SING HOLDINGS LIMITED

Co. Reg. No.: 196400165G

2ND QUARTER 2014 FINANCIAL STATEMENTS ANNOUNCEMENT

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group Income Statement	2nd quarter ended 30.06.2014	2nd quarter ended 30.06.2013	Increase/ (decrease)	Half year ended 30.06.2014	Half year ended 30.06.2013	Increase/ (decrease)
	S$'000	S$'000	%	S$'000	S$'000	%
Revenue	4,347	89,258	(95.1%)	10,752	195,512	(94.5%)
Cost of sales	(3,436)	(66,792)	(94.9%)	(8,599)	(146,476)	(94.1%)
Gross profit	911	22,466	(95.9%)	2,153	49,036	(95.6%)
Other income	1,346	540	149.3%	2,264	1,059	113.8%
Administrative expenses	(496)	(3,072)	(83.9%)	(1,049)	(3,642)	(71.2%)
Sales and marketing expenses	(1,125)	(834)	34.9%	(2,909)	(851)	241.8%
Other operating expenses	(188)	(99)	89.9%	(291)	(195)	49.2%
Finance costs	(1)	(67)	(98.5%)	(13)	(145)	(91.0%)
Profit before tax	447	18,934	(97.6%)	155	45,262	(99.7%)
Income tax expense	(188)	(3,759)	(95.0%)	(355)	(8,356)	(95.8%)
Profit/(loss) for the period	259	15,175	(98.3%)	(200)	36,906	(100.5%)
Attributable to:						
Shareholders of the Company	325	10,187	(96.8%)	17	25,997	(99.9%)
Non-controlling interests	(66)	4,988	(101.3%)	(217)	10,909	(102.0%)
	259	15,175	(98.3%)	(200)	36,906	(100.5%)

Statement of Comprehensive Income	2nd quarter ended 30.06.2014	2nd quarter ended 30.06.2013	Half year ended 30.06.2014	Half year ended 30.06.2013
	S$'000	S$'000	S$'000	S$'000
Profit/(loss) for the period	259	15,175	(200)	36,906
Other comprehensive loss:				
Net fair value change on investment in quoted equity shares classified as available-for-sale	(13)	(139)	(13)	(38)
Total comprehensive income/(loss) for the period	246	15,036	(213)	36,868
Total comprehensive income/(loss) attributable to:				
Shareholders of the Company	312	10,048	4	25,959
Non-controlling interests	(66)	4,988	(217)	10,909
	246	15,036	(213)	36,868

Profit before tax is stated after crediting/(charging) :

	2nd quarter ended 30.06.2014	2nd quarter ended 30.06.2013	Increase/ (decrease)	Half year ended 30.06.2014	Half year ended 30.06.2013	Increase/ (decrease)
	S$'000	S$'000	%	S$'000	S$'000	%
Interest income	75	18	316.7%	146	128	14.1%
Dividend income from investment in quoted equity shares classified as available-for-sale	126	126	-	126	126	-
Dividend income from investment in quoted equity shares classified as held for trading	4	4	-	9	8	12.5%
Rental income and property management fee from trading properties	369	398	(7.3%)	776	794	(2.3%)
Fair value changes to quoted equity shares classified as held for trading	12	(16)	175.0%	18	(8)	325.0%
Gain on disposal of property, plant and equipment	-	-	-	94	-	N/M
Cost of sales written-back	713	-	N/M	1,034	-	N/M
Depreciation of property, plant and equipment	(43)	(19)	126.3%	(70)	(37)	89.2%
Allowance for impairment of trade receivables	(25)	-	N/M	(25)	-	N/M

N/M denotes “Not meaningful”

