

INTERIM FINANCIAL STATEMENTS ANNOUNCEMENT
For the six months ended 30 June 2021

A) Consolidated Income Statement and Statement of Comprehensive Income

Consolidated Income Statement		6 months ended 30.06.2021	6 months ended 30.06.2020	Increase/ (decrease)
	Note	\$'000	\$'000	%
Revenue	4	55,247	109,998	(49.8%)
Cost of sales		(41,136)	(78,528)	(47.6%)
Gross profit		14,111	31,470	(55.2%)
Other income		590	1,159	(49.1%)
Administrative expenses		(1,544)	(1,788)	(13.6%)
Sales and marketing expenses		(28)	(297)	(90.6%)
Other operating expenses		(3,689)	(10,009)	(63.1%)
Finance costs		(1,100)	(964)	14.1%
Profit before tax	5	8,340	19,571	(57.4%)
Income tax expense	6	(2,292)	(5,008)	(54.2%)
Profit for the period		6,048	14,563	(58.5%)
Attributable to:				
Shareholders of the Company		3,154	7,693	(59.0%)
Non-controlling interests		2,894	6,870	(57.9%)
		6,048	14,563	(58.5%)
Earnings per share attributable to shareholders of the Company, basic and diluted (cents per share)	7	0.79	1.92	(58.9%)

Consolidated Statement of Comprehensive Income	6 months ended 30.06.2021	6 months ended 30.06.2020
	\$'000	\$'000
Profit for the period	6,048	14,563
Other comprehensive income:		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net fair value gain/(loss) on equity instruments at fair value through other comprehensive income (FVOCI)	342	(654)
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation	(720)	1,394
Total comprehensive income for the period	5,670	15,303
Total comprehensive income attributable to:		
Shareholders of the Company	2,776	8,433
Non-controlling interests	2,894	6,870
	5,670	15,303

B) Balance Sheets

	Note	Group		Company	
		As at 30.06.2021 \$'000	As at 31.12.2020 \$'000	As at 30.06.2021 \$'000	As at 31.12.2020 \$'000
Non-current assets					
Property, plant and equipment	11	10	12	10	12
Investment property	12	91,801	95,579	-	-
Investment in subsidiaries and trusts		-	-	58,629	51,109
Investment securities	10	4,097	3,755	4,097	3,755
Loans to subsidiaries		-	-	279,874	152,257
Right-of-use assets		295	393	295	393
		96,203	99,739	342,905	207,526
Current assets					
Development properties	13	486,868	78,780	-	-
Completed properties		23,048	23,675	23,048	23,675
Investment securities	10	213	205	213	205
Trade receivables		244	690	-	-
Deposits and other receivables		68	93,502	67	93,433
Prepayments		248	14,998	18	14,967
Contract assets		246,746	207,522	-	-
Amounts due from subsidiaries		-	-	1,168	182
Cash and cash equivalents		5,511	34,512	140	915
		762,946	453,884	24,654	133,377
Current liabilities					
Trade and other payables		15,128	12,757	943	2,164
Interest-bearing bank loans	14	125,530	123,605	28,150	14,925
Loans from non-controlling shareholder of a subsidiary	14	35,867	35,568	-	-
Advance from subsidiaries	14	-	-	4,600	6,955
Lease liabilities		211	208	211	208
Provision for taxation		831	866	825	825
		177,567	173,004	34,729	25,077
Net current assets/(liabilities)		585,379	280,880	(10,075)	108,300
Non-current liabilities					
Trade and other payables		3,938	3,948	118	161
Interest-bearing bank loans	14	297,125	-	-	-
Advance from subsidiaries	14	-	-	90,119	70,956
Lease liabilities		107	214	107	214
Deferred tax liabilities		27,991	25,696	25	25
		329,161	29,858	90,369	71,356
Net assets		352,421	350,761	242,461	244,470
Equity attributable to shareholders of the Company					
Share capital	15	104,951	104,951	104,951	104,951
Reserves		205,215	206,449	137,510	139,519
		310,166	311,400	242,461	244,470
Non-controlling interests		42,255	39,361	-	-
Total equity		352,421	350,761	242,461	244,470

