

FIRST QUARTER 2018 FINANCIAL STATEMENTS ANNOUNCEMENT

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

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

<u>Group Income Statement</u>	1 ST quarter ended 31.03.2018	1 ST quarter ended 31.03.2017	Increase/ (decrease)
	S\$'000	S\$'000	%
Revenue	16,616	13,790	20.5%
Cost of sales	(10,769)	(10,330)	4.2%
Gross profit	5,847	3,460	69.0%
Other income	756	575	31.5%
Administrative expenses	(688)	(886)	(22.3%)
Sales and marketing expenses	(499)	(632)	(21.0%)
Other operating expenses	(383)	(469)	(18.3%)
Finance costs	(529)	(682)	(22.4%)
Profit before tax	4,504	1,366	229.7%
Income tax expense	(700)	(543)	28.9%
Profit for the period	3,804	823	362.2%
Attributable to:			
Shareholders of the Company	3,036	821	269.8%
Non-controlling interests	768	2	>1,000%
	3,804	823	362.2%

<u>Statement of Comprehensive Income</u>	1 ST quarter ended 31.03.2018	1 ST quarter ended 31.03.2017
	S\$'000	S\$'000
Profit for the period	3,804	823
Other comprehensive income/(loss):		
Net fair value gain on investment in quoted equity shares classified as available-for-sale	56	980
Foreign currency translation	(1,768)	290
Total comprehensive income for the period	2,092	2,093
Total comprehensive income attributable to:		
Shareholders of the Company	1,324	2,091
Non-controlling interests	768	2
	2,092	2,093

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

	1ST quarter ended 31.03.2018	1ST quarter ended 31.03.2017	Increase/ (decrease)
	S\$'000	S\$'000	%
Interest income	324	117	176.9%
Dividend income from investment in quoted equity shares classified as held for trading	50	40	25.0%
Rental income from investment property	2,035	1,890	7.7%
Rental income and property management fee from completed properties	297	337	(11.9%)
Gain on sale of quoted equity shares classified as held for trading	52	-	N/M
Fair value (loss)/gain on quoted equity shares classified as held for trading	(84)	82	(202.4%)
Foreign exchange loss	(79)	(167)	(52.7%)
Depreciation of property, plant and equipment	(45)	(45)	-

N/M denotes "Not meaningful"

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

	Group		Company	
	As at 31.03.2018	As at 31.12.2017	As at 31.03.2018	As at 31.12.2017
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	285	330	285	330
Investment property	110,803	114,851	-	-
Investment in subsidiaries and trusts	-	-	37,073	36,746
Investment in quoted equity shares	4,466	4,410	4,466	4,410
Loans to subsidiaries	-	-	97,666	97,304
	115,554	119,591	139,490	138,790
Current assets				
Property under development for sale	289,968	299,455	-	-
Completed property for sale	24,268	24,268	24,268	24,268
Investment in quoted equity shares	4,959	4,036	4,959	4,036
Trade receivables	5,701	26,086	7	845
Deposits and other receivables	180	252	97	172
Prepayments	79	81	22	17
Advance to non-controlling shareholder of a subsidiary	1,140	1,140	-	-
Amounts due from subsidiaries	-	-	348	800
Cash and cash equivalents	120,728	108,828	92,379	91,754
	447,023	464,146	122,080	121,892
Current liabilities				
Trade and other payables	5,907	18,412	998	997
Advance from subsidiaries	-	-	4,682	2,660
Provision for taxation	815	611	-	-
	6,722	19,023	5,680	3,657
Net current assets	440,301	445,123	116,400	118,235
Non-current liabilities				
Loan from a subsidiary	-	-	-	2,022
Trade and other payables	111	94	111	94
Interest-bearing bank loans	262,911	274,463	-	-
Loans from non-controlling shareholder of a subsidiary	29,962	29,841	-	-
Deferred tax liabilities	933	470	-	-
	293,917	304,868	111	2,116
Net assets	261,938	259,846	255,779	254,909
Equity attributable to shareholders of the Company				
Share capital	104,951	104,951	104,951	104,951
Reserves	151,122	149,798	150,828	149,958
	256,073	254,749	255,779	254,909
Non-controlling interests	5,865	5,097	-	-
Total equity	261,938	259,846	255,779	254,909

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

As at 31.03.2018		As at 31.12.2017	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31.03.2018		As at 31.12.2017	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Secured
262,911 ⁽ⁱ⁾	29,962 ⁽ⁱⁱ⁾	274,463 ⁽ⁱ⁾	29,841 ⁽ⁱⁱ⁾

(i) Interest-bearing Bank Loans

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

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

- 1) assignment of sales and rental proceeds, construction guarantees, insurances, rights, title and interests under construction contracts and performance bonds
- 2) first legal mortgage over the Group's investment property and property under development
- 3) completion undertakings given by the Company and a subsidiary's non-controlling shareholder

(ii) Loans from Non-controlling Shareholder of a Subsidiary

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

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.

