and Talent

JTC has been providing financial support as part of Singapore's measures to ease cash flow. Aside from rental support, JTC started the Industry Connect programme with the aim of connecting our customers with relevant government agencies and business partners to help them tide through this challenging period. These included safe management and contact tracing processes webinars in partnership with Singapore Motor Workshop Association and Enterprise Singapore (ESG) to help businesses restart their operations after the circuit breaker.

To help our customers go digital, programmes including the SMEs Go Digital Programme and SMEs Digital Readiness webinars were introduced in partnership with Infocomm Media Development Authority (IMDA), Singapore Manufacturing Federation (SMF), Association of Small Medium Enterprises (ASME), ESG and Republic Polytechnic.

Students from ITE College East were given the opportunity to work with SMEs in Tampines Industrial Park A

These enable businesses to implement technology solutions including real-time inventory management, fleet management and distribution management through remote warehousing mobile application solutions. A series of webinars by SME Centre@ASME (Association of Small Medium Enterprises), SkillsFuture Singapore (SSG), Workforce Singapore (WSG), and SMF also equipped our customers with pandemic response road maps to digitalise operations and upskill employees so that they can emerge stronger from this crisis.

In the area of talent development and workforce upskilling, we continued to matchmake institutes of higher learning to bring talent into our estates. Since 2019, we have partnered Institute of Technical Education (ITE) College East and ITE College Central to work with SMEs in Tampines, Bedok, Ang Mo Kio, Toa Payoh, Marsiling and Woodlands industrial estates.

Learning how to troubleshoot problems onsite through internships in estates such as Bedok Industrial Park E

Under this partnership, students were emplaced in companies and interns were hired under the ITE Work-Study Diploma Programme where they are able to work and get a sponsored diploma. Riding on the positive feedback from our customers and students, the programme will be extended to Kampong Ubi Industrial Estate.

Workforce training programmes were brought onsite to make it more convenient for our customers and their employees. Curated by SSG, WSG and NTUC's e2i (Employment and Employability Institute), these programmes support the upskilling of existing manpower right within our estates.

Collaborating for Resilience

To help construction firms restart worksite activities safely, JTC is teaming up with its partners and Building Construction Authority (BCA) to pilot safe-distancing technologies. These technologies piloted at JTC's sites will make it easier for construction firms to automate and comply with BCA's safe management measures, such as health checks, contact tracing, and safe distancing.

Aerial view of Quick Build Dormitories (QBD) that were set up in Kranji

At JTC Logistics Hub @ Gul, smart wearables are distributed to workers to ensure they maintain a safe distance while they work. This is supplemented by artificial intelligence cameras which use video analytics to alert contractors when safe distances are breached. Using this data, contractors can quickly identify high traffic zones and prevent future occurrences. In addition, thermal scanners with facial recognition function are installed at entry and exit points to validate workers' health records before they enter the worksite. The data generated from these devices are plugged into BCA's COVID-Safe platform for better manpower management at worksites.

One of the QBDs that acted as temporary housing for migrant workers during COVID-19

In addition, remote inspection solutions, through the use of a combination of scanners and visualisation technologies, are also being piloted to allow remote monitoring and documentation of the building progress. With this, the project team can now also perform quality and progress inspections from off-site locations.

Bluetooth proximity wearables were issued to workers at JTC Logistics Hub as part of a pilot between JTC and Kimly to ensure a safe restart to operations

These are part of JTC's efforts to digitalise construction activities from start to end of each project, with all its new JTC building projects adopting the Integrated Digital Delivery Technology (IDD) since 2017.

As part of the inter-agency taskforce to support migrant workers affected by COVID-19, JTC set up new temporary dormitories across its estates. An old factory premise in Tuas was converted into a Community Care Facility to care for migrant workers diagnosed with COVID-19. Beyond providing physical infrastructure, care was taken to maintain the morale and mental wellbeing of migrant workers. A Facebook page "Project Dormitory" was set up to provide e-learning, virtual entertainment and live streaming activities during the circuit breaker period.

BUILDING FOR THE FUTURE

Artist's impression of Wafer Fab Park

Artist's impression of Jurong Innovation District

Jurong Innovation District (JID)

Looking ahead, JTC will continue to invest in future-ready infrastructure to accommodate new growth industries. Automation is the future of manufacturing – enabling businesses to crisis-proof their workforce and supply chains. In Singapore, the transformation of the sector continues to unfold with key investments from Bosch Rexroth, Hyundai, Shimano, Siemens and Sodick basing their operations here. The anchoring of these players in JID, the one-stop advanced manufacturing hub, will create an excellent ecosystem of manufacturers, research and development (R&D) centres, technology and training providers.

As a result, companies moving into Industry 4.0 (I4.0) can upskill workers, develop their latest prototype, collaborate on ideas, and even kick-start production and distribution all in one place. For instance, at Hyundai's Mobility Global Innovation Centre, companies can integrate next-generation innovation and manufacturing platforms that incorporate artificial intelligence, predictive analytics, Internet of Things (IoT) and robotics into their production processes.

Artist's impression of Tengah Park

JID is also home to Singapore's largest community of additive manufacturing companies. Businesses can plug into the 3D printing ecosystem to make parts more conveniently, quickly and cost-effectively with solution providers like Siemens' Advanced Manufacturing Transformation Centre, which houses their first Additive Manufacturing Experience Centre outside Germany.

As skills training becomes a norm for businesses pivoting amidst the crisis, workers can also upskill themselves at Bosch Rexroth's regional training centre, which aims to develop a pipeline of specialists through programmes that teach the application of I4.0 methods and technologies for manufacturing operations.

JID's strong ecosystem will help businesses plug into future technologies and strengthen business resilience. Our partners can be assured that from start to finish, we will support them in readying themselves for the future of advanced manufacturing.

Artist's impression of Punggol Digital District's Digital Canyon

Punggol Digital District (PDD)

In view of the pandemic, digitalisation is accelerating across the world as firms continue to face a growing need for information technology solutions. In Singapore, the ICT sector is projected to add 60,000 skilled employees to its current workforce of 200,000 in the next three years.[1] To help Singapore ride this digital growth, PDD brings together Singapore Institute of Technology (SIT)'s campus and enterprise spaces to create Singapore's first smart district.

Artist's impression of Punggol Digital District's Campus Boulevard

PDD is Singapore's first business park to offer world-class digital infrastructure. Digital companies will have an edge in developing and launching digital innovations through PDD's Open Digital Platform. This allows companies to simply plug into the district's Digital Twin, with the entire district's data at their fingertips.

PDD offers our partners the experience of a seamless ecosystem where innovators, learners and the community collaborate on the rapid prototyping and test-bedding of smart grid, autonomous transportation and data analytics technologies. Right at the forefront of our Smart Nation drive, our PDD community is working hand in hand to turn technological visions into reality, helping our digital-ready companies lead the economic rebound.

[1] Tham, Irene. "Jobs for many Singaporeans in growing infocomm sector." ***The Straits Times***, 22 June 2020, https://www.straitstimes.com/singapore/jobs-for-many-singaporeans-in-growing-infocomm-sector Accessed 12 Aug. 2020.

Building for the Future

Artist's impression of Sungei Kadut Eco-District

Sungei-Kadut Eco-District (SKED)

Unprecedented disruptions in global food supply chains have revealed just how crucial agri-food tech and environmental technology is for Singapore's crisis-resilience and self-sufficiency. The current COVID-19 situation has put the spotlight on the importance of the use of disruptive innovation to future-proof food production locally and globally.

To ramp up Singapore's food production and catalyse innovation to meet evolving demands, we are rejuvenating SKED, one of Singapore's oldest industrial estates, to support the transformation of existing businesses and welcome new growth in our agri-food technology sector. SKED's Agri-Food Innovation Park unites R&D, prototyping and high-tech operations such as vertical farming and aquaculture hatcheries, and provides an ecosystem of suppliers, distributors and business partners.

Artist's impression of Agri-Food Innovation Park

Artist's impression of refurbished Tampines Wafer Fab Park

Wafer Fab Parks

In spite of the COVID-19 slowdown, semiconductor industry growth remains bright. Companies are investing in network infrastructure, while demand for electronic equipment and medical devices such as X-ray machines, ventilators and diagnostic equipment continues to grow, driving strong demand for semiconductors. Within the first four months of 2020, Singapore successfully secured S$13 billion of investment commitments from companies like Micron and ST Microelectronics, which reflects the sustained confidence that businesses have in Singapore.

JTC semiconSpace in Tampines Wafer Fab Park is being developed to meet this increasing demand. The new vibration-controlled facility offers businesses a quick-start solution to meet the rigour of the electronics sector.

Artist's impression of Wafer Fab Park

PLAYING OUR PART TO COMBAT CLIMATE CHANGE

Movable solar panels installed at Jurong Island, part of JTC's SolarLand programme

Aerial view of solar panels installed at the rooftop of JTC Space @ Gul

Powering the Future with Solar Energy

Beyond the pressing crisis we face, climate change is an even more difficult and protracted global challenge. As Singapore's lead industrial agency, JTC will ensure that our industrial policies and infrastructure support companies' growing commitment to environmental sustainability. Renewable energy is a key solution for an energy future that is clean, affordable and reliable. As part of our sustainability initiatives, JTC is piloting a new master contract that will enable our customers to solarise their roofs with no upfront capital outlay. Customers can choose to either lease solar photovoltaic (PV) panels and pay a discounted rate for the electricity generated, or lease out their roof space for solar PV panels installation and receive revenue in return.

Aerial view of solar panels on the rooftops of JTC standard factories

This came after months of consultation with our customers. While most were keen to switch to clean energy, the barriers they faced included a lack of understanding of solar deployment business models, and the tedious legal, procurement and installation processes to solarise their roofs. The new master contract will ease the process and fast-track solar adoption across 100 JTC estates islandwide.

Customers from one-north, Seletar Aerospace Park, Tuas Biomedical Park and Wafer Fab Parks have indicated their interest in this master contract to solarise their roofs.

Our SolarLand programme maximises the utility of spaces in industrial estates to generate clean energy for the national grid. Together with partners such as Terrenus Energy, we have installed solar PV panels on vacant land and are exploring new ways to increase solar power generation, such as the first-of-its kind containerised solar PV system in Singapore implemented on Jurong Island that comes with a plug-and-play feature to enhance mobility.

Aerial view of solar panels installed at Jurong Island

Through renewable energy programmes such as SolarLand (Phase 1) over 560,000 sqm of temporary vacant land space across Singapore has been optimised to deploy over 67MWp of solar energy capacity. The programme has already generated an estimated 6.6GWh of renewable energy annually for JI in its first phase — the equivalent of powering 1,475 units of 4-room flats for a year, with an estimated reduction of around 2,700 tonnes of carbon emissions per annum.

To move closer to our target of generating 100MWp of installed solar PV capacity by 2030, Phase 2 focuses on the development and deployment of a mobile substation and portable solar PV panels on 11.6 hectares of available land and linkways in Changi Business Park, significantly reducing start-up time for deployment and solar power generation.

Closing Resource Loops

A key area of interest for our sustainability efforts is the development of circular economies in our estates. This movement promotes self-sustaining systems, where resources are reused and recycled to the fullest extent, creating environmental and economic gains.

At our energy and chemicals hub Jurong Island, we brought together more than 50 companies who consented to share data on energy, water and waste to map possibilities for resource optimisation to identify potential resource synergies with each other. Besides reducing waste, such efforts will greatly enhance trust and collaboration between the participating companies and strengthen the ecosystem in Jurong Island.