C) Statements of Changes in Equity

Group	Note	Attributable to shareholders of the Company						Total equity \$'000
		Non-distributable		Distributable		Non-controlling interests \$'000		
		Share capital (Note 15) \$'000	Fair value adjustment reserve \$'000	Foreign currency translation reserve \$'000	Revenue reserve \$'000		Total \$'000	
At 1 January 2021		104,951	674	(330)	206,105	311,400	39,361	350,761
Profit for the period		-	-	-	3,154	3,154	2,894	6,048
<u>Other comprehensive income for the period</u>								
Net fair value gain on equity instruments at FVOCI		-	342	-	-	342	-	342
Foreign currency translation		-	-	(720)	-	(720)	-	(720)
Total comprehensive income for the period		-	342	(720)	3,154	2,776	2,894	5,670
Dividends on ordinary shares	8	-	-	-	(4,010)	(4,010)	-	(4,010)
At 30 June 2021		104,951	1,016	(1,050)	205,249	310,166	42,255	352,421
At 1 January 2020		104,951	987	(7,351)	196,960	295,547	29,040	324,587
Profit for the period		-	-	-	7,693	7,693	6,870	14,563
<u>Other comprehensive income for the period</u>								
Net fair value loss on equity instruments at FVOCI		-	(654)	-	-	(654)	-	(654)
Foreign currency translation		-	-	1,394	-	1,394	-	1,394
Total comprehensive income for the period		-	(654)	1,394	7,693	8,433	6,870	15,303
Distribution to non-controlling shareholder of a subsidiary upon winding-up		-	-	-	-	-	(1,158)	(1,158)
Deemed capital contribution arising from interest-free loans from non-controlling shareholder of a subsidiary		-	-	-	-	-	341	341
Dividends on ordinary shares	8	-	-	-	(7,418)	(7,418)	-	(7,418)
At 30 June 2020		104,951	333	(5,957)	197,235	296,562	35,093	331,655

C) Statements of Changes in Equity

Company	Note	Non-distributable		Distributable	Total \$'000
		Share capital (Note 15) \$'000	Fair value adjustment reserve \$'000	Revenue reserve \$'000	
At 1 January 2021		104,951	674	138,845	244,470
Profit for the period		–	–	1,659	1,659
<u>Other comprehensive income for the period</u>					
Net fair value gain on equity instruments at FVOCI		–	342	–	342
Total comprehensive income for the period		–	342	1,659	2,001
Dividends on ordinary shares	8	–	–	(4,010)	(4,010)
At 30 June 2021		104,951	1,016	136,494	242,461
At 1 January 2020		104,951	987	145,595	251,533
Loss for the period		–	–	(1,636)	(1,636)
<u>Other comprehensive income for the period</u>					
Net fair value loss on equity instruments at FVOCI		–	(654)	–	(654)
Total comprehensive loss for the period		–	(654)	(1,636)	(2,290)
Dividends on ordinary shares	8	–	–	(7,418)	(7,418)
At 30 June 2020		104,951	333	136,541	241,825



D) Consolidated Cash Flow Statement

		6 months ended 30.06.2021	6 months ended 30.06.2020
	Note	\$'000	\$'000
Cash flows from operating activities			
Profit before tax		8,340	19,571
Adjustments for:			
Depreciation of property, plant and equipment		2	41
Depreciation of right-of-use assets		98	99
Interest expense		1,100	964
Interest income		(11)	(275)
Dividend income from equity securities at FVOCI		(102)	(171)
Dividend income from equity securities at fair value through profit or loss		(11)	(14)
Fair value (gain)/loss on equity securities at fair value through profit or loss		(8)	55
Gain on sale of equity securities at fair value through profit or loss		–	(20)
Net loss on fair value adjustment of investment property		3,220	9,469
Gain on winding-up of a subsidiary		–	(5)
Foreign exchange gain		(1)	(55)
Operating cash flows before changes in working capital		12,627	29,659
Changes in working capital:			
Development properties		(406,661)	57,227
Completed properties		627	–
Trade receivables		445	7,757
Deposits and other receivables		93,432	(12)
Prepayments		14,749	(43)
Contract assets		(39,224)	(39,301)
Trade and other payables		2,266	(17,517)
Net cash (used in)/generated from operations		(321,739)	37,770
Interest received		13	310
Interest paid		(2,127)	(707)
Income tax paid		(33)	(1,090)
Net cash flows (used in)/generated from operating activities		(323,886)	36,283



