



SIM LIAN GROUP LIMITED

(Company Registration No. 200004760C)

Third Quarter Financial Statement and Dividend Announcement

PART 1 INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) AND FULL YEAR RESULTS

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

	Note	Group					
		Third Quarter ended 31 March		Change	9 Months ended 31 March		Change
		2015	2014		2015	2014	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	1	634,277	96,535	557%	1,104,676	455,016	143%
Other operating income	2	2,285	2,007	14%	6,840	5,638	21%
Contract costs		(513,024)	(71,446)	618%	(851,253)	(308,177)	176%
Raw materials and consumables		(3,623)	(4,444)	-18%	(11,322)	(12,355)	-8%
Property operating expense		(1,628)	(304)	436%	(4,201)	(665)	532%
Employee benefits expense		(3,261)	(3,312)	-2%	(9,344)	(8,761)	7%
Depreciation expense		(527)	(498)	6%	(1,535)	(1,469)	4%
Change in fair value of derivative financial instruments		(843)	-	n/m	(843)	-	n/m
Change in fair value of investment properties		(2,969)	-	n/m	(2,969)	-	n/m
Foreign exchange losses		(3,516)	1,332	n/m	(8,799)	(1,545)	470%
Other operating expenses	3	(2,444)	(1,677)	46%	(8,029)	(5,082)	58%
Profit from operations		104,727	18,193	476%	213,221	122,600	74%
Finance costs		(1,059)	(536)	98%	(4,119)	(1,144)	260%
Share of results of joint ventures, net of tax		3,271	4,624	-29%	15,085	13,463	12%
Profit before income tax		106,939	22,281	380%	224,187	134,919	66%
Less: income tax expense	4	(16,707)	(5,077)	229%	(35,968)	(23,799)	51%
Profit for the period		90,232	17,204	424%	188,219	111,120	69%
Other comprehensive income:							
Item that may be reclassified subsequently to profit or loss:							
Exchange differences arising from translation of foreign subsidiaries		(2,971)	821	n/m	(9,787)	(7)	n/m
Other comprehensive income for the period, net of tax		(2,971)	821	n/m	(9,787)	(7)	n/m
Total comprehensive income for the period		87,261	18,025	384%	178,432	111,113	61%
Profit attributable to:							
Owners of the Company		90,152	17,129	426%	187,293	110,569	69%
Non-controlling interests		80	75	7%	926	551	68%
Profit for the period		90,232	17,204	424%	188,219	111,120	69%
Total comprehensive income attributable to:							
Owners of the Company		87,179	17,952	386%	177,502	110,563	61%
Non-controlling interests		82	73	12%	930	550	69%
Total comprehensive income for the period		87,261	18,025	384%	178,432	111,113	61%

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

	Group					
	Third Quarter ended 31 March		Change	9 Months ended 31 March		Change
	2015	2014		2015	2014	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Note 1: Revenue comprises the following:-						
Revenue from construction contracts	45,683	35,229	30%	168,601	114,148	48%
Revenue from property development	576,552	52,276	n/m	900,083	316,349	185%
Revenue from property investment	5,302	1,447	266%	15,517	3,138	394%
Sales of goods and construction materials	4,809	5,720	-16%	14,671	15,934	-8%
Leasing of mobile sanitation facilities and construction equipment	1,931	1,863	4%	5,804	5,447	7%
	634,277	96,535	557%	1,104,676	455,016	143%
Note 2: Other operating income comprises the following:-						
Rental income	103	272	-62%	440	651	-32%
Interest income	1,320	1,269	4%	4,471	2,976	50%
Gain on disposal of property, plant and equipment	138	7	n/m	166	250	-34%
Construction project management fee	-	11	-100%	39	640	-94%
Forfeiture fee income	198	161	23%	413	367	13%
Other sundry income	526	287	83%	1,311	754	74%
	2,285	2,007	14%	6,840	5,638	21%
Note 3: Other operating expenses include:-						
Bad trade and other receivables written off, net	18	-	n/m	5	66	-92%
Property expenses	753	879	-14%	2,331	2,409	-3%
Management fee	550	185	197%	1,683	420	301%
(Reversal of allowance) Allowance for doubtful trade receivables	(21)	86	n/m	(24)	82	n/m
Note 4: Income tax expense includes:-						
Under (Over) provision for tax in respect of prior periods	13	(73)	n/m	215	(537)	n/m

