



SINGHAIYI GROUP LTD

REGISTRATION NUMBER: 198803164K

FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016

PART I

Information required for announcements of quarterly (Q1, Q2, Q3), Half Year and Full Year Announcements

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

| | Notes | Group | | Change % |
|---|-------|----------------------|----------------------|----------|
| | | 30.06.2016 \$'000 | 30.06.2015 \$'000 | |
| Revenue | A | 10,686 | 237,737 | (95.5) |
| Cost of sales | | (5,417) | (207,110) | (97.4) |
| Gross profit | | 5,269 | 30,627 | (82.8) |
| Other income | B | 579 | 1,359 | (57.4) |
| Selling and marketing expenses | C | (1,780) | (1,466) | 21.4 |
| Administrative expenses | | (2,646) | (2,890) | (8.4) |
| Other operating expenses | | (122) | (266) | (54.1) |
| Results from operating activities | | 1,300 | 27,364 | (95.2) |
| Finance income | D | 1,612 | 1,462 | 10.3 |
| Finance costs | E | (1,811) | (2,064) | (12.3) |
| Share of results of equity-accounted investees, net of tax | | 2,751 | (86) | NM |
| Profit before tax | F | 3,852 | 26,676 | (85.6) |
| Tax expense | | (47) | (4,745) | (99.0) |
| Profit for the period | | 3,805 | 21,931 | (82.7) |
| 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 | | (3,414) | - | NM |
| Currency translation differences relating to foreign operations | | 1,795 | (3,272) | NM |
| Total comprehensive income for the period | | 2,186 | 18,659 | (88.3) |
| Net profit attributable to: | | | | |
| Owners of the Company | | 3,841 | 17,502 | (78.1) |
| Non-controlling interests | | (36) | 4,429 | NM |
| | | 3,805 | 21,931 | (82.7) |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | | 2,222 | 14,230 | (84.4) |
| Non-controlling interests | | (36) | 4,429 | NM |
| | | 2,186 | 18,659 | (88.3) |

NM – Not Meaningful.

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

Notes to Income Statement:

| | Group | | Change % |
|---|----------------------|----------------------|-------------|
| | First quarter ended | | |
| | 30.06.2016 \$'000 | 30.06.2015 \$'000 | |
| [A] <u>Revenue</u> | | | |
| Property development income | 7,505 | 233,799 | (96.8) |
| Rental income | 2,588 | 3,728 | (30.6) |
| Management fee income | 593 | 210 | >100 |
| | 10,686 | 237,737 | (95.5) |
| [B] <u>Other income</u> | | | |
| Investment income ⁽¹⁾ | - | 1,142 | NM |
| Gain on disposal of financial assets through profit or loss | 261 | 156 | 67.3 |
| Net foreign exchange gain | 289 | - | NM |
| Others | 29 | 61 | (52.5) |
| | 579 | 1,359 | (57.4) |
| [C] <u>Selling and marketing expenses</u> | | | |
| Commission | 800 | 217 | >100 |
| Advertising and marketing | 980 | 1,249 | (21.5) |
| | 1,780 | 1,466 | (21.4) |
| [D] <u>Finance income</u> | | | |
| Interest income | 47 | 408 | (88.5) |
| Dividend income ⁽²⁾ | 622 | 1,382 | (55.0) |
| Changes in fair value of financial assets through profit or loss ⁽²⁾ | 943 | (328) | NM |
| | 1,612 | 1,462 | 10.3 |
| [E] <u>Finance cost</u> | | | |
| Interest on bank loans | 341 | 594 | (42.6) |
| Interest and amortised financing fee on medium term notes ⁽³⁾ | 1,470 | 1,470 | - |
| | 1,811 | 2,064 | (12.3) |

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

| | Group | | Change |
|--|---------------------|------------|--------|
| | First quarter ended | | |
| | 30.06.2016 | 30.06.2015 | |
| | \$'000 | \$'000 | % |
| [F] Profit before tax includes the following: | | | |
| Depreciation of property, plant and equipment | 65 | 96 | (32.3) |
| Net foreign exchange loss | - | 1,282 | NM |
| Staff costs | 1,257 | 820 | 53.3 |
| Professional fees | 197 | 155 | 27.1 |

Note 1: Investment income

This pertains to investment income from the subscription of unquoted junior bonds issued by Perennial Somerset Investors Pte Ltd, an associate of the Group.