D) Consolidated Cash Flow Statement

		6 months ended 30.06.2021	6 months ended 30.06.2020
	Note	\$'000	\$'000
Cash flows from investing activities			
Purchase of equity securities at fair value through profit or loss		–	(1,166)
Purchase of property, plant and equipment	11	–	(6)
Distribution for winding-up of subsidiary		–	(21)
Subsequent expenditure on investment property	12	(157)	–
Dividends received		113	184
Proceeds from sale of equity securities at fair value through profit or loss		–	931
Net cash flows used in investing activities		(44)	(78)
Cash flows from financing activities			
Proceeds from bank loans		330,250	–
Repayment of bank loans		(31,200)	(38,230)
Loans from non-controlling shareholder of a subsidiary		–	1,599
Dividends paid on ordinary shares	8	(4,010)	(7,418)
Principal elements of lease payments		(110)	(73)
Net cash flows generated from/(used in) financing activities		294,930	(44,122)
Net decrease in cash and cash equivalents		(29,000)	(7,917)
Effect of exchange rates changes on cash and cash equivalents		(1)	62
Cash and cash equivalents at beginning of the period		34,512	54,196
Cash and cash equivalents at end of the period		5,511	46,341

E) Notes to the Consolidated Financial Statements

1) Corporate Information

Sing Holdings Limited (the Company) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the Group). The primary activities of the Group are those relating to investment holding and property development.

2) Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

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

The condensed interim financial statements are presented in Singapore Dollars ("SGD" or "\$") and all values in the tables are rounded to the nearest thousand ("'\$000'"), except when otherwise indicated.

2.1. New and Amended Standards Adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of Judgements and Estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

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

Significant judgement is involved in determining the Group-wide provision for taxation.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are in the areas of: -

- (a) Revaluation of investment property
- (b) Revenue recognition on development property
- (c) Determination of net realisable values for completed properties
- (d) Determination of net realisable values for development properties

3) Seasonal Operations

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

E) Notes to the Consolidated Financial Statements
4) Segment and Revenue Information

For management purposes, the Group is organised into business units based on their products and services, and has two reportable segments as follows:

- (i) The property development segment is in the business of developing residential, commercial and industrial properties for sale.
- (ii) The property investment segment owns and leases investment property.

Management monitors the operating results of its business segments separately for the purpose of making decisions on resource allocation and performance assessment. Segment performance is evaluated on operating profit or loss. The segmented results were as follows:

4.1. Reportable Segments

Geographic location	Singapore		Australia		Consolidated financial statements	
	Property development	Property investment	Property development	Property investment	Property development	Property investment
Business segments	6 months ended 30.06.2021	6 months ended 30.06.2020	6 months ended 30.06.2021	6 months ended 30.06.2020	6 months ended 30.06.2021	6 months ended 30.06.2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue:						
External customers	54,929	108,731	318	1,267	55,247	109,998
Total revenue	54,929	108,731	318	1,267	55,247	109,998
Results:						
Interest income	11	268	–	7	11	275
Dividend income	113	185	–	–	113	185
Depreciation	(100)	(140)	–	–	(100)	(140)
Net loss on fair value adjustment of investment property	–	–	(3,220)	(9,469)	(3,220)	(9,469)
Finance costs	(1,100)	(964)	–	–	(1,100)	(964)
Income tax expense	(2,290)	(4,890)	(2)	(118)	(2,292)	(5,008)
Segment profit/(loss)	9,237	23,151	(3,189)	(8,588)	6,048	14,563
Segment Assets	766,739	359,118	92,410	90,891	859,149	450,009
Segment Liabilities	506,485	117,539	243	815	506,728	118,354

