

SingHaiyi Group Ltd and its subsidiaries
Registration Number: 198803164K

Condensed Interim Financial Statements and Dividend Announcement

For the half year ended 30 September 2021

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A. Condensed interim consolidated statement of profit or loss
Half year ended 30 September 2021

	Note	Group		Change %
		Half year ended		
		30.09.2021	30.09.2020	
		\$'000	\$'000	
Revenue	4	202,756	50,554	>100
Cost of sales		(157,786)	(40,508)	>100
Gross profit		44,970	10,046	>100
Other income	5	1,747	2,079	(16.0)
Selling and marketing expenses		(393)	(1,033)	(62.0)
Administrative expenses		(4,697)	(4,674)	0.5
Other operating expenses		(373)	(298)	25.2
Results from operating activities		41,254	6,120	>100
Finance income	6	1,373	1,940	(29.2)
Finance costs	7	(11,878)	(14,401)	(17.5)
Net finance costs		(10,505)	(12,461)	(15.7)
Share of loss of equity-accounted investees, net of tax		(883)	(129)	>100
Profit/(Loss) before tax		29,866	(6,470)	NM
Tax (expense)/credit	8	(5,267)	261	NM
Profit/(Loss) for the period	9	24,599	(6,209)	NM
Profit/(Loss) attributable to:				
Owners of the Company		12,521	(4,595)	NM
Non-controlling interests		12,078	(1,614)	NM
Profit/(Loss) for the period		24,599	(6,209)	NM
Earnings per share				
Basic and diluted earnings per share (cents)	10	0.297	(0.109)	NM

NM : Not meaningful

B. Condensed interim consolidated statement of comprehensive income
Half year ended 30 September 2021

	Group		Change
	Half year ended		
	30.09.2021	30.09.2020	%
	\$'000	\$'000	
Profit/(Loss) for the period	24,599	(6,209)	NM
Other comprehensive income:			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Share of currency translation differences of equity-accounted investees	(145)	(228)	(36.4)
Currency translation differences relating to foreign operations	1,205	(2,790)	NM
Effective portion of changes in fair value of cash flow hedges	2,092	(4,008)	NM
	3,152	(7,026)	NM
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Changes in fair value of financial assets at fair value through other comprehensive income	(2,519)	6,834	NM
Other comprehensive income for the period, net of income tax	633	(192)	NM
Total comprehensive income for the period	<u>25,232</u>	<u>(6,401)</u>	NM
Total comprehensive income attributable to:			
Owners of the Company	12,108	(2,783)	NM
Non-controlling interests	13,124	(3,618)	NM
Total comprehensive income for the period	<u>25,232</u>	<u>(6,401)</u>	NM

NM : Not meaningful

C. Condensed interim statements of financial position
As at 30 September 2021

	Note	Group		Company	
		30.09.2021 \$'000	31.03.2021 \$'000	30.09.2021 \$'000	31.03.2021 \$'000
Non-current assets					
Property, plant and equipment		3,390	1,781	2,038	440
Investment properties	11	53,941	53,812	–	–
Subsidiaries		–	–	181,712	181,710
Associates and joint ventures		142,354	131,309	–	–
Amounts due from subsidiaries		–	–	328,227	320,995
Financial assets at fair value through other comprehensive income		33,560	36,079	33,560	36,079
Deferred tax assets		3,696	8,179	428	428
		<u>236,941</u>	<u>231,160</u>	<u>545,965</u>	<u>539,652</u>
Current assets					
Development properties	12	1,647,993	1,747,548	–	–
Contract costs		41,368	26,745	–	–
Trade and other receivables	13	59,371	69,890	1,832	1,300
Amounts due from subsidiaries		–	–	51,075	43,168
Cash and cash equivalents		143,814	100,669	13,776	30,654
		<u>1,892,546</u>	<u>1,944,852</u>	<u>66,683</u>	<u>75,122</u>
Total assets		<u>2,129,487</u>	<u>2,176,012</u>	<u>612,648</u>	<u>614,774</u>
Non-current liabilities					
Loans and borrowings	14	940,019	989,308	–	–
Loan from non-controlling interests		283,658	285,908	–	–
Loan from a related party		18,264	20,674	–	–
Lease liabilities		1,563	66	1,509	–
Derivative liabilities		4,659	6,751	–	–
Deferred tax liabilities		4,540	4,006	–	–
		<u>1,252,703</u>	<u>1,306,713</u>	<u>1,509</u>	<u>–</u>
Current liabilities					
Trade and other payables		47,639	45,554	3,845	8,614
Contract liabilities		188,265	208,398	–	–
Loans and borrowings	14	11,944	13,063	11,851	12,970
Lease liabilities		483	490	323	207
Current tax payable		3,731	2,304	–	–
		<u>252,062</u>	<u>269,809</u>	<u>16,019</u>	<u>21,791</u>
Total liabilities		<u>1,504,765</u>	<u>1,576,522</u>	<u>17,528</u>	<u>21,791</u>
Equity attributable to owners of the Company					
Share capital	15	520,430	520,430	520,430	520,430
Retained earnings		121,614	109,093	80,542	75,886
Reserves		(11,983)	(11,570)	(5,852)	(3,333)
		<u>630,061</u>	<u>617,953</u>	<u>595,120</u>	<u>592,983</u>
Non-controlling interests		<u>(5,339)</u>	<u>(18,463)</u>	<u>–</u>	<u>–</u>
Total equity		<u>624,722</u>	<u>599,490</u>	<u>595,120</u>	<u>592,983</u>
Total equity and liabilities		<u>2,129,487</u>	<u>2,176,012</u>	<u>612,648</u>	<u>614,774</u>