n/m : not meaningful

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

	Note	Group		Company	
		As at 31-03-2015	As at 30-06-2014	As at 31-03-2015	As at 30-06-2014
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets:					
Cash and cash equivalents	5	260,679	329,061	7,538	133,127
Trade and other receivables		373,205	353,054	250	235
Inventories		4,729	4,549	-	-
Development properties	6	391,507	869,951	-	-
Derivative financial assets		507	-	-	-
Total current assets		1,030,627	1,556,615	7,788	133,362
Non-current assets:					
Subsidiaries		-	-	248,648	183,754
Joint ventures	7	231,680	212,632	-	-
Property, plant and equipment		19,818	18,978	-	-
Investment properties	8	298,082	241,025	-	-
Deferred tax assets	13	14,295	-	-	-
Total non-current assets		563,875	472,635	248,648	183,754
Total assets		1,594,502	2,029,250	256,436	317,116
LIABILITIES AND EQUITY					
Current liabilities:					
Bank loans	9	21,724	196,599	-	-
Trade and other payables	10	181,868	643,620	473	87,602
Provisions	11	100,540	74,461	-	-
Current portion of finance leases		183	148	-	-
Income tax payable	12	55,986	43,815	37	86
Total current liabilities		360,301	958,643	510	87,688
Non-current liabilities:					
Bank loans	9	108,883	74,676	-	-
Other payables	10	5,757	6,993	-	-
Finance leases		336	153	-	-
Deferred tax liabilities	13	-	898	1,310	1,029
Total non-current liabilities		114,976	82,720	1,310	1,029
Capital and reserves:					
Share capital		155,181	155,181	155,181	155,181
Retained earnings		967,348	826,326	99,435	73,218
Other components of equity		(7,019)	2,772	-	-
Equity attributable to owners of the Company		1,115,510	984,279	254,616	228,399
Non-controlling interests		3,715	3,608	-	-
Total equity		1,119,225	987,887	254,616	228,399
Total liabilities and equity		1,594,502	2,029,250	256,436	317,116

Note

5. Included in the cash and cash equivalents of the Group is an amount of \$36,771,000 (30 June 2014: \$22,858,000) held under the Housing Developers' (Project Account) Rules, withdrawals from which are restricted to payments for expenditure incurred on the property development projects.

The decrease in cash and cash equivalents is mainly due to (i) repayment of bank loans; (ii) payment for land parcel at Choa Chu Kang Drive; (iii) payment for deposit for land parcel at Anchorvale Crescent; and (iv) purchase of investment property in Perth, Western Australia. Please refer to the Company's announcements dated 4 September 2014, 9 September 2014, 20 January 2015, 4 February 2015, 5 February 2015 and 20 March 2015 for more details.

6. The decrease in development properties is mainly due to (i) projects obtained Temporary Occupation Permit ("TOP") in December 2014 and February 2015; and (ii) development costs incurred for units in completed development projects (which revenue and related expenses are accounted for using the completion of contract method) are recognised in Statement of Profit or Loss and Other Comprehensive Income. This decrease is offset by costs incurred for on-going development properties.
7. The increase in joint ventures is mainly due to increase in share of results of joint ventures, net of tax.
8. The increase in investment properties is mainly due to purchase of an investment property in Perth, Western Australia. Please refer to the Company's announcement dated 4 February 2015 and 20 March 2015 for more details.
9. The net decrease in bank loans is mainly due to repayment of loans undertaken for several development projects and an investment property. This decrease is offset by loan undertaken for the purchase of investment property in Perth, Western Australia.
10. The decrease in trade and other payables is mainly due to progress billings received in advance in respect of units in projects (which revenue and related expenses are accounted for using the completion of contract method) served with Notice of Vacant Possession being recognised as revenue in Statement of Profit or Loss and Other Comprehensive Income during the nine months ended 31 March 2015.
11. The increase in provisions is mainly due to provision for defects upon completion of projects.
12. The increase in income tax payable is mainly due to (i) provision for income tax for two completed development projects; and (ii) reclassification of deferred tax liability to income tax payable upon completion of a development project in December 2014 ("Reclassification"). This is partially offset by tax paid during the nine months ended 31 March 2015.
13. The changes in deferred tax are mainly due to the above-mentioned Reclassification.

