

FULL YEAR 2019 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>	Year ended 31.12.2019	Year ended 31.12.2018	Increase/ (decrease)
	S\$'000	S\$'000	%
Revenue	316,357	76,220	315.1%
Cost of sales	(216,843)	(48,323)	348.7%
Gross profit	99,514	27,897	256.7%
Other income	3,913	3,374	16.0%
Administrative expenses	(5,863)	(3,375)	73.7%
Sales and marketing expenses	(2,522)	(2,264)	11.4%
Other operating expenses	(7,399)	(1,203)	515.0%
Finance costs	(4,473)	(7,744)	(42.2%)
Profit before tax	83,170	16,685	398.5%
Income tax expense	(16,871)	(2,880)	485.8%
Profit for the year	66,299	13,805	380.3%
Attributable to:			
Shareholders of the Company	45,371	11,154	306.8%
Non-controlling interests	20,928	2,651	689.4%
	66,299	13,805	380.3%

<u>Statement of Comprehensive Income</u>	Year ended 31.12.2019	Year ended 31.12.2018
	S\$'000	S\$'000
Profit for the year	66,299	13,805
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Net fair value loss on equity instruments at fair value through other comprehensive income (FVOCI)	(57)	(285)
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation	(1,497)	(5,066)
Total comprehensive income for the year	64,745	8,454
Total comprehensive income attributable to:		
Shareholders of the Company	43,817	5,803
Non-controlling interests	20,928	2,651
	64,745	8,454

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

	Year ended 31.12.2019	Year ended 31.12.2018	Increase/ (decrease)
	S\$'000	S\$'000	%
Interest income	1,157	1,547	(25.2%)
Dividend income from equity securities at FVOCI	199	199	-
Dividend income from held for trading investment securities	204	249	(18.1%)
Rental income from investment property	6,081	6,729	(9.6%)
Rental income and property management fee from completed properties	1,203	1,209	(0.5%)
Gain on sale of held for trading investment securities	994	52	>1,000%
Fair value loss on held for trading investment securities	-	(366)	(100.0%)
Net loss on fair value adjustment of investment property	(6,637)	-	N/M
Foreign exchange gain	60	10	500.0%
Depreciation of property, plant and equipment	(98)	(178)	(44.9%)

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 31.12.2019	As at 31.12.2018	As at 31.12.2019	As at 31.12.2018
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	61	159	61	159
Investment property	97,263	105,666	-	-
Investment in subsidiaries and trusts	-	-	52,261	46,900
Investment securities	4,068	4,125	4,068	4,125
Loans to subsidiaries	-	-	150,985	112,009
	101,392	109,950	207,375	163,193
Current assets				
Development property	168,336	305,166	-	-
Completed properties	23,675	23,675	23,675	23,675
Investment securities	-	5,203	-	5,203
Trade receivables	9,449	14,486	8	7
Deposits and other receivables	184	237	93	140
Prepayments	51	68	18	16
Contract assets	134,305	-	-	-
Advance to non-controlling shareholder of a subsidiary	1,140	1,140	-	-
Amounts due from subsidiaries	-	-	409	7,163
Cash and cash equivalents	54,196	87,896	29,704	67,264
	391,336	437,871	53,907	103,468
Current liabilities				
Trade and other payables	23,246	9,428	3,548	1,419
Contract liabilities	-	36,206	-	-
Interest-bearing bank loans	84,500	-	-	-
Advance from subsidiaries	-	-	5,016	4,681
Provision for taxation	1,949	625	1,095	-
	109,695	46,259	9,659	6,100
Net current assets	281,641	391,612	44,248	97,368
Non-current liabilities				
Trade and other payables	7,682	3,449	75	164
Interest-bearing bank loans	-	200,839	-	-
Loans from non-controlling shareholder of a subsidiary	33,200	30,324	-	-
Deferred tax liabilities	17,564	2,660	15	-
	58,446	237,272	90	164
Net assets	324,587	264,290	251,533	260,397
Equity attributable to shareholders of the Company				
Share capital	104,951	104,951	104,951	104,951
Reserves	190,596	151,591	146,582	155,446
	295,547	256,542	251,533	260,397
Non-controlling interests	29,040	7,748	-	-
Total equity	324,587	264,290	251,533	260,397

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

As at 31.12.2019		As at 31.12.2018	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
84,500 ⁽ⁱ⁾	-	-	-

Amount repayable after one year

As at 31.12.2019		As at 31.12.2018	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
-	33,200 ⁽ⁱⁱ⁾	200,839 ⁽ⁱ⁾	30,324 ⁽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 until the project was ready for its intended use or sale. Interests incurred after that date were expensed as incurred.