1(b)(i) A statement of financial position (for the company and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 30.06.2014	As at 31.12.2013	As at 30.06.2014	As at 31.12.2013
	S$'000	S$'000	S$'000	S$'000
Non-current assets				
Property, plant and equipment	565	160	565	160
Investment in subsidiaries	-	-	46,554	46,307
Investment in quoted equity shares	3,391	3,404	3,391	3,404
Loans to subsidiaries	-	-	99,600	89,318
	3,956	3,564	150,110	139,189
Current assets				
Development properties	416,832	399,684	-	-
Trading properties	27,485	27,997	27,485	27,997
Investment in quoted equity shares	276	250	276	250
Trade receivables	58,037	117,167	19	34
Deposits and other receivables	165	244	260	2,657
Prepayments	158	187	12	12
Loans to subsidiaries	-	-	-	4,245
Amounts due from subsidiaries	-	-	35,599	36,012
Cash and cash equivalents	39,073	26,553	90	264
	542,026	572,082	63,741	71,471
Current liabilities				
Trade and other payables	22,762	31,432	446	3,946
Deferred revenue	47,066	14,426	-	-
Amounts due to subsidiaries	-	-	21,968	21,970
Interest-bearing bank loans	2,380	14,411	2,380	10,315
Loans from non-controlling shareholders of subsidiaries	-	1,819	-	-
Provision for taxation	13,490	26,249	47	19
	85,698	88,337	24,841	36,250
Net current assets	456,328	483,745	38,900	35,221
Non-current liabilities				
Loan from a subsidiary	-	-	2,028	2,029
Trade and other payables	4,018	2,015	142	155
Interest-bearing bank loans	200,278	214,769	-	-
Loans from non-controlling shareholders of subsidiaries	17,351	17,260	-	-
	221,647	234,044	2,170	2,184
Net assets	238,637	253,265	186,840	172,226
Equity attributable to shareholders of the Company				
Share capital	104,951	104,951	104,951	104,951
Reserves	114,616	120,627	81,889	67,275
	219,567	225,578	186,840	172,226
Non-controlling interests	19,070	27,687	-	-
Total equity	238,637	253,265	186,840	172,226

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

Amount repayable in one year or less, or on demand

As at 30.06.2014		As at 31.12.2013	
S$'000	S$'000	S$'000	S$'000
Secured	Unsecured	Secured	Unsecured
2,380[(i)]	-	14,411[(i)]	1,819[(ii)]

Amount repayable after one year

As at 30.06.2014		As at 31.12.2013	
S$'000	S$'000	S$'000	S$'000
Secured	Unsecured	Secured	Unsecured
200,278[(i)]	17,351[(ii)]	214,769[(i)]	17,260[(ii)]

(i) Interest-bearing Bank Loans

Interest-bearing bank loans were drawn mainly for the acquisition and development of properties. Interests incurred for property development activities which have commenced were capitalised as part of development costs.

Interest-bearing bank loans are secured by the following: -

1) assignment of sales and rental proceeds, construction guarantees, insurances, rights, title and interests under construction contracts and performance bonds
2) first legal mortgage over the Company's trading properties and certain subsidiaries' properties under development
3) completion undertakings given by the Company and certain subsidiaries' non-controlling shareholders