E) Notes to the Consolidated Financial Statements

4.2 Disaggregation of Revenue

	Group	
	6 months ended	6 months ended
	30.06.2021	30.06.2020
	\$'000	\$'000
Revenue from contracts with customers		
Sale of residential property under development	53,839	108,731
Sale of completed properties	1,090	–
Rental income from investment property	318	1,267
	55,247	109,998

5) Profit before Tax

5.1 Significant Items

	Group	
	6 months ended	6 months ended
	30.06.2021	30.06.2020
	\$'000	\$'000
Income		
Property management fee from completed properties	40	45
Rental income from completed properties	415	533
Dividend income from equity securities at FVOCI	102	171
Dividend income from equity securities at fair value through profit or loss	11	14
Interest income from:		
- fixed and current deposits	10	273
- late payment from tenants and purchasers	1	2
Gain on sale of equity securities at fair value through profit or loss	–	20
Gain on winding-up of a subsidiary	–	5
Fair value gain on equity securities at fair value through profit or loss	8	–
Forfeiture of option money	–	42
Foreign exchange gain	1	55
Government grants	2	–
Expenses		
Depreciation of property, plant and equipment	(2)	(41)
Depreciation of right-of-use assets	(98)	(99)
Net loss on fair value adjustment of investment property	(3,220)	(9,469)
Fair value loss on equity securities at fair value through profit or loss	–	(55)

E) Notes to the Consolidated Financial Statements

5.2 Related Party Transactions

(a) Sale and Purchase of Goods and Services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	Group	
	6 months ended	6 months ended
	30.06.2021	30.06.2020
	\$'000	\$'000
Dividend income from an affiliated company	102	171
Fixed deposit interest income from an affiliated company	1	46
Rental paid to an affiliated company	116	78
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An affiliated company is defined as a company in which certain directors of the Company have a substantial financial interest.

(b) Compensation of Key Management Personnel

	Group	
	6 months ended	6 months ended
	30.06.2021	30.06.2020
	\$'000	\$'000
Short-term employee benefits	962	1,423
Central Provident Fund contributions	23	29
	<hr/>	<hr/>
	985	1,452
	<hr/> <hr/>	<hr/> <hr/>

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

E) Notes to the Consolidated Financial Statements

6) Income Tax Expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	6 months ended 30.06.2021	6 months ended 30.06.2020
	\$'000	\$'000
Current income tax		
- Current income taxation	6	170
- Over provision in respect of previous years	(8)	(144)
	(2)	26
Deferred income tax		
- Origination and reversal of temporary differences	2,294	4,982
	2,294	4,982
Income tax expense recognised in profit or loss	2,292	5,008

7) Earnings Per Share

Earnings per share amounts are calculated by dividing profit for the period attributable to shareholders of the Company of \$3,154,000 (30 June 2020: \$7,693,000) by the weighted average number of ordinary shares outstanding during the financial period of 400,994,652 (30 June 2020: 400,994,652) shares.

Diluted earnings per share are the same as basic earnings per share as there are no dilutive potential ordinary shares

8) Dividends

	Group	
	6 months ended 30.06.2021	6 months ended 30.06.2020
	\$'000	\$'000
Paid during the financial period:		
Dividends on ordinary shares:		
- final tax exempt (one-tier) dividend for 2020: 1.00 cent per share	4,010	-
- final tax exempt (one-tier) dividend for 2019: 1.85 cents per share	-	7,418

9) Net Asset Value

	Group		Company	
	As at 30.06.2021	As at 31.12.2020	As at 30.06.2021	As at 31.12.2020
Net asset value per ordinary share	77.35 cts	77.66 cts	60.46 cts	60.97 cts

