

**SINGAPORE SHIPPING CORPORATION LIMITED**  
(Company Registration Number: 198801332G)

**UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2018**

**PART I – INFORMATION REQUIRED FOR QUARTERLY ANNOUNCEMENTS**

1. An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group First Quarter		Change
	FY2019	FY2018	
	US\$'000	US\$'000	%
Revenue	12,112	11,758	3.0
Other operating income	256	316	(19.0)
Depreciation expense on property, plant and equipment	(1,988)	(1,881)	5.7
Vessel operation costs	(1,313)	(1,308)	0.4
Transportation, warehouse and terminal operating costs	(2,516)	(2,470)	1.9
Staff and crew costs	(3,051)	(2,484)	22.8
Other operating expenses	(464)	(579)	(19.9)
Results from operating activities	3,036	3,352	(9.4)
Finance and investment income	89	61	45.9
Finance costs on bank borrowings	(557)	(617)	(9.7)
Exchange differences	295	(160)	NM
Share of results of associated company and joint venture, net of tax	(44)	(71)	(38.0)
Profit before taxation	2,819	2,565	9.9
Taxation	(3)	(3)	-
<b>Profit for the period</b>	<b>2,816</b>	<b>2,562</b>	<b>9.9</b>
<b>Attributable to:</b>			
Owners of the Company	2,816	2,562	9.9
<b>Earnings per share (US cents):</b>			
Basic	0.6	0.6	-
Diluted	0.6	0.6	-

For the income statement, Singapore Dollar ("SGD") was translated at average rate as prescribed below:

	Jun 2018	Jun 2017	% Change
SGD	1.3415	1.3856	(3.2)

Q1: First Quarter

FY: Financial Year Ending 31 March

NM: Not Meaningful

**SINGAPORE SHIPPING CORPORATION LIMITED**

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2. A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group First Quarter	
	FY2019	FY2018
	US\$'000	US\$'000
<b>Profit for the period</b>	2,816	2,562
<b>Other comprehensive income</b>		
<b><i>Items that are or may be reclassified</i></b>		
<b><i>subsequently to profit or loss:</i></b>		
Cash flow hedges:		
- Effective portion of changes in fair value of cash flow hedges	71	(512)
- Realised and transferred to income statement	5	(118)
	76	(630)
Foreign currency translation	(441)	179
<b>Other comprehensive income for the period, net of tax</b>	(365)	(451)
<b>Total comprehensive income for the period</b>	<b>2,451</b>	<b>2,111</b>
<b>Attributable to:</b>		
Owners of the Company	2,451	2,111

**SINGAPORE SHIPPING CORPORATION LIMITED**

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**3(a). A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year.**

	The Group		The Company	
	30.6.2018	31.3.2018	30.6.2018	31.3.2018
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current assets</b>				
Property, plant and equipment	145,126	145,922	-	-
Goodwill	787	802	-	-
Investment in subsidiaries	-	-	32,625	32,625
Amount due from subsidiaries	-	-	12,141	13,534
Investments in associated company and joint venture	2,558	2,602	90	90
Derivative financial assets	2,434	2,103	-	-
Long-term deposits	5,000	5,000	-	-
Other assets	111	121	-	-
	156,016	156,550	44,856	46,249
<b>Current assets</b>				
Inventories	445	387	-	-
Trade and other receivables	5,543	4,553	27	209
Amount due from subsidiaries	-	-	11,536	10,201
Derivative financial assets	-	256	-	-
Financial assets held for trading	2,085	2,116	-	-
Cash and cash equivalents	15,720	13,936	8,275	5,361
	23,793	21,248	19,838	15,771
<b>Less:</b>				
<b>Current liabilities</b>				
Trade and other payables	7,005