



For immediate release

SingHaiyi closed FY2017 strongly with net attributable profit of S\$31.1 million despite lower revenue for the year

- *Proposed a final cash dividend of 0.3 Singapore cents per share for FY2017*
- *Transfer to Mainboard of SGX-ST approved by shareholders at its Extraordinary General Meeting on 23 May 2017*

Financial Highlights (FYE 31 March)

	4Q2017 (S\$ m)	4Q2016 (S\$ m)	Chg (%)	FY2017 (S\$ m)	FY2016 (S\$ m)	Chg (%)
Revenue	8.2	8.1	0.8	44.2	269.1	(83.6)
- Singapore	2.6	2.5	6.1	9.6	251.0	(96.2)
- US	5.6	5.7	(1.5)	34.6	18.1	91.5
Gross profit	4.3	3.7	14.1	21.7	41.6	(47.9)
Gross profit margin (%)	52.1	46.0	6.1 pp	49.0	15.4	33.6 pp
Profit before tax	16.1	11.6	38.1	26.4	41.5	(36.5)
Net attributable profit to owners of the Company	22.2	8.4	>100	31.1	29.3	6.1
Earnings per share* (S¢)	0.772	0.292	>100	1.084	1.024	5.9
NAV per share* (S¢)	17.07	16.15	5.7	17.07	16.15	5.7

* Earnings per share computed based on the following weighted average number of shares: FY2017: 2,870,297,850 shares and 4Q2017: 2,869,922,642 shares; FY2016 and 4Q2016: 2,863,089,912 shares

+ NAV was computed based on 2,870,297,850 shares as at 31 March 2017 and 2,863,089,912 shares as at 31 March 2016

SINGAPORE - 23 May 2017 - SGX-listed **SingHaiyi Group Ltd.** (“SingHaiyi” or the “Group”), a fast-growing, diversified real estate company focused on property development, real estate investment and property management services, has closed its financial year ended 31 March 2017 (“**FY2017**”) strongly despite significantly lower revenue.

For the year under review, the Group’s net attributable profit to owners of the Company rose 6.1% to S\$31.1 million on revenue totalling S\$44.2 million, compared to S\$29.3 million and S\$269.1 million respectively in the previous financial year (“**FY2016**”). The Group’s revenue in FY2016 arose mainly from the sales of the Group’s completed Design, Build and Sell Scheme (“**DBSS**”) project, Pasir Ris One.

Attesting to its diversified and steady earnings streams, revenue contribution in FY2017 was mainly from the sales of completed units from Vietnam Town, SingHaiyi's commercial condominium project in San Jose, California, US. With the US property development segment recognising higher revenue during the year, the Group's year-on-year gross profit margin improved by 33.6 percentage points due to its geographical revenue mix.

In the US, the Group's real estate portfolio generated higher revenue of S\$34.6 million in FY2017 compared to S\$18.1 million in FY2016. The higher revenue was generated from the sale of several completed residential units at Vietnam Town and was offset by lower rental income from its Tri-County Mall property in Cincinnati, Ohio, as a result of ongoing Asset Enhancement Initiatives ("AEI").

On 31 March 2017, the Group completed the disposal of its 20.0% equity interest in Perennial Somerset Investors Pte. Ltd. for S\$100.0 million, an entity which holds, through an indirect wholly-owned subsidiary, Perennial 111 Somerset Pte Ltd, the TripleOne Somerset property. Other income in FY2017 increased year-on-year as a result, representing a gain of S\$30.5 million during the year.

Commenting on the Group's FY2017 performance, Group Managing Director Celine Tang said, "This year, we made a conscious decision to embark on a series of strategic corporate actions amidst challenging operating conditions, and we have again delivered a commendable set of results underscored by steady contribution from diversified revenue streams. We have spent the last few years transforming SingHaiyi into a diversified and resilient company that can weather soft property market conditions, and this is a strong testament of the good work of our team so far. As we prepare to make our transition onto the Mainboard of the SGX-ST and in view of our appreciation to our shareholders, our Board has proposed a final cash dividend of 0.3 Singapore cents per share in FY2017."

The Group's proposed transfer of its listing from the Catalist Board to the Mainboard of the SGX-ST was approved by shareholders at its Extraordinary General Meeting on 23 May 2017, and the transfer is expected to take place on 26 May 2017.

Business Update and Outlook

In Singapore, the government recently announced some easing of property cooling measures in relation to the Seller's Stamp Duty and Total Debt Servicing Ratio. Overall market sentiment is on the uptrend judging from the successful new launches of the residential property projects and the Group is cautiously optimistic of the outlook for the Singapore property market. Over in the US, the real estate market continues to hold fairly stable. In view of this landscape, SingHaiyi remains focused on delivering its project pipeline which will take the Company well into 2019.

In Singapore, SingHaiyi has obtained Temporary Occupancy Permit ("TOP") for The Vales, its Executive Condominium project located at Anchorvale Crescent, on 2 May 2017, and continues to make healthy sales progress on the property with more than 97% of its 517 units sold to-date. The Group

also expects to obtain TOP for City Suites, a 56-unit private freehold residential project at Balestier Road, by the third quarter of 2017.

With the acquisition of the 9 Penang Road property, formerly known as Park Mall in December 2015, SingHaiyi's foundation in commercial property development is moving at a healthy pace. Development work for the new 10-storey Grade A commercial building has commenced since October 2016. SingHaiyi has successfully received an extension of the building's 99-year lease to 7 December 2115, while building plans for the property have also been approved by the relevant authorities in March 2017.

Scheduled to complete by end of 2019 with the aim of realising value through strata sale of units and/or rental leases, the Group will be providing professional project and development management services for the development which will unlock a new avenue for income generation.

Farther afield in US, SingHaiyi's development projects are currently progressing well. The Group has sold 49 units out of 51 units of Phase One of its Vietnam Town project at the end of FY2017, and Phase Two, the construction of the remaining 141 units, is expected to complete by the end of 2017.

At 5 Thomas Mellon Circle, San Francisco, California, the Group's plans to redevelop the existing office building into a waterfront lifestyle residential property are also well underway. In December 2016, SingHaiyi received the project entitlement approval from the San Francisco Planning Commission to develop the project.

With a healthy balance sheet and good cash standing as at 31 March 2017, the Group will continue to explore suitable land bank acquisitions, and opportunities in property development and investments to strengthen its earnings base and to enhance shareholder value.

This press release should be read in conjunction with SingHaiyi Group Ltd.'s FY2017 Financial Statements released via SGXNet on 23 May 2017.

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About SingHaiyi Group Ltd.

SingHaiyi Group Ltd. (“**SingHaiyi**” or the “**Group**”) is a fast-growing, diversified real estate company focused on property development, real estate investment and property management services. With strategic support from its major shareholders, the Group is led by a board and management team, including esteemed businessmen Mr Gordon Tang and Mr Neil Bush, have deep insights and strong connections that enable access to unique and rare investment opportunities.

Apart from an established track record in residential property development, the Group also holds a diversified portfolio of income-generative assets in the commercial and retail sectors, with geographical reach into USA and widening exposure in Asia. The Group’s exposure to various segments of the real estate sector in multiple countries stands as a testament to its calculated diversification strategy, which is designed to provide stable and visible earnings and deliver value to shareholders. For more information on SingHaiyi Group, please visit <http://singhaiyi.com/>.

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