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 completed and development properties and its investment property
- 3) completion undertakings given by the Company and a subsidiary's non-controlling shareholder

(ii) Loans from Non-controlling Shareholders of Subsidiaries

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 agreement. Management expects these to be repaid at the end of the 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.

	Year ended 31.12.2019	Year ended 31.12.2018
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	83,170	16,685
Adjustments for:		
Depreciation of property, plant and equipment	98	178
Net loss on fair value adjustment of investment property	6,637	-
Fair value loss on held for trading investment securities	-	366
Gain on sale of held for trading investment securities	(994)	(52)
Interest expense	4,473	7,744
Interest income	(1,157)	(1,547)
Dividend income from equity securities at FVOCI	(199)	(199)
Dividend income from held for trading investment securities	(204)	(249)
Foreign exchange gain	(60)	(10)
Operating cash flows before changes in working capital	91,764	22,916
Changes in working capital:		
Development property	136,830	17,433
Completed properties	-	593
Trade receivables	5,028	11,556
Contract assets	(134,305)	-
Deposits and other receivables	10	(8)
Prepayments	17	12
Trade and other payables	18,043	(5,677)
Contract liabilities	(36,206)	12,082
Net cash generated from operations	81,181	58,907
Interest received	1,199	1,570
Interest paid	(4,069)	(6,291)
Income tax paid	(632)	(626)
Net cash flows generated from operating activities	77,679	53,560
Cash flows from investing activities		
Purchase of held for trading investment securities	-	(3,051)
Purchase of property, plant and equipment	-	(7)
Dividends received	403	448
Proceeds from sale of held for trading investment securities	6,172	1,549
Capital distribution from held for trading investment securities	25	21
Net cash flows generated from/(used in) investing activities	6,600	(1,040)

(Cont'd)

	Year ended 31.12.2019	Year ended 31.12.2018
	S\$'000	S\$'000
Cash flows from financing activities		
Repayment of bank loans	(115,859)	(69,365)
Loans from non-controlling shareholder of a subsidiary	2,748	-
Dividends paid on ordinary shares	(4,812)	(4,010)
Net cash flows used in financing activities	(117,923)	(73,375)
Net decrease in cash and cash equivalents	(33,644)	(20,855)
Effect of exchange rates changes on cash and cash equivalents	(56)	(77)
Cash and cash equivalents at beginning of the year	87,896	108,828
Cash and cash equivalents at end of the year	54,196	87,896

- 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	Attributable to shareholders of the Company						
	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 2019	104,951	1,044	(5,854)	156,401	256,542	7,748	264,290
Profit for the year	-	-	-	45,371	45,371	20,928	66,299
<u>Other comprehensive income for the year</u>							
Net fair value loss on equity instruments at FVOCI	-	(57)	-	-	(57)	-	(57)
Foreign currency translation	-	-	(1,497)	-	(1,497)	-	(1,497)
Total comprehensive income for the year	-	(57)	(1,497)	45,371	43,817	20,928	64,745
Deemed capital contribution arising from interest-free loans from non-controlling shareholder of a subsidiary	-	-	-	-	-	364	364
Dividends on ordinary shares	-	-	-	(4,812)	(4,812)	-	(4,812)
At 31 December 2019	104,951	987	(7,351)	196,960	295,547	29,040	324,587
At 1 January 2018	104,951	1,329	(788)	149,257	254,749	5,097	259,846
Profit for the year	-	-	-	11,154	11,154	2,651	13,805
<u>Other comprehensive income for the year</u>							
Net fair value loss on equity instruments at FVOCI	-	(285)	-	-	(285)	-	(285)
Foreign currency translation	-	-	(5,066)	-	(5,066)	-	(5,066)
Total comprehensive income for the year	-	(285)	(5,066)	11,154	5,803	2,651	8,454
Dividends on ordinary shares	-	-	-	(4,010)	(4,010)	-	(4,010)
At 31 December 2018	104,951	1,044	(5,854)	156,401	256,542	7,748	264,290

(Cont'd)