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 2020: 400,994,652) shares

E) **Notes to the Consolidated Financial Statements**

10) **Investment Securities**

	Group	
	As at 30.06.2021 \$'000	As at 31.12.2020 \$'000
<i>Singapore listed equity securities</i>		
<i>At fair value through profit or loss</i>		
Quoted equity shares	213	205
<i>At fair value through other comprehensive income</i>		
Quoted equity shares in an affiliated company	4,097	3,755

10.1. Fair Value Measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

	Group			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
<i>Equity securities at fair value through profit or loss</i>				
Quoted equity shares	213	–	–	213
<i>Equity securities at FVOCI</i>				
Quoted equity shares in an affiliated company	4,097	–	–	4,097
As at 30 June 2021	4,310	–	–	4,310
Financial assets				
<i>Equity securities at fair value through profit or loss</i>				
Quoted equity shares	205	–	–	205
<i>Equity securities at FVOCI</i>				
Quoted equity shares in an affiliated company	3,755	–	–	3,755
As at 31 December 2020	3,960	–	–	3,960

E) Notes to the Consolidated Financial Statements

11) Property, Plant and Equipment

During the six months ended 30 June 2021, the Group did not acquire assets (30 June 2020: \$6,000) and did not dispose of assets (30 June 2020: Nil).

12) Investment Property

	Group	
	As at 30.06.2021 \$'000	As at 31.12.2020 \$'000
At 1 January	95,579	97,263
Additions	157	318
Net loss on fair value adjustment recognised to profit or loss	(3,220)	(8,898)
Exchange differences	(715)	6,896
	91,801	95,579

The investment property is leased to a single tenant under an operating lease arrangement.

Valuation of investment property

Investment property is stated at fair value which has been determined based on a desktop valuation performed by an independent accredited appraiser with relevant experience.

The fair value of the Group's investment property is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the capitalisation method and discounted cash flow method. The most significant input into the capitalisation method is the capitalisation rate of 5.75% (2020: 5.75%) per annum. The most significant input into the discounted cash flow method is the discount rate of 7% (2020: 7%) per annum and terminal yield rate of 5.75% (2020: 5.75%) per annum.

The estimated fair value varies inversely against capitalisation rate. The estimated fair value varies inversely against discount rate but increases with higher terminal yield.

The investment property held by the Group as at 30 June 2021 is as follows:

Description and Location	Existing Use	Tenure
14-storey hotel, Travelodge Docklands, located at 66 Aurora Lane, Docklands, Melbourne	Limited service hotel	Freehold

E) Notes to the Consolidated Financial Statements

13) Development Properties

	Group	
	As at 30.06.2021 \$'000	As at 31.12.2020 \$'000
Land cost and development costs	434,661	4,205
Capitalised contract costs	52,207	74,575
	486,868	78,780

Details of development properties as at 30 June 2021 are as follows:

Name and location	Effective Group interest	Tenure	Descriptions	Approximate site area/ (gross floor area)	Stage of completion (Expected date of completion)
"Parc Botannia" Fernvale Street/ Fernvale Road Singapore	70%	99-year leasehold	Proposed 4 blocks of 22-storey condominium housing development with swimming pool, tennis court, gymnasium, childcare centre and car park.	17,196 square metres/ (51,588 square metres)	85% (2021)
Land parcel known as Lot 3974L of Mukim 19 at Yishun Close Singapore	100%	99-year leasehold	Proposed 11 blocks of 14-storey executive condominium development with basement carpark, tennis court, swimming pool, landscape deck, clubhouse and communal facilities.	21,514 square metres/ (60,240 square metres)	Nil (2024)

E) Notes to the Consolidated Financial Statements

14) Borrowings

	Group		Company	
	As at 30.06.2021 \$'000	As at 31.12.2020 \$'000	As at 30.06.2021 \$'000	As at 31.12.2020 \$'000
Amount repayable within one year or on demand				
Secured	125,530	123,605	28,150	14,925
Unsecured	35,867	35,568	4,600	6,955
	<u>161,397</u>	<u>159,173</u>	<u>32,750</u>	<u>21,880</u>
Amount repayable after one year				
Secured	297,125	–	–	–
Unsecured	–	–	90,119	70,956
	<u>297,125</u>	<u>–</u>	<u>90,119</u>	<u>70,956</u>

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) charge over the Company's shares in a subsidiary; and
- 4) completion undertakings given by the Company and a subsidiary's non-controlling shareholder.