D. Condensed interim statement of changes in equity
Half year ended 30 September 2021

	Attributable to owners of the Company						Non- controlling interests \$'000	Total equity \$'000	
	Share capital \$'000	Capital reserve \$'000	Translation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Retained earnings \$'000			Total \$'000
Current period:									
The Group									
At 1 April 2021	520,430	2,755	(4,421)	(3,375)	(6,529)	109,093	617,953	(18,463)	599,490
Total comprehensive income for the period									
Profit for the period	–	–	–	–	–	12,521	12,521	12,078	24,599
Other comprehensive income									
Share of currency translation differences of equity-accounted investees	–	–	(145)	–	–	–	(145)	–	(145)
Effective portion of change in fair value of cash flow hedge	–	–	–	1,046	–	–	1,046	1,046	2,092
Changes in fair value of financial assets at fair value through other comprehensive income	–	–	–	–	(2,519)	–	(2,519)	–	(2,519)
Currency translation differences relating to foreign operations	–	–	1,205	–	–	–	1,205	–	1,205
Total other comprehensive income	–	–	1,060	1,046	(2,519)	–	(413)	1,046	633
Total comprehensive income for the period	–	–	1,060	1,046	(2,519)	12,521	12,108	13,124	25,232
At 30 September 2021	520,430	2,755	(3,361)	(2,329)	(9,048)	121,614	630,061	(5,339)	624,722

D. Condensed interim statement of changes in equity (cont'd)
Half year ended 30 September 2021

	Attributable to owners of the Company						Non- controlling interests \$'000	Total equity \$'000	
	Share capital \$'000	Capital reserve \$'000	Translation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Retained earnings \$'000			Total \$'000
Prior period:									
The Group									
At 1 April 2020	520,430	2,755	4,142	(3,663)	(15,628)	124,085	632,121	(20,905)	611,216
Total comprehensive income for the period									
Loss for the period	–	–	–	–	–	(4,595)	(4,595)	(1,614)	(6,209)
Other comprehensive income									
Share of currency translation differences of equity-accounted investees	–	–	(228)	–	–	–	(228)	–	(228)
Effective portion of change in fair value of cash flow hedge	–	–	–	(2,004)	–	–	(2,004)	(2,004)	(4,008)
Changes in fair value of financial assets at fair value through other comprehensive income	–	–	–	–	6,834	–	6,834	–	6,834
Currency translation differences relating to foreign operations	–	–	(2,790)	–	–	–	(2,790)	–	(2,790)
Total other comprehensive income	–	–	(3,018)	(2,004)	6,834	–	1,812	(2,004)	(192)
Total comprehensive income for the period	–	–	(3,018)	(2,004)	6,834	(4,595)	(2,783)	(3,618)	(6,401)
Transfer of gain on disposal of financial assets through other comprehensive income to retained earnings	–	–	–	–	1,702	(1,702)	–	–	–
Transactions with owners, recorded directly in equity									
Dividends declared	–	–	–	–	–	–	–	(268)	(268)
Total transactions with owners	–	–	–	–	–	–	–	(268)	(268)
At 30 September 2020	520,430	2,755	1,124	(5,667)	(7,092)	117,788	629,338	(24,791)	604,547

D. Condensed interim statement of changes in equity (cont'd)
Half year ended 30 September 2021

	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Retained earnings \$'000	Total equity \$'000
<u>Current period:</u>					
The Company					
At 1 April 2021	520,430	3,197	(6,530)	75,886	592,983
Total comprehensive income for the period					
Profit for the period	–	–	–	4,656	4,656
Other comprehensive income					
Changes in fair value of financial assets at fair value through other comprehensive income	–	–	(2,519)	–	(2,519)
Total other comprehensive income	–	–	(2,519)	–	(2,519)
Total comprehensive income for the period	–	–	(2,519)	4,656	2,137
At 30 September 2021	520,430	3,197	(9,049)	80,542	595,120
<u>Prior period:</u>					
The Company					
At 1 April 2020	520,430	3,197	(15,628)	75,740	583,739
Total comprehensive income for the period					
Profit for the period	–	–	–	1,325	1,325
Other comprehensive income					
Changes in fair value of financial assets at fair value through other comprehensive income	–	–	6,834	–	6,834
Total other comprehensive income	–	–	6,834	–	6,834
Total comprehensive income for the period	–	–	6,834	1,325	8,159
Transfer of gain on disposal of financial assets through other comprehensive income to retained earnings	–	–	1,702	(1,702)	–
At 30 September 2020	520,430	3,197	(7,092)	75,363	591,898

E. Condensed interim consolidated statement of cash flows
Half year ended 30 September 2021

	Group	
	Half year ended	
	30.09.2021	30.09.2020
	\$'000	\$'000
Cash flows from operating activities		
Profit/(Loss) before tax	29,866	(6,470)
Adjustments for:		
Depreciation of property, plant and equipment	525	698
Interest and dividend income	(1,373)	(1,940)
Interest expense	11,878	14,401
Net unrealised foreign exchange gain	(14)	(2,242)
Share of loss of equity-accounted investees, net of tax	883	129
	<u>41,765</u>	<u>4,576</u>
Changes in:		
- Contract costs	(14,623)	(6,851)
- Contract liabilities	(20,134)	21,405
- Development properties	100,366	11,877
- Trade and other receivables	13,301	(3,714)
- Trade and other payables	2,094	2,810
Cash generated from operations	<u>122,769</u>	<u>30,103</u>
Tax refunded/(paid)	1,136	(455)
Net cash generated from operating activities	<u>123,905</u>	<u>29,648</u>
Cash flows from investing activities		
Acquisition of plant and equipment	(155)	(20)
Capital expenditure on investment properties	-	(261)
Interest and dividend income received	650	1,064
Investment in joint ventures	(14,174)	-
Net proceeds from disposal of investment in financial assets at fair value through other comprehensive income	-	15,701
Net cash (used in)/generated from investing activities	<u>(13,679)</u>	<u>16,484</u>
Cash flows from financing activities		
Dividends paid to non-controlling interests	-	(268)
Interest paid	(11,542)	(14,544)
Payment of lease liabilities	(470)	(619)
Proceeds from bank loans, net of transaction costs	9,155	8,506
(Repayment of)/Proceeds from loan from non-controlling interests	(2,250)	1,850
Repayment of loan from a related party	(2,410)	-
Repayment of bank loans	(59,563)	(986)
Net cash used in financing activities	<u>(67,080)</u>	<u>(6,061)</u>
Net increase in cash and cash equivalents	43,146	40,071
Cash and cash equivalents at beginning of the period	100,669	29,005
Effect of exchange rate fluctuations on cash held	(1)	(5)
Cash and cash equivalents at end of the period	<u>143,814</u>	<u>69,071</u>