Community Tree Planting at Hampstead Wetlands Park at Seletar Aerospace Park

Mitigating Urban Heat Island (UHI) Effect for Greater Liveability

Together with companies in our estates, we are creating business parks that are cleaner and greener. Through our UHI mitigation initiatives, we are planting trees to enhance the attractiveness of our industrial estates for business and talent, while becoming more sustainable. JTC does not do this alone. At Jurong Island and Seletar Aerospace Park, companies have generously contributed more than 33,000 trees for their respective estates.

Car-Free Weekend @ one-north, a community-building event

Going car-lite is another cause that we champion. one-north has been designated as Singapore's first car-lite business park with the strong support of the one-north community. 20 companies and 790 staff pledged to go car-free on 30th August 2019 at the inaugural Car-Free Weekend @ one-north. Reduced reliance on cars cuts pollution and noise, making one-north a greener and more habitable estate.

JTC worked with Westcom to deploy food waste digesters in our developments

Promoting Waste Management

The deployment of food waste digesters across seven JTC developments by 2021 helps ensure that no waste truly goes to waste. Companies can use these digesters to convert 6,550 kg of food waste into 655 kg of fertiliser daily.

Working with our customers and partners, JTC will continue to develop renewable energy solutions, introduce green initiatives, and transform Singapore's industries into more sustainable, cleaner and greener estates.

GEARING UP FOR A POST-COVID-19 WORLD

Artist's impression of Punggol Digital District, aerial view

J-Ops Command Centre - one of the first integrated command centres for facilities management

Facilities Management Command Centre

The pandemic ushers in a greater urgency for digitalisation, which is crucial to the success of businesses post COVID-19. As a tech-enabled and data-driven organisation, JTC continues to invest in our internal systems to digitalise transactions and create better customer experiences. As our built infrastructure gets smarter, our facilities management platforms are getting an intelligence upgrade too. Our integrated command centre J-Ops is going through a revamp to provide greater access to comprehensive smart facilities management (FM) systems and insights to building optimisation, estate monitoring and workflow automation. These insights will enable us to remotely monitor and manage FM operations to help our tenants enjoy ever more reliable, energy-efficient and comfortable work environments.

Making All Processes a Little Easier for our Customers

Moving ahead, streamlined policies and ease of transactions will help our businesses work on-the-go and make smarter decisions. This is why we are redesigning our Customer Service Portal to give our businesses an intuitive, simple-to-use experience customer experience. This new transactional system will provide users with One Customer View data to increase accessibility and transparency. Multiple user groups, including customers, prospects, industry experts and estate users, will enjoy seamless experiences on both mobile applications and websites.

FINANCIAL HIGHLIGHTS AND REVIEW

Financial Results

The Group's operating revenue for FY2019 was $2.4 billion, a slight 2% improvement compared to the previous year. The increase was mainly attributed to higher revenue from land rental and revenue from Jurong Port Tank Terminals Pte. Ltd. which commenced operations in April 2019. Approximately 88% of the Group's operating revenue came from investment properties while the remaining 8% and 4% came from port operations and other operating revenue respectively.

The Group recorded $920 million from non-operating income, a 27% drop from $1,268 million last year. This was mainly due to lower gain on disposal of investment properties and lower income from transfer of raw materials. However, the drop was partially cushioned by gain from disposal of debt securities.

The Group invested a total of $1.8 billion on capital expenditure which include alienation of industrial lands and development of building projects such as JTC Logistics Hub @ Gul, Punggol Digital District, Defu Industrial City, TimMac and Kranji Green.

Group Financial Highlights

Financial Highlights

For the year ($'Mil)	FY2019	FY2018	Change
Operating revenue	2,431	2,382	2.1%
Non-operating income	920	1,268	-27.4%
Net surplus	1,211	1,266	-4.3%
Net surplus margin (%)	49.8%	53.1%	-6.3%
Capital expenditure	1,814	1,739	4.3%

Net Surplus
$1,211 Mil

Financial Position

For the year ($'Mil)	FY2019	FY2018	Change
Investment properties	19,308	18,482	4.5%
Total assets	30,242	29,190	3.6%
Total borrowings	523	507	3.2%
Total liabilities	6,119	6,286	-2.7%
Total equity (excluding non-controlling interest)	24,093	22,881	5.3%

Total Equity
$24.1 Bil

Key Financial Ratios

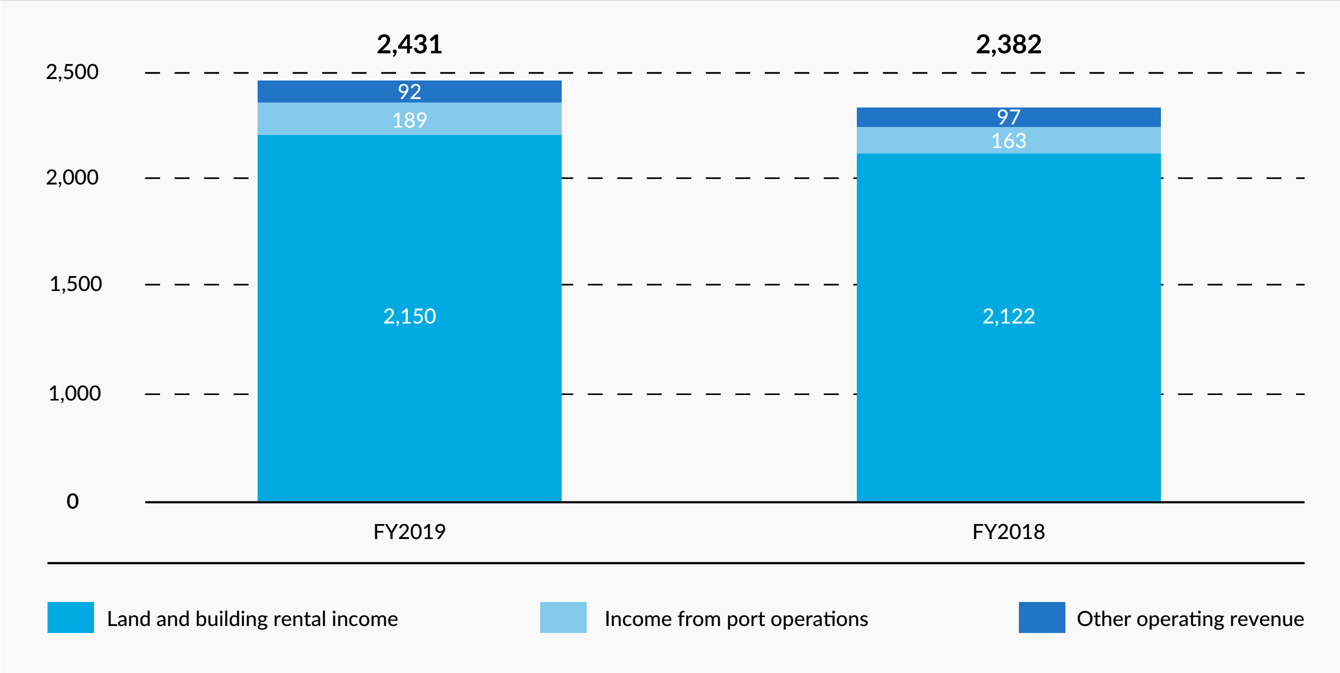
For the year ($'Mil)	FY2019	FY2018	Change
Debt-equity ratio (%)	2%	2%	0.0%
Interest coverage (times)	146	179	-18.5%
Return on total assets (%)	4.1%	4.5%	-0.4%
Return on capital employed (%)	5.1%	5.6%	-0.5%
Value added per employee ($'Mil)	1.6	1.6	0.0%

Return on Capital Employed
5.1%

Group Highlights

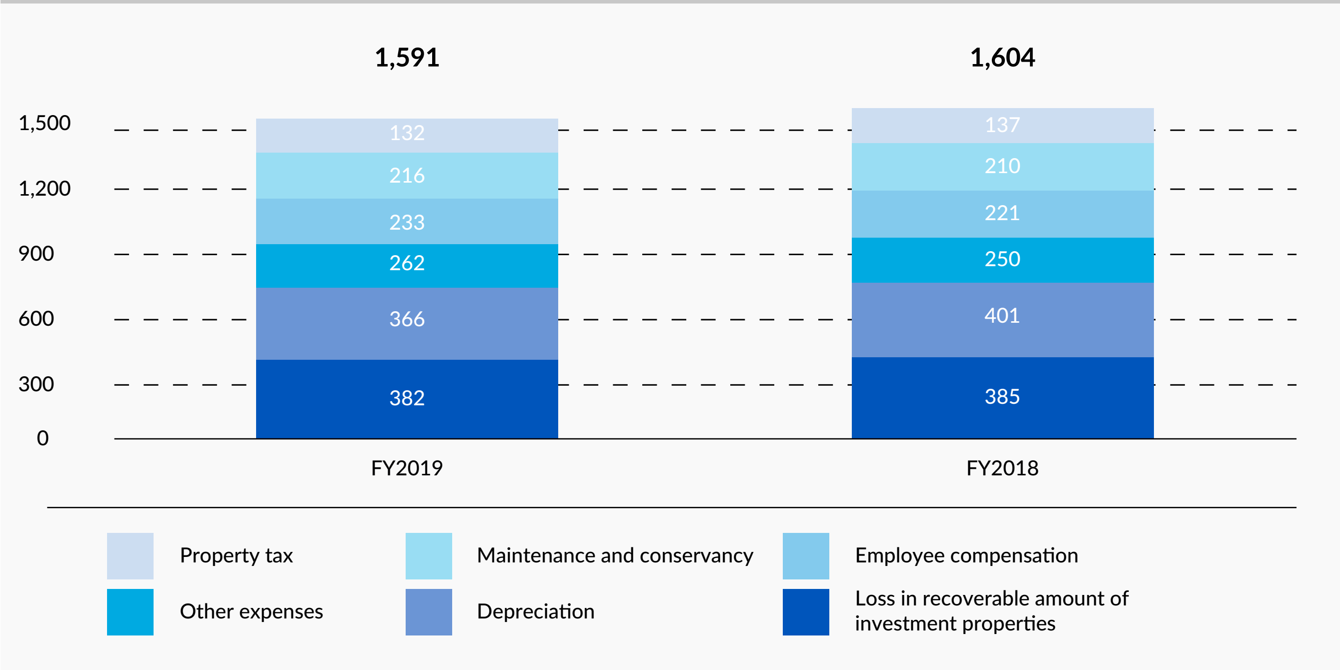
Operating Revenue

Distribution of Group Operating Revenue ($'Mil)



