

**WING TAI HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 196300239D)

**FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2014**

The Directors of Wing Tai Holdings Limited announce the unaudited consolidated results for the first quarter ended 30 September 2014.

1 (a)(i) **Income Statement**

	<b>Group</b>			
	<b>First Quarter ended 30-Sep-14 S\$'000</b>	<b>First Quarter ended 30-Sep-13 S\$'000</b>	<b>+ / (-) %</b>	<b>Note</b>
<b>Revenue</b>	<b>160,093</b>	222,838	(28)	
Cost of sales	<u>(97,949)</u>	<u>(130,450)</u>	(25)	
<b>Gross profit</b>	<b>62,144</b>	92,388	(33)	
Other gains - net	<b>23,036</b>	3,579	544	(a)
Expenses				
- Distribution	<b>(26,864)</b>	(25,936)	4	
- Administrative and other	<u>(21,070)</u>	<u>(26,844)</u>	(22)	(b)
<b>Operating profit</b>	<b>37,246</b>	43,187	(14)	
Finance costs	<b>(10,912)</b>	(10,313)	6	
Share of profits of associated and joint venture companies	<u>13,374</u>	<u>7,903</u>	69	
<b>Profit before income tax</b>	<b>39,708</b>	40,777	(3)	
Income tax expense	<u>(9,562)</u>	<u>(11,792)</u>	(19)	
<b>Total profit</b>	<b><u>30,146</u></b>	<u>28,985</u>	4	
Attributable to:				
<b>Equity holders of the Company</b>	<b>24,163</b>	24,508	(1)	
Non-controlling interests	<u>5,983</u>	<u>4,477</u>	34	
	<b><u>30,146</u></b>	<u>28,985</u>	4	

1 (a)(ii) **Notes to Income Statement**

		<b>Group</b>		
		<b>First Quarter ended 30-Sep-14 S\$'000</b>	<b>First Quarter ended 30-Sep-13 S\$'000</b>	<b>+ / (-) %</b>
(A)	Investment income	-	-	-
(B)	Interest income	<b>1,326</b>	2,946	(55)
(C)	Finance costs	<b>(10,912)</b>	(10,313)	6
(D)	Depreciation and amortisation	<b>(3,621)</b>	(3,534)	2
(E)	Write-back of allowance/(allowance) for doubtful debts	<b>80</b>	(3)	n.m.
(F)	(Allowance)/write-back of allowance for stock obsolescence	<b>(534)</b>	168	n.m.
(G)	Impairment in value of investments	-	-	-
(H)	Foreign exchange (loss)/gain	<b>(388)</b>	285	n.m.
(I)	Adjustment for tax in respect of prior years	-	-	-
(J)	Gain on disposal of property, plant and equipment	<b>32</b>	84	(62)
(K)	Exceptional items			
	Gain on disposal of a subsidiary company	<b>21,163</b>	-	n.m.
(L)	Extraordinary items	<b>-</b>	<b>-</b>	-

Note:-

- (a) The increase in other gains - net is mainly due to the one-off gain on disposal of a subsidiary company.  
(b) The decrease in administrative and other expenses is largely attributable to the lower accrued operating expenses.