F. Notes to the condensed interim financial statements

1 Domicile and activities

SingHaiyi Group Ltd (the “Company”) is incorporated in Singapore and has its registered office at 6 Shenton Way, #45-01 OUE Downtown 1, Singapore 068809.

The principal activities of the Group and the Company are those relating to property developers and owners, property managers and investment holding. The Company also acts as a holding company and provides management services to its subsidiaries.

The condensed interim consolidated financial statements of the Group as at and for the half year ended 30 September 2021 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interest in equity-accounted investees.

The immediate and ultimate holding company is Haiyi Holdings Pte Ltd, a company incorporated in Singapore.

2 Basis of preparation

The condensed interim financial statements for the half year ended 30 September 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore and should be read in conjunction with the Group’s latest annual consolidated financial statements as at and for the financial year ended 31 March 2021. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements have been presented in Singapore dollars, which is the Company’s functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted by the Group

The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the annual period beginning on 1 April 2021. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

2.2 Use of estimates and judgements

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there are no critical judgements in applying the entity’s accounting policies that have significant effect on the carrying amounts recognised in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period is included in the following notes:

- Note 11 Determination of the fair values of investment properties
- Note 12 Measurement of net realisable value of development properties

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair values is included in Note 11 which relates to investment properties.

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

The Group has three reportable segments as described below. For each of the reportable segments, the Group's Chief Operating Decision Maker reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Property development Development and sale of development properties
- Property and property related investment Holding and management of investment properties ("IP") and investment in IP related entities
- Others Investment holding and provision of management services

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit/(loss) before tax as included in the internal management reports that are reviewed by the Group's Chief Operating Decision Maker. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

4.1 Reportable segments

	Property development \$'000	Property and property related investment \$'000	Others \$'000	Segment total \$'000	Unallocated items \$'000	Total \$'000
Group						
<u>Half year ended</u>						
<u>30 September 2021</u>						
External revenue	200,198	2,558	–	202,756	–	202,756
Profit/(Loss) from operating activities	45,735	(1,006)	(1,462)	43,267	(2,013)	41,254
Share of loss of equity-accounted investees, net of tax	(3)	(880)	–	(883)	–	(883)
Finance income	–	1,373	–	1,373	–	1,373
Finance costs	(11,674)	(197)	(7)	(11,878)	–	(11,878)
Reportable segment profit/(loss) before tax	34,058	(710)	(1,469)	31,879	(2,013)	29,866
Depreciation of property, plant and equipment	118	22	385	525	–	525
Interests in associates	405	39,744	–	40,149	–	40,149
Interests in joint ventures	–	102,205	–	102,205	–	102,205
Capital expenditure*	–	138	17	155	–	155
Reportable segment assets	1,817,872	294,259	11,846	2,123,977	5,510	2,129,487
Reportable segment liabilities	1,479,244	22,976	2,487	1,504,707	58	1,504,765

SingHaiyi Group Ltd. and its subsidiaries
Condensed interim financial statements and dividend announcement
Half year ended 30 September 2021

Group	Property development \$'000	Property and property related investment \$'000	Others \$'000	Segment total \$'000	Unallocated items \$'000	Total \$'000
Half year ended						
<u>30 September 2020</u>						
External revenue	48,412	2,142	–	50,554	–	50,554
Profit/(Loss) from operating activities	8,925	(1,621)	606	7,910	(1,790)	6,120
Share of profit/(loss) of equity-accounted investees, net of tax	13	(142)	–	(129)	–	(129)
Finance income	–	1,940	–	1,940	–	1,940
Finance costs	(14,041)	(350)	(10)	(14,401)	–	(14,401)
Reportable segment (loss)/profit before tax	(5,103)	(173)	596	(4,680)	(1,790)	(6,470)
Depreciation of property, plant and equipment	237	27	434	698	–	698
Interests in associates	386	49,986	–	50,372	–	50,372
Interests in joint ventures	–	149,836	–	149,836	–	149,836
Capital expenditure*	11	261	9	281	–	281
Reportable segment assets	1,803,459	374,236	18,700	2,196,395	1,089	2,197,484
Reportable segment liabilities	1,527,109	64,446	1,382	1,592,937	–	1,592,937

*Capital expenditure comprises plant and equipment of \$155,000 (30 September 2020: \$20,000) and investment properties of \$Nil (30 September 2020: \$261,000).