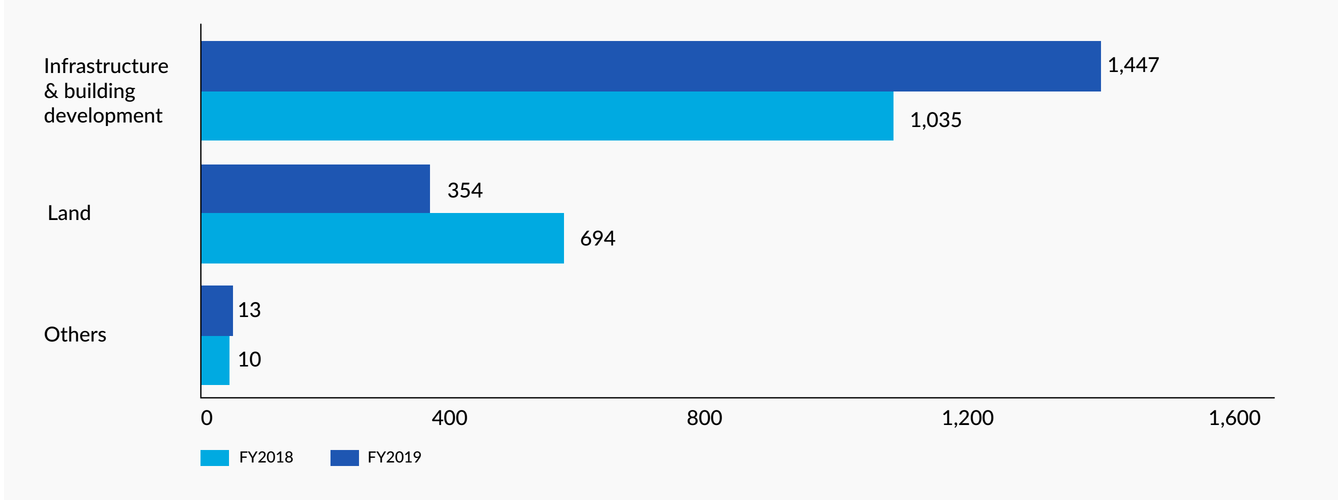
Operating Expenses

Distribution of Group Operating Expenses ($'Mil)



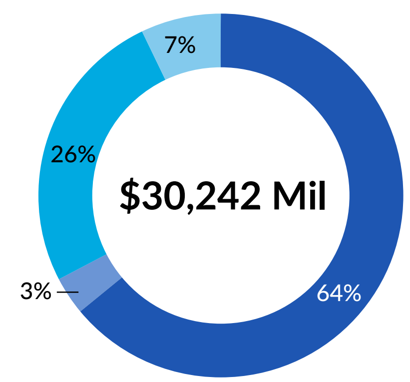
Capital Expenditure, Assets & Liabilities

Group Capital Expenditure ($'Mil)



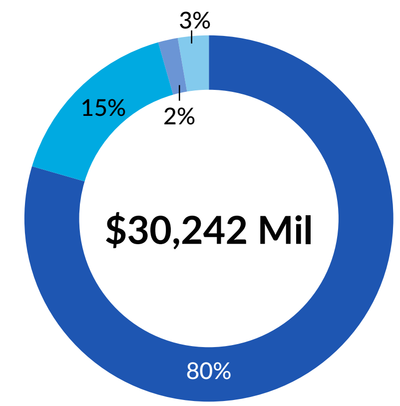
FY2019 Total Assets

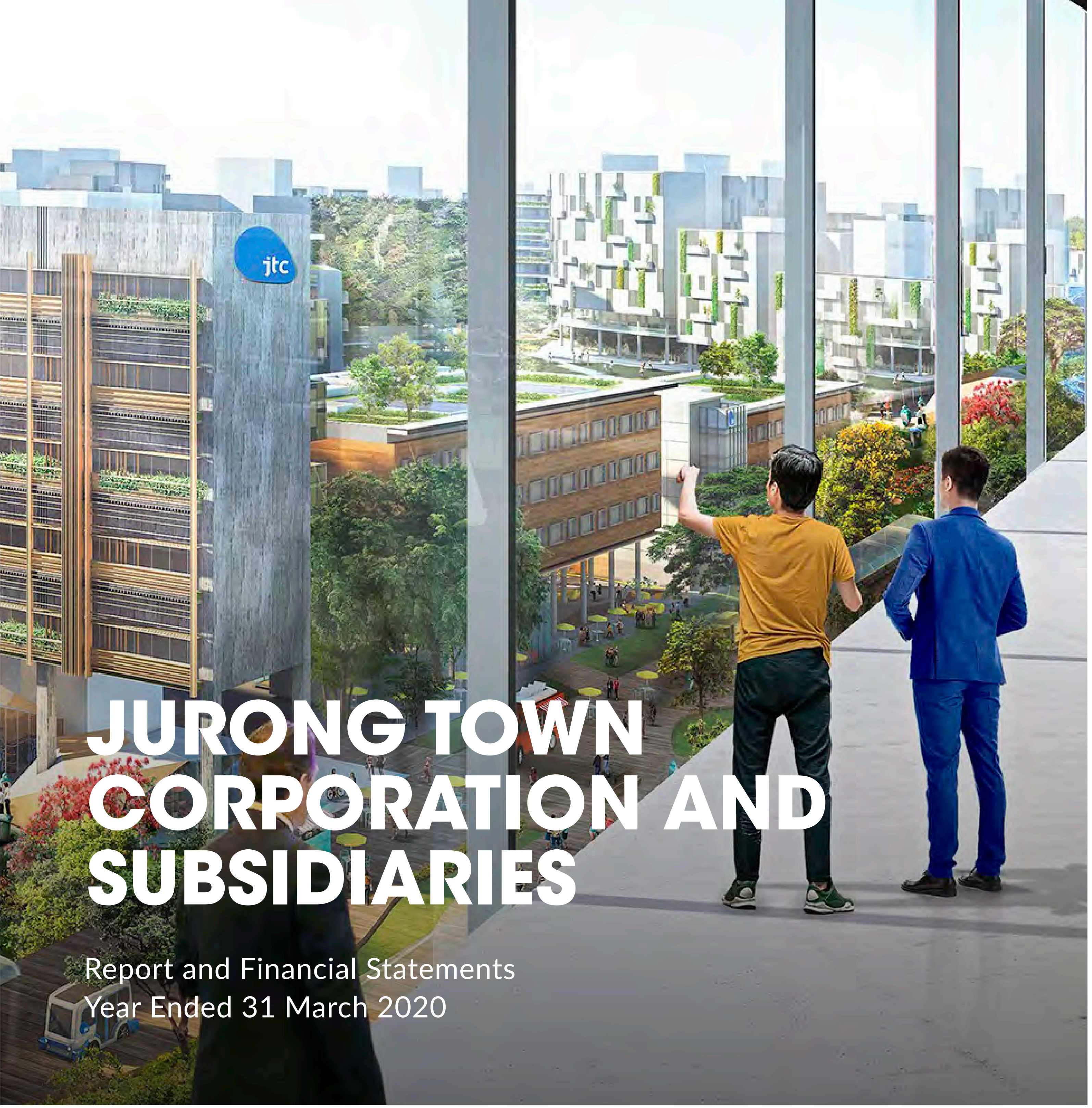
At Year End ($'Mil)	FY2019	FY2018	Change
Investment properties	19,308	18,482	4.5%
Property, plant and equipment	1,020	954	6.9%
Investment in associates and joint ventures	100	191	-47.6%
Cash and cash equivalents	7,682	3,874	98.3%
Other assets	2,132	5,689	-62.5%
Total Assets	**30,242**	**29,190**	**3.6%**



FY2019 Capital, Reserves and Liabilities

At Year End ($'Mil)	FY2019	FY2018	Change
Capital and reserves	24,123	22,904	5.3%
Deferred income	4,803	4,883	-1.6%
Borrowings	523	507	3.2%
Other liabilities	793	896	-11.5%
Total Capital, Reserves and Liabilities	**30,242**	**29,190**	**3.6%**





JURONG TOWN CORPORATION AND SUBSIDIARIES

Report and Financial Statements
Year Ended 31 March 2020

Contents

Statement By Jurong Town Corporation

In our opinion,

(a) the accompanying financial statements of Jurong Town Corporation (the "Corporation") and its subsidiaries (the "Group"), set out on pages 6 to 50 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 ("PSG Act"), the Jurong Town Corporation Act (Cap. 150) ("JTC Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Group and the Corporation as at 31 March 2020, and the financial performance, changes in equity of the Group and the Corporation, and cash flows of the Group for the year ended on that date;

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

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

On behalf of Jurong Town Corporation and subsidiaries

Tan Chong Meng	Ng Lang	Chee Wan Chin
Chairman	Chief Executive Officer	Group Chief Financial Officer

Singapore
23 June 2020

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jurong Town Corporation (the "Corporation") and its subsidiaries (the "Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Corporation as at 31 March 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of comprehensive income and statement of changes in equity of the Corporation for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 50.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Corporation are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 ("PSG Act"), the Jurong Town Corporation Act (Cap. 150) ("JTC Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Group and the Corporation as at 31 March 2020 and the financial performance and changes in equity of the Group and the Corporation and cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

A statutory board is constituted based on its act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Group or for the Group to cease operations.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion:

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

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

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Group in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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

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

Auditor's Responsibility for the Compliance Audit

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

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

Public Accountants and
Chartered Accountants
Singapore

23 June 2020

Statements of Comprehensive Income
Year Ended 31 March 2020

	Note	The Group 2020 $ Millions	The Group 2019 $ Millions	The Corporation 2020 $ Millions	The Corporation 2019 $ Millions
Income					
Revenue	4	2,431	2,382	2,207	2,191
Other income	5	920	1,268	916	1,260
		3,351	3,650	3,123	3,451
Expenditure					
Property tax		(132)	(137)	(126)	(132)
Maintenance and conservancy		(216)	(210)	(202)	(195)
Employee benefits expense	6	(233)	(221)	(159)	(152)
Depreciation of property, plant and equipment	15	(44)	(59)	(13)	(26)
Depreciation of investment properties	16	(322)	(342)	(326)	(343)
Loss in recoverable amount of investment properties	16	(382)	(385)	(382)	(385)
Impairment loss on investment in associate and joint ventures	18	(94)	-	-	-
Finance costs	7	(16)	(13)	(13)	(13)
Other expenses	8	(435)	(754)	(375)	(701)
		(1,874)	(2,121)	(1,596)	(1,947)
Surplus before contribution to Consolidated Fund and taxation		1,477	1,529	1,527	1,504
Contribution to Consolidated Fund	9	(260)	(255)	(260)	(255)
Income tax	10	(6)	(8)	-	-
Surplus for the year		1,211	1,266	1,267	1,249
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to income or expenditure:					
Currency translation reserve:					
- Exchange differences arising on translation of foreign operations		(3)	(3)	-	-
Total comprehensive income		1,208	1,263	1,267	1,249
Surplus for the year attributable to					
Equity holders of the Corporation		1,215	1,269	1,267	1,249
Non-controlling interests		(4)	(3)	-	-
		1,211	1,266	1,267	1,249
Total comprehensive income attributable to					
Equity holders of the Corporation		1,212	1,266	1,267	1,249
Non-controlling interests		(4)	(3)	-	-
		1,208	1,263	1,267	1,249

See accompanying notes to financial statements.

Jurong Town Corporation and Subsidiaries

Statements of Financial Position
Year Ended 31 March 2020

	Note	The Group 2020 $ Millions	The Group 2019 $ Millions	The Corporation 2020 $ Millions	The Corporation 2019 $ Millions
ASSETS					
Current assets					
Cash and bank balances	11	7,682	3,874	7,252	3,482
Trade receivables	12	55	48	33	33
Other receivables	13	342	3,798	324	3,768
Lease receivables	14	12	10	12	10
Raw materials		745	915	745	915
Investment securities	19	30	-	30	-
Total current assets		8,866	8,645	8,396	8,208
Non-current assets					
Property, plant and equipment	15	1,020	954	266	233
Investment properties	16	19,308	18,482	19,449	18,628
Investment in subsidiaries	17	-	-	716	716
Investment in associate and joint ventures	18	100	191	-	-
Lease receivables	14	719	731	719	731
Investment securities	19	47	-	47	-
Other non-current assets	20	182	187	147	149
Total non-current assets		21,376	20,545	21,344	20,457
Total assets		30,242	29,190	29,740	28,665
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	21	492	612	416	536
Borrowings	22	25	21	19	19
Deferred income	23	220	205	220	205
Income tax payable		11	11	-	-
Provision for contribution to consolidated fund	9	260	255	260	255
Total current liabilities		1,008	1,104	915	1,015
Non-current liabilities					
Borrowings	22	498	486	372	392
Deferred income	23	4,583	4,678	4,725	4,803
Trade and other payables	21	13	-	6	-
Deferred tax liability	24	17	18	-	-
Total non-current liabilities		5,111	5,182	5,103	5,195
Capital and reserves					
Capital account	25	167	167	167	167
Currency translation reserve		(5)	(2)	-	-
Accumulated surplus		23,931	22,716	23,555	22,288
Equity attributable to owners of the company		24,093	22,881	23,722	22,455
Non-controlling interests		30	23	-	-
Total equity		24,123	22,904	23,722	22,455
Total liabilities and equity		30,242	29,190	29,740	28,665

See accompanying notes to financial statements.