Note 2: Dividend income and net change in fair value of financial assets through profit or loss

Dividend income refers to the income earned from fixed income portfolio accounted as financial assets at fair value through profit or loss in the balance sheet. The changes in the market price of the financial assets are reflected as net change in fair value of financial assets through profit or loss.

Note 3: Interest and amortised financing fee on medium term notes

This pertains to interest payable and amortised financing fee associated to the issuance of \$100.0 million Notes pursuant to the \$500.0 million Multicurrency Debt Issuance Programme.

SINGHAIYI GROUP LTD

REGISTRATION NUMBER: 198803164K

FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016

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

| | Group | | Company | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 30.06.2016 \$'000 | 31.03.2016 \$'000 | 30.06.2016 \$'000 | 31.03.2016 \$'000 |
| Non-current assets | | | | |
| Property, plant and equipment | 5,410 | 5,420 | 267 | 278 |
| Investment properties | 117,167 | 116,960 | - | - |
| Interests in subsidiaries | - | - | 184,336 | 184,336 |
| Interests in associates | 86,951 | 87,948 | - | - |
| Interests in joint ventures | 52,572 | 51,154 | - | - |
| Other investments | 45,800 | 45,800 | - | - |
| Amounts due from subsidiaries | - | - | 197,461 | 197,618 |
| Deferred tax assets | 1,379 | 1,162 | - | - |
| | <u>309,279</u> | <u>308,444</u> | <u>382,064</u> | <u>382,232</u> |
| Current assets | | | | |
| Development properties | 445,984 | 415,334 | - | - |
| Trade and other receivables | 45,823 | 47,869 | 354 | 811 |
| Financial assets at fair value through profit or loss | 47,983 | 154,957 | 47,983 | 154,957 |
| Amounts due from subsidiaries | - | - | 41,339 | 59,599 |
| Amounts due from associates | 173 | 23,573 | - | - |
| Cash and cash equivalents | 78,928 | 40,988 | 50,951 | 14,805 |
| | <u>618,891</u> | <u>682,721</u> | <u>140,627</u> | <u>230,172</u> |
| Total assets | <u>928,170</u> | <u>991,165</u> | <u>522,691</u> | <u>612,404</u> |
| Non-current liabilities | | | | |
| Loans and borrowings | 173,033 | 171,656 | 68 | 78 |
| Amounts due to non-controlling interests | 15,885 | 15,885 | - | - |
| Deferred tax liabilities | 20,227 | 20,206 | - | - |
| | <u>209,145</u> | <u>207,747</u> | <u>68</u> | <u>78</u> |
| Current liabilities | | | | |
| Trade and other payables | 104,603 | 72,610 | 3,083 | 2,424 |
| Loans and borrowings | 132,337 | 226,785 | 118,438 | 212,893 |
| Amounts due to non-controlling interests | 6,977 | 10,758 | - | - |
| Current tax payable | 4,648 | 5,387 | - | - |
| | <u>248,565</u> | <u>315,540</u> | <u>121,521</u> | <u>215,317</u> |
| Total liabilities | <u>457,710</u> | <u>523,287</u> | <u>121,589</u> | <u>215,395</u> |

SINGHAIYI GROUP LTD**REGISTRATION NUMBER: 198803164K****FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016**

| | Group | | Company | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 30.06.2016 \$'000 | 31.03.2016 \$'000 | 30.06.2016 \$'000 | 31.03.2016 \$'000 |
| Share capital | 382,918 | 382,272 | 382,918 | 382,272 |
| Accumulated profits | 76,912 | 73,071 | 12,768 | 9,321 |
| Reserves | 5,352 | 6,971 | 5,416 | 5,416 |
| Equity attributable to owners of the Company | 465,182 | 462,314 | 401,102 | 397,009 |
| Non-controlling interests | 5,278 | 5,564 | - | - |
| Total equity | 470,460 | 467,878 | 401,102 | 397,009 |
| Total liabilities and equity | 928,170 | 991,165 | 522,691 | 612,404 |