Geographical information

The property development, property and property related investment and others segments are managed and operated in Singapore, USA, Malaysia and Australia. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

Group	Singapore \$'000	USA \$'000	Malaysia \$'000	Australia \$'000	Total \$'000
Half year ended 30 September 2021					
Revenue	191,196	11,560	–	–	202,756
Current assets	1,756,936	135,610	–	–	1,892,546
Non-current assets #	136,633	26,288	40,460	33,560	236,941
Half year ended 30 September 2020					
Revenue	48,729	1,825	–	–	50,554
Current assets	1,748,190	140,090	–	–	1,888,280
Non-current assets #	188,738	34,379	50,571	35,516	309,204

Include property, plant and equipment, investment properties, associates and joint ventures, financial assets at fair value through other comprehensive income and deferred tax assets.

4.2 Revenue

	Property development \$'000	Property and property related investment \$'000	Total \$'000
<u>Half year ended 30 September 2021</u>			
Primary geographical markets			
Singapore	190,762	434	191,196
United States	9,436	2,124	11,560
	200,198	2,558	202,756
Major products and service lines			
Property development income	200,198	–	200,198
Rental income	–	2,558	2,558
	200,198	2,558	202,756
Timing of revenue recognition			
Products transferred at a point in time	11,559	–	11,559
Products and services transferred over time	188,639	2,558	191,197
	200,198	2,558	202,756
<u>Half year ended 30 September 2020</u>			
Primary geographical markets			
Singapore	48,338	391	48,729
United States	–	1,825	1,825
	48,338	2,216	50,554
Major products and service lines			
Property development income	48,261	–	48,261
Rental income	–	2,216	2,216
Management fee income	77	–	77
	48,338	2,216	50,554
Timing of revenue recognition			
Products transferred at a point in time	1,293	–	1,293
Products and services transferred over time	47,045	2,216	49,261
	48,338	2,216	50,554

5 Other income

	Group Half year ended	
	30.09.2021 \$'000	30.09.2020 \$'000
Forfeiture of booking deposit	539	475
Government grants	67	628
Interest income on late payment from buyers	663	48
Net foreign exchange gain	401	920
Others	77	8
	1,747	2,079

6 Finance income

	Group	
	Half year ended	
	30.09.2021	30.09.2020
	\$'000	\$'000
Dividend income:		
- Equity investments – at fair value through other comprehensive income	1,332	1,940
Interest income on loans to joint ventures	41	–
	1,373	1,940

7 Finance costs

	Group	
	Half year ended	
	30.09.2021	30.09.2020
	\$'000	\$'000
Interest expense on:		
- bank loans	11,144	13,516
- loan from a related party	500	625
- lease liabilities	11	21
Amortisation of banking facility fee	223	239
Interest expense on financial liabilities measured at amortised cost	11,878	14,401

8 Tax (expense)/credit

	Group	
	Half year ended	
	30.09.2021	30.09.2020
	\$'000	\$'000
Current tax (expense)/credit		
Current year	(296)	(157)
Over provision in prior period	5	418
	(291)	261
Deferred tax expense		
Reversal of temporary differences	(4,976)	–
Tax (expense)/credit	(5,267)	261

9 Profit/(Loss) for the period

The following items have been included in arriving at profit/(loss) for the period:

	Group	
	Half year ended	
	30.09.2021	30.09.2020
	\$'000	\$'000
Depreciation of property, plant and equipment	525	698
Professional fees	99	67
	624	765

10 Earnings per share

Basic and diluted earnings per share at 30 September 2021 and 2020 were calculated as follows:

(i) Profit/(Loss) attributable to ordinary shareholders

	Group	
	Half year ended	
	30.09.2021	30.09.2020
	\$'000	\$'000
Profit/(Loss) attributable to ordinary shareholders	12,521	(4,595)

(ii) Weighted average number of ordinary shares

	Group	
	Half year ended	
	30.09.2021	30.09.2020
Weighted average number of ordinary shares during the period ('000)	4,212,025	4,212,025
Basic and diluted earnings per share (cents)	0.297	(0.109)

11 Investment properties

	Group	
	30.09.2021	31.03.2021
	\$'000	\$'000
Investment properties at fair value	53,941	53,812

As at 30 September 2021, the Group has a portfolio of investment properties comprising commercial and industrial properties in Singapore and a shopping mall in the United States. These investment properties are measured at fair values based on independent external valuation at the end of each financial year.

These valuers have the appropriate recognised professional qualifications and recent experience in the location and category of properties being valued. The independent valuers provide the fair values of the Group's investment properties portfolio annually. Valuations are made based on the properties highest-and-best use using direct market comparison method.

The fair values of investment properties as at 30 September 2021 are based on 31 March 2021 valuations, adjusted for capital expenditure capitalised in the current period, and management's assessment of the valuation of the investment properties in consultation with external valuers. In making this assessment, management has taken into account whether there were significant changes in the operating performance of the properties and market inputs such as capitalisation rates or transacted prices since the last independent valuations as at 31 March 2021. Following management's assessment, no changes has been made on the fair value of on its investment properties for the half year ended 30 September 2021 (30 September 2020: \$Nil).

Covid-19 has created more market uncertainty which could impact property valuations in the short-term. As such, the estimates of fair values of investment properties as at 30 September 2021 are subject to a high degree of uncertainty, and values may change rapidly and/or significantly when there are new developments. An independent valuation of the investment properties will be conducted at the end of this financial year to assess the changes in fair value after 30 September 2021.

12 Development properties

	Group	
	30.09.2021	31.03.2021
	\$'000	\$'000
(a) Properties under development, for which revenue is to be recognised at a point in time		
Land and land related cost	52,407	51,867
Development costs	16,973	16,798
	69,380	68,665
 Properties under development, for which revenue is to be recognised over time		
Land and land related cost	1,623,216	1,620,029
Development costs	184,005	132,839
Total costs recognised as cost of sales	(290,034)	(142,836)
	1,517,187	1,610,032
 Properties under development	1,586,567	1,678,697
 (b) Completed development properties, at cost		
Completed development properties	62,691	70,116
Allowance for diminution in value	(1,265)	(1,265)
	61,426	68,851
 Total development properties	1,647,993	1,747,548

Development properties are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimate costs of completion and estimated costs necessary to make the sale.