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 31-03-2015		As at 30-06-2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
21,907	-	196,747	-

Amount repayable after one year

As at 31-03-2015		As at 30-06-2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
109,219	-	74,829	-

Details of any Collateral

The Group's borrowings are secured by legal mortgages on 9 (FY2014: 6) investment properties.

In FY2014, the Group's borrowings were also secured by (i) legal mortgage; (2) assignment of rights, titles and interests of all agreements relating to the 4 development properties including sales and rental agreement; and (iii) undertakings provided by the Company.

Finance leases are secured by certain plant and equipment of the Group with carrying amount of \$897,000 (FY2014: \$408,000).

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.

	Group			
	Third Quarter ended		9 Months ended	
	31 March		31 March	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit before income tax and share of results of joint ventures, net of tax	103,668	17,657	209,102	121,456
Adjustments for:				
Provisions charged to profit or loss	22,464	15,035	33,004	20,448
Change in fair value of investment properties	2,969	-	2,969	-
(Reversal of allowance) Allowance for doubtful trade receivables	(21)	86	(24)	82
Bad trade receivables written off	18	-	18	66
Depreciation expense	527	498	1,535	1,469
Gain on disposal of property, plant and equipment	(138)	(7)	(166)	(250)
Change in fair value of derivative financial instruments	843	-	843	-
Interest expense	1,059	536	4,119	1,144
Interest income	(1,320)	(1,269)	(4,471)	(2,976)
Property, plant and equipment written-off	1	1	3	2
Operating profit before movement in working capital	130,070	32,537	246,932	141,441
Trade and other receivables	44,672	(61,221)	24,796	(57,450)
Deposit and advance payment for land purchase	(44,186)	-	(44,186)	-
Inventories	348	53	(180)	(389)
Development properties	428,997	225,994	485,128	145,036
Provisions utilised	(2,800)	(1,637)	(6,887)	(3,554)
Trade and other payables	(305,236)	13,734	(462,843)	73,476
Cash generated from operations	251,865	209,460	242,760	298,560
Income tax paid	(16,869)	(5,070)	(38,958)	(10,657)
Interest paid	(835)	(1,769)	(4,350)	(4,663)
Interest received	714	1,043	2,515	2,078
Net cash from operating activities	234,875	203,664	201,967	285,318
Investing activities				
Purchase of property, plant and equipment	(2,122)	(397)	(3,618)	(1,555)
Additions to investment properties	(82,417)	-	(87,500)	(82,867)
Loans to joint ventures	(1,351)	(3,143)	(2,713)	(6,532)
Proceeds from disposal of property, plant and equipment	139	9	169	252
Net cash used in investing activities	(85,751)	(3,531)	(93,662)	(90,702)

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.

	Group			
	Third Quarter ended		9 Months ended	
	31 March		31 March	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Financing activities				
Proceeds from bank loans	43,923	-	46,214	47,084
Repayment of bank loans	(93,585)	(70,660)	(174,625)	(143,820)
Dividends paid by the Company	-	-	(46,271)	(46,271)
Dividends paid to non-controlling interests of subsidiary	-	-	(823)	(490)
Repayment of finance lease liabilities	(50)	(34)	(126)	(108)
Net cash used in financing activities	(49,712)	(70,694)	(175,631)	(143,605)
Increase (Decrease) in cash and cash equivalents	99,412	129,439	(67,326)	51,011
Cash and cash equivalents at beginning of the period	161,642	264,628	329,061	343,056
Effects of exchange rate changes on the balance of cash held in foreign currencies	(375)	-	(1,056)	-
Cash and cash equivalents at end of the period	260,679	394,067	260,679	394,067

Operating activities

The Group's net cash from operating activities for third quarter ended 31 March 2015 ("3QFY2015") was \$234.9 million compared to \$203.7 million for the third quarter ended 31 March 2014 ("3QFY2014").