Statements of Changes In Equity
Year Ended 31 March 2020

	Capital account	Currency translation reserve	Accumulated surplus	Equity attributable to equity holders	Non-controlling interests	Total equity
	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
The Group						
Balance as at 1 April 2018	167	1	21,447	21,615	18	21,633
Surplus for the year	-	-	1,269	1,269	(3)	1,266
Exchange differences arising on translation of foreign operations, representing other comprehensive income for the year, net of tax	-	(3)	-	(3)	-	(3)
Total comprehensive income for the year	-	(3)	1,269	1,266	(3)	1,263
Capital contribution by non-controlling interests	-	-	-	-	8	8
Balance as at 31 March 2019	167	(2)	22,716	22,881	23	22,904
Surplus for the year	-	-	1,215	1,215	(4)	1,211
Exchange differences arising on translation of foreign operations, representing other comprehensive income for the year, net of tax	-	(3)	-	(3)	-	(3)
Total comprehensive income for the year	-	(3)	1,215	1,212	(4)	1,208
Capital contribution by non-controlling interests	-	-	-	-	11	11
Balance as at 31 March 2020	167	(5)	23,931	24,093	30	24,123

	Capital account	Accumulated surplus	Total equity
	$ Millions	$ Millions	$ Millions
The Corporation			
Balance as at 1 April 2018	167	21,039	21,206
Total surplus for the year, representing total comprehensive income for the year	-	1,249	1,249
Balance as at 31 March 2019	167	22,288	22,455
Total surplus for the year, representing total comprehensive income for the year	-	1,267	1,267
Balance as at 31 March 2020	167	23,555	23,722

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows
Year Ended 31 March 2020

	Note	The Group 2020	The Group 2019
		$ Millions	$ Millions
Operating activities			
Surplus before contribution to consolidated fund and taxation		1,477	1,529
Adjustments for:			
Depreciation of property, plant and equipment	15	44	59
Depreciation of investment properties	16	322	342
Raw materials written down	8	-	29
Amortisation of long-term lease premium	23	(212)	(187)
Loss in recoverable amount of investment properties	16	382	385
Gain on disposal of investment properties	5	(18)	(484)
Loss on disposal of property, plant and equipment		1	1
Loss on disposal of joint venture		-	2
Loss allowance, net of reversal		11	7
Gain on disposal of debt securities	13	(504)	-
Impairment loss on investment in associate and joint ventures	18	94	-
Share of profits of associate/joint ventures	5	(6)	(9)
Interest income	4, 5	(204)	(211)
Finance costs	7	16	13
Operating profit before working capital changes		1,403	1,476
Changes in working capital:			
Raw materials		170	(100)
Trade and other receivables		55	(35)
Trade and other payables		(109)	55
Cash generated from operations		1,519	1,396
Long-term lease premium received		145	809
Interest received		214	172
Interest paid		(17)	(16)
Contribution to Consolidated Fund paid		(255)	(193)
Income tax paid (net)		(6)	(6)
Net cash from operating activities		1,600	2,162
Investing activities			
Purchase of property, plant and equipment		(86)	(137)
Purchase of investment properties		(1,728)	(1,602)
Proceeds from disposal of property, plant and equipment and investment properties		76	532
Dividends received from associate and joint ventures	18	12	3
Purchase of investment securities		(77)	-
Loan to TJ Holdings (IV) Pte. Ltd.		-	(10)
Proceeds from disposal of debt securities		3,885	-
Net cash from (used in) investing activities		2,082	(1,214)
Financing activities			
Grants received from government for investment properties		110	182
Capital contribution by non-controlling interest in a subsidiary		11	8
Proceeds from borrowings		37	96
Repayment of lease liabilities		(6)	-
Repayment of borrowings		(21)	(17)
Net cash from financing activities		131	269
Net increase in cash and cash equivalents		3,813	1,217
Cash and cash equivalents at beginning of year		3,866	2,649
Cash and cash equivalents at end of year	11	7,679	3,866

See accompanying notes to financial statements.

Notes to Financial Statements
31 March 2020

1 GENERAL

Jurong Town Corporation (the "Corporation") is established in the Republic of Singapore under the Jurong Town Corporation Act (Cap. 150) with its registered office at The JTC Summit, 8 Jurong Town Hall Road, Singapore 609434.

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

The principal activities of the subsidiaries are set out in Note 17.

The financial statements for the year ended 31 March 2020 were authorised for issue by the Board on 23 June 2020.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 ("PSG Act"), the Jurong Town Corporation Act (Cap.150) ("JTC Act"), and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes.

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

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

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

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

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

Notes to Financial Statements
31 March 2020

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

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

2.2 Adoption of new and revised standards

On 1 April 2019, the Group adopted all the new and revised SB-FRSs, INT SB-FRS and SB-FRS Guidance Notes that are effective from that date and relevant to its operations. The adoption of these standards do not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years except as disclosed below.

SB-FRS 116 *Leases*

There is no material impact on the Group, other than expanded disclosures, upon adoption of the standard on 1 April 2019 as SB-FRS 116 does not change substantially how a lessor accounts for leases. Under SB-FRS 116, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently.

2.3 Standards issued but not yet effective

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

2.4 Basis of consolidation

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

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

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

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

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

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

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

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

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

2.5 Associate and Joint ventures

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

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

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

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

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

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

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

2.6 Financial instruments

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

Notes to Financial Statements
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Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

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

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

Amortised cost and effective interest method

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

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

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

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

Impairment of financial assets

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

Jurong Town Corporation and Subsidiaries

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

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

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

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

Derecognition of financial assets

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

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Financial liabilities

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

Derecognition of financial liabilities

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

2.7 Leases

The Group as lessor

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

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

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

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of the group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of the leases.

The Group as lessee

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

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

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

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

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2.8 Raw materials

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

2.9 Property, plant and equipment

Measurement

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

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

Depreciation

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

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

Leasehold land and land development	-	over the lease period up to 99 years
Wharf and base structures	-	over the lease period up to 40 years
Bulk handling facilities	-	3 to 15 years
Tank storage facilities	-	2 to 30 years
Buildings	-	over the lease period up to 60 years
Computers, motor vehicles, furniture, equipment and renovation	-	1 to 20 years

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

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

In the current year, the management performed a review of the estimated useful lives of the property, plant and equipment. As a result of the review, the estimated useful lives of leasehold buildings and computers, motor vehicles, furniture, equipment and renovation are revised with effect from 1 April 2019.

The change in the useful lives reduced the Corporation's depreciation expenses for property, plant and equipment by $12 million in 2020.

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<u>Subsequent expenditure</u>

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

<u>Derecognition</u>

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

2.10 Investment properties

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

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

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

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

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

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

Leasehold land and land development	-	over the lease period up to 99 years
Buildings	-	12 to 99 years
Wharf and base structures	-	50 years

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

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

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

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In the current year, the management performed a review of the estimated useful lives of the investment properties. As a result of the review, the estimated useful lives of buildings are revised with effect from 1 April 2019.

The change in the useful lives reduced the Corporation's depreciation expenses for investment properties by $29 million in 2020.

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

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

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

2.11 Impairment of tangible assets

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

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

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

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

2.12 Loss in recoverable amount of investment properties

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

2.13 Provisions

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

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

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

2.14 Government grants

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

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants that are utilised for the purchase or construction of non-current assets are deducted against the cost of such assets to calculate the carrying amount of the related assets.

2.15 Revenue recognition

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

<u>Rental income</u>

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

<u>Income from port operations</u>

Revenue from port and marine services rendered is recognised over time when the company satisfies a performance obligation by transferring control of a service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to each satisfied performance obligation. Transaction price is the amount of consideration in the contract to which the company expects to be entitled in exchange for transferring the promised services.

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<u>Agency fees</u>

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

<u>Interest income</u>

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

<u>Dividend income</u>

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

<u>Income from transfer of raw materials</u>

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

2.16 Borrowing costs

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.17 Retirement benefit obligations

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

2.18 Employee leave entitlement

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

Notes to Financial Statements
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2.19 Contribution to Consolidated Fund

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

2.20 Income tax

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

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

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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

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2.21 Cash and cash equivalents in the statement of cash flows

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

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

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the entity's accounting policies

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

Key sources of estimation uncertainty

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

<u>Impairment review of investment properties</u>

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

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

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Impairment review of investment in associate and joint ventures

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

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

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

4 REVENUE

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Land rental income	1,356	1,331	1,344	1,322
Building rental income	794	791	780	776
Income from port operations	189	163	-	-
Agency fees	18	37	18	37
Interest income on finance leases	33	33	33	33
Sundry income	41	27	32	23
	2,431	2,382	2,207	2,191

5 OTHER INCOME

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Interest income from loans and receivables	171	178	163	171
Dividend income	-	-	13	10
Gain on disposal of investment properties	18	484	18	484
Share of profits of associate/ joint ventures	6	9	-	-
Income from transfer of raw materials to other government agencies	211	587	211	587
Gain on disposal of debt securities	504	-	504	-
Others	10	10	7	8
	920	1,268	916	1,260

Notes to Financial Statements
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6 EMPLOYEE BENEFITS EXPENSE

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Salaries and other employee compensation	209	199	143	137
Employer's contribution to defined contribution plans including Central Provident Fund	24	22	16	15
	233	221	159	152

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

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Salaries and other employee compensation including employer's contribution to Central Provident Fund	12	11	8	7

The structure of Board members' fees is based on the guidelines provided by the Public Service Group. Total Directors' fees paid to the Board members of the Corporation amounted to $0.3 million (2019 : $0.3 million).