(i) Allowance for diminution in value

Movement in allowance for diminution in value was as follows:

	Group	
	30.09.2021	31.03.2021
	\$'000	\$'000
At beginning of the year	1,265	759
Additions	–	506
At end of the period/year	1,265	1,265

The allowance for foreseeable losses was determined taking into consideration the expected selling prices for the projects, which were based on external independent professional valuations undertaken or recent selling prices for the development projects or comparable projects and estimated total construction costs.

Management had reviewed the estimated selling prices of its development properties in consultation with external valuers and recent transacted prices for the projects, and estimated costs of completion and estimated costs necessary to make the sale, and is of the view that no further allowance for diminution in value is considered necessary as at 30 September 2021.

Covid-19 has created more market uncertainty which could impact property valuations in the short-term. As such, the estimates of selling prices of development properties as at 30 September 2021 are subject to a high degree of uncertainty, and values may change rapidly and/or significantly when there are new developments. An independent valuation of the development properties will be conducted at the end of this financial year to assess the changes in fair value after 30 September 2021.

13 Trade and other receivables

	Group		Company	
	30.09.2021 \$'000	31.03.2021 \$'000	30.09.2021 \$'000	31.03.2021 \$'000
Trade receivables	53,427	63,118	100	102
Government grant receivable	–	150	–	150
Receivables from a joint venture	2,100	2,100	–	–
Other receivables	2,636	1,203	1,492	839
Deposits	291	366	170	181
	58,454	66,937	1,762	1,272
Tax recoverable	–	1,411	–	–
Prepaid expenses	917	1,542	70	28
	59,371	69,890	1,832	1,300

The Group uses an allowance matrix to measure the expected credit losses (“ECLs”) of trade receivables from individual customers, which comprise a large number of small balances.

The allowable matrix is based on loss rates determined based on actual credit loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, recoverables and the Group’s view of economic conditions over the expected lives of the receivables. The exposure to credit risk and ECL for trade receivables as at 30 September 2021 is insignificant.

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

	Group		Company	
	Gross carrying amount \$'000	Impairment loss allowance \$'000	Gross carrying amount \$'000	Impairment loss allowance \$'000
30 September 2021				
Not past due	52,666	–	100	–
Past due 1 to 30 days	20	–	–	–
Past due 31 to 60 days	31	–	–	–
Past due 61 to 90 days	3	–	–	–
Past due over 90 days	707	–	–	–
	53,427	–	100	–
31 March 2021				
Not past due	62,902	–	102	–
Past due 1 to 30 days	38	–	–	–
Past due 31 to 60 days	24	–	–	–
Past due 61 to 90 days	67	–	–	–
Past due over 90 days	87	–	–	–
	63,118	–	102	–

14 Loans and borrowings

	Group		Company	
	30.09.2021	31.03.2021	30.09.2021	31.03.2021
	\$'000	\$'000	\$'000	\$'000
Secured				
Bank loans	951,963	1,002,371	11,851	12,970
Repayable:				
Within 1 year	11,944	13,063	11,851	12,970
After 1 year but within 5 years	939,728	988,976	–	–
After 5 years	291	332	–	–
	940,019	989,308	–	–
	951,963	1,002,371	11,851	12,970

The bank loans are secured by:

- (i) the borrowing subsidiaries' investment properties, motor vehicles and development properties;
- (ii) assignment of all rights and benefits to sale, lease and insurance proceeds in respect of investment properties and development properties;
- (iii) corporate guarantees by the Company; and
- (iv) a charge over financial assets at fair value through other comprehensive income with an amount equivalent to \$33,560,000 (31 March 2021: \$36,079,000).

15 Share capital

	Company			
	30.09.2021		31.03.2021	
	No. of shares '000	\$'000	No. of shares '000	\$'000
At beginning of the year and end of the period/year	4,236,136	520,430	4,236,136	520,430

There were 24,110,300 treasury shares held by the Company as at 30 September 2021 (31 March 2021: 24,110,300 treasury shares).

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the half year ended 30 September 2021.

16 Financial assets and liabilities

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels of the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts of these financial assets and financial liabilities are reasonable approximation of fair values.

SingHaiyi Group Ltd. and its subsidiaries
Condensed interim financial statements and dividend announcement
Half year ended 30 September 2021

Group	Carrying amount				Fair value				
	Amortised cost \$'000	FVOCI – equity instruments \$'000	FVTPL \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 September 2021									
Financial assets measured at fair value									
Financial assets at fair value through other comprehensive income	–	33,560	–	–	33,560	33,560	–	–	33,560
Financial assets not measured at fair value									
Trade and other receivables*	58,454	–	–	–	58,454				
Cash and cash equivalents	143,814	–	–	–	143,814				
	<u>202,268</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>202,268</u>				
Financial liabilities measured at fair value									
Derivative liabilities	–	–	–	(4,659)	(4,659)	–	(4,659)	–	(4,659)
Financial liabilities not measured at fair value									
Loans and borrowings	–	–	–	(951,963)	(951,963)				
Loan from a related party	–	–	–	(18,264)	(18,264)				
Lease liabilities	–	–	–	(2,046)	(2,046)				
Loan from non-controlling interests	–	–	–	(283,658)	(283,658)				
Trade and other payables#	–	–	–	(47,347)	(47,347)				
	<u>–</u>	<u>–</u>	<u>–</u>	<u>(1,303,278)</u>	<u>(1,303,278)</u>				

SingHaiyi Group Ltd. and its subsidiaries
Condensed interim financial statements and dividend announcement
Half year ended 30 September 2021