Financing activities

The Group's cash used in financing activities was \$49.7 million in 3QFY2015 compared with \$70.7 million in 3QFY2014. This is mainly due to repayment of bank loans using proceeds from progress billings of the Group's several projects, offset by loan undertaken for purchase of an investment property in Perth, Western Australia.

1(d)(i) A statement (for the issuer 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.

	Other components of equity							
	Share Capital S\$'000	Equity Reserve S\$'000	Asset Revaluation Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Retained Earnings S\$'000	Attributable to Owners of the Company S\$'000	Non - Controlling Interests S\$'000	Total Equity S\$'000
<u>Group</u>								
Balance at 1/1/2014	155,181	(70)	2,405	(612)	748,786	905,690	3,164	908,854
Profit for the quarter	-	-	-	-	17,129	17,129	75	17,204
<i>Other comprehensive income</i>								
Foreign currency translation	-	-	-	823	-	823	(2)	821
Other comprehensive income for the quarter, net of tax	-	-	-	823	-	823	(2)	821
Total comprehensive income for the quarter	-	-	-	823	17,129	17,952	73	18,025
Balance at 31/3/2014	155,181	(70)	2,405	211	765,915	923,642	3,237	926,879
Balance at 1/1/2015	155,181	(112)	2,405	(6,339)	877,196	1,028,331	3,633	1,031,964
Profit for the quarter	-	-	-	-	90,152	90,152	80	90,232
<i>Other comprehensive income</i>								
Foreign currency translation	-	-	-	(2,973)	-	(2,973)	2	(2,971)
Other comprehensive income for the quarter, net of tax	-	-	-	(2,973)	-	(2,973)	2	(2,971)
Total comprehensive income for the quarter	-	-	-	(2,973)	90,152	87,179	82	87,261
Balance at 31/3/2015	155,181	(112)	2,405	(9,312)	967,348	1,115,510	3,715	1,119,225

1(d)(i) A statement (for the issuer 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.

	Other components of equity							
	Share Capital S\$'000	Equity Reserve S\$'000	Asset Revaluation Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Retained Earnings S\$'000	Attributable to Owners of the Company S\$'000	Non - Controlling Interests S\$'000	Total Equity S\$'000
Group								
Balance at 1/7/2013	155,181	(70)	2,405	217	701,617	859,350	3,177	862,527
Profit for the 9 months	-	-	-	-	110,569	110,569	551	111,120
<i>Other comprehensive income</i>								
Foreign currency translation	-	-	-	(6)	-	(6)	(1)	(7)
Other comprehensive income for the 9 months, net of tax	-	-	-	(6)	-	(6)	(1)	(7)
Total comprehensive income for the 9 months	-	-	-	(6)	110,569	110,563	550	111,113
<i>Contributions by and distributions to owners</i>								
Dividends paid to non-controlling interests	-	-	-	-	-	-	(490)	(490)
Dividends paid in cash	-	-	-	-	(46,271)	(46,271)	-	(46,271)
Total contributions by and distributions to owners	-	-	-	-	(46,271)	(46,271)	(490)	(46,761)
Balance at 31/3/2014	155,181	(70)	2,405	211	765,915	923,642	3,237	926,879
Balance at 1/7/2014	155,181	(112)	2,405	479	826,326	984,279	3,608	987,887
Profit for the 9 months	-	-	-	-	187,293	187,293	926	188,219
<i>Other comprehensive income</i>								
Foreign currency translation	-	-	-	(9,791)	-	(9,791)	4	(9,787)
Other comprehensive income for the 9 months, net of tax	-	-	-	(9,791)	-	(9,791)	4	(9,787)
Total comprehensive income for the 9 months	-	-	-	(9,791)	187,293	177,502	930	178,432
<i>Contributions by and distributions to owners</i>								
Dividends paid to non-controlling interests	-	-	-	-	-	-	(823)	(823)
Dividends paid in cash	-	-	-	-	(46,271)	(46,271)	-	(46,271)
Total contributions by and distributions to owners	-	-	-	-	(46,271)	(46,271)	(823)	(47,094)
Balance at 31/3/2015	155,181	(112)	2,405	(9,312)	967,348	1,115,510	3,715	1,119,225

1(d)(i) A statement (for the issuer 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.