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities

| | As at 30.06.2016 \$'000 | As at 31.03.2016 \$'000 |
|--|-------------------------------|-------------------------------|
| <u>Unsecured</u> | | |
| Amount repayable in one year or less, or on demand | 106,610 | 110,208 |
| Amount repayable after one year | 15,885 | 15,885 |
| (a) | 122,495 | 126,093 |
| <u>Secured</u> | | |
| Amount repayable in one year or less, or on demand | 32,704 | 127,335 |
| Amount repayable after one year | 173,033 | 171,656 |
| (b) | 205,737 | 298,991 |
| Gross borrowings | (a) + (b) 328,232 | 425,084 |

The Group's gross borrowings refer to aggregate borrowings from banks, medium term notes, finance lease creditors and amounts due to non-controlling interests.

Details of any collateral as at 30 June 2016

Where secured, borrowings are collateralised by:

- (i) the borrowing subsidiaries' investment properties, development properties, motor vehicles and leasehold buildings;
- (ii) assignment of all rights and benefits to sale, lease and insurance proceeds in respect of investment properties, development properties and leasehold buildings;
- (iii) corporate guarantees by the Company;
- (iv) a charge over financial assets at fair value through profit or loss with an amount equivalent to \$47,983,000.

SINGHAIYI GROUP LTD

REGISTRATION NUMBER: 198803164K

FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016

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 | |
|--|----------------|---------------|
| | 30.06.2016 | 30.06.2015 |
| | \$'000 | \$'000 |
| Cash flows from operating activities | | |
| Profit before tax | 3,852 | 26,676 |
| Adjustment for: | | |
| Depreciation of property, plant and equipment | 65 | 96 |
| Interest expense | 1,811 | 2,064 |
| Interest and dividend income | (669) | (1,791) |
| Investment income | - | (1,142) |
| Gain on disposal of financial assets | (261) | (156) |
| Changes in fair value of financial assets at fair value through profit or loss | (943) | 328 |
| Net unrealised foreign exchange loss | 178 | - |
| Share of results of equity-accounted investees, net of tax | (2,751) | 86 |
| | <u>1,282</u> | <u>26,161</u> |
| Changes in: | | |
| Development properties | (30,755) | 192,620 |
| Trade and other receivables | 2,052 | (49,510) |
| Trade and other payables | 30,752 | (107,271) |
| Cash generated from operations | <u>3,331</u> | <u>62,000</u> |
| Tax paid | (1,000) | (590) |
| Net cash generated from operating activities | <u>2,331</u> | <u>61,410</u> |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (55) | - |
| Capital expenditure on investment properties | (103) | (1,330) |
| Interest and dividend received | 1,208 | 1,215 |
| Net proceeds from disposal of investment in financial assets at fair value | 108,178 | 19,841 |
| Net cash generated from investing activities | <u>109,228</u> | <u>19,726</u> |

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

| | Group | |
|--|----------------------------|-------------------|
| | First quarter ended | |
| | 30.06.2016 | 30.06.2015 |
| | \$'000 | \$'000 |
| Cash flows from financing activities | | |
| Repayment from an associate | 23,400 | - |
| Net (decrease)/increase in amount due to non-controlling interests | (3,781) | 2,720 |
| Interest paid | (571) | (511) |
| Proceeds from issue of shares under share options | 646 | - |
| Proceeds from bank borrowings | 3,601 | 8,528 |
| Repayment of bank borrowings | (96,672) | (82,286) |
| Dividend paid to non-controlling interests | (250) | - |
| Net cash used in financing activities | (73,627) | (71,549) |
| Net increase in cash and cash equivalents | 37,932 | 9,587 |
| Cash and cash equivalents at beginning of the period | 40,988 | 113,077 |
| Effect of exchange rate fluctuations on cash held | 8 | (57) |
| Cash and cash equivalents at end of the period | 78,928 | 122,607 |
| Note: | | |
| Cash and cash equivalents in statement of financial position | 78,928 | 172,607 |
| Less: Deposits pledged | - | (50,000) |
| Cash and cash equivalents in statement of cash flows | 78,928 | 122,607 |