(ii) Loans from Non-controlling Shareholders of Subsidiaries

This relates to loans from non-controlling shareholders of subsidiaries, which are subordinated to the interest-bearing bank loans. They are unsecured, interest-free, carried at amortised costs and have no fixed terms of repayment under the agreements. Management expects these to be repaid at the end of the respective projects.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	2nd quarter ended 30.06.2014	2nd quarter ended 30.06.2013	Half year ended 30.06.2014	Half year ended 30.06.2013
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities				
Profit before tax	447	18,934	155	45,262
Adjustments for:				
Depreciation of property, plant and equipment	43	19	70	37
Fair value changes to quoted equity shares classified as held for trading	(12)	16	(18)	8
Interest expense	1	67	13	145
Interest income	(75)	(18)	(146)	(128)
Dividend income from investment in quoted equity shares classified as available-for-sale	(126)	(126)	(126)	(126)
Dividend income from investment in quoted equity shares classified as held for trading	(4)	(4)	(9)	(8)
Profit on sale of trading properties	(355)	-	(355)	(790)
Profit on sale of development properties	(557)	(22,466)	(1,799)	(48,246)
Gain on disposal of property, plant and equipment	-	-	(94)	-
Cost of sales written-back	(713)	-	(1,034)	-
Allowance for impairment of trade receivables	25	-	25	-
Operating cash flows before changes in working capital	(1,326)	(3,578)	(3,318)	(3,846)
Changes in working capital:				
Trade receivables	12	5	(11)	(6)
Deposits and other receivables	15	(63)	80	(67)
Prepayments	32	19	29	40
Trade and other payables	(3,638)	(1,978)	(2,662)	(2,240)
Progress payments received on properties developed for sale	64,749	51,376	100,400	83,884
Development expenditure on properties developed for sale	(13,706)	(19,812)	(25,216)	(36,940)
Proceeds from sale of trading properties	867	1,303	867	2,119
Acquisition of properties for development	-	-	-	(153,885)
Net cash generated from / (used in) operations	47,005	27,272	70,169	(110,941)
Interest received	70	65	125	155
Interest paid	(819)	(1,502)	(1,668)	(2,773)
Income tax paid	(13,095)	(27)	(13,097)	(27)
Net cash flows generated from / (used in) operating activities	33,161	25,808	55,529	(113,586)
Cash flows from investing activities				
Purchase of property, plant and equipment	(2)	(20)	(475)	(20)
Dividends received	126	128	127	129
Proceeds from disposal of property, plant and equipment	-	-	94	-
Net cash flows generated from / (used in) investing activities	124	108	(254)	109
Cash flows from financing activities				
Proceeds from bank loans	-	7,478	-	141,078
Repayment of bank loans	(16,769)	(72,107)	(26,521)	(88,937)
Increase / (repayment) of loans from non-controlling shareholders of subsidiaries	(1,819)	-	(1,819)	16,048
Dividends paid on ordinary shares	(6,015)	(6,416)	(6,015)	(6,416)
Dividends paid to non-controlling shareholder of a subsidiary	(8,400)	-	(8,400)	-
Proceeds from capital injection from non-controlling shareholder of subsidiaries	-	300	-	300
Net cash flows (used in) / generated from financing activities	(33,003)	(70,745)	(42,755)	62,073
Net increase/(decrease) in cash & cash equivalents	282	(44,829)	12,520	(51,404)
Cash and cash equivalents at beginning of the period	38,791	51,292	26,553	57,867
Cash and cash equivalents at end of the period	39,073	6,463	39,073	6,463

1(d) (i) A statement (for the company and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to Shareholders of the Company					
Group	**Share capital** S$'000	**Fair value adjustment reserve** S$'000	**Revenue reserve** S$'000	**Total** S$'000	**Non-controlling interests** S$'000	**Total equity** S$'000
At 1 January 2014	104,951	748	119,879	225,578	27,687	253,265
Profit/(loss) for the period	-	-	17	17	(217)	(200)
Other comprehensive loss for the period	-	(13)	-	(13)	-	(13)
Total comprehensive income/(loss) for the period	-	(13)	17	4	(217)	(213)
Dividends paid to non-controlling shareholder of a subsidiary	-	-	-	-	(8,400)	(8,400)
Dividends on ordinary shares	-	-	(6,015)	(6,015)	-	(6,015)
At 30 June 2014	104,951	735	113,881	219,567	19,070	238,637
At 1 January 2013	104,951	824	97,444	203,219	27,997	231,216
Profit for the period	-	-	25,997	25,997	10,909	36,906
Other comprehensive loss for the period	-	(38)	-	(38)	-	(38)
Total comprehensive income/(loss) for the period	-	(38)	25,997	25,959	10,909	36,868
Deemed capital contribution arising from interest-free loans from non-controlling shareholder of a subsidiary	-	-	-	-	647	647
Capital injection by non-controlling shareholder of a subsidiary	-	-	-	-	300	300
Dividends on ordinary shares	-	-	(6,416)	(6,416)	-	(6,416)
At 30 June 2013	104,951	786	117,025	222,762	39,853	262,615