Company	<u>Non-distributable</u>		<u>Distributable</u>	Total S\$'000
	Share capital S\$'000	Fair value adjustment reserve S\$'000	Revenue reserve S\$'000	
At 1 January 2019	104,951	1,044	154,402	260,397
Loss for the year	-	-	(3,995)	(3,995)
<u>Other comprehensive income for the year</u>				
Net fair value loss on equity instruments at FVOCI	-	(57)	-	(57)
Total comprehensive income for the year	-	(57)	(3,995)	(4,052)
Dividends on ordinary shares	-	-	(4,812)	(4,812)
At 31 December 2019	104,951	987	145,595	251,533
At 1 January 2018	104,951	1,329	148,629	254,909
Profit for the year	-	-	9,783	9,783
<u>Other comprehensive income for the year</u>				
Net fair value loss on equity instruments at FVOCI	-	(285)	-	(285)
Total comprehensive income for the year	-	(285)	9,783	9,498
Dividends on ordinary shares	-	-	(4,010)	(4,010)
At 31 December 2018	104,951	1,044	154,402	260,397

- 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 year, 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 year reported on and as at the end of the corresponding year of the immediately preceding financial year.

- 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 December 2019, the Company had in issue 400,994,652 (31 December 2018: 400,994,652) ordinary shares.

- 1(d)(iv) A statement showing all sales, transfers, 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 year 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 December 2019 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.**

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

The Group has adopted all the Singapore Financial Reporting Standards (International) ("SFRS(I)") which are effective for annual financial periods beginning on or after 1 January 2019.

SFRS(I) 16 Leases

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. At commencement date of a lease, a lessee recognises a right-of-use asset representing its right to use the underlying asset during the lease term and a lease liability representing its obligation to make lease payments.

The Group has applied the recognition exemptions for short-term leases and leases of low value assets in accordance with the principles of SFRS(I) 16.

The adoption of SFRS(I) 16 did not result in significant impact on the financial statements of the Group.

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.

	Year ended 31.12.2019	Year ended 31.12.2018
(i) Based on weighted average number of ordinary shares in issue	11.31 cts	2.78 cts
- Weighted average number of shares ('000)	400,995	400,995
(ii) Based on fully diluted basis	11.31 cts	2.78 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 the total number of issued shares excluding treasury shares of the company at the end of the: -
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	As at 31.12.2019	As at 31.12.2018
Group	73.70 cts	63.98 cts
Company	62.73 cts	64.94 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 2018: 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\$45.4 million for the year ended 31 December 2019. Revenue for the year comprised recognition of sales proceeds from a development property and rental income from lease of an investment property. Revenue from development property was recognised progressively over time based on construction progress. The increases in revenue and correspondingly, cost of sales were due to additional units sold and a higher percentage of recognition from the development property compared to the preceding year.

Other income arose mainly from rental income from completed properties, interest income, dividend income and gain on sale of investment securities. Administrative expenses increased due to higher staff costs and accrual for performance bonus. Increase in sales and marketing expenses was attributable to showflat-related costs for the development property. Other operating expenses rose due to loss on fair value adjustment of investment property, partly offset by fair value loss on investment securities in the preceding year. Finance costs decreased as a result of repayment of loans. Higher tax expense was provided on profit from sales of development 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\$39.0 million as a result of profit reported for the year, partly offset by foreign currency translation loss recorded and payment of dividends in respect of the preceding financial year.

Development property decreased due to the transfer of development expenditure to cost of sales in conjunction with recognition of revenue. Contract assets relate to unbilled receivables from purchasers of development property. Trade and other payables rose due mainly to higher development expenditure and commission payable as at 31 December 2019, more option fees received from sales of development property, accrual for performance bonus and higher retention sums withheld from contractors. Contract liabilities dropped due to the transfer of progress billings received to revenue as construction progressed. Interest-bearing bank loans dropped due to repayment of loans during the period. Additional deferred tax was provided on profit from sales of development property.

The Group's net cash inflows from operating activities arose mainly from collection of progress billings from sales of its development property, partly offset by further payments of development expenditure and bank interest. Cash inflows from investing activities arose mainly from sales of the Group's investment securities. The Group made further repayment of bank loans during the year. As at 31 December 2019, the Group's cash and cash equivalents stood at S\$54.2 million, a decrease of S\$33.6 million as compared to 31 December 2018.

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.

The Ministry of Trade and Industry announced that the Singapore economy grew by 0.7% for the whole of 2019, a slower pace compared to 3.4% growth recorded for 2018. GDP growth forecast for 2020 is downgraded to -0.5% to 1.5%.