SINGHAIYI GROUP LTD

REGISTRATION NUMBER: 198803164K

FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016

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

1(d)(i) Consolidated Statement of Changes in Equity

| | Share capital | Capital reserve | Translation reserve | Accumulated profits | Non-controlling interests | Total equity |
|--|---------------|-----------------|---------------------|---------------------|---------------------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Current Period | | | | | | |
| The Group | | | | | | |
| At 1 April 2016 | 382,272 | 5,416 | 1,555 | 73,071 | 5,564 | 467,878 |
| Profit for the period | - | - | - | 3,841 | (36) | 3,805 |
| Other comprehensive income | | | | | | |
| Share of currency translation differences of equity-accounted investee | - | - | (3,414) | - | - | (3,414) |
| Conversion of share options | 646 | - | - | - | - | 646 |
| Currency translation differences relating to foreign operations | - | - | 1,795 | - | - | 1,795 |
| Other comprehensive income, net of tax | 646 | - | (1,619) | - | - | (973) |
| Total comprehensive income for the period | 646 | - | (1,619) | 3,841 | (36) | 2,832 |
| Transactions with owners, recognised directly in equity | | | | | | |
| Contributions by owners | | | | | | |
| Dividend paid | - | - | - | - | (250) | (250) |
| Total transactions with owners | - | - | - | - | (250) | (250) |
| At 30 June 2016 | 382,918 | 5,416 | (64) | 76,912 | 5,278 | 470,460 |
| Prior Period | | | | | | |
| The Group | | | | | | |
| At 1 April 2015 | 382,272 | 5,416 | 6,645 | 49,477 | (446) | 443,364 |
| Profit for the period | - | - | - | 17,502 | 4,429 | 21,931 |
| Other comprehensive income | | | | | | |
| Currency translation differences relating to foreign operations | - | - | (3,272) | - | - | (3,272) |
| Other comprehensive income, net of tax | - | - | (3,272) | - | - | (3,272) |
| Total comprehensive income for the period | - | - | (3,272) | 17,502 | 4,429 | 18,659 |
| At 30 June 2015 | 382,272 | 5,416 | 3,373 | 66,979 | 3,983 | 462,023 |

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD
ENDED 30 JUNE 2016

1(d)(ii) Statement of Changes in Equity

| <u>Current Period</u> | Share capital | Capital reserve | Accumulated profits | Total equity |
|--|---------------|-----------------|---------------------|--------------|
| The Company | \$'000 | \$'000 | \$'000 | \$'000 |
| At 1 April 2016 | 382,272 | 5,416 | 9,321 | 397,009 |
| Profit for the period | - | - | 3,447 | 3,447 |
| Other comprehensive income | | | | |
| Conversion of share options | 646 | - | - | 646 |
| Other comprehensive income, net of tax | 646 | - | - | 646 |
| Total comprehensive income for the period | 646 | - | 3,447 | 4,093 |
| At 30 June 2016 | 382,918 | 5,416 | 12,768 | 401,102 |

| <u>Prior Period</u> | Share capital | Capital reserve | Accumulated (losses)/profits | Total equity |
|--|---------------|-----------------|------------------------------|--------------|
| The Company | \$'000 | \$'000 | \$'000 | \$'000 |
| At 1 April 2015 | 382,272 | 5,416 | 9,887 | 397,575 |
| Profit for the period | - | - | (159) | (159) |
| Total comprehensive income for the period | - | - | (159) | (159) |
| At 30 June 2015 | 382,272 | 5,416 | 9,728 | 397,416 |

SINGHAIYI GROUP LTD**REGISTRATION NUMBER: 198803164K****FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016**

- 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 end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Share capital

Details of changes in the Company's share capital since the last reported period are as follows:

| Date | Type | No. of shares | Value (\$) |
|---|-----------------------------|---------------|-------------|
| As at 31 March 2016 (excluding treasury shares) | | 2,863,089,912 | 382,272,000 |
| 19 April 2016 | Conversion of share options | 7,207,938 | 646,000 |
| As at 30 June 2016 (excluding treasury shares) | | 2,870,297,850 | 382,918,000 |

Convertible securities and share options

The Company has the following share options as at the end of the current financial period reported on and as at end of the corresponding period of the immediate preceding year:

| | | 30.06.2016 | 30.06.2015 |
|---|------|---------------------------|---------------|
| Type | Note | No. of convertible shares | |
| Share options | A | 6,000,000 | 13,207,938 |
| Total | | 6,000,000 | 13,207,938 |
| Total number of issued shares excluding treasury shares | | 2,870,297,850 | 2,863,089,912 |

Note A:

On 19 April 2016, the Company announced that Mr Yeo Wee Kiong had exercised all share options granted to him and accordingly, total 7,207,938 new ordinary shares in the capital of the Company have been allotted and issued to Mr Yeo.

