

**SINGAPORE SHIPPING CORPORATION LIMITED**  
(Company Registration Number: 198801332G)

**UNAUDITED 1ST QUARTER FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2015**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY RESULTS**

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

	Group Three Months		
	Q1 FY2016	Q1 FY2015	Change
	US\$'000	US\$'000	%
Revenue (i)	11,706	7,284	60.7
Other operating income	256	360	(28.9)
Depreciation expense on property, plant and equipment (i)	(1,645)	(814)	102.1
Vessel operation and crew management costs (i)	(1,411)	(638)	121.2
Transportation, warehouse and terminal operating costs	(1,838)	(2,294)	(19.9)
Staff and crew costs (i)	(2,771)	(1,893)	46.4
Other operating expenses (i)	(442)	(276)	60.1
<b>Results from operating activities</b>	<b>3,855</b>	<b>1,729</b>	<b>123.0</b>
Finance income (ii)	18	270	(93.3)
Finance costs on bank borrowings (i)	(590)	(153)	NM
Exchange differences	(207)	(54)	NM
Share of results of associated company and joint venture, net of tax	(31)	24	NM
<b>Profit before taxation</b>	<b>3,045</b>	<b>1,816</b>	<b>67.7</b>
Taxation	(9)	(9)	-
<b>Profit for the period</b>	<b>3,036</b>	<b>1,807</b>	<b>68.0</b>
<b>Attributable to:</b>			
Owners of the Company	3,036	1,807	68.0
<b>Earnings per share, US cents</b>			
Basic	0.7	0.4	
Diluted	0.7	0.4	

Note (i) The variance in revenue, depreciation expense on property, plant and equipment, vessel operation and crew management costs, staff and crew costs, finance costs on bank borrowings and other operating expenses are due mainly to the acquisition of 3 vessels between September 2014 and March 2015.

Q1: 1st Quarter    FY: Financial year ending 31 March

NM: Not meaningful

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**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY RESULTS**

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

Note (ii) Finance income

	Three months	
	Q1 FY2016	Q1 FY2015
	US\$'000	US\$'000
Interest income on deposits with banks	9	37
Interest income on interest-bearing financial assets	-	7
Net change in fair value of financial assets held-for-trading	9	216
Others	-	10
	<u>18</u>	<u>270</u>

2. **Statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Three Months	
	Q1 FY2016	Q1 FY2015
	US\$'000	US\$'000
<b>Profit for the period</b>	3,036	1,807
Cash flow hedges:		
- Effective portion of changes in fair value of cash flow hedges	1,263	(52)
- Realised and transferred to income statement	26	60
	<u>1,289</u>	<u>8</u>
Net change in currency translation reserve	283	169
<b>Other comprehensive income for the period, net of tax</b>	<u>1,572</u>	<u>177</u>
<b>Total comprehensive income for the period</b>	<u>4,608</u>	<u>1,984</u>
<b>Attributable to:</b>		
Owners of the Company	<u>4,608</u>	<u>1,984</u>

**SINGAPORE SHIPPING CORPORATION LIMITED**

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**3(a). 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.**

	The Group		The Company	
	30.6.2015	31.3.2015	30.6.2015	31.3.2015
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current assets</b>				
Property, plant and equipment	161,566	162,280	-	-
Goodwill	705	687	-	-
Investment in subsidiaries	-	-	32,625	32,625
Amount due from subsidiaries	-	-	13,473	14,608
Associated company and joint venture	4,097	4,110	1,208	1,208
Derivative financial assets	1,921	452	-	-
Other assets	105	103	-	-
	168,394	167,632	47,306	48,441
<b>Current assets</b>				
Inventories	406	448	-	-
Trade and other receivables	5,185	6,080	395	264
Financial assets held-for-trading	122	113	-	-
Cash and cash equivalents	10,332	7,297	5,790	3,863
	16,045	13,938	6,185	4,127
<b>Less:</b>				
<b>Current liabilities</b>				
Trade and other payables	7,211	6,083	2,564	1,644
Derivative financial liabilities	1,237	1,057	-	-
Current taxation	14	14	-	-
Bank borrowings	12,188	12,188	-	-
	20,650	19,342	2,564	1,644
<b>Net current (liabilities)/assets</b>	<b>(4,605)</b>	<b>(5,404)</b>	<b>3,621</b>	<b>2,483</b>
<b>Non-current liabilities</b>				
Bank borrowings	92,367	95,414	-	-
Deferred taxation	20	20	-	-
	92,387	95,434	-	-
<b>Net assets</b>	<b>71,402</b>	<b>66,794</b>	<b>50,927</b>	<b>50,924</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	31,665	31,665	31,665	31,665
Other reserves	(286)	(1,858)	-	-
Retained earnings	40,023	36,987	19,262	19,259
<b>Total equity</b>	<b>71,402</b>	<b>66,794</b>	<b>50,927</b>	<b>50,924</b>

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

<b>As at 30.6.2015</b>		<b>As at 31.3.2015</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
US\$12,188,000	-	US\$12,188,000	-

**Amount repayable after one year**

<b>As at 30.6.2015</b>		<b>As at 31.3.2015</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
US\$92,367,000	-	US\$95,414,000	-

**Details of any collaterals:**

The credit facilities of the Group are generally secured by a corporate guarantee from the Company, first priority mortgage of vessels and first priority assignment of the said vessels' charter earnings and insurances. The carrying amount of the vessels mortgaged are approximately US\$130.6 million as at 30 June 2015 (FY2015: US\$131.8 million).