15) Share Capital

	Group and Company			
	As at 30.06.2021		As at 31.12.2020	
	Number of shares	\$'000	Number of shares	\$'000
Issued and fully paid ordinary shares:				
At beginning and end of interim period	<u>400,994,652</u>	<u>104,951</u>	<u>400,994,652</u>	<u>104,951</u>

The Company did not have any outstanding convertibles as at 30 June 2021 and 30 June 2020.

The Company did not hold any treasury shares as at 30 June 2021 and 30 June 2020.

The Company's subsidiaries did not hold any shares in the Company as at 30 June 2021 and 30 June 2020.

16) Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

F) Other Information

1. Review

The condensed consolidated statement of financial position of Sing Holdings Limited and its subsidiaries as at 30 June 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the auditor.

2. 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 \$3.2 million for the half year ended 30 June 2021 ("1H2021"). Revenue for the period comprised recognition of sales proceeds from a private condominium development, sale of a completed industrial unit and rental income from lease of an investment property. Revenue from the development property was recognised progressively over time based on construction progress. Revenue from development property dropped significantly due to a decrease in sales as the project was substantially sold prior to the current financial period. Revenue from investment property also decreased as a result of weak performance by the hotel in Melbourne due to COVID-19 measures such as closure of borders, travel restrictions and lockdowns.

Other income arose mainly from rental income from completed properties, dividend income and interest income. Decrease in other income was primarily due to lower interest income in 1H2021 and lower rental income with drop in occupancy rates. Administrative expenses decreased due to lower performance bonus accrued. Sales and marketing expenses was attributable mainly to commission incurred for sale of an industrial strata unit. Other operating expenses dropped due to lower fair value loss being recorded for a decline in the valuation of the investment property as compared to the corresponding period of the preceding year. Finance costs increased as a result of utilisation of additional bank loans for the acquisition of a land parcel. Income tax expense dropped correspondingly to the decrease in 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 decreased by \$1.2 million to \$310.2 million due to foreign currency translation loss and payment of dividends in respect of the preceding financial year, which exceeded the profit reported for 1H2021 and the fair value gain on equity securities.

F) Other Information

Investment property, which comprised a hotel in Melbourne, decreased due mainly to additional fair value loss being recorded. Development properties increased with the acquisition of a land parcel at Yishun Close (the “Yishun Land”) for an Executive Condominium (“EC”) development. This was partly offset by the transfer of development expenditure incurred for a private condominium development to cost of sales in conjunction with recognition of revenue. Completed properties dropped with the sale of a strata unit. Deposits and other receivables, and prepayments decreased due to the transfer of tender deposit and stamp duty, respectively, in respect of the Yishun Land to development properties upon completion of the purchase. Contract assets relate to unbilled receivables from purchasers of a development property. Trade and other payables increased due to higher development expenditure payable as at 30 June 2021. Increase in interest-bearing bank loans was attributable to additional loans drawn for the acquisition of the Yishun Land, partly offset by the full repayment of the loan for the ongoing development project. Additional deferred tax was provided on profit from sales of development property.

The Group reported a net cash outflow from operations due to payments of the balance tender price, stamp duties and differential premium in respect of the Yishun Land. Had it not been for such payments, the Group would have a net cash inflow arising from collection of progress billings from its private condominium development, partly offset by further payments of development expenditure and bank interest.