Group	Carrying amount				Fair value				
	Amortised cost \$'000	FVOCI – equity instruments \$'000	FVTPL \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 March 2021									
Financial assets measured at fair value									
Financial assets at fair value through other comprehensive income	–	36,079	–	–	36,079	36,079	–	–	36,079
Financial assets not measured at fair value									
Trade and other receivables*	66,937	–	–	–	66,937				
Cash and cash equivalents	100,669	–	–	–	100,669				
	<u>167,606</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>167,606</u>				
Financial liabilities measured at fair value									
Derivative liabilities	–	–	–	(6,751)	(6,751)	–	(6,751)	–	(6,751)
Financial liabilities not measured at fair value									
Loans and borrowings	–	–	–	(1,002,371)	(1,002,371)				
Loan from a related party	–	–	–	(20,674)	(20,674)				
Lease liabilities	–	–	–	(556)	(556)				
Loan from non-controlling interests	–	–	–	(285,908)	(285,908)				
Trade and other payables#	–	–	–	(45,148)	(45,148)				
	<u>–</u>	<u>–</u>	<u>–</u>	<u>(1,354,657)</u>	<u>(1,354,657)</u>				

SingHaiyi Group Ltd. and its subsidiaries
Condensed interim financial statements and dividend announcement
Half year ended 30 September 2021

Company	Carrying amount				Fair value				
	Amortised cost \$'000	FVOCI – equity instruments \$'000	FVTPL \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 September 2021									
Financial assets measured at fair value									
Financial assets at fair value through other comprehensive income	–	33,560	–	–	33,560	33,560	–	–	33,560
Financial assets not measured at fair value									
Amounts due from subsidiaries	379,302	–	–	–	379,302				
Trade and other receivables*	1,762	–	–	–	1,762				
Cash and cash equivalents	13,776	–	–	–	13,776				
	<u>394,840</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>394,840</u>				
Financial liabilities not measured at fair value									
Lease liabilities	–	–	–	(1,832)	(1,832)				
Loans and borrowings	–	–	–	(11,851)	(11,851)				
Trade and other payables#	–	–	–	(3,845)	(3,845)				
	<u>–</u>	<u>–</u>	<u>–</u>	<u>(17,528)</u>	<u>(17,528)</u>				

SingHaiyi Group Ltd. and its subsidiaries
Condensed interim financial statements and dividend announcement
Half year ended 30 September 2021

Company	Carrying amount				Fair value				
	Amortised cost \$'000	FVOCI – equity instruments \$'000	FVTPL \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 March 2021									
Financial assets measured at fair value									
Financial assets at fair value through other comprehensive income	–	36,079	–	–	36,079	36,079	–	–	36,079
Financial assets not measured at fair value									
Amounts due from subsidiaries	364,163	–	–	–	364,163				
Trade and other receivables*	1,272	–	–	–	1,272				
Cash and cash equivalents	30,654	–	–	–	30,654				
	<u>396,089</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>396,089</u>				
Financial liabilities not measured at fair value									
Lease liabilities	–	–	–	(207)	(207)				
Loans and borrowings	–	–	–	(12,970)	(12,970)				
Trade and other payables#	–	–	–	(8,460)	(8,460)				
	<u>–</u>	<u>–</u>	<u>–</u>	<u>(21,637)</u>	<u>(21,637)</u>				

* Excludes prepaid expenses of \$917,000 (31 March 2021: \$1,542,000) and \$70,000 (31 March 2021: \$28,000) for the Group and the Company respectively. It also excludes tax recoverable of \$Nil (31 March 2021: \$1,411,000) for the Group.

Excludes deferred income of \$292,000 (31 March 2021: \$406,000) and \$Nil (31 March 2021: \$154,000) for the Group and the Company respectively.

17 Related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following transactions took place between the Group and related parties during the financial period on terms agreed between the parties concerned.

Key management personnel compensation

	Group	
	Half year ended	
	30.09.2021	30.09.2020
	\$'000	\$'000
Short-term employee benefits	635	875
Contributions to defined contribution plans	30	40
	665	915

Other related party transactions

	Transaction value for the	
	half year ended	
	30.09.2021	30.09.2020
	\$'000	\$'000
Property consultancy fees payable to American Pacific International Capital, Inc ("APIC") ⁽¹⁾	277	179
Interest paid/payable to APIC	500	625
Rental income received/receivable from OKH Holdings Pte. Ltd. ("OKH") ⁽²⁾	59	59

⁽¹⁾ APIC is an entity controlled by Mr. Gordon Tang and Mrs. Celine Tang, who collectively own Haiyi Holdings Pte. Ltd. ("Haiyi"), the controlling shareholder of the Company.

⁽²⁾ OKH is a wholly owned subsidiary of OKH Global Ltd, which is controlled by Haiyi.

18 Net asset value

	Group		Company	
	30.09.2021	31.03.2021	30.09.2021	31.03.2021
Number of issued shares excluding treasury shares ('000)	4,212,025	4,212,025	4,212,025	4,212,025
Net asset value per ordinary share (cents)	14.96	14.67	14.13	14.08

19 Subsequent events

Acquisition of additional interest in subsidiary

Subsequent to 30 September 2021, the Company has increased its shareholdings in one of its subsidiary Sing-Haiyi Treasure Pte. Ltd. from 70% as at 30 September 2021 to 100% as at the date of this announcement.

Following the completion of the above transaction, Sing-Haiyi Treasure Pte. Ltd. has become a wholly owned subsidiary of the Company.