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

	Three Months	
	Q1 FY2016 US\$'000	Q1 FY2015 US\$'000
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	3,045	1,816
Adjustments for:		
Depreciation expense on property, plant and equipment	1,645	814
Interest income	(9)	(44)
Dividend income	-	(17)
Net change in fair value of financial assets held-for-trading	(9)	(216)
Gain on disposal of asset held-for-sale	-	(84)
Finance costs on bank borrowings	590	153
Loss on foreign exchange	200	62
Share of results of associated company and joint venture, net of tax	31	(24)
<b>Changes in working capital</b>	5,493	2,460
Inventories	42	2
Trade and other receivables	894	429
Trade and other payables	1,030	(268)
Cash generated from operations	7,459	2,623
Tax paid	(9)	-
<b>Net cash from operating activities</b>	7,450	2,623
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(16)	(33)
Payment for drydocking expenditure	(912)	-
Interest received	10	26
Dividends received from quoted equity securities	-	17
Proceed from sale of asset held-for-sale	-	1,004
Proceeds from sale of financial assets held-for-trading	-	397
<b>Net cash (used in)/generated from investing activities</b>	(918)	1,411
<b>Cash flow from financing activities</b>		
Repayment of bank borrowings	(3,047)	(1,130)
Payment of finance costs on bank borrowings	(492)	(146)
<b>Net cash used in financing activities</b>	(3,539)	(1,276)
Change in cash and cash equivalents	2,993	2,758
Cash and cash equivalents at beginning of the period	7,297	17,959
Effects of foreign exchange rate change on cash and cash equivalents	42	46
<b>Cash and cash equivalents at end of the period</b>	10,332	20,763

**SINGAPORE SHIPPING CORPORATION LIMITED**

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5(a). 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.

5(a)(i). The Group**Consolidated statement of changes in equity for 1<sup>st</sup> quarter ended 30 June 2015**

	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total attributable to owners of the Company
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 April 2015</b>	<b>31,665</b>	<b>(605)</b>	<b>(1,253)</b>	<b>36,987</b>	<b>66,794</b>
Total comprehensive income for 1st quarter FY2016	-	1,289	283	3,036	4,608
<b>Balance at 30 June 2015</b>	<b>31,665</b>	<b>684</b>	<b>(970)</b>	<b>40,023</b>	<b>71,402</b>
<b>Balance at 1 April 2014</b>	<b>31,665</b>	<b>(192)</b>	<b>(78)</b>	<b>31,137</b>	<b>62,532</b>
Total comprehensive income for 1st quarter FY2015	-	8	169	1,807	1,984
<b>Balance at 30 June 2014</b>	<b>31,665</b>	<b>(184)</b>	<b>91</b>	<b>32,944</b>	<b>64,516</b>

5(a)(ii). The Company**Statement of changes in equity for 1<sup>st</sup> quarter ended 30 June 2015**

	Share capital	Retained earnings	Total
	US\$'000	US\$'000	US\$'000
<b>Balance at 1 April 2015</b>	<b>31,665</b>	<b>19,259</b>	<b>50,924</b>
Total comprehensive income for 1st quarter FY2016	-	3	3
<b>Balance at 30 June 2015</b>	<b>31,665</b>	<b>19,262</b>	<b>50,927</b>
<b>Balance at 1 April 2014</b>	<b>31,665</b>	<b>18,546</b>	<b>50,211</b>
Total comprehensive income for 1st quarter FY2015	-	(4)	(4)
<b>Balance at 30 June 2014</b>	<b>31,665</b>	<b>18,542</b>	<b>50,207</b>

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- 5(b). **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.**

Nil

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

Total number of issued shares  
(excluding treasury shares)

Three Months	
Q1 FY2016	Q1 FY2015
436,016,591	436,016,591

There were no shares held as treasury shares in current and previous periods.

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

Not applicable.

6. **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 by the Company's auditors.

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

Not applicable.

8. **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 financial statements for the current reporting period compared with the audited financial statements as at 31 March 2015.

9. **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.**

There is no change in the accounting policies and methods of computation adopted.