n.m. - not meaningful

1 (b)(i) **Statements of Financial Position**

	<b>Group</b>		<b>Company</b>		<b>Note</b>
	<b>As at 30-Sep-14 S\$'000</b>	<b>As at 30-Jun-14 S\$'000</b>	<b>As at 30-Sep-14 S\$'000</b>	<b>As at 30-Jun-14 S\$'000</b>	
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	860,689	834,762	432,855	407,620	
Trade and other receivables	38,123	79,972	493,721	535,750	(a),(e)
Inventories	27,036	28,039	-	-	
Development properties	1,519,833	1,482,874	-	-	(b)
Tax recoverable	7,696	8,532	-	-	
Other current assets	44,249	43,711	7,201	4,574	
	<b>2,497,626</b>	<b>2,477,890</b>	<b>933,777</b>	<b>947,944</b>	
<b>Non-current assets</b>					
Available-for-sale financial assets	6,088	3,189	3,189	3,189	
Trade and other receivables	385,397	382,068	930,060	920,730	
Investment in an associated company	1,190,475	1,162,428	-	-	(c)
Investments in joint venture companies	155,999	151,085	-	-	
Investments in subsidiary companies	-	-	252,392	252,392	
Investment properties	576,253	575,263	-	-	
Property, plant and equipment	129,571	131,491	8,902	8,787	
	<b>2,443,783</b>	<b>2,405,524</b>	<b>1,194,543</b>	<b>1,185,098</b>	
<b>Total assets</b>	<b>4,941,409</b>	<b>4,883,414</b>	<b>2,128,320</b>	<b>2,133,042</b>	
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Derivative financial instruments	-	8,564	-	-	
Trade and other payables	228,780	260,369	143,121	147,591	(d)
Current income tax liabilities	60,088	57,206	3,248	2,936	
Borrowings	142,471	186,365	120,000	120,000	
	<b>431,339</b>	<b>512,504</b>	<b>266,369</b>	<b>270,527</b>	
<b>Non-current liabilities</b>					
Derivative financial instruments	6,737	-	-	-	
Borrowings	1,167,316	1,115,858	550,000	550,000	
Deferred income tax liabilities	75,664	72,694	-	-	
Other non-current liabilities	36,632	39,544	-	-	
	<b>1,286,349</b>	<b>1,228,096</b>	<b>550,000</b>	<b>550,000</b>	
<b>Total liabilities</b>	<b>1,717,688</b>	<b>1,740,600</b>	<b>816,369</b>	<b>820,527</b>	
<b>NET ASSETS</b>	<b>3,223,721</b>	<b>3,142,814</b>	<b>1,311,951</b>	<b>1,312,515</b>	
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital	838,250	838,250	838,250	838,250	
Other reserves	69,151	56,985	3,071	2,104	
Retained earnings	2,123,087	2,074,420	470,630	472,161	
	<b>3,030,488</b>	<b>2,969,655</b>	<b>1,311,951</b>	<b>1,312,515</b>	
Non-controlling interests	193,233	173,159	-	-	
<b>TOTAL EQUITY</b>	<b>3,223,721</b>	<b>3,142,814</b>	<b>1,311,951</b>	<b>1,312,515</b>	

1 (b)(i) **Statements of Financial Position** (continued)

Note:-

- (a) The decrease in the Group's current trade and other receivables is largely due to the receipt of progress billings for development projects.
- (b) The increase in the Group's development properties is largely attributable to the development costs incurred and capitalised partially offset by the progress billings made.
- (c) The increase in the Group's investment in an associated company is primarily due to the share of its profit and the currency translation gain.
- (d) The decrease in the Group's trade and other payables is mainly due to the settlement of project related costs.
- (e) The decrease in the Company's current trade and other receivables is largely due to the repayment of loans by its subsidiary companies.

1 (b)(ii) **Aggregate amount of group's borrowings and debt securities**

**Amount repayable in one year or less, or on demand**

As at 30-Sep-14		As at 30-Jun-14	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
13,444	129,027	55,886	130,479

**Amount repayable after one year**

As at 30-Sep-14		As at 30-Jun-14	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
422,540	744,776	372,449	743,409

**Details of any collateral**

Secured borrowings are generally secured by the borrowing companies' property, plant and equipment, investment properties, properties under development and assignment of all rights and benefits with respect to the properties.