Proposed disposal of Tri-County Mall by wholly owned subsidiary

Subsequent to 30 September 2021, Tri-County Mall LLC, a wholly owned subsidiary of the Company has entered into a sale and purchase agreement dated 2 November 2021 with Park Harbor Capital LLC for the sale of the Tri-County Mall at 11700 Princeton Pike, Cincinnati, Ohio 45246.

The sale consideration of Tri-County Mall is US\$29.0 million while its book value as at 30 September 2021 was US\$18.6 million.

G. Other information required by Listing Rule Appendix 7.2

1 Review

The condensed interim consolidated financial position of the Group as at 30 September 2021 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited nor reviewed by the auditors.

2 A review of the performance of the Group, to the extent necessary for a reasonable understanding for 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
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Review of Group Performance

Revenue

The Group recorded total revenue of \$202.8 million for 1H2022 as compared to 1H2021 of \$50.6 million, an increase of \$152.2 million year-on-year, mainly due to increase in revenue recognised for Parc Clematis by \$120.6 million, The Gazania by \$19.4 million and Vietnam Town Phase II by \$9.4 million.

Cost of sales

Cost of sales increased by \$117.3 million year-on-year, in line with the increase in property development income as mentioned in the previous paragraph.

Gross profit margin

Gross profit margin increased by 2.3 percentage point year-on-year, attributed mainly to the increase in selling price of Parc Clematis during 1H2022 and the change in geographical revenue mix as more revenue from property development in the United States with a higher profit margin was recognised.

Other income

Other income decreased by \$0.3 million year-on-year, mainly due to decrease in net foreign exchange gain of \$0.5 million.

Selling and marketing expenses

Selling and marketing expenses decreased by \$0.6 million, from \$1.0 million in 1H2021 to \$0.4 million in 1H2022, mainly due to reduced advertising and marketing activities and decrease in showflat expenses due to closure of The Liliium and The Gazania sales gallery in 1Q2022.

Finance income

Finance income decreased by \$0.5 million, from \$1.9 million in 1H2021 to \$1.4 million in 1H2022, mainly due to lower dividend income.

Finance costs

The decrease in finance costs was mainly due to lower loans and borrowings.

Share of loss of equity-accounted investees

Share of loss of equity-accounted investees, net of tax increase by \$0.8 million from \$0.1 million in 1H2021 to \$0.9 million in 1H2022, mainly due to higher share of loss from ARA Harmony Fund III L.P., which holds a portfolio of five malls in Malaysia. The higher share of loss was mainly due to fair value loss recognised during the period.

Tax expense

The tax expense pertains to taxable profits arising mainly from the Group's development project, Parc Clematis.

Review of Condensed Interim Consolidated Statement of Financial Position

Property, plant and equipment

Property, plant and equipment increased by \$1.6 million, from \$1.8 million as at 31 March 2021 to \$3.4 million as at 30 September 2021, mainly due to the recognition of the right-of-use asset of \$2.0 million upon the renewal of the lease at the Company's registered office.

Associates and joint ventures

Associates and joint ventures increased by \$11.1 million, from \$131.3 million as at 31 March 2021 to \$142.4 million as at 30 September 2021, mainly due to the new investment in Maxwell Commercial Pte Ltd and Maxwell Residential Pte Ltd of \$10.8 million in relation to the successful tender for the purchase of Maxwell House.

Deferred tax assets

This pertains to unutilised tax losses arising from the Group's development projects.

Contract costs

This pertains to sales commission incurred for the Group's development projects.

Trade and other receivables

Trade and other receivables decreased by \$10.5 million, from \$69.9 million as at 31 March 2021 to \$59.4 million as at 30 September 2021, mainly due to collection of the trade receivables from the Group's development projects, The Gazania and Parc Clematis.

Cash and cash equivalents

Cash and cash equivalents increased by \$43.1 million, from \$100.7 million as at 31 March 2021 to \$143.8 million as at 30 September 2021, mainly due to cash movements as disclosed in the cash flow statements as explained below.

Lease liabilities

Total lease liabilities increased by \$1.4 million from \$0.6 million as at 31 March 2021 to \$2.0 million as at 30 September 2021, mainly due to the recognition of the lease liability upon the renewal of the lease at the Company's registered office.

Loan from a related party

Loan from a related party decreased by \$2.4 million, from \$20.7 million as at 31 March 2021 to \$18.3 million as at 30 September 2021, due to repayments made during 1H2022.

Derivative financial instrument

Derivative financial instrument represents the fair value of the interest rate swaps entered to hedge the floating interest rate exposure of the Group's loans and borrowings.

Contract liabilities

This pertains to progress billings not recognised as revenue for the Group's development projects.

Cash flow statements

Cash flows generated from operating activities for 1H2022 amounted to \$123.9 million. This was mainly due to decrease in development properties of \$100.4 million and decrease in trade and other receivables of \$13.3 million.

Cash flows used in investing activities for 1H2022 amounted to \$13.7 million. This was mainly due to the investment in joint ventures of \$14.2 million, partially offset by interest and dividend income received of \$0.7 million.

Cash flows used in financing activities for 1H2022 amounted to \$67.1 million. This was mainly due to net repayment of bank loans of \$50.4 million and interest paid of \$11.5 million.

3 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 previously disclosed to shareholders.

4 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.

SINGAPORE

The Group continued to maintain steady momentum in property sales. Parc Clematis, the Group's first mega private residential project and largest project-to-date, continued its strong performance, consistently in the monthly top 10 best-selling private residential projects since its launch. Parc Clematis was the second best-selling private residential projects in September 2021 (excluding Executive Condominium).

The total estimated gross development value of the three ongoing residential development projects comprising The Gazania, The Liliium and Parc Clematis amounts to approximately \$2.9 billion. As at 31 October 2021, the Group has sold 1,374 units of Parc Clematis and a total of 62 units of The Gazania and The Liliium. Progressive revenue has been recognised from these projects and this is expected to continue for the next financial year ahead.