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10. **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.**

Earnings per ordinary share based on:-  
 (i) the weighted average number of ordinary shares in issue  
 (ii) fully diluted basis

Three Months	
Q1 FY2016	Q1 FY2015
0.7	0.4
0.7	0.4

The weighted average number of ordinary shares in issue and on a fully diluted basis for both periods are 436,016,591 ordinary shares as there are no new issues or outstanding share options.

11. **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

	The Group		The Company	
	30.6.2015	31.3.2015	30.6.2015	31.3.2015
	US Cents	US Cents	US Cents	US Cents
Net asset value per ordinary share based on the total number of issued shares as at the end of the period / preceding year reported on	16.4	15.3	11.7	11.7
Net tangible asset per ordinary share based on the total number of issued shares as at the end of the period / preceding year reported on	16.2	15.2	11.7	11.7



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**12. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.**REVENUE

	Three Months		
	Q1	Q1	Change
	FY2016	FY2015	
	US\$'000	US\$'000	%
Ship owning	8,930	3,731	139.3
Agency & logistics	2,776	3,553	(21.9)
	11,706	7,284	60.7

Group revenue increased by 60.7%.

The increase in Group revenue for Q1 FY2016 was mainly due to the contributions from the ship owning segment with the delivery of 3 vessels. A vessel offhire for drydocking and lower business activities in the agency and logistics segment partially offset the increase in Group revenue.

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

	Three Months		
	Q1	Q1	Change
	FY2016	FY2015	
	US\$'000	US\$'000	%
Ship owning	3,364	1,265	165.9
Agency & logistics	307	804	(61.8)
Unallocated items <sup>(a)</sup>	(428)	(292)	46.6
Exchange differences	(207)	(54)	NM
	3,036	1,723	76.2
Gain on disposal of asset held-for-sale	-	84	NM
Net profit for the period	3,036	1,807	68.0

<sup>(a)</sup> Unallocated items refer to corporate costs, finance income and taxation.

Ship owning segment reported higher operating profit on the back of higher revenue.

Agency and logistics segment reported lower operating profits due to lower business volumes and margin pressures.

Nanyang Maritime (S'pore) Pte Ltd was sold in Q1 FY2015 with a gain of approximately US\$84,000.

## **SINGAPORE SHIPPING CORPORATION LIMITED**

(Company Registration Number: 198801332G)

- 12. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. (continued)**

### STATEMENT OF FINANCIAL POSITION

Decrease in property, plant and equipment was mainly due to higher depreciation from 3 additional vessels. This was partially offset by capitalisation of drydocking expenses.

Cash and cash equivalent increased given of the contributions from 3 additional vessels.

Bank borrowings were lower due to instalment repayments made during the quarter.

Group's current liabilities exceeded current assets by US\$4.6 million. Based on estimated cash flow for the Group repayment of bank borrowings will take place as planned and the shortfall in net current liabilities will be met from cash flow from operating activities.

### STATEMENT OF CASH FLOWS

The Group registered an overall increase of \$3.0 million in cash flow for Q1 FY2016. Cash flow from operating activities increased significantly following the delivery of 3 additional vessels. This was partially offset by drydocking expenses and higher financing costs.

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

No forecast was previously provided.

- 14. 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.**

The Group performed well for Q1 FY2016.

With a stable base of recurring income, the Group is positioned to continue its growth strategy of acquiring more vessels with quality long term charters.

Going forward, the Group anticipates that contributions from its agency & logistics segment will be less significant given the larger scale of ship-owning.

Barring any unforeseen circumstances, the Group expects to perform better in FY2016.

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**15. Dividends****(a) Current Financial Period Reported On**

Any dividend declared / recommended for the current financial period reported on? None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared / recommended for the corresponding period of the immediately preceding financial year? None

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No dividend has been declared or recommended.

**17. Interested person transactions (IPT)**

Name of interested person	Q1 FY2016 Aggregate value of all IPT during the financial period under review (excluding transactions less than S\$100,000)	Q1 FY2015 Aggregate value of all IPT during the financial period under review (excluding transactions less than S\$100,000)
Paid to a subsidiary of Stamford Land Corporation Ltd - Rental expense	S\$127,000	-
Transaction with directors of the Company - Purchase of goods and services	S\$177,000	-

Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions below S\$100,000) is nil for both Q1 FY2016 and Q1 FY2015.

**18. Statement by Directors Pursuant to SGX Listing Rule 705 (5)**

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the 3 months ended 30 June 2015 to be false or misleading.

**SINGAPORE SHIPPING CORPORATION LIMITED**  
(Company Registration Number: 198801332G)

On behalf of the Board of Directors

Ow Chio Kiat  
Executive Chairman

Ow Yew Heng  
Chief Executive Officer

**BY ORDER OF THE BOARD**

Chua Siew Hwi  
Company Secretary

6 August 2015