(Cont'd)

Company	**Share capital** S$'000	**Fair value adjustment reserve** S$'000	**Revenue reserve** S$'000	**Total** S$'000
At 1 January 2014	104,951	748	66,527	172,226
Profit for the period	-	-	20,642	20,642
Other comprehensive loss for the period	-	(13)	-	(13)
Total comprehensive income/(loss) for the period	-	(13)	20,642	20,629
Dividends on ordinary shares	-	-	(6,015)	(6,015)
At 30 June 2014	104,951	735	81,154	186,840
At 1 January 2013	104,951	824	42,951	148,726
Loss for the period	-	-	(1,647)	(1,647)
Other comprehensive loss for the period	-	(38)	-	(38)
Total comprehensive loss for the period	-	(38)	(1,647)	(1,685)
Dividends on ordinary shares	-	-	(6,416)	(6,416)
At 30 June 2013	104,951	786	34,888	140,625

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the current financial period, there was no change in the Company's share capital.

The Company did not have any outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial period.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 30 June 2014, the Company had in issue 400,994,652 (31 December 2013: 400,994,652) ordinary shares.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company did not hold any treasury shares as at the end of the current financial period reported on.

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

The financial results of the Group for the period ended 30 June 2014 have not been audited or reviewed by the auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the period ended 31 December 2013 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 1 January 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.

Nil

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	2nd quarter ended 30.06.2014	2nd quarter ended 30.06.2013	Half year ended 30.06.2014	Half year ended 30.06.2013
(i) Based on weighted average number of ordinary shares in issue	0.08 cts	2.54 cts	-	6.48 cts
- Weighted average number of shares ('000)	400,995	400,995	400,995	400,995
(ii) Based on fully diluted basis	0.08 cts	2.54 cts	-	6.48 cts
- Weighted average number of shares ('000)	400,995	400,995	400,995	400,995

Note

Earnings per share is calculated based on the profit after tax attributable to shareholders of the Company divided by the weighted average number of shares.

7. Net asset value (for the company and group) per ordinary share based on issued share capital of the company at the end of the: -
(a) current financial period reported on; and
(b) immediately preceding financial year.

	As at 30.06.2014	As at 31.12.2013
Group	54.76 cts	56.25 cts
Company	46.59 cts	42.95 cts

Note

Net asset value per ordinary share has been computed based on the shareholders' equity excluding non-controlling interests divided by 400,994,652 (31 December 2013: 400,994,652) shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

In accordance with the Group's accounting policy, sales commission and marketing-related costs of Waterwoods continued to be charged as expenses in 2Q2014 without the corresponding revenue being recognised, thereby reducing profit attributable to shareholders to S$325,000.

Revenue for the quarter relates to the sale of one unit each in The Laurels and BizTech Centre. Sales of units in Waterwoods, being an Executive Condominium ("EC") development, will not be recognised as revenue until upon issuance of the Notice of Vacant Possession after Temporary Occupation Permit ("TOP") is obtained. The Group has not launched its other development properties for sale in 2Q2014.

Other income in 2Q2014 relates largely to cost of sales written back, arising from cost savings from a completed development project, and rental income from trading properties. Based on the Group's financial results for 1H2014, no performance bonus was accrued in 2Q2014, thus resulting in a drop in administrative expenses. Sales and marketing expenses rose due mainly to commission incurred for the sale of Waterwoods. Other operating expenses comprise mainly contribution to maintenance fees, property tax, depreciation and allowance for impairment of trade receivables.

For 1H2014, the Group recorded a marginal profit attributable to shareholders of S$17,000 due mainly to the absence of revenue recognition from development properties during the half year.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Equity attributable to shareholders of the Company decreased by S$6.0 million as a result of dividends paid during the half year ended 30 June 2014.

Trade receivables dropped by S$59.1 million due mainly to collection of progress billings with Certificate of Statutory Completion being obtained for The Laurels. The increase in deferred revenue is attributable to additional progress billings received from the purchasers of Waterwoods.