The Group continues to remain on track in terms of project completion while keeping a close eye on recent property market and Covid-19 developments. The Group will continue to work in close partnership with our team of professional consultants and main contractor, with expected TOP of The Liliun and The Gazania in the coming month and Q2 2022 respectively.

UBS Singapore, the sole office tenant of our flagship commercial development 9 Penang Road, commenced its lease in August 2020. The development's retail space has achieved committed occupancy of approximately 80%, mainly comprising F&B outlets. The Group will continue to actively market the remaining retail units.

SingHaiyi Investments Pte. Ltd., a wholly-owned subsidiary of the Company, CEL Development Pte. Ltd. and Chuan Investments Pte Ltd ("Joint Tenderers"), had successfully tendered for the collective purchase of Maxwell House ("Property") at the tender price of \$276.8 million, which was awarded to the Joint Tenderers on 7 May 2021. The Joint Tenderers intend to redevelop the Property into a mixed-use development, of which 80% will be zoned for residential and the remaining 20% will be zoned for commercial use. The joint tender will allow the Group to better manage its financial and execution risks through a proposed joint venture, tap on its JV partners' expertise and experience; and to expand its development portfolio in Singapore.

UNITED STATES

According to the National Association of Realtors, real gross domestic product ("GDP") is expected to increase at an annualised growth rate of 4.3% in the third quarter of 2021, reflecting the continued economic recovery, reopening of establishments, and continued government response related to the Covid-19 pandemic.

While sales of existing homes in the US, on a seasonally adjusted annual rate, rose 7.0% in September 2021 from the prior month, sales decreased by 2.3% from a year ago. Total housing inventory as at 30 September 2021 also decreased by 13.0% compared to a year ago.

Against this backdrop, Phase II sales of the Group's completed commercial condominium project Vietnam Town in San Jose, California has gained traction, with more than 42% of the 141 units sold as at 30 September 2021.

5 Thomas Mellon Circle in San Francisco, California has obtained the site permit in February 2020 to transform the existing office building into a waterfront lifestyle residential property.

Tri-County Mall LLC, a wholly owned subsidiary of the Company has entered into a sale and purchase agreement dated 2 November 2021 with Park Harbor Capital LLC for the sale of the Tri-County Mall at sale consideration of US\$29.0 million.

As a result of the ongoing Covid-19 pandemic, the redevelopment works for 5 Thomas Mellon Circle are currently on hold and the business in Tri-County Mall is expected to remain challenging.

OUTLOOK

SINGAPORE

Based on advance estimates by the Ministry of Trade and Industry, the Singapore economy grew by 6.5% on a year-on-year basis in the third quarter of 2021, moderating from the 15.2% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the Singapore economy expanded by 0.8% in the third quarter of 2021, a reversal from the 1.4% contraction in the preceding quarter¹.

¹ https://www.mti.gov.sg/-/media/MTI/Newsroom/Press-Releases/2021/10/AdvEst_3Q21.pdf

According to the Monetary Authority of Singapore, the global economy should expand at an above-trend pace in the quarters ahead despite near-term uncertainties. In line with a gradual domestic opening, Singapore's economy should also continue on its recovery path. Singapore's GDP growth is expected to come in at 6% - 7% for 2021 and register a slower but still above-trend pace in 2022.

Meanwhile, Urban Redevelopment Authority's figures revealed that prices of private residential properties increased by 0.9% in the third quarter of 2021, compared with the 0.8% increase in the previous quarter.

UNITED STATES

According to forecasts by The Conference Board, US real GDP growth will slow to 3.5% in Q3 2021², taking into account the larger than expected impact of the Delta variant on the US economy. Consumer spending will be a key driver of growth in Q4 2021, but recent declines in consumer confidence related to a resurgence in the pandemic will mute consumption's contribution to GDP growth in Q3 2021.

Moving forward, the Group will continue to ensure prudent capital and cash flow management while staying on track with its business activities and development progress for all ongoing projects. Amidst the uncertainties, the Group will continue to remain selective and prudent in looking out for land plots with good location.

5 Dividend

(a) Current Financial Period reported on – any dividend declared 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 financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

6 If no dividend has been declared/recommended, a statement to that effect and the reasons(s) for the decision

No dividend has been declared/recommended in the current period as it is not the Company's practice to distribute interim dividend.

7 Disclosure of interest person transactions

The Company has not obtained a general mandate from shareholders for interested person transactions.

² <https://www.conference-board.org/research/us-forecast/us-forecast>

8 Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 in accordance with Rule 720(1) of the SGX-ST Listing Manual.

9 Confirmation by Directors

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited condensed interim consolidated financial statements for the half year ended 30 September 2021 to be false or misleading in any material aspect.

10 Disclosure pursuant to Rule 706A of the Listing Manual

During the half year ended 30 September 2021 and as at the date of this announcement, the Company has increased its shareholdings in one of its subsidiaries, Sing-Haiyi Treasure Pte. Ltd. from 50% as at 31 March 2021 to 70% as at 30 September 2021 and to 100% as at the date of this announcement.

Following the completion of the above transaction, Sing-Haiyi Treasure Pte. Ltd. has become a wholly owned subsidiary of the Company.

As at 30 September 2021, as the net asset value per share of Sing-Haiyi Treasure Pte. Ltd. was negative \$181, the Company has purchased from Haiyi Holdings Pte. Ltd. 40 shares at \$1 per share during the half year ended 30 September 2021, and subsequently another 60 shares at \$1 per share. The total consideration of \$100 was funded by internal resources.

BY ORDER OF THE BOARD

Celine Tang
Group Managing Director

Mao Jinshan
Executive Director

9 November 2021