7 FINANCE COSTS

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Interest expense	16	13	13	13

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8 OTHER EXPENSES

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Security service expenses	44	43	39	39
Information technology expense	35	27	35	27
Professional fees	20	19	17	18
Cargo and container handling expenses	44	40	-	-
Raw materials written down	-	29	-	29
Allowance for impairment of receivables	24	9	24	9
Cost of raw materials transferred	173	475	173	475
Other expenses	95	112	87	104
	435	754	375	701

9 CONTRIBUTION TO CONSOLIDATED FUND

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

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

	The Corporation	
	2020	2019
	$ Millions	$ Millions
Surplus of the Corporation before contribution to Consolidated Fund	1,527	1,504
Contribution at 17%	260	255

10 INCOME TAX

	The Group	
	2020	2019
	$ Millions	$ Millions
Current	9	9
Deferred tax	(1)	(1)
Overprovision in prior year	(2)	-
	6	8

Domestic income tax of the Corporation is calculated at 17% (2019 : 17%) of the estimated assessable income for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

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

	The Group	
	2020	2019
	$ Millions	$ Millions
Surplus before contribution to Consolidated Fund and taxation	1,477	1,529
Less: Surplus of the Corporation before contribution to Consolidated Fund and taxation not subjected to tax	(1,527)	(1,504)
	(50)	25
Income tax (benefit)/expense at statutory tax rate of 17% (2019 : 17%)	(9)	4
Expenses not deductible for tax purposes	13	3
Share of profit of joint ventures	(1)	(2)
Overprovision in prior years	(2)	-
Others	5	3
Total income tax expense	6	8

11 CASH AND BANK BALANCES

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Cash at bank and on hand	16	33	-	20
Cash with AGD	7,252	3,462	7,252	3,462
Fixed deposits	414	379	-	-
Cash and bank balances	7,682	3,874	7,252	3,482
Less: Restricted cash	(3)	(8)	(3)	(8)
Cash and cash equivalents in the statement of cash flows	7,679	3,866	7,249	3,474

Cash at bank earns interest at floating rates based on daily bank deposit rates. Fixed deposits earn interest at the respective short-term deposit rates. The range of effective interest rates as at 31 March 2020 for the Group was 1.73% (2019 : 1.44% to 2.01%) per annum.

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

Restricted cash under the Group's cash and cash equivalents of $3 million (2019 : $8 million) were held under project accounts and withdrawals from which are restricted to payments for expenditure incurred on projects.

12 TRADE RECEIVABLES

	The Group 2020 $ Millions	The Group 2019 $ Millions	The Corporation 2020 $ Millions	The Corporation 2019 $ Millions
Outside parties	75	61	54	46
Loss allowance:				
Balance at beginning of year	(13)	(13)	(13)	(13)
Allowance for the year	(24)	(9)	(24)	(9)
Reversal of allowance	13	2	13	2
Bad debts written off	4	7	3	7
Balance at end of year	(20)	(13)	(21)	(13)
	55	48	33	33

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

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

The following is an aging analysis of trade receivables:

	The Group 2020 $ Millions	The Group 2019 $ Millions	The Corporation 2020 $ Millions	The Corporation 2019 $ Millions
Not past due	39	31	19	16
Less than 3 months	7	8	5	8
3 to 6 months	5	5	5	5
More than 6 months	4	4	4	4
	55	48	33	33

13 OTHER RECEIVABLES

	The Group 2020 $ Millions	The Group 2019 $ Millions	The Corporation 2020 $ Millions	The Corporation 2019 $ Millions
Outside parties	282	261	275	244
Less: Impairment loss	(105)	(105)	(105)	(105)
	177	156	170	139
Prepayment of property tax	94	96	94	96
Debt securities	-	3,372	-	3,372
Amounts owing by:				
- Government agencies	60	162	58	160
- Others	11	12	2	1
	342	3,798	324	3,768

Amounts owing by government agencies are unsecured, interest free and repayable on demand in cash.

Debt securities relate to the following:

(i) $490,000 shareholding in TJ Holdings (III) Pte. Ltd. which has been disposed for a consideration of $490,000 in June 2019.

(ii) Debt securities of $3,472 million was received as consideration from the disposal of subsidiaries in June 2015, with a fixed coupon rate of 3.5% per annum and mature in June 2025. As part of the consideration, the Corporation is entitled to 40% of the capital gains in the value of the properties and investments held by Ascendas Pte Ltd ("APL") as at June 2015, net of any capital losses.

In January 2016, the Corporation issued Total Return Securities ("TRS") to a financial institution for a principal amount of $100 million with reference to a proportion of the debt securities. At the end of the previous financial year, the debt securities net of TRS is $3,372 million.

In June 2019, the debt securities of $3,472 million was redeemed and correspondingly, the Corporation has also redeemed the $100 million TRS from the financial institution. The Corporation received earn-out amount of $404 million which was the 40% of the capital gains in the value of the transferred properties and investments held by APL as at June 2015, net of any capital losses. In addition, the Corporation also received a fee of $100 million for the early redemption of the debt securities.

(iii) As part of the transaction mentioned above, the Redeemable Preference Shares ("RPS") in TJ Holdings (IV) Pte. Ltd. ("TJ4") held by the Corporation as at the end of the current financial year amounted to $65 million (2019 : $65 million). The Corporation had committed to extend a loan of $64 million to TJ4, of which $40 million has been disbursed in previous financial years. The remaining unutilised loan commitment of $24 million is included in other payables (Note 21). Management has performed an impairment assessment and made full provision for the RPS and loan commitment totalling $105 million in 2017.

14 LEASE RECEIVABLES

	The Group and Corporation	
	2020	2019
	$ Millions	$ Millions
Represented by:		
Current portion	12	10
Non-current portion	719	731
Total	731	741

These relate principally to rental receivable in respect of finance leases. Outstanding payments from lease receivables range from 10 to 406 months (2019 : 140 to 417 months). The discount rates implicit in the finance lease ranges from 2.56% to 5.5% (2019 : 2.56% to 5.5%) per annum.

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

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

Future minimum receivables under the lease agreements together with the present value of the net minimum receivables are as follows:

	The Group and Corporation	
	Minimum lease receivables	Present value of receivables
	2019	2019
	$ Millions	$ Millions
Within 1 year	43	42
Within 2 to 5 years	182	159
More than 5 years	1,068	540
Total minimum lease receivables	1,293	741
Less: Unearned finance income	(552)	-
Present value of minimum lease payments receivable	741	741

The loss allowance on finance lease receivables at the end of the reporting period is estimated at an amount equal to lifetime expected credit losses. None of the finance lease receivables at the end of the reporting period is past due, and taking into account the historical default experience in which the lessees operate, together with the value of deposits and bank guarantees held over these finance lease receivables, the Group considers that no finance lease receivables is impaired.

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

15 PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold land	Leasehold land*	Land development	Wharf and base structures	Bulk handling facilities	Tank storage facilities	Buildings	Other assets #	Capital projects-in-progress	Total
	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
Cost:										
At 1 April 2018 (as previously reported)	59	92	44	493	126	-	225	120	107	1,266
Reclassification (Note 29)	22	28	123	-	-	-	-	-	-	173
At 1 April 2018 (after reclassification)	81	120	167	493	126	-	225	120	107	1,439
Additions	-	-	-	-	-	-	-	6	131	137
Disposals/Write-offs	-	-	-	(2)	-	-	-	(5)	-	(7)
Transfer (to) from investment properties (Note 16)	(8)	(5)	-	-	-	-	(14)	15	(3)	(15)
Transfers/Reclassifications	-	-	-	2	33	-	(2)	25	(58)	-
At 31 March 2019	73	115	167	493	159	-	209	161	177	1,554
Additions	-	5	-	-	-	-	-	1	80	86
Disposals/Write-offs	-	(13)	-	(4)	(1)	-	-	(2)	(1)	(21)
Transfer (to) from investment properties (Note 16)	6	6	-	-	-	-	11	(7)	17	33
Transfers/Reclassifications	-	-	-	30	2	155	14	11	(212)	-
At 31 March 2020	79	113	167	519	160	155	234	164	61	1,652

Jurong Town Corporation and Subsidiaries

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The Group	Freehold land	Leasehold land*	Land development	Wharf and base structures	Bulk handling facilities	Tank storage facilities	Buildings	Other assets #	Capital projects-in-progress	Total
	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
Accumulated depreciation:										
At 1 April 2018 (as previously reported)	-	8	4	236	91	-	58	96	-	493
Reclassification (Note 29)	-	11	44	-	-	-	-	-	-	55
At 1 April 2018 (after reclassification)	-	19	48	236	91	-	58	96	-	548
Depreciation charge	-	1	1	16	7	-	11	23	-	59
Disposals/Write-offs	-	1	(1)	(1)	-	-	-	(6)	-	(7)
Transfer (to) from investment properties (Note 16)	-	(1)	-	-	-	-	(6)	7	-	-
At 31 March 2019	-	20	48	251	98	-	63	120	-	600
Depreciation charge	-	(7)	2	17	7	5	7	13	-	44
Disposals/Write-offs	-	(4)	-	(3)	(1)	-	-	(2)	-	(10)
Transfer (to) from investment properties (Note 16)	-	2	-	-	-	-	3	(7)	-	(2)
At 31 March 2020	-	11	50	265	104	5	73	124	-	632
Carrying amount:										
At 31 March 2020	79	102	117	254	56	150	161	40	61	1,020
At 31 March 2019	73	95	119	242	61	-	146	41	177	954

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

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

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The Corporation

	Freehold land	Leasehold land*	Land development	Buildings	Other assets #	Capital projects-in-progress	Total
	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
Cost:							
At 1 April 2018	73	52	6	179	79	17	406
Additions	-	-	-	-	5	5	10
Disposals/Write-off	-	-	-	-	(5)	-	(5)
Transfer (to) from investment properties (Note 16)	(8)	(6)	-	(14)	15	(2)	(15)
Transfers/Reclassifications	-	-	-	(3)	23	(18)	2
At 31 March 2019	65	46	6	162	117	2	398
Additions	-	1	-	-	1	18	20
Disposals/Write-off	-	-	-	-	(2)	-	(2)
Transfer (to) from investment properties (Note 16)	6	6	-	11	(7)	9	25
Transfers/Reclassifications	-	-	-	13	2	(15)	-
At 31 March 2020	71	53	6	186	111	14	441

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The Corporation

	Freehold land	Leasehold land*	Land development	Buildings	Other assets #	Capital projects-in-progress	Total
	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
Accumulated depreciation:							
At 1 April 2018	-	11	3	66	64	-	144
Depreciation charge	-	-	-	7	19	-	26
Disposals/Write-off	-	-	-	-	(5)	-	(5)
Transfer (to) from investment properties (Note 16)	-	(1)	-	(6)	7	-	-
At 31 March 2019	-	10	3	67	85	-	165
Depreciation charge	-	2	-	3	8	-	13
Disposals/Write-off	-	-	-	-	(1)	-	(1)
Transfer (to) from investment properties (Note 16)	-	2	-	3	(7)	-	(2)
At 31 March 2020	-	14	3	73	85	-	175
Carrying amount:							
At 31 March 2020	71	39	3	113	26	14	266
At 31 March 2019	65	36	3	95	32	2	233

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

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

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16 INVESTMENT PROPERTIES

	The Group 2020	The Group 2019	The Corporation 2020	The Corporation 2019
	$ Millions	$ Millions	$ Millions	$ Millions
Cost:				
Balance at beginning of year (before reclassification)	27,951	26,753	28,121	26,750
Reclassification (Note 29)	-	(173)	-	-
Balance at beginning of year (after reclassification)	27,951	26,580	28,121	26,750
Additions	1,623	1,420	1,616	1,420
Disposals/Write-offs	(90)	(64)	(90)	(64)
Transfer (to) from property, plant and equipment (Note 15)	(33)	15	(25)	15
Balance at end of year	29,451	27,951	29,622	28,121
Accumulated depreciation and loss in recoverable amount of investment properties:				
Balance at beginning of year (before reclassification)	9,469	8,812	9,493	8,780
Reclassification (Note 29)	-	(55)	-	-
Balance at beginning of year (after reclassification)	9,469	8,757	9,493	8,780
Depreciation charge	322	342	326	343
Loss in recoverable amount	382	385	382	385
Disposals/Write-offs	(32)	(15)	(30)	(15)
Transfer (to) from property, plant and equipment (Note 15)	2	-	2	-
Balance at end of year	10,143	9,469	10,173	9,493
Carrying amount	19,308	18,482	19,449	18,628