There were 6,000,000 share options outstanding as at 30 June 2016. The 6,000,000 share options were granted in accordance to the SingHaiyi Share Option Scheme ("ESOS") on 29 July 2014 at an exercise price of \$0.176. The options are convertible into new shares one year from the grant date.

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

Save for the above share options, the Company did not have any outstanding convertibles as at 30 June 2016 and 30 June 2015.

There were 689,000 treasury shares held by the Company as at 30 June 2016 (30 June 2015: 689,000).

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

| | 30.06.2016 | 31.03.2016 |
|---|-------------------|-------------------|
| Total number of issued shares excluding treasury shares | 2,870,297,850 | 2,863,089,912 |

1d(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

No treasury shares were sold, transferred, disposed, cancelled and/or used as at end of the current financial period.

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

The figures have not been audited or reviewed by the auditors.

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualification or emphasis of a 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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with the audited financial statements for the financial year ended 31 March 2016.

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 reasons for, and the effect of, the change

In the current financial period, the Group has adopted all the new and revised FRSs that are relevant to its operations and effective for annual periods beginning on or after 1 April 2016. The adoption of these new or revised FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior periods / years.

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

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

| | 30.06.2016 | 30.06.2015 |
|---|-------------------|-------------------|
| Based on weighted average number of shares (cents) | 0.134 | 0.611 |
| Weighted average number of shares | 2,868,792,896 | 2,863,089,912 |
| On a fully diluted basis (cents) | 0.134 | 0.611 |
| Adjusted weighted average number of shares ⁽¹⁾ | 2,868,792,896 | 2,865,826,654 |

⁽¹⁾ The adjusted weighted average number of shares took into consideration the share options that are dilutive to the earnings per ordinary share for the period under review.

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

| | Group | | Company | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 30.06.2016 | 31.03.2016 | 30.06.2016 | 31.03.2016 |
| Net asset value per ordinary share (cents) | 16.21 | 16.15 | 13.96 | 13.87 |
| Number of issued shares excluding treasury shares | 2,870,297,850 | 2,863,089,912 | 2,870,297,850 | 2,863,089,912 |

SINGHAIYI GROUP LTD**REGISTRATION NUMBER: 198803164K****FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016**

- 8 A review of the performance of the Group to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cashflow, working capital, assets or liabilities of the Group during the current financial period reported on.

Review of Group Performance

| | First quarter ended | |
|-----------------------------|----------------------------|-------------------|
| | 30.06.2016 | 30.06.2015 |
| | \$'000 | \$'000 |
| Property development income | 7,505 | 233,799 |
| Rental income | 2,588 | 3,728 |
| Management fee income | 593 | 210 |
| | <u>10,686</u> | <u>237,737</u> |

| | Singapore | | USA | |
|-----------------------------|----------------------------|-------------------|----------------------------|-------------------|
| | First quarter ended | | First quarter ended | |
| | 30.06.2016 | 30.06.2015 | 30.06.2016 | 30.06.2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Group | | | | |
| Property development income | 2,135 | 233,799 | 5,370 | - |
| Rental income | 143 | 147 | 2,445 | 3,581 |
| Management fee income | 593 | 210 | - | - |
| | <u>2,871</u> | <u>234,156</u> | <u>7,815</u> | <u>3,581</u> |

1Q2017 vs 1Q2016

The Group recorded total revenue of \$10.7 million for 1Q2017, compared to last year's corresponding quarter of \$237.7 million, arising mainly from the sales of the Group's completed DBSS project, Pasir Ris One. There is a decrease of total revenue of \$227.1 million on year-on-year. In 1Q2017, revenue contribution mainly comes from sales of completed units from Vietnam Town (project in the US). The lower rental income was attributable to ongoing Asset Enhancement Initiative ("AEI") program underwent by Tri-County Mall in US. Management fee income pertained to project management services rendered in Singapore.

