



For immediate release

## SingHaiyi posts FY2015 net profit of S\$21.2 million

- Higher development and rental income from US properties
- Diversification strategy pays off, improves earnings resilience

FINANCIAL HIGHLIGHTS						
	4QFY2015	4QFY2014	Change	FY2015	FY2014	Change
	(S\$m)	(S\$m)	(%)	(S\$m)	(S\$m)	(%)
<b>Revenue</b>	5.0	20.5	(75.8)	20.9	57.0	(63.3)
- Singapore	0.4	13.3	(97.3)	1.4	44.9	(96.9)
- USA	4.6	7.2	(35.6)	19.4	11.9	63.7
- Others	0.0	0.0	<i>n.m.</i>	0.1	0.2	(52.1)
<b>Gross profit</b>	3.0	8.5	(64.9)	12.4	22.4	(44.6)
<b>Profit from operations</b>	16.3	20.3	(20.0)	24.9	33.7	(26.2)
<b>Net profit (after tax and minority interests)</b>	15.8	12.0	31.2	21.2	23.2	(8.5)
<b>Basic earnings per share (SGD cents)</b>	0.552	0.518	6.6	0.740	0.997	(25.8)
<b>Net asset value per share (SGD cents)</b>	15.5	14.54	6.6	15.5	14.54	6.6
<b>Gross profit margin (%)</b>	60.4	41.7	+18.7 ppt	59.3	39.2	+20.1 ppt
<b>Operating profit margin (%)</b>	327.8	99.1	>100	119.2	59.2	>100

**Singapore, 27 May 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, reported today a net profit (after tax and minority interests) of S\$15.8 million and S\$21.2 million for its fourth quarter (“4QFY2015”) and financial year ended 31 March 2015 (“FY2015”). This was on the back of revenues of S\$5.0 million and S\$20.9 million for the same periods, respectively.

In 4QFY2015, Group revenue declined to S\$5.0 million from S\$20.5 million in the previous corresponding period due mainly to an absence of contribution from Singapore development projects. 4QFY2015 property development income of S\$0.8 million comprised sales from completed units from Vietnam Town (the Group’s residential property development project in the US), while rental income of S\$3.9 million included contributions from the Group’s investment property in the US, Tri-County Mall (“TCM”) and properties in Singapore.

For FY2015, the Group recorded total revenue of S\$20.9 million. As a result of lower property development contribution from Singapore projects, revenue decreased by S\$36.1 million from S\$57.0 million registered in the financial year ended 31 March 2014 (“FY2014”). Revenue from the property development segment amounted to S\$5.4 million, down from S\$46.8 million in FY2014. Lower revenue from the property development segment was offset by higher rental revenue totalling S\$14.7 million, up from S\$9.3 million in FY2014. Improved rental revenues were attributable to full year contributions from TCM (as compared with seven-month contribution from the asset in FY2014).

### **US strategy and higher recurring income stream continues to improve earnings resilience**

Group earnings and profitability continued to benefit incrementally from the Group’s diversification strategy into the US. Gross profit margins for 4QFY2015 and FY2015 improved by 18.7 and 20.1 percentage points to 60.4% and 59.3%, respectively. Strong gross profit margins registered in the current reporting period are representative of the profitability and high recurring earnings potential of the Group’s investments in the US.

In FY2015, the Group further benefited from a net foreign exchange gain of S\$14.3 million and an S\$4.6 million investment income from its subscription of unquoted junior bonds relating to its investment in TripleOne Somerset in Singapore. As a result of these and other factors, net earnings stayed relatively stable despite the absence of contributions from Singapore development projects. The Group reported net profit (after tax and minority interests) of S\$21.2 million in FY2015, vis-a-vis S\$23.2 million in FY2014.

Commenting on FY2015 results, Group Managing Director Mdm Serena Chen said, “The Group’s FY2015 results continued to reaffirm our earnings diversification strategy. We expect our efforts spent on growing recurring income as well as contributions from outside Singapore to continue providing consistency to Group earnings.”

### **All Singapore and US projects achieving good progress**

The Group has completed its substantially-sold Design, Build & Sell Scheme (“DBSS”) project, Pasir Ris One, and has received TOP in May 2015, which should enable the Group to recognise earnings from the project in FY2016, in line with the prevailing accounting treatment which only allows profit recognition in entirety upon completion of construction. To date, 90% of Pasir Ris One – 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 2H2015, the Group also expects to obtain TOP for its fully-sold Executive Condominium (“EC”) project, CityLife@Tampines.

Subject to the market situation, the Group plans to launch The Vales, its EC project located at Anchorvale Crescent, by 3Q2015. TOP for this project is expected to be obtained in 1H2017.

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

Plans to redevelop the existing office building at 5 Thomas Mellon Circle (“5TM”) in San Francisco into a 511-unit residential condominium, are in progress with project completion targeted in 2H2018. 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.

“We maintain a cautious outlook for the Singapore property sector but are always on a lookout for opportunities in Singapore, US and other regions. We will continue to explore property development and investment opportunities to distinguish projects that will further diversify and strengthen our earnings,” concluded Mdm Chen.

**End**

*This press release should be read in conjunction with SingHaiyi Group’s 4QFY2015 and FY2015 Financial Statements released via SGXNet on 27 May 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/>

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