In 2Q2014, the Group collected S$64.7 million of progress billings for the sale of its development properties. During the quarter, it made further payments of development expenses including bank interests. It also made partial repayment of bank loans and payments of income tax. Dividends were paid to shareholders of the Company as well as a non-controlling shareholder of a subsidiary. As a result, the Group's cash and cash equivalents increased to S$39.1 million as at 2Q2014.

The Group's net debt to equity ratio is computed as follows, after adjusting for the Group's share of interest-bearing bank loans and cash and cash equivalents in accordance with its shareholding percentages in the respective subsidiary companies.

		As at 30.06.2014	As at 31.12.2013
		S$'000	S$'000
Group's share of interest-bearing bank loans in accordance with shareholding percentages in the respective subsidiaries		170,549	191,584
Less: Group's share of cash and cash equivalents in accordance with shareholding percentages in the respective subsidiaries		(27,381)	(18,667)
Net debt	[A]	143,168	172,917
Equity attributable to Shareholders of the Company	[B]	219,567	225,578
Net debt to equity ratio	[A] / [B]	0.7 times	0.8 times

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

No forecast or prospect statement has been issued previously.

10. A commentary at the date of the announcement 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.

Based on the Urban Redevelopment Authority's ("URA") real estate statistics, overall prices of private residential properties registered a further decrease of 1.0% in 2Q2014 (1Q2014: decrease of 1.3%). The price index for uncompleted non-landed private residential properties in the Core Central Region ("CCR"), where the Group's Robin Residences is located, slid by another 1.1% in 2Q2014 (1Q2014: decrease of 2.0%). The same price index for Outside Central Region ("OCR"), where the Group's Waterwoods is situated, also dropped by 1.0% in 2Q2014 (1Q2014: increase of 1.4%).

The Group has two development projects in the pipeline. Construction work for Waterwoods has commenced in 2Q2013. This EC development is a 70:30 joint venture between the Company and a subsidiary of UE E&C Ltd. The project was launched for sale in November 2013 and as at the date of this announcement, approximately 66% of the units have been issued an option to purchase, amounting to contracted sales value of about S$242.9 million. As an EC development, revenue will be recognised only upon issuance of the Notice of Vacant Possession after TOP is obtained.

The Group's other development project, Robin Residences is a private condominium development undertaken solely by a wholly-owned subsidiary. Construction work has also commenced in 2Q2013. The development project has not been launched for sale publicly but through private viewing by interested purchasers, a few units have been issued an option to purchase amounting to contracted sales value of about S$37.3 million as at the date of this announcement. Revenue will be recognised progressively based on stage of construction from 3Q2014. In July 2014, the Group sold its last unit in The Laurels project.

With regard to BizTech Centre, the Group currently owns 49 strata units with a saleable area of 51,400 square feet in the industrial building. Of this, approximately 85% is tenanted.

In view of the tough market condition, the Group expects a difficult year ahead. The Group expects to report a loss for the next half year as revenue from Waterwoods will be recognised only upon issuance of the Notice of Vacant Possession after TOP is obtained.

With the lacklustre Singapore property market, the Group will continue to monitor the market closely so as to identify an opportune time to launch its development project. The Group will also remain mindful of the challenges in the business environment, both locally and overseas, as it continues to explore property development and investment opportunities.

11. Dividend

(a) Current Financial Period Reported On
Any dividend recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared / recommended.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for Interested Person Transactions.

BY ORDER OF THE BOARD
SING HOLDINGS LIMITED

Lee Sze Hao
Chief Executive Officer
13 August 2014

CONFIRMATION BY THE BOARD

We, LEE FEE HUANG and LEE SZE HAO, being two Directors of Sing Holdings Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the 2Q2014 financial results to be false or misleading in any material aspect.

On behalf of the Board of Directors

LEE FEE HUANG
Non-executive Chairman

LEE SZE HAO
Chief Executive Officer

Singapore, 13 August 2014