Overall prices of non-landed private residential properties improved by 1.9% for the whole of 2019 (2018: increase of 8.3%) according to real estate statistics released by the Urban Redevelopment Authority. The same price index for Outside Central Region, where the Group's project at Fernvale Road is situated, registered a growth of 4.2% in 2019 (2018: increase of 9.4%). As at end of 2019, the supply of uncompleted private residential units (excluding executive condominiums) stood at 49,173, of which 30,162 units remained unsold.

The Group has an ongoing private condominium development at Fernvale Road known as Parc Botannia. As at the date of this announcement, approximately 99% of the units have been issued options to purchase, amounting to sales value of about S\$722.1 million. Revenue from sales will continue to be recognised progressively over time based on construction progress. This project is undertaken by a 70:30 joint venture between the Group and Wee Hur Development Pte. Ltd.

The Group owns 43 strata units with a saleable area of 44,275 square feet in an industrial building, BizTech Centre. Of this, approximately 87% is tenanted.

The Group also owns a hospitality asset in Melbourne, Australia known as Travelodge Docklands. This is a limited service hotel and the average occupancy rate has been above 90%. Income from the hotel provides a stable stream of recurring income to the Group. However, faced with keen competition from new and upcoming hotels, coupled with the negative impact of the bushfires and coronavirus, room revenue is expected to decline due to drop in occupancy rates and compression of room rates.

The Group will continue to monitor market developments closely, including the potential effects of the coronavirus outbreak on the property market. Whilst keen to replenish its land bank, it will remain cautious in its land bids in view of the uncertainties in the overall environment.

11. Dividend

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

The Board of Directors is pleased to recommend the following dividends in respect of the financial year 2019 for approval by the Shareholders at the next Annual General Meeting.

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount	1.85 cent per ordinary share, one-tier tax exempt

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

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount	1.2 cent per ordinary share, one-tier tax exempt



(c) Date payable

Subject to approval by the Shareholders at the next Annual General Meeting and to be announced at a later date.

(d) Books closure date

Subject to approval by the Shareholders at the next Annual General Meeting and to be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect and the reason for the decision.

Not applicable.

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.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Geographic location Business segments	Singapore		Australia		Consolidated financial statements	
	Property development		Property investment		2019	2018
	2019	2018	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:						
External customers	310,276	69,491	6,081	6,729	316,357	76,220
Total revenue	310,276	69,491	6,081	6,729	316,357	76,220
Results:						
Interest income	1,151	1,547	6	-	1,157	1,547
Dividend income	403	448	-	-	403	448
Depreciation	(98)	(178)	-	-	(98)	(178)
Finance costs	(3,884)	(5,861)	(589)	(1,883)	(4,473)	(7,744)
Net loss on fair value adjustment of investment property	-	-	(6,637)	-	(6,637)	-
Income tax expense	(15,851)	(2,185)	(1,020)	(695)	(16,871)	(2,880)
Segment profit/(loss)	68,920	10,149	(2,621)	3,656	66,299	13,805
Segment Assets	390,961	438,376	101,767	109,445	492,728	547,821
Segment Liabilities	166,831	239,277	1,310	44,254	168,141	283,531

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Property development activities in Singapore contributed significantly to the Group's turnover and earnings, with additional units sold and higher percentage of revenue recognition as construction progressed. Turnover arising from property investment activities in Australia decreased due to a drop in occupancy rate. Property investment activities did not contribute to the Group's earnings as a result of loss on fair value adjustment of investment property.

17. First Half and Second Half Results

	2019	2018	Increase/ (decrease)
	S\$'000	S\$'000	%
Sales reported for first half year	107,463	38,979	175.7%
Profit after tax reported for the first half year	26,221	6,791	286.1%
Sales reported for second half year	208,894	37,241	460.9%
Profit after tax reported for the second half year	40,078	7,014	471.4%

18. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

				Dividends for Financial Year ended	
				31.12.2019	31.12.2018
				S\$'000	S\$'000
Ordinary	Final dividend for FY 2018	One-tier tax exempt	16 May 2019	-	4,812
Ordinary	Proposed final dividend for FY 2019	One-tier tax exempt	To be announced at a later date	7,418	-

19. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there is no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year (2019)
Lee Sze Leong	61	Brother of Lee Sze Hao, Chief Executive Officer and Managing Director	Non-executive Chairman (2015) and Director (1992)	Nil
Lee Sze Hao	56	Brother of Lee Sze Leong, Non-executive Chairman and Director	Chief Executive Officer (2009) and Managing Director (2001)	Nil

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

Lee Sze Hao
Chief Executive Officer
Singapore, 18 February 2020