	1ST quarter ended 31.03.2018	1ST quarter ended 31.03.2017
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	4,504	1,366
Adjustments for:		
Depreciation of property, plant and equipment	45	45
Fair value loss / (gain) on quoted equity shares classified as held for trading	84	(82)
Gain on sale of quoted equity shares classified as held for trading	(52)	-
Interest expense	529	682
Interest income	(324)	(117)
Dividend income from investment in quoted equity shares classified as held for trading	(50)	(40)
Profit on sale of properties	(3,812)	(1,570)
Foreign exchange loss	79	163
Operating cash flows before changes in working capital	1,003	447
Changes in working capital:		
Trade receivables	(759)	(104)
Deposits and other receivables	5	(115)
Prepayments	2	(80)
Trade and other payables	(4,680)	(560)
Proceeds from sale of properties	42,366	30,882
Development expenditure on properties developed for sale	(14,592)	(241)
Net cash generated from operations	23,345	30,229
Interest received	392	111
Interest paid	(1,597)	(1,416)
Income tax paid	(8)	17
Net cash flows generated from operating activities	22,132	28,941
Cash flows from investing activities		
Acquisition of investment property	-	(114,446)
Purchase of quoted equity shares classified as held for trading	(2,504)	-
Dividends received	50	40
Proceeds from sale of quoted equity shares classified as held for trading	1,549	-
Net cash flows used in investing activities	(905)	(114,406)

(Cont'd)

	1ST quarter ended 31.03.2018	1ST quarter ended 31.03.2017
	S\$'000	S\$'000
Cash flows from financing activities		
Proceeds from bank loans	-	115,007
Repayment of bank loans	(9,300)	-
Loans from non-controlling shareholder of a subsidiary	-	379
Dividends paid to non-controlling shareholder of a subsidiary	-	(3,000)
Net cash flows (used in) / generated from financing activities	(9,300)	112,386
Net increase in cash and cash equivalents	11,927	26,921
Cash and cash equivalents at beginning of the period	108,828	53,366
Effect of exchange rates changes on cash and cash equivalents	(27)	-
Cash and cash equivalents at end of the period	120,728	80,287

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

Group	<u>Attributable to shareholders of the Company</u>						
	Non-distributable			Distributable		Non-controlling interests	Total equity
	Share Capital	Fair value adjustment reserve	Foreign currency translation reserve	Revenue reserve	Total		
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 1 January 2018	104,951	1,329	(788)	149,257	254,749	5,097	259,846
Profit for the period	-	-	-	3,036	3,036	768	3,804
<u>Other comprehensive gain/(loss) for the period</u>							
Net fair value gain on investment in quoted equity shares classified as available-for-sale	-	56	-	-	56	-	56
Foreign currency translation	-	-	(1,768)	-	(1,768)	-	(1,768)
Total comprehensive income/(loss) for the period	-	56	(1,768)	3,036	1,324	768	2,092
At 31 March 2018	104,951	1,385	(2,556)	152,293	256,073	5,865	261,938
At 1 January 2017	104,951	263	-	151,466	256,680	7,966	264,646
Profit for the period	-	-	-	821	821	2	823
<u>Other comprehensive income for the period</u>							
Net fair value gain on investment in quoted equity shares classified as available-for-sale	-	980	-	-	980	-	980
Foreign currency translation	-	-	290	-	290	-	290
Total comprehensive income for the period	-	980	290	821	2,091	2	2,093
Deemed capital contribution arising from interest-free loans from non-controlling shareholder of a subsidiary	-	-	-	-	-	19	19
Dividends paid to non-controlling shareholder of a subsidiary	-	-	-	-	-	(3,000)	(3,000)
At 31 March 2017	104,951	1,243	290	152,287	258,771	4,987	263,758

(Cont'd)

Company	Non-distributable		Distributable	Total
	Share capital	Fair value adjustment reserve	Revenue reserve	
	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2018	104,951	1,329	148,629	254,909
Profit for the period	-	-	814	814
<u>Other comprehensive income for the period</u>				
Net fair value gain on investment in quoted equity shares classified as available-for-sale	-	56	-	56
Total comprehensive income for the period	-	56	814	870
At 31 March 2018	104,951	1,385	149,443	255,779
At 1 January 2017	104,951	263	126,929	232,143
Profit for the period	-	-	6,982	6,982
<u>Other comprehensive income for the period</u>				
Net fair value gain on investment in quoted equity shares classified as available-for-sale	-	980	-	980
Total comprehensive income for the period	-	980	6,982	7,962
At 31 March 2017	104,951	1,243	133,911	240,105

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

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

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

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

As at 31 March 2018, the Company had in issue 400,994,652 (31 December 2017: 400,994,652) ordinary shares.