1 (c) **Statement of Cash Flows**

	<b>Group</b>	
	<b>First Quarter ended 30-Sep-14 S\$'000</b>	<b>First Quarter ended 30-Sep-13 S\$'000</b>
<b>Cash flows from operating activities</b>		
Total profit	30,146	28,985
Adjustments for:		
Non-cash items	(6,318)	15,004
Operating cash flow before working capital changes	23,828	43,989
Changes in operating assets and liabilities:		
Development properties	(25,397)	44,645
Other current assets/liabilities	19,726	(11,884)
Cash generated from operations	18,157	76,750
Income tax paid	(3,483)	(6,742)
<b>Net cash generated from operating activities</b>	<b>14,674</b>	<b>70,008</b>
<b>Cash flows from investing activities</b>		
Purchases of available-for-sale financial assets	(2,899)	-
Acquisition of additional interest in a subsidiary company	(2)	(10)
Disposal of a subsidiary company, net of cash disposed	27,362	-
Additions to property, plant and equipment	(1,389)	(3,383)
Disposal of property, plant and equipment	48	86
Advancement of the loans to joint venture companies	(3,594)	(5,069)
Interest received	1,357	684
<b>Net cash generated from/(used in) investing activities</b>	<b>20,883</b>	<b>(7,692)</b>
<b>Cash flows from financing activities</b>		
Issuance of ordinary shares by a subsidiary company to non-controlling interests	-	14
Reissuance of treasury shares	244	91
Advancement of the loans from non-controlling interests	-	445
Proceeds from/(repayment of) borrowings	5,064	(306,559)
Dividends paid to non-controlling interests	-	(15,600)
Interest paid	(15,376)	(15,236)
<b>Net cash used in financing activities</b>	<b>(10,068)</b>	<b>(336,845)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>25,489</b>	<b>(274,529)</b>
Cash and cash equivalents at beginning of financial quarter	834,762	1,024,541
Effects of currency translation on cash and cash equivalents	438	(1,538)
<b>Cash and cash equivalents at end of financial quarter</b>	<b>860,689</b>	<b>748,474</b>

Note:-

- Cash and cash equivalents consist of fixed deposits, cash and bank balances.
- The increase in the Group's cash and cash equivalents is mainly attributable to the cash proceeds from the disposal of a subsidiary company.

1 (d) **Statement of Comprehensive Income**

	<b>Group</b>		
	<b>First Quarter ended 30-Sep-14 S\$'000</b>	<b>First Quarter ended 30-Sep-13 S\$'000</b>	<b>+ / (-) %</b>
<b>Total profit</b>	<b>30,146</b>	28,985	4
<b>Other comprehensive income/(expense):</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Cash flow hedges	1,907	970	97
Currency translation differences	30,516	(23,862)	n.m.
Share of other comprehensive income/(expense) of associated and joint venture companies	2,255	(3,358)	n.m.
	<b>34,678</b>	(26,250)	n.m.
<b>Items that will not be reclassified to profit or loss:</b>			
Revaluation gains on property, plant and equipment	-	30	(100)
<b>Other comprehensive income/(expense), net of tax</b>	<b>34,678</b>	(26,220)	n.m.
<b>Total comprehensive income</b>	<b>64,824</b>	2,765	n.m.
Attributable to:			
<b>Equity holders of the Company</b>	<b>56,721</b>	2,104	n.m.
Non-controlling interests	8,103	661	n.m.
	<b>64,824</b>	2,765	n.m.

Note:-

n.m. - not meaningful

1 (e)(i) **Statements of Changes in Equity for the Group**

	Attributable to equity holders of the Company				Non-controlling interests	Total equity
	Share capital	Other reserves *	Retained earnings	Total		
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance at 1 July 2014	838,250	56,985	2,074,420	2,969,655	173,159	3,142,814
Total comprehensive income	-	32,558	24,163	56,721	8,103	64,824
Realisation of reserves	-	(24,622)	24,622	-	-	-
Cost of share-based payment	-	773	-	773	33	806
Reissuance of treasury shares	-	244	-	244	-	244
Issuance of ordinary shares by a subsidiary company to non-controlling interests	-	-	(117)	(117)	117	-
Acquisition of additional interest in a subsidiary company	-	-	(1)	(1)	(1)	(2)
Disposal of a subsidiary company	-	3,213	-	3,213	11,822	15,035
<b>Balance at 30 September 2014</b>	<b>838,250</b>	<b>69,151</b>	<b>2,123,087</b>	<b>3,030,488</b>	<b>193,233</b>	<b>3,223,721</b>