	Share Capital S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
<u>Company</u>			
Balance at 1/1/2014	155,181	11,261	166,442
Profit for the quarter, representing total comprehensive income for the quarter	-	4,829	4,829
Balance at 31/3/2014	155,181	16,090	171,271
Balance at 1/1/2015	155,181	65,320	220,501
Profit for the quarter, representing total comprehensive income for the quarter	-	34,115	34,115
Balance at 31/3/2015	155,181	99,435	254,616

	Share Capital S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
<u>Company</u>			
Balance at 1/7/2013	155,181	50,938	206,119
Profit for the 9 months, representing total comprehensive income for the 9 months	-	11,423	11,423
<i>Contributions by and distributions to owners</i>			
Dividends paid in cash	-	(46,271)	(46,271)
Total contributions by and distributions to owners	-	(46,271)	(46,271)
Balance at 31/3/2014	155,181	16,090	171,271
Balance at 1/7/2014	155,181	73,218	228,399
Profit for the 9 months, representing total comprehensive income for the 9 months	-	72,488	72,488
<i>Contributions by and distributions to owners</i>			
Dividends paid in cash	-	(46,271)	(46,271)
Total contributions by and distributions to owners	-	(46,271)	(46,271)
Balance at 31/3/2015	155,181	99,435	254,616

- 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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 quarter ended 31 March 2015, there were no changes in the Company's share capital.

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

	Group	
	As at	
	31-03-2015	30-06-2014
Total number of issued shares	1,005,890,466	1,005,890,466
Less: Treasury shares	-	-
Total number of issued shares excluding treasury shares	1,005,890,466	1,005,890,466

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

Not applicable.

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

The figures have not been audited nor reviewed.

- 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 in the preparation of the financial statements for the current reporting year as those of the audited financial statements for 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 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.**

**(a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	Group			
	Third Quarter ended 31 March		9 Months ended 31 March	
	2015	2014	2015	2014
Group profit attributable to owners of the Company (\$'000)	90,152	17,129	187,293	110,569
Weighted average number of shares	1,005,890,466	1,005,890,466	1,005,890,466	1,005,890,466
Basic and diluted earnings per share (cents)	9.0	1.7	18.6	11.0

Earnings per share is calculated based on the net profit attributable to owners of the Company divided by the weighted average number of shares of 1,005,890,466 (3QFY2014: 1,005,890,466 shares).

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	31-03-2015	30-06-2014	31-03-2015	30-06-2014
Net asset value per ordinary share (S\$)	1.11	0.98	0.25	0.23

Net asset value per share is calculated based on 1,005,890,466 (30 June 2014: 1,005,890,466) ordinary shares in issue at the end of the financial period.

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

Group Performance

The Group recorded a profit before income tax of \$106.9 million in 3QFY2015, 380% higher than the \$22.3 million recorded in 3QFY2014, with revenue of \$634.3 million for 3QFY2015 reflecting a 557% increase from \$96.5 million in 3QFY2014.

The property development division contributed \$576.6 million to the Group's revenue in 3QFY2015, compared to \$52.3 million in 3QFY2014. The increase is mainly due to a development project completed in February 2015 which revenue and related expenses are accounted for using the completion of contract method.

- 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) seasonable or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)

The construction division contributed \$45.7 million to the Group's revenue, an increase of 30% from the \$35.2 million in 3QFY2014. The higher revenue contribution is mainly due to increase in percentage of work done.

The Group incurred contract costs of \$513.0 million, 618% higher than the \$71.4 million incurred in 3QFY2014. The increase in contract costs is in tandem with the increase in revenue.

The Group incurred higher finance costs of \$1.1 million compared to \$0.5 million in 3QFY2014, mainly due to the interests on bank loans undertaken for the purchase of investment properties located in Australia. The purchase completion of (i) the five investment grade neighbourhood shopping centres in Australia was in 4QFY2014; and (ii) the commercial property at Perth, Western Australia was in February 2015. As such, the property operating expense was \$1.6 million in 3QFY2015 compared to \$0.3 million in 3QFY2014.

- 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 commentary previously disclosed in the financial statement announcement for financial period ended 31 December 2014.