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

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

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

The financial results of the Group for the period ended 31 March 2018 have not been audited or reviewed by the auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2017 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 1 January 2018.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Nil

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

	1ST quarter ended 31.03.2018	1ST quarter ended 31.03.2017
(i) Based on weighted average number of ordinary shares in issue	0.76 cts	0.20 cts
- Weighted average number of shares ('000)	400,995	400,995
(ii) Based on fully diluted basis	0.76 cts	0.20 cts
- Weighted average number of shares ('000)	400,995	400,995

Note

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

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

	As at 31.03.2018	As at 31.12.2017
Group	63.86 cts	63.53 cts
Company	63.79 cts	63.57 cts

Note

Net asset value per ordinary share has been computed based on the shareholders' equity excluding non-controlling interests divided by 400,994,652 (31 December 2017: 400,994,652) shares.

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

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

The Group recorded a profit attributable to shareholders of S\$3.0 million for the quarter ended 31 March 2018. Revenue for the quarter comprised recognition of sales proceeds from property under development, as well as rental income from lease of an investment property. Revenue from property under development was recognised progressively based on construction progress.

Other income arose mainly from rental income from completed property, interest income, dividend income and gain on sale of quoted equity shares held for trading. Administrative expenses dropped due to one-off bank charges incurred in the corresponding quarter of the preceding year. Decrease in sales and marketing expenses was largely attributable to the adoption of FRS115 in 2018, where commission on sale of properties were no longer expensed when incurred but were capitalised and recognised as cost of sales. This decrease was partially offset by amortisation of showflat-related costs for the property under development. Other operating expenses dropped due mainly to lower property tax and maintenance contribution incurred in the current quarter and foreign exchange loss recorded in the corresponding quarter of the preceding year. This decrease was partially offset by fair value loss recorded on quoted equity shares held for trading. Finance costs decreased due to repayment of loans. Higher tax expense was provided on profit from sale of property under development and income derived from investment property.

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

Equity attributable to shareholders of the Company increased by S\$1.3 million as a result of the profit reported for the quarter and fair value gain on quoted equity shares classified as available-for-sale. This is offset by foreign currency translation loss recorded for the quarter.

Investment property comprised a limited service hotel Travelodge Docklands in Melbourne. Property under development decreased due to the transfer of development expenditure to cost of sales in conjunction with recognition of revenue. Trade receivables dropped due to collection of progress billings outstanding as at 31 December 2017. Decrease in trade and other payables was attributable mainly to payment of development expenditure and commission payable as at year-end. Interest-bearing bank loans dropped due to partial repayment of a loan during the quarter.

The Group collected S\$42.4 million in 1Q2018 from sale of its property under development. It made further payments of development expenditure and bank interest, as well as partial repayment of a bank loan. As at end of 1Q2018, the Group's cash and cash equivalents stood at S\$120.7 million, an increase of S\$11.9 million as compared to end of FY2017.

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

No forecast or prospect statement has been issued previously.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Based on the Urban Redevelopment Authority's ("URA") real estate statistics, overall prices of non-landed private residential properties rose by 4.4% in 1Q2018 (4Q2017: increase of 0.8%). The price index for non-landed private residential properties in the Outside Central Region, where the Group's development project is situated, also reported a growth of 5.6% in 1Q2018 (4Q2017: increase of 0.8%).

The Group has an ongoing private condominium development at Fernvale Road known as Parc Botannia. As at the date of this announcement, approximately 53% of the units have been issued options to purchase, amounting to sales value of about S\$342.7 million. Revenue from sales will continue to be recognised progressively based on construction progress. Construction commenced in July 2017 and is expected to complete in 4Q2020. This project is undertaken by a 70:30 joint venture between the Group and Wee Hur Development Pte. Ltd.

The Group owns a hospitality asset in Australia, Travelodge Docklands. Average occupancy rate for the hotel has been consistently above 90%. Income from the hotel provides a stable stream of recurring income to the Group.

With regard to BizTech Centre, having sold another unit subsequent to 1Q2018, the Group currently owns 43 strata units with a saleable area of 44,275 square feet in the industrial building. Of this, approximately 89% is tenanted.

The Group has been participating in Government land tenders and en bloc sales to replenish its land bank but was unsuccessful. It will continue to monitor the market closely so as to identify new property development and investment opportunities.

11. Dividend

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

No.

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

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared / recommended.

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

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

- 14. Undertakings from Directors and Executive Officers**

The Company has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 of the Listing Manual.

**BY ORDER OF THE BOARD
SING HOLDINGS LIMITED**

Lee Sze Hao
Chief Executive Officer
10 May 2018

CONFIRMATION BY THE BOARD

We, LEE SZE HAO and TAN TONG GUAN, being two Directors of Sing Holdings Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for 1Q2018 to be false or misleading in any material aspect.

On behalf of the Board of Directors

LEE SZE HAO
Chief Executive Officer

TAN TONG GUAN
Chairman, Audit Committee

Singapore, 10 May 2018