For immediate release

SingHaiyi posts 3Q2015 net profit of S$2.5 million

- **Achieves consistent performance due to recurring income from projects in the United States ("US")**
- **Gross and operating profit margins continue to improve**

FINANCIAL HIGHLIGHTS	3Q2015 (S$m)	3Q2014 (S$m)	Change (%)	9M2015 (S$m)	9M2014 (S$m)	Change (%)
Revenue	4.0	13.4	(69.4)	15.9	36.5	(56.3)
- Singapore	*0.3*	*9.6*	(96.3)	*1.0*	*31.6*	(96.7)
- USA	*3.7*	*3.7*	(0.5)	*14.8*	*4.7*	>100
- Others	*0.0*	*0.1*	(13.0)	*0.1*	*0.2*	(40.9)
Gross profit	2.6	5.1	(48.8)	9.4	13.8	(32.0)
Profit from operations	4.2	4.3	(0.7)	8.6	13.4	(35.7)
Net profit (after tax and minority interests)	2.5	3.4	(26.7)	5.4	11.1	(51.6)
Basic earnings per share (SGD cents)	0.086	0.157	(45.2)	0.188	0.518	(63.7)
Net asset value per share (SGD cents)	15.02	14.54	3.3	15.02	14.54	3.3
Gross profit margin (%)	63.5	37.9	+25.6 ppt	59.0	37.9	+21.1 ppt
Operating profit margin (%)	103.0	31.7	+71.3 ppt	54.1	36.8	+17.3 ppt

Singapore, 6 February 2015 – SGX-listed **SingHaiyi Group Ltd** ("SingHaiyi" or the "Group"), a real estate company focused on property development, real estate investment and property management services in Singapore and the US, has registered a net profit (after tax and minority interests) of S$2.5 million and S$5.4 million for its third quarter ("3Q2015") and nine months ("9M2015") ended 31 December 2014, respectively. This was on the back of revenues of S$4.0 million and S$15.9 million for the same periods, respectively.

Revenue in 3Q2015 comprised mainly recurring rental income from Tri-County Mall ("TCM") in the US and management fee income from project management services rendered in Singapore. The year-on-year decline in revenue was due to the absence of property development income in the current reporting quarter, compared to 3Q2014 which recognised contribution of Charlton Residences on a percentage-of-completion basis.

Consistent performance due to recurring income stream

The Group's strategy to expand into the US continues to pay off, as reflected in its recurring income stream which helped to mitigate the absence of property development income in 3Q2015. The Group's US projects also contributed to a significant 25.6-percentage point jump in the Group's gross profit margin, from 37.9% a year ago to 63.5% in 3Q2015.

During the reporting quarter, other income rose from S$0.6 million in 3Q2014 to S$4.5 million in 3Q2015 mainly due to increases in investment income of approximately S$0.9 million and net foreign exchange gain of approximately S$2.8 million. This was partially offset by increases in expenses including a rise in administrative expenses resulting from the Group's expansion into the US, as well as an increase in finance costs due to the issuance of notes under its multicurrency debt issuance programme.

As a result, profits from the Group's operations were constant at S$4.2 million in 3Q2015, compared to S$4.3 million in the corresponding quarter last year.

Group Managing Director Mdm Serena Chen said, "The Group's diversification into the US has provided consistency to the Group's earnings, which reaffirm that our strategy is on the right track. We remain focused on growing in Singapore and the US, and at the same, we continued to explore opportunities in other locations. In December 2014, we have disposed of our remaining residential units in Hong Kong to further streamline our business. As part of our efforts to improve shareholders' value, we have also embarked on share buy-backs this year and will continue to do so subject to market conditions."

Steady progress for Singapore and US projects

A key highlight for FY2015 would be the completion of its substantially-sold Design, Build & Sell Scheme ("DBSS") project, Pasir Ris One, for which the Group is targeting to receive temporary occupation permit ("TOP") by end of March 2015. If TOP is received by then, the Group will be able to book in profits from Pasir Ris One in the fourth quarter of FY2015, in line with the prevailing accounting treatment which only allows profit recognition in entirety upon completion of construction.

To date, 88% of Pasir Ris One – which is the only DBSS project available in Pasir Ris – has been sold. The Group will continue to drive remaining sales, riding on the project's strategic location and ready-to-move-in status.

By the second half this year, the Group's Executive Condominium ("EC"), CityLife@Tampines, is expected to receive TOP. Subject to the market situation, the Group is also planning to launch The Vales, its EC project located at Anchorvale Crescent, by the third quarter of this year. In addition, the

Group has rebranded its private property project at Balestier Road from CosmoLoft to City Suites, in preparation for a re-launch at an appropriate time.

In the US, asset enhancement initiatives ("AEI") are underway to rebrand TCM as a lifestyle mall and to change its tenancy mix to include more lifestyle tenants in F&B, fashion and entertainment. The AEI includes building additional outparcels lots to house F&B tenants and a facelift of the mall to develop a 'streetscape' where entrances of ground-floor shops will face the street to enhance pedestrian traffic.

In the near term, the Group also expects to continue to recognise property development income from the sale of completed units in Vietnam Town.

There are plans to redevelop the existing office at 5 Thomas Mellon Circle ("5TM") in San Francisco into a 511-unit residential condominium which is expected to have a gross development value of approximately US$420 million. After conducting feasibility studies and due diligence, the Group has decided that a multi-family general condominium development – which prior approval was obtained on 18 July 2011 – would generate better investment returns, than its original plan to develop a high-end continuing care retirement community for senior citizens.

The development at 5TM will capitalise on the city's transformation of Candlestick Point, where the property is located, into a new and vibrant community with retail, housing and entertainment. Sited on a parcel of waterfront land with a total area of 204,300 sq ft, 5TM will emphasise on waterfront living, active lifestyle, convenience and value.

"Singapore's property market continues to experience headwinds. We will accelerate our US initiatives which provide a hedge to our Singapore operations, while keeping an eye out for yield-accretive investment opportunities to further diversify our earnings." concluded Mdm Chen.

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This press release should be read in conjunction with SingHaiyi Group's 3Q2015 and 9M2015 Financial Statements released via SGXNet on 6 February 2015.

About SingHaiyi Group Ltd.

SingHaiyi Group Ltd. ("SingHaiyi" or the "Group") specialises in property development, real estate investment and property management services in Singapore and the US. With strong parentage and strategic support from its major shareholders, the Group is led by a board and management team with deep insights and strong connections which provide the Group access to unique and rare investment opportunities.

Through its property development projects, the Group is involved in both the private as well as public residential segments in Singapore. It also holds a mixed retail and commercial property along the country's prime shopping belt, which gives the Group broad exposure in different segments.

The Group's operations in the US also span the residential and retail segments. It has a favourable right-of-first-refusal agreement with its related company, American Pacific International Capital, a property investment company based in, and focused on the US. With this valuable relationship, SingHaiyi is able to reach and access niche pockets of real estate investment opportunities across the US.

For more information on SingHaiyi Group, please visit http://singhaiyi.com/

This release is issued on behalf of SingHaiyi Group by Kreab. For analyst and media queries, please contact:

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