Cost of sales decreased by \$201.7 million on year-on-year, in line with the lower property development income as mentioned in the previous paragraph.

Gross profit margin increased by 36.4 percentage point year-on-year, attributed to the change in revenue mix as more revenue from property development with a lower profit margin was recognized in 1Q2016. Gross profit margin of rental income remains stable.

Other income decreased by \$0.8 million on year-on-year, mainly due to the absence of investment income of \$1.1 million in 1Q2017. It is offset by the increase in the gain on disposal

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

of financial assets through profit or loss of approximately \$0.1 million and foreign exchange gain of approximately \$0.3 million.

Selling and marketing expenses increased by \$0.3 million, from \$1.5 million in 1Q2016 to \$1.8 million in 1Q2017, mainly due to commission incurred for the Group's EC project, The Vales. It is partially offset by less spending on advertising and marketing expenses for The Vales.

Other operating expenses decreased by \$0.1 million on year-on-year, resultant from the recovery of doubtful debts of \$0.1 million.

Finance income increased by \$0.2 million, from \$1.5 million in 1Q2016 to \$1.6 million in 1Q2017, mainly due to fair value gain (see note 2 on page 3) of approximately \$0.9 million on financial assets in 1Q2017 as compared to fair value loss of \$0.3 million on financial assets in 1Q2016. The increase is offset by the decreases in the interest income of approximately \$0.4 million and dividend income (see note 2 on page 3) of approximately \$0.8 million.

Finance costs decreased by \$0.3 million on year-on-year due to lower interest incurred as the Group paid down its bank loans.

Share of results of equity-accounted investees, net of tax increased by \$2.8 million on year-on-year, mainly due to (i) share of profits of an associate, Tampines EC Pte Ltd, which completed the development of CityLife@Tampines, an EC project in FY2016 of approximately \$0.8 million; (ii) the share of profits of the 35% equity interest in the Park Mall Pte Ltd, the owner of Park Mall of approximately \$1.3 million.

Tax expense decreased by \$4.7 million on year-on-year mainly due to decrease in income tax expense associated to Group's DBSS project, Pasir Ris One.

Review of Consolidated Statement of Financial Position

Development properties

Development properties increased by \$30.7 million, from \$415.3 million as at 31 March 2016 to \$446.0 million as at 30 June 2016, mainly due to the increase in cumulative project development costs for the existing development projects.

Financial assets at fair value through profit or loss

This pertains to a portfolio of fixed income funds which primarily focus on US markets. These are accounted for as financial assets at fair value through profit or loss. The decrease is due to the disposal of financial assets during 1Q2017.

Amount due from associates

The decrease is mainly due to repayment from an associate, Tampines EC Pte Ltd, which completed the development of CityLife@Tampines, an EC project in FY2016.

Cash and cash equivalents

Cash and cash equivalents increased by \$37.9 million, from \$41.0 million as at 31 March 2016 to \$78.9 million as at 30 June 2016, mainly due to cash movements as disclosed in cash flow statements as explained on page 15.

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

Trade and other payables

Trade and other payables increased by \$32.0 million from the end of the preceding quarter, mainly due to project claims and progress billings of approximately \$31.4 million made for the Group's EC project, The Vales.

Loans and borrowings

Loans and borrowings decreased by \$93.1 million, from \$398.4 million as at 31 March 2016 to \$305.4 million as at 30 June 2016, mainly due to repayment of secured bank loans of \$96.7 million. This is offset by drawdown of construction loan of \$3.6 million for the Group's EC project, The Vales.

Amount due to non-controlling interests

Amount due to non-controlling interests decreased by \$3.8 million from the end of the preceding quarter, mainly due to repayment made to non-controlling interests following the completion of the Group's DBSS project, Pasir Ris One.

Cash flow statements

Cash flows generated from operating activities for 1Q2017 amounted to \$2.3 million. This was mainly due to operating profit of \$1.3 million and the decrease in trade and other receivables of \$2.1 million and the increase in trade and other payables of \$30.8 million which was correspondingly offset by the increase in development properties of \$30.8 million.