The Group drew additional bank loans of \$330.3 million primarily to finance the acquisition of the Yishun Land. During 1H2021, the Group utilised its surplus funds to repay the ongoing development project’s bank loan in full. It also paid dividends in respect of the preceding financial year. As at 30 June 2021, the Group’s cash and cash equivalents stood at \$5.5 million. The Group’s contract assets and standby secured credit lines are sufficient to meet its property development and working capital requirements.

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

No forecast or prospect statement has been issued previously.

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

Based on advance estimates, the Ministry of Trade and Industry announced that the Singapore economy expanded by 14.3% on a year-on-year basis in the second quarter of 2021 (“2Q2021”). The strong growth was largely due to the low base in the second quarter of 2020 with the implementation of Circuit Breaker measures. The GDP in 2Q2021 remained below its pre-pandemic level in the second quarter of 2019.

Overall prices of non-landed private residential properties improved by 1.1% in 2Q2021 over the previous quarter (1Q2021: increase of 2.5%) according to real estate statistics released by the Urban Redevelopment Authority. As at the end of 2Q2021, the supply of uncompleted private residential units (including EC units) in the pipeline with planning approvals stood at 51,210, of which 21,055 units remained unsold.

F) Other Information

Development properties

The Group completed its acquisition of the Yishun Land in February 2021. The land, acquired at \$373.5 million (equivalent to \$576 psf ppr), has a gross floor area of about 60,240 square metres and is slated for an EC development with more than 600 units. This project is wholly-owned by the Group. Construction is expected to commence in the third quarter of 2021 while sales launch is targeted for the first half of 2022. As an EC development, revenue from sales of units will be recognised based on the Completion of Construction method.

The Group has an ongoing private condominium development at Fernvale Road known as Parc Botannia, which is undertaken by a 70:30 joint venture between the Group and Wee Hur Development Pte. Ltd. This development project is fully sold with total sales value of about \$730.8 million. Revenue from sales is recognised progressively over time based on construction progress. As at end of 1H2021, 85% of the total sales value has been recognised as revenue.

As with many development projects, the measures implemented for the control of the COVID-19 pandemic has severely impeded the construction progress at Parc Botannia. Arising from this, completion of the project has been delayed. The Group continues to work closely with the contractor to expedite the works and will endeavour to deliver vacant possession of as many units as possible to purchasers by the stipulated date in the sale and purchase agreements.

Completed properties

The Group currently owns 42 strata units with a saleable area of 43,102 square feet in an industrial building, BizTech Centre. Occupancy rate of these units has dropped significantly with the prolongation of the COVID-19 pandemic. As at the date of this announcement, occupancy rate stands at approximately 62% as some leases were not renewed upon expiry. Take-up rate for the vacant units has also been slow. As the carrying value of the completed properties is well below its net realisable value, management has assessed that no provision for impairment loss is required.

Investment property

The Group also owns a hospitality asset in Melbourne, Australia known as Travelodge Docklands. This is a limited service hotel with 291 rooms. The hotel's financial performance and cash flow have been adversely affected by COVID-19 measures such as border closures, travel restrictions and repeated lockdowns. While the average occupancy rate of the hotel for 1H2021 has improved to above 20% from single digit for the second half of 2020, the occupancy rates fluctuate drastically as the City of Melbourne moves in and out of lockdowns. Domestic demand has also been impacted by lockdowns in the other States of Australia. In consultation with an independent accredited appraiser, the Group has recorded additional fair value loss of \$3.2 million in 1H2021 in the valuation of the hotel.

As Singapore continues to ramp up its COVID-19 vaccination programme, the Group is cautiously optimistic of a gradual recovery of the Singapore economy over the next 12 months. However, it is acutely aware of the uncertainties in the global economy and the risks of emergence of more transmissible and vaccine-resistant strains of the coronavirus. As such, while the Group continues to explore property development opportunities in Singapore, it will exercise vigilance and prudence in its pursuit.

F) Other Information

5. Dividend Information

No dividend has been declared / recommended for the current financial period as the Company does not have a policy of interim dividend payment.

6. Interested Persons Transactions

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

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

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.

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 financial statements for the six-month period ended 30 June 2021 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, 5 August 2021