The fair values of the investment properties are as follows:

	The Group and Corporation 2020	The Group and Corporation 2019
	$ Millions	$ Millions
Fair value (Level 3)	45,595	44,626

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

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

	The Group and Corporation 2020	The Group and Corporation 2019
	$ Millions	$ Millions
Rental income	2,115	2,089
Property tax and direct operating expenses arising from investment properties that generated rental income	(345)	(344)
Property tax and direct operating expenses arising from investment properties that did not generate rental income	(72)	(64)

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17 INVESTMENT IN SUBSIDIARIES

	The Corporation 2020	The Corporation 2019
	$ Millions	$ Millions
Unquoted shares, at cost	716	716

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

Direct subsidiaries	Principal activities	Country of incorporation/ place of business	Proportion of ownership interest and voting power held 2020	Proportion of ownership interest and voting power held 2019	Cost of investments 2020	Cost of investments 2019
			%	%	$ Millions	$ Millions
Jurong Port Pte Ltd	Provision of port, marine and logistics services and facilities and investment holding	Singapore	100	100	683	683
SLI Holdings Pte. Ltd.	Investment holding	Singapore	100	100	33	33
					716	716

Indirect subsidiaries	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group 2020	Effective interest held by the Group 2019
				%	%
Subsidiaries of Jurong Port Pte Ltd ("JP")					
Jurong Port Rizhao Holding Pte. Ltd.	Investment holding	Singapore	Ordinary	100	100
Jurong Port Hainan Holding Pte. Ltd.	Investment holding	Singapore	Ordinary	100	100
Jurong Port Jakarta Holding Pte. Ltd.	Investment holding	Singapore	Ordinary	100	100
Jurong Port Singapore Holding Pte. Ltd.	Investment Holding	Singapore	Ordinary	100	100
Subsidiary of Jurong Port Jakarta Holding Pte. Ltd.					
Jurong Port Marunda Holding Pte. Ltd.	Investment Holding	Singapore	Ordinary	100	100
Subsidiary of Jurong Port Singapore Holding Pte. Ltd.					
Jurong Port Tank Terminals Pte Ltd	Owners and operator of storage facilities for petroleum products/gas/chemicals	Singapore	Ordinary	60	60

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18 INVESTMENT IN ASSOCIATE AND JOINT VENTURES

	The Group 2020 $ Millions	The Group 2019 $ Millions
Investment in associate		
Equity shares, at cost	68	-
Add:		
Share of post-acquisition accumulated profits, net of dividends received	23	-
Translation differences	3	-
	94	-
Less:		
Impairment loss	(24)	-
	70	-
Investment in joint ventures		
Unquoted equity investments, at cost	110	178
Add:		
Share of post-acquisition accumulated (loss)/profits, net of dividends received	(2)	16
Translation differences	(8)	(3)
	100	191
Less:		
Impairment loss	(70)	-
	30	191
Total investment in associate and joint ventures	100	191

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

Associate and joint ventures	Principal activities	Country of incorporation	Percentage of equity held by the Group 2020 %	Percentage of equity held by the Group 2019 %	Cost of investments 2020 $ Millions	Cost of investments 2019 $ Millions
Associate of Jurong Port Rizhao Holding Pte. Ltd.						
Rizhao Port Jurong Co., Ltd. (formerly known as Rizhao Jurong Port Terminals Co. Ltd.)	Provision of port, marine and logistics services	People's Republic of China	22	30	68	68
Joint venture of Jurong Hainan Holding Pte. Ltd.						
SDIC Jurong Yangpu Port Co. Ltd.	Provision of port, marine and logistics services	People's Republic of China	49	49	73	73
Joint venture of Jurong Port Marunda Holding Pte. Ltd.						
PT Pelabuhan Tegar Indonesia	Provision of port services	Indonesia	49	49	37	37
					178	178

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Rizhao Port Jurong Co., Ltd. (RZPJ) was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 19 June 2019. RZPJ was classified as a joint venture in prior year. As a result of the dilution due to listing this year, it is now accounted for as an associate as the Group has significant influence.

The fair value of the equity interest in RZPJ amounts to $44 million based on the last transacted market price for the year.

The Group's investments in the associates and joint ventures are equity-accounted for in the consolidated financial statements. Summarised financial information in respect of the share of the Group's associate is set out below:

	The Group 2020 $ Millions	The Group 2019 $ Millions
Current assets	14	-
Non-current assets	87	-
	101	-
Current liabilities	5	-
Non-current liabilities	2	-
	7	-
Share of net assets	94	-
Revenue	107	-
Net profit	28	-

Summarised financial information in respect of the share of the Group's joint ventures is set out below:

	The Group 2020 $ Millions	The Group 2019 $ Millions
Current assets	23	35
Non-current assets	92	191
	115	226
Current liabilities	15	35
Non-current liabilities	-	-
	15	35
Share of net assets	100	191
Revenue	19	55
Net (loss)/profit	(1)	9

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19 INVESTMENT SECURITIES

	The Group and Corporation 2020 $ Millions	The Group and Corporation 2019 $ Millions
Quoted debt securities at amortised cost:		
Current portion	30	-
Non-current portion	47	-
	77	-

The quoted debt securities have nominal values amounting to $77 million (2019 : $Nil) with coupon rates ranging from 2.47% to 4.50% (2019 : Nil%) per annum and maturity dates ranging from April 2020 to November 2024.

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

20 OTHER NON-CURRENT ASSETS

	The Group 2020 $ Millions	The Group 2019 $ Millions	The Corporation 2020 $ Millions	The Corporation 2019 $ Millions
Loans to investee companies and third parties	6	6	3	3
Less: Allowance for impairment of loans to investee companies and third parties	(6)	(6)	(3)	(3)
Loans, net	-	-	-	-
Rent-free incentive	137	139	137	139
Others	45	48	10	10
	182	187	147	149

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

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21 TRADE AND OTHER PAYABLES

	The Group 2020 $ Millions	The Group 2019 $ Millions	The Corporation 2020 $ Millions	The Corporation 2019 $ Millions
Trade payables and accrued operating expenses	81	106	60	88
Other payables:				
- Capital expenditure	140	149	123	123
- Miscellaneous	53	46	31	32
Accrual for building development	-	66	-	66
Accrual for property tax	2	8	2	8
Interest payable on borrowings	17	18	17	18
Deposits, advance rentals and collections	132	152	116	140
Employees' short term unutilised leave and benefits	50	47	49	45
Lease liability	16	-	12	-
Amounts owing to government agencies	14	20	12	16
	505	612	422	536
Represented by:				
Current portion	492	612	416	536
Non-current portion	13	-	6	-
	505	612	422	536

22 BORROWINGS

	The Group 2020 $ Millions	The Group 2019 $ Millions	The Corporation 2020 $ Millions	The Corporation 2019 $ Millions
Unsecured term loans:				
- Current portion	25	21	19	19
- Non-current portion	498	486	372	392
	523	507	391	411

Unsecured term loans comprise:

- Loans of $391 million (2019 : $411 million), with fixed interest rates of 2.76% to 3.13% (2019 : 2.63% to 3.13%) per annum. The loans are repayable in semi-annual instalments between 1 year to 36 years.

- A loan of $132 million (2019 : $96 million), with floating interest rates of 1.14% to 2.55% (2019 : 2.08% to 2.85%) per annum. The loan is repayable in semi-annual instalments between 1 year to 3 years.

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23 DEFERRED INCOME

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Balance at beginning of year	4,883	4,103	5,007	4,237
Additions	132	967	158	966
Amortisation	(212)	(187)	(220)	(195)
Balance at end of year	4,803	4,883	4,945	5,008
Represented by:				
Current	220	205	220	205
Non-current	4,583	4,678	4,725	4,803
	4,803	4,883	4,945	5,008

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

24 DEFERRED TAX LIABILITY

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

25 CAPITAL ACCOUNT

	The Group and Corporation			
	2020	2019	2020	2019
	Number of ordinary shares		Amount	
	Million	Million	$ Millions	$ Millions
At beginning and end of year	110	110	167	167

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

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

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26 COMMITMENTS

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

Development and capital expenditure

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Amounts approved and contracted for	2,837	2,275	2,828	2,254

As lessor

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

	2019
	$ Millions
Lease receivables due:	
- Within 1 year	26
- After 1 year but within 5 years	23
- After 5 years	30
	79

	2020
	$ Millions
Lease receivables due:	
- Year 1	25
- Year 2	10
- Year 3	7
- Year 4	6
- Year 5 onwards	31
	79

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

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27 RELATED PARTY TRANSACTIONS

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

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

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

	The Group and Corporation	
	2020	2019
	$ Millions	$ Millions
The Corporation's transactions with:		
Singapore Land Authority:		
- Purchase of land	(337)	(624)
Agency for Science, Technology and Research:		
- Rental income and others	147	140
Ministry of Law:		
- Proceeds from return of land to Government	-	90
Land Transport Authority:		
- Proceeds from return of land to Government	-	255
Key Management Personnel:		
- Fees paid to Board members and firms in which Board members are directors	1	1
- Income received from firms in which Board members are directors	8	15

Jurong Town Corporation and Subsidiaries

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28 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

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

	The Group		The Corporation	
	2020	2019	2020	2019
	$ Millions	$ Millions	$ Millions	$ Millions
Financial assets				
At amortised cost	8,838	8,413	8,333	7,938
Financial liabilities				
At amortised cost	1,028	1,119	813	947

(b) Financial risk management policies and objectives

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

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

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

(i) *Foreign exchange risk management*

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

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

(ii) *Interest rate risk management*

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

The cash balances are mainly denominated in SGD. At 31 March 2020, if the SGD interest rate had increased/decreased by 0.5% (2019 : 0.5%) with all other variables including tax rate being held constant, the surplus for the year would have been higher/lower by $38 million (2019 : $19 million).

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(iii) ***Credit risk management***

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

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

(iv) ***Liquidity risk management***

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

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

Liquidity risk analyses

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

Notes to Financial Statements
31 March 2020

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	More than 5 years	Adjustments	Total
	%	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
Group						
Financial assets						
2020						
Non-interest bearing	-	319	35	10	-	364
Lease receivables (fixed rate)	4.03	44	187	1,019	(519)	731
Variable interest rate instruments	-	7,252	-	-	-	7,252
Fixed interest rate instruments	1.85	444	47	-	-	491
		8,059	269	1,029	(519)	8,838
2019						
Non-interest bearing	-	411	38	10	-	459
Lease receivables (fixed rate)	4.03	43	182	1,068	(552)	741
Variable interest rate instruments	-	3,462	-	-	-	3,462
Fixed interest rate instruments	3.34	3,751	-	-	-	3,751
		7,667	220	1,078	(552)	8,413
Financial liabilities						
2020						
Non-interest bearing	-	492	13	-	-	505
Variable interest rate instrument	2.70	10	132	-	(10)	132
Fixed interest rate instruments	2.95	32	129	387	(157)	391
		534	274	387	(167)	1,028
2019						
Non-interest bearing	-	612	-	-	-	612
Variable interest rate instrument	2.45	4	100	-	(8)	96
Fixed interest rate instruments	2.96	32	130	419	(170)	411
		648	230	419	(178)	1,119

Notes to Financial Statements
31 March 2020

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	More than 5 years	Adjustments	Total
	%	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
Corporation						
Financial assets						
2020						
Non-interest bearing	-	263	-	10	-	273
Lease receivables (fixed rate)	4.03	44	187	1,019	(519)	731
Variable interest rate instruments	-	7,252	-	-	-	7,252
Fixed interest rate instruments	2.84	30	47	-	-	77
		7,589	234	1,029	(519)	8,333
2019						
Non-interest bearing	-	353	-	10	-	363
Lease receivables (fixed rate)	4.03	43	182	1,068	(552)	741
Variable interest rate instruments	-	3,462	-	-	-	3,462
Fixed interest rate instruments	3.50	3,372	-	-	-	3,372
		7,230	182	1,078	(552)	7,938
Financial liabilities						
2020						
Non-interest bearing	-	416	6	-	-	422
Fixed interest rate instruments	2.95	32	129	387	(157)	391
		448	135	387	(157)	813
2019						
Non-interest bearing	-	536	-	-	-	536
Fixed interest rate instruments	2.96	32	130	419	(170)	411
		568	130	419	(170)	947

Notes to Financial Statements
31 March 2020

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

The carrying amounts of financial assets and financial liabilities as reported on the statement of financial position approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes.

(c) Capital management policies and objectives

The Group manages its capital to ensure that it will be able to continue as a going concern while fulfilling its objective as a statutory board.

The capital structure of the Group consists of accumulated surplus and capital account. The overall strategy of the Group remains unchanged from the previous financial year.

29 RECLASSIFICATION AND COMPARATIVE FIGURES

Reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements.

As a result, certain line items have been amended on the statement of financial position, statement of comprehensive income, consolidated statement of cash flows, and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

	The Group	
	Before reclassification 31 March 2019	After reclassification 31 March 2019
	$ Millions	$ Millions
Statement of financial position		
Property, plant and equipment	837	954
Investment properties	18,599	18,482
Statement of comprehensive income/ Consolidated statement of cash flows		
Depreciation of property, plant and equipment	58	59
Depreciation of investment properties	343	342

Notes to Financial Statements
31 March 2020

30 OTHER MATTERS

On 11 March 2020, the World Health Organisation declared the 2019 Novel Coronavirus ("Covid-19") outbreak a pandemic. The spread of Covid-19 has created a high level of uncertainty to the near-term global economic prospects and caused disruptions to various businesses. Singapore announced on 3 April 2020 a stringent set of preventive measures collectively referred to as "circuit breaker" to be applied from 7 April 2020 to 4 May 2020, which was subsequently extended to 1 June 2020.

The Covid-19 outbreak is expected to have a negative impact on the Group's financial performance for the next financial year due to general market uncertainty and volatility.

As the situation relating to COVID-19 remains uncertain, it is currently not possible to ascertain the full financial impact it may have on the Group for the year ending 31 March 2021. Notwithstanding the above, management has assessed that the Group has sufficient liquidity to continue as a going concern for at least the next 12 months from 31 March 2020.

Jurong Port

RELY ON US

Transformation Amidst Global Disruptions

Jurong Port (JP) has made brisk and steadfast progress over the past year that puts us on an upward trajectory towards becoming a Next Generation Multipurpose Port (NGMPP).

In the beginning of FY2019, we underwent reorganisation to place renewed focus on two key pillars:

1 WATERFRONT TRANSFORMATION

2 BUSINESS GROWTH

This has since brought about greater symbiosis between our operational and business fronts to foster functional synergy for innovation, while enhancing efficiency and cost competitiveness along our value chains.

The scale of the COVID-19 pandemic has caused disruptions to countries and industries worldwide. The maritime industry has not been spared. Border restrictions and lockdown measures to contain the spread of the virus have affected international trade and global supply chains, leading to a slowdown in economic activity. The fall-out from COVID-19 is unprecedented in its economic and social impact, but in adapting to the new normal, JP has continued to maintain the highest possible operational readiness without compromising the health, safety and security of our employees, stakeholders, and customers.

Through it all, JP's unwavering commitment is to enhance customer value creation by optimising end-to-end business processes, and streamlining supply chains in the industry verticals that we serve.

Creating Value Through Developing Port-Centric Ecosystems

Despite the challenges at the close of the fiscal year, FY2019 was notable for its many achievements as JP forged ahead with its transformation aspirations. Since JP set sail on its transformation journey in 2015, we have broadened our focus from cargo handling to the development of port-centric ecosystems to create value for land and seaward logistics of the industries we serve. Additionally, we continue to extend our influence beyond traditional port boundaries through digitalisation solutions such as digital collaborative platforms.

In July 2019, JP celebrated the official launch of Jurong Port Tank Terminals (JPTT), our joint venture with Oiltanking. JPTT is a state-of-the-art tank terminal integrated with Jurong Island via pipeline connections to major refineries and terminals. Being the first completed port-centric ecosystem, it is a prime example of how JP is creating greater value for the energy vertical by supporting increasing demand for storage needs in Singapore, and strengthening the nation's position as a global energy and chemicals hub.

Beyond developments on our business front, JP has also made considerable strides in transforming our waterfront and enhancing existing port operations.

Recognising that prevailing steel cargo stowage and securing practices could be further improved, JP conducted a comprehensive review of issues arising from traditional steel cargo handling to address concerns shared between regional ports. We are proud to see the successful culmination of those efforts with the launch of a global publication on Best Practice Guidelines for Stowage and Securing of Steel Cargo. Endorsed by the international maritime community of port authorities and regional multipurpose ports, the guidelines will pave the way in closing existing safety gaps in the steel cargo segment.

Our Joint Venture in Shandong, China, Rizhao Port Jurong (RPJ) also clinched the Deal of the Year award at the Lloyd's List Asia Pacific Awards 2019 for its successful listing on the Hong Kong Stock Exchange in June 2019 which raised HK$600 million. The award recognised the initial public offering as a remarkable milestone which will position it for future growth, and it marks a significant achievement for RPJ's stakeholders, customers and partners.

Driving Continuous Improvement Across the Organisation

Against an ever-changing business climate, developing a culture of continuous improvement is increasingly pivotal to a company's long-term success and competitiveness. JP has since set out to embed a culture of continuous improvement at the core of our organisation through emphasis on a continuous improvement programme that champions workplace mentality change. With the right system of behaviours and mindsets, JP will foster an innovative and collaborative culture to spur excellence in process optimisation and the development of supply-chain efficiencies.

The continuous improvement programme not only creates an environment that is conducive to change, but guides our people in recognising the importance of waste minimisation for cost savings and productivity gains.

Fortifying for the Road Ahead

Industries and companies worldwide are being pushed to rethink their business models and the importance of supply chain resilience in mitigating the impact of COVID-19.

Since the beginning of our transformation journey, JP has adopted business diversification strategies to build financial robustness and reduce over-reliance on our mainstay cargoes. JPTT's significant contributions to our throughput growth in FY2019 is testament to the organisation's strategic foresight. Furthermore, we have also been building upon our technological capabilities to better standardise and digitise work processes. While this approach puts JP in good stead to remain competitive and operationally resilient amidst the challenging business climate, the organisation as a whole has to brace itself for the adverse economic effects of protracted containment measures.

Overcoming this pandemic will require new conversations between all stakeholders involved in the supply chain. Together with our port users, customers and employees, we are certain that JP will find ways to emerge stronger from this unprecedented challenge.

Business Growth

OVERALL VOLUMES

▲ 22% (FY19)

Overall throughput increased by 22% in FY2019 due to the inclusion of liquid bulk volumes from Jurong Port Tank Terminals.

CONTAINERS

▲ 8% 317,000 TEUS (FY19)

Higher throughput figures in FY19 due to an increase in regional container volumes for key customers and capturing of new opportunities.

GENERAL CARGO (STEEL)

▲ 3.1% 3.9 MIL TONNES (FY19)

Steel throughput for FY19 grew 3.1% year-on-year, and could be attributed to the general improvement in the construction sector year-on-year (Singapore's construction output grew by 4.5% over the same period).

OFFSHORE MARINE CENTRE AND LIGHTER TERMINALS

▲ 10.3% 1.1 MIL TONNES (FY19)

Lighter Terminals outperformed in line with strengthening demand for ship supplies due to increased vessel calls to Singapore.

BULK CARGO (CEMENT)

▲ 3.2% 5.4 MIL TONNES (FY19)

Slight uptake in the cement throughput for FY19 is reflective of year-on-year growth in Singapore's construction sector.

JURONG PORT TANK TERMINALS

3 MILLION TONNES (FY19)

JPTT began full commercial operations in March 2019, while pipeline connections to refineries and terminals on Jurong Island were completed in October 2019.

Attained Industry Support for General Tariff Revision

Following an intensive process of industry engagements with customers and industry associations on our tariff review plans, JP successfully attained the Maritime and Port Authority of Singapore's approval to revise general tariffs that have remained unchanged for more than two decades. The first phase of revised rates was put in effect March 2020, and this change will ensure that JP continues to receive a fair return for investments in port infrastructure renewal and upgrading, as well as improvements to enhance productivity, safety and security, among many others.

Overseas Joint Ventures

▼ 1% 23.1 MIL TONNES (FY19)

In FY19, bulk and container cargo volumes for the overseas terminals remained relatively flat.

Marunda Centre Terminal (MCT) performed strongly in FY19 with a healthy increase in cargo volumes of 22% year-on-year due to the capturing of new opportunities, robust growth from key customers, and continued close client engagements. MCT also saw record volumes above 600,000 tonnes in May, November and December 2019.

However, the increase in MCT's overall throughput was offset by decline in dry bulk volumes for SDIC Jurong Yangpu Port and Rizhao Port Jurong – this was primarily due to the slow recovery of Hainan's construction sector and market uncertainty from the US-Sino trade war respectively.

Rizhao Port Jurong Clinched Lloyd's List Asia Pacific Deal Of The Year Award 2019

Rizhao Port Jurong (RPJ) won Deal of the Year at the Lloyd's List Asia Pacific Awards 2019 for its successful listing on the Hong Kong Stock Exchange in June 2019. This industry recognition marks a significant milestone in the partnership between Rizhao Port Group and JP.

Waterfront Transformation

BULK CARGO (CEMENT) HANDLING PRODUCTIVITY

▼ 3.8% 586 TPH
TONNES PER HOUR (FY19)

608 to 586

TONNES PER HOUR OVER THE COURSE OF FY19

Slight decrease in productivity levels (measured in Tonnes Per Hour (TPH)) for bulk cargo due to scaling back of dual unloading operations to reduce preventative maintenance downtime and allow for continuous unloading operations.

GENERAL CARGO (STEEL) HANDLING PRODUCTIVITY

▲ 12% 381 TPH
TONNES PER HOUR (FY19)

338 to 381

TONNES PER HOUR OVER THE COURSE OF FY19

Improvements in steel productivity can be attributed to the optimal deployment of workforce on every vessel.

OPERATIONAL SAFETY

▼ 14% REDUCTION IN ACCIDENT FREQUENCY RATE (AFR)

1.59 to 1.37

ACCIDENTS PER MILLION MAN HOURS OVER THE COURSE OF FY19

Safety has been enhanced as shown by a 14% decrease in Accident Frequency Rate (AFR) from 1.59 to 1.37 per million manhours over the course of FY19.

While focused on safety and implementation of new safety management system that oversees daily port operations, WSH's sustained engagements through campaigns and forums to raise awareness and professional knowledge on safety best practices amongst employees, stevedores and port users have led to a continued improvement in the FY19 AFR performance.

Developing Port-Centric Ecosystems

JP became directly responsible for more than 90% of the cargo in the port after assuming full operatorship in 2017. Operatorship is a key enabler for the transformation of our waterfront processes and port connectivity. Besides enhancing efficiency in the handling and transfer of cargo between land and sea, JP is creating port-centric ecosystems to provide our customers with greater economies of scale and increased efficiency by integrating their supply chains with the port.

Over the past year, we have made headway in the development of our port-centric ecosystems which bodes well for JP's objective to develop as a leading international next generation multipurpose port operator (NGMPP). Through a combination of ecosystem developments, innovations in technology, digitalisation and an effective operating model, our terminals will offer exceptional value to our stakeholders.

Jurong Port Tank Terminals Opening Ceremony

The Energy Ecosystem

The opening of Jurong Port Tank Terminals (JPTT) was officiated on 29 July 2019 by Mr Chee Hong Tat, Senior Minister of State, Ministry of Trade and Industry and Ministry of Education. Jointly launched by JP and Oiltanking and attended by maritime industry business partners and stakeholders, the ceremony highlighted JPTT's capabilities as Singapore's newest tank terminal and how it strengthens Jurong Island's storage infrastructure while enhancing Singapore's value proposition as an energy and chemicals hub. Construction for Phase 2 of the tank terminals has since commenced, and is expected to be completed in 2021.

JP IS CREATING PORT-CENTRIC ECOSYSTEMS TO PROVIDE OUR CUSTOMERS WITH GREATER ECONOMIES OF SCALE AND INCREASED EFFICIENCY BY INTEGRATING THEIR SUPPLY CHAINS WITH THE PORT.

The Construction Ecosystem

Development of the Ready-Mixed Concrete (RMC) Ecosystem

Currently in development, the RMC Ecosystem will be first of the port-centric ecosystems in the construction cluster to operationalise. Through brick and mortar clustering of aggregates discharge, storage and RMC batching plants, significant land savings and reductions in truck trips can be achieved. Phase 1 is expected to be operational by 2021.

Steel Ecosystem

Since assuming operatorship for steel cargo operations, JP has made significant progress in our digitalisation and operating model plans, improving vessel operations, wharf-side logistics, and storage.

Digitalisation

ELECTRONIC NOTICE OF STEVEDORING OPERATIONS (ENOSO)

Launched in June 2019, eNOSO is a digital platform that eliminates manual hardcopy submission of stevedoring operations.

DIGITAL TALLY SYSTEM (DTS)

DTS is a digital system that is currently undergoing trials. It enables real-time tracking of on-ground cargo handling operations and eliminates the need for manual planning and recording of cargoes being tallied during vessel operations.

VESSEL DNA

Launched in January 2020, critical information on a vessel's profile is digitally captured for effective cargo operations planning.

VESSEL ACTIVITY LOGGING (VAL)

VAL has the ability to track and highlight key incidences during operations to assist future planning.

Operating Model

CENTRAL POOLING AND RESOURCE MANAGEMENT

As part of efforts to enhance operating efficiency, JP has initiated a multi-year plan to optimise resources through resource pooling – starting with forklifts. Key stevedore companies accounting for about 90% of the forklift fleet at JP have signed up for a forklift pooling agreement to be implemented by end 2020.

LAUNCH OF NEW GLOBAL PUBLICATION TO PROMOTE INDUSTRY BEST PRACTICES FOR STEEL CARGO HANDLING

JP launched the Best Practice Guidelines for Stowage and Securing of Steel Cargo at the Singapore Shipping Association on 27 November 2019 to spearhead improvements to Steel Cargo handling in the ports. This set of industry best practice guidelines has received global support from port authorities, shipping associations, maritime insurance groups and regional ports who have participated in the drive for enhanced safety standards

INAUGURAL PARTICIPATION IN THE INTERNATIONAL BUILT ENVIRONMENT WEEK 2019

JP took part in the International Built Environment Week (IBEW) 2019 between 4 to 6 September 2019 to showcase the development of our port-centric ecosystems that integrate the construction supply chain. Organised by the Building and Construction Authority of Singapore, IBEW 2019 is Asia Pacific's largest integrated built environment event covering the entire built environment value chain. The exhibition enabled JP to showcase how we optimise and orchestrate key supply chains that we serve through digitalisation and creation of port-centric ecosystems for industry verticals, to create value, greater economies of scale and efficiency gains.

Safety Excellence

COVID-19 Readiness

In spite of the COVID-19 pandemic, JP has remained operational as we play a vital role in Singapore's economy to ensure that maritime trade can continue normally.

Safeguarding the well-being and safety and of all port users, while maintaining operational readiness is our top priority. JP has similarly ensured that the port remains secure and accessible **with a high level of precautionary measures implemented to prevent further spread of COVID-19:**

- **Robust business continuity plans** activated to allow continued delivery of essential services in support of our customers' business continuity.
- **Critical business functions** prioritised to mitigate any potential disruptions with employees put under team split or work from home arrangements.
- **Strict health clearance procedures** and preventive measures in line with government advisories in place introduced, including mandatory temperature screening for all employees and port users entering JP, as well as implementation of the SafeEntry digital check-in/out system.
- **Frequency in disinfection** of common areas and all high contact points increased.

Raising Workplace Safety and Health (WSH) Competencies and Awareness

Safety starts from within. WSH is paramount in JP and we are constantly striving to maintain a strong safety culture in the organisation and high safety and labour standards fundamental to the core of JP's operations.

WSH ENGAGEMENT PROGRAMME

We have continued close collaborations and maintained constant conversations with port users to inculcate a safety culture in the port. The programme facilitates open discussions and sharing of any WSH-related issues.

Safety Promotion Day

JP's WSH team has organised a series of Safety Promotion Days for staff, focused on imparting emergency preparedness knowledge and skills with practical hands-on engagement.

FIRE ENGINE COMMISSIONING

JP's newly commissioned fire engine not only boosts our fire-fighting capabilities and responsiveness, but also signifies the organisation's continuous commitment to improvements in our safety standards.

Safety Recognition

These awards attest to JP's emphasis on safety and health, and how our continued partnerships with employees, port users and stakeholders have enhanced existing WSH competencies.

BIZSAFE PARTNER AWARDS 2020

JP is a proud recipient of the bizSAFE Partner Award 2020. The WSH Council's recognition of JP's commitment is testament to our steadfast commitment in nurturing a healthier and safer work environment for all.

BIZSAFE STAR CERTIFICATION

JP was accredited the bizSAFE Star Certification by the Workplace Safety and Health Council on 30 August 19. The certification is a result of the exemplary WSH Management System that JP has developed with collective efforts from our staff, port users and stakeholders.

WSH INNOVATION AWARDS 2019

JP clinched the Silver Award for Logistics & Transport (L&T) Sector at the WSH Innovation Awards 2019 on 11 July 2019. The winning innovative solution, 'Improved Wire Rod Coil Lifting Spreader', was designed to eliminate exposure to hazards arising from steel cargo handling. The award recognises JP's innovative adaptation and efforts taken to create a safer port environment for our workforce as well as the L&T sector.

OUTSTANDING COMPANY EMERGENCY RESPONSE TEAM (CERT) OF THE YEAR 2019

JP was awarded the Outstanding Company Emergency Response Team (CERT) of the Year 2019 on 23 November 2019 during the Singapore Civil Defence Force Parade in recognition of the outstanding performance of our CERT.

Corporate Development

Championing Learning & People Development

The NGMPP that JP aspires to be centres around creating a future-ready, competent and sustainable workforce. We prioritise building an attitude of lifelong learning in our people and equipping them with the necessary skills and tools to remain agile as we transform our business to keep pace with the changing maritime climate. Receiving these awards is an honour and encouragement for JP as we continue to invest in developing the next generation of maritime professionals.

SOUTH WEST SKILLSFUTURE ADVICE (SFA) PARTNER

JP was appointed as one of the South West SkillsFuture Advice (SFA) Partners by the South West Community Development Council (SWCDC) on 5 April 19 at the inaugural Celebrate SFA @ South West 2019 event. The award recognises the efforts taken by the pioneering batch of 20 corporate partners, who have displayed their commitment to building a lifelong learning culture within their organisations.

EXCELLENCE IN MANPOWER TRAINING AND DEVELOPMENT AWARD

JP clinched the Excellence in Manpower Training & Development Award at the Singapore International Maritime Awards 2019 on 8 April 19. The award recognises JP's strong commitment to maritime training and development, as we continue doing our part in building a future-ready maritime workforce.

CERTIFIED ON-JOB TRAINING CENTRE DISTINGUISHED PARTNER AWARD (COJTC)

JP received the "Certified On-Job Training Centre Distinguished Partner Award (COJTC)" by Institute of Technical Education (ITE) on 12 November 2019, in recognition of our commitment to people development through a structured OJT system.

Supporting Total Defence

NS MARK (GOLD) ACCREDITATION

NS Mark is a national-level accreditation scheme that recognises businesses and organisations with policies and human resource practices that support National Service and Total Defence. JP attained the NS Mark (Gold) accreditation on 31 May 2019.

NATIONAL SERVICE ADVOCATE AWARD FOR LARGE COMPANIES

JP was conferred the National Service Advocate Award for Large Companies on 17 October 2019 for our exemplary support towards strengthening national defence. JP will continue to be a flag bearer within the community in supporting our National Servicemen to better balance their family, work and National Service commitments.

RECEIVING THESE AWARDS IS AN HONOUR AND ENCOURAGEMENT FOR JP AS WE CONTINUE TO INVEST IN DEVELOPING THE NEXT GENERATION OF MARITIME PROFESSIONALS.

Environmental Sustainability and Corporate Citizenship

JP SIGNS MOU TO EXPLORE HYDROGEN AS A LOW-CARBON ALTERNATIVE FOR SINGAPORE

Emerging low carbon alternatives such as hydrogen can help to power Singapore's energy future. To capture such opportunities, JP entered into a Memorandum of Understanding (MoU) together with leading companies City Gas Pte Ltd, PSA International Pte Ltd, Sembcorp Industries Pte Ltd, Singapore LNG Corporation Pte Ltd, Chiyoda Corporation and Mitsubishi Corporation to develop ways of using hydrogen as a green energy source in contributing to a clean and sustainable future for Singapore.

Corporate Social Responsibility

As a port operator with a heart, JP continues to contribute to corporate social responsibility with its ongoing commitment to support the local community. Our Corporate Social Responsibility (CSR) team led JP towards greater staff participation and volunteerism by creating more direct interaction opportunities with our beneficiaries. The quarterly blood donation drives organised by the CSR team raise awareness on the role blood donation plays in helping to save lives, while our partnership with SPD for their annual SPD Ability Walk & Run 2019 has raised funds to aid programmes and services for persons with disabilities.

2020 Jurong Port Board Of Directors

As at 31 August 2020

CHAIRMAN

Mr Ng Chee Keong

MEMBERS

Mr Chew Men Leong
Independent Non-executive Director

Mr Robert Yap
Independent Non-executive Director

Mrs Gina Lee-Wan
Independent Non-executive Director

Mr Lee Chiang Huat
Independent Non-executive Director

Mr Ooi Boon Hoe
Director

Mr V. Sivarajan
Director

Mr Ng Lang
Director

Mr Teo Eng Dih
Director

Mr David Tan
Alternate Director

2020 Jurong Port Senior Leadership Team

As at 31 August 2020

MEMBERS

Mr Ooi Boon Hoe
Chief Executive Officer

Mr Saw Kok Wei
President, Business Units

Mr Samuel Siew
President, Operations & Technology

Mr Desmond Lim
Chief Strategy Officer

Mr Michael Goh
Chief Corporate Services Officer

Mr Pay Cher Wee
Chief Financial Officer

Mr Tan Wee Meng
Chief Technical Officer and Chief Sustainability Officer

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