Cash flows generated from investing activities for 1Q2017 amounting to \$109.2 million mainly relate to proceeds from the sale of investment in financial assets.

Cash flows used in financing activities for 1Q2017 amounted to \$73.6 million, mainly due to repayment of secured bank loans of \$96.7 million. This is partially offset by the repayment of \$23.4 million from an associate.

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 previously disclosed to shareholders.

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

SINGAPORE

The Group expects to obtain TOP for The Vales, an EC project located at Anchorvale Crescent, by the first half of 2017. The Vales was named as one of the five top-selling EC projects in May 2016¹, and has sold over 65% of its 517 units to-date.

¹ The Edge Property, "Developer sales accelerates with hot new launches", 15 June 2016

SINGHAIYI GROUP LTD

REGISTRATION NUMBER: 198803164K

FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016

On the commercial property front, the Group will provide professional project and development management services to redevelop Park Mall into a new building comprising Grade A offices and retail spaces. Redevelopment is expected to commence in the fourth quarter of the year 2016 and be completed by the end of 2019.

TripleOne Somerset has commenced the AEI works for its retail podium. The pre-launch of strata sale of Somerset Tower has started since June 2016 with official launch targeted in late August 2016. A few units have been sold at an average price of above \$2,600 psf thus far.

The Company was granted conditional Rights of First Refusal ("ROFR"), exercisable within 12 months from 5 April 2016, to acquire 500 million shares in OKH Global Ltd from its controlling shareholder, Haiyi Holdings Pte Ltd ("Haiyi") at a consideration price of S\$0.10 per share. The Securities Industry Council has confirmed that the Company needs not make a mandatory offer when the conditional ROFR is exercised subject to the ultimate controlling shareholder of Haiyi and the Company retaining control of Haiyi and the Company.

USA

The Group expects to recognise revenue and profit from the sales of the remaining completed Vietnam Town units in FY2017.

The Group's plan to redevelop the existing office building at 5 Thomas Mellon Circle, San Francisco, into a waterfront lifestyle residential property is in progress.

Tri-County Mall is currently undergoing AEI and its rental income is expected to be lower in the next few quarters.

OUTLOOK

The Singapore residential property market is expected to remain subdued on the back of weak market sentiments and hefty supply of private residential units.

Over in the USA, the real estate market remains reasonably stable.

Notwithstanding the challenging macro environment, the Group will continue to explore property development and investment opportunities to strengthen its earnings base.

11 Dividend

(a) Current Financial Period Reported on – any dividend declared for the current financial period reported on?

No.

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

- (b) **Corresponding Period of the Immediately Preceding Financial Year – any dividend declared for the corresponding period of the immediately preceding financial year?**

| | |
|---|-------------------------------|
| Name of dividend | Special Tax Exempt (One-tier) |
| Type of dividend | Cash |
| Total number of issued shares (excluding treasury shares) | 2,863,089,912 |
| Dividend per share | 0.2 Singapore cents |

- (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 in the current period reported on.

- 13 Disclosure of interested person transactions**

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

During the financial period, the transactions with interested person under the Listing manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited are as follows:

| | | 1 April 2016 to 30 June 2016 |
|---|--|-------------------------------------|
| | | \$'000 |
| 1 | Transactions with American Pacific International Capital ("APIC") ⁽¹⁾ | 158 ⁽²⁾ |

Note

(1) APIC is an entity controlled by the controlling shareholders of the Company, Mr. Gordon Tang and Mrs. Celine Tang.

(2) This amount represents the consultancy fees to APIC. APIC provided consultancy services to the Company's subsidiaries.

SINGHAIYI GROUP LTD
REGISTRATION NUMBER: 198803164K
FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
PERIOD ENDED 30 JUNE 2016

14 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 7H in accordance with Rule 720(1) of the SGX-ST Listing Manual.

15 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 consolidated financial statements for the first quarter ended 30 June 2016 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Celine Tang
Group Managing Director

Mao Jinshan
Executive Director

28 July 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("the Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Ong Hwee Li (Telephone: 65-6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.