- 10 A commentary at the date of the announcement of the 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.**

According to statistics released by Urban Redevelopment Authority ("URA"), prices of private residential properties decreased by 1.0% in the first quarter of 2015, marginally lower than the decrease of 1.1% in the fourth quarter of 2014. The sales volume of 1,311 private residential units in the first quarter of 2015 was lower than the 1,376 units sold by developers in the fourth quarter of 2014.

Prices of office space decreased marginally by 0.1% in first quarter of 2015, compared to an increase of 2.4% in the fourth quarter of 2014.

Meanwhile, rentals of retail space decreased by 0.3% in the first quarter of 2015, compared to the 0.5% increase in the fourth quarter of 2014.

With the past rounds of property cooling measures and the loan restrictions measures announced by Monetary Authority of Singapore in June 2013, the Group expects the operating environment for private residential property market to continue to be challenging.

10 A commentary at the date of the announcement of the 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. (Cont'd)

The Group remains committed to seeking strategic investment opportunities for its continued growth and is focused on building a stable base of recurring income to smoothen its fluctuating profits from property development division.

The Group expects to achieve a set of profitable operating results for FY2015. Following the adoption of INT FRS 115 with effect from 1 July 2010, the Group expects greater fluctuations in our future earnings as most of its ongoing projects are being accounted for using the completion of contract method.

11 Dividend

(a) Current Financial Period

Any dividend declared for the current financial period reported on ?

None

	(Tax Exempt 1 -Tier)
Name of dividend	Not applicable
Dividend Type	Not applicable
Dividend Rate	Not applicable

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

	(Tax Exempt 1 -Tier)
Name of dividend	Not applicable
Dividend Type	Not applicable
Dividend Rate	Not applicable

(b) Date payable

Not applicable.

(c) Books closure date

Not applicable.

12 If no dividend has been declared (recommended), a statement to that effect

No dividend has been declared or recommended for the third quarter ended 31 March 2015.

13 Interested Person Transactions

Name of interested persons		Aggregate value of all interested person transactions for the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
Sim Lian JV (Punggol Central) Pte. Ltd. ("SLJV")	Proportionate shareholder loans by Sim Lian Land Pte Ltd ("SLL") & its subsidiaries	332 (i)	-
Sim Lian Development Pte Ltd ("SLD")	Interest payable by SLJV to SLD	143	-
Sim Lian JV (Punggol Central) Pte. Ltd. ("SLJV")	Interest payable by SLJV to SLL & its subsidiaries	286	-
Sim Lian Development Pte Ltd ("SLD")	Interest payable by Sim Lian JV (BP) Pte. Ltd. ("ResiSPV") to SLD	127	-
Sim Lian JV (BP) Pte. Ltd. ("ResiSPV")	Interest payable by ResiSPV to SLL	256	-
Sim Lian JV (BP) Pte. Ltd. ("ResiSPV")	Proportionate shareholder loans by SLL	150 (i)	-
Sim Lian JV (BP Retail) Pte. Ltd. ("RetailSPV")	Proportionate shareholder loans by SLL to RetailSPV	869 (i)	-
Sim Lian Development Pte Ltd ("SLD")	Interest payable by Sim Lian JV (Vision) Pte. Ltd. ("VisionSPV") to SLD	196	-
Sim Lian JV (Vision) Pte. Ltd. ("VisionSPV")	Interest payable by VisionSPV to SLL	391	-
Sim Lian JV (Punggol Central) Pte. Ltd. ("SLJV")	Interest payable on inter-joint venture loans to VisionSPV	254	-
		3,004	-

Note (i) Under Rule 916 (3) of the SGX Listing Manual, this transaction is not required to comply with Rule 906.

ISSUED BY ORDER OF THE BOARD

Ang Lay Hua
Joint Company Secretary
11 May 2015



SIM LIAN GROUP LIMITED

(Company Registration No. 200004760C)

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

We, Kuik Sin Pin and Kuik Sin Leng, being two Directors of Sim Lian Group Limited (“the Company”) do hereby confirm, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the third quarter ended 31 March 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Kuik Sin Pin
Group Chief Executive Officer

Kuik Sin Leng
Executive Director

11 May 2015