	Attributable to equity holders of the Company				Non-controlling interests	Total equity
	Share capital	Other reserves *	Retained earnings	Total		
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance at 1 July 2013	838,250	87,919	1,914,471	2,840,640	186,440	3,027,080
Total comprehensive (expense)/ income	-	(22,404)	24,508	2,104	661	2,765
Cost of share-based payment	-	693	-	693	28	721
Reissuance of treasury shares	-	91	-	91	-	91
Dividends paid by a subsidiary company to non-controlling interests	-	-	-	-	(15,600)	(15,600)
Issuance of ordinary shares by a subsidiary company to non-controlling interests	-	-	9	9	5	14
Acquisition of additional interest in a subsidiary company	-	-	(6)	(6)	(4)	(10)
<b>Balance at 30 September 2013</b>	<b>838,250</b>	<b>66,299</b>	<b>1,938,982</b>	<b>2,843,531</b>	<b>171,530</b>	<b>3,015,061</b>

\* Includes share-based payment reserve, cash flow hedge reserve, asset revaluation reserve, share of capital reserves of associated and joint venture companies, currency translation reserve, treasury shares reserve and statutory reserve.

1 (e)(i) **Statements of Changes in Equity for the Company**

	<u>Share capital</u> <u>S\$'000</u>	<u>Share-based payment reserve</u> <u>S\$'000</u>	<u>Treasury shares reserve</u> <u>S\$'000</u>	<u>Retained earnings</u> <u>S\$'000</u>	<u>Total equity</u> <u>S\$'000</u>
Balance at 1 July 2014	838,250	11,549	(9,445)	472,161	1,312,515
Total comprehensive expense	-	-	-	(1,531)	(1,531)
Cost of share-based payment	-	723	-	-	723
Reissuance of treasury shares	-	(1,429)	1,673	-	244
<b>Balance at 30 September 2014</b>	<b>838,250</b>	<b>10,843</b>	<b>(7,772)</b>	<b>470,630</b>	<b>1,311,951</b>

	<u>Share capital</u> <u>S\$'000</u>	<u>Share-based payment reserve</u> <u>S\$'000</u>	<u>Cash flow hedge reserve</u> <u>S\$'000</u>	<u>Treasury shares reserve</u> <u>S\$'000</u>	<u>Retained earnings</u> <u>S\$'000</u>	<u>Total equity</u> <u>S\$'000</u>
Balance at 1 July 2013	838,250	11,233	(257)	(11,466)	258,982	1,096,742
Total comprehensive expense	-	-	-	-	(7,652)	(7,652)
Cost of share-based payment	-	649	-	-	-	649
Reissuance of treasury shares	-	(2,085)	-	2,176	-	91
Balance at 30 September 2013	<b>838,250</b>	<b>9,797</b>	<b>(257)</b>	<b>(9,290)</b>	<b>251,330</b>	<b>1,089,830</b>

1 (e)(ii) **Changes in the Company's share capital**

<u>Issued ordinary shares</u>	<u>Number of shares</u>
Balance at 1 July and 30 September 2014	<u>793,927,260</u>

At 30 September 2014, the Company's issued share capital (excluding treasury shares) comprises 787,164,160 (30 June 2014: 785,708,760) ordinary shares. The total number of treasury shares held by the Company as at 30 September 2014 was 6,763,100 (30 September 2013: 8,298,800) which represents 0.9% (30 September 2013: 1.1%) of the total number of issued shares (excluding treasury shares). At 30 September 2014, the total number of unexercised options under the Share Option Scheme was 2,742,800 (30 September 2013: 3,416,000).

There were 1,455,400 (30 September 2013: 1,943,900) treasury shares reissued pursuant to the employee share plans and share options for the first quarter ended 30 September 2014.

2 **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The above figures have not been audited and reviewed by the Company's auditors.

3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.



4 **Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation as in the audited financial statements for the financial year ended 30 June 2014.

5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

6 **Earnings per ordinary share**

	<b>Group</b>	
	<b>First Quarter ended <u>30-Sep-14</u></b>	<b>First Quarter ended <u>30-Sep-13</u></b>
(a) Based on the weighted average number of ordinary shares issued excluding treasury shares (cents)	<b>3.07</b>	3.12
(b) On a fully diluted basis (cents)	<b>3.06</b>	3.11

7 **Net asset value per ordinary share**

	<b>Group</b>		<b>Company</b>	
	<b>As at <u>30-Sep-14</u></b>	<b>As at <u>30-Jun-14</u></b>	<b>As at <u>30-Sep-14</u></b>	<b>As at <u>30-Jun-14</u></b>
Net asset value per ordinary share based on issued share capital excluding treasury shares (S\$)	<b>3.85</b>	3.78	<b>1.67</b>	1.67

8 **Review of performance of the group**

For the three months ended 30 September 2014 (“current quarter”), the Group recorded a total revenue of S\$160.1 million. This is a 28% decrease from the S\$222.8 million revenue recorded in the three months ended 30 September 2013 (“corresponding quarter”). The progressive sales recognized from The Tembusu, the additional units sold in Helios Residences in Singapore and The Lakeview in China contributed to the revenue for the current quarter.

The Group’s operating profit decreased by 14% from S\$43.2 million in the corresponding quarter to S\$37.2 million in the current quarter, largely due to the lower contributions from development properties.

Included under “Other gains” in the Group’s Income Statement is the gain of S\$21.2 million arising from the sale of shares in a property subsidiary in Indonesia, which was completed in the current quarter.

The Group’s share of profits from associated and joint venture companies increased by 69% to S\$13.4 million in the current quarter mainly due to the higher share of operating profit from Wing Tai Properties Limited in Hong Kong.

The Group’s net profit attributable to shareholders for the current quarter is S\$24.2 million, which is a slight 1% lower than the net profit of S\$24.5 million recorded in the corresponding quarter.

- 9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The current announced results are in line with the prospect statement previously disclosed to shareholders in the results announcement for the financial year ended 30 June 2014.

- 10 **Commentary of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The URA's flash estimate shows that the residential property price index declined by 0.6% in the third quarter of 2014, compared to the 1.0% decline in the previous quarter. This is the fourth continuous quarter of price decrease.

The total number of new residential units sold islandwide in the third quarter of 2014 fell to approximately 1,600 units, as compared to 2,665 new units sold in the second quarter of 2014.

The Group expects the operating environment in the Singapore property market to remain difficult in the current financial year.

- 11 **Dividend**

- (a) **Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on?

None.

- (b) **Corresponding Period of the immediately Preceding Financial Year**

None.

- (c) **The date the dividend is payable.**

Not applicable.

- (d) **The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividends are determined.**

Not applicable.

- 12 **If no dividend has been declared / recommended, a statement to that effect.**

No dividend has been declared / recommended for the first quarter ended 30 September 2014.

13 **Interested Person Transactions**

The Company does not have a shareholder's mandate for interested person transactions.

14 **Confirmation by the Board of Directors**

The Directors confirm that to the best of their knowledge, nothing has come to their attention which may render the financial results for the first quarter ended 30 September 2014 to be false or misleading.

**BY ORDER OF THE BOARD**

**Gabrielle Tan**  
**Company Secretary**  
**Singapore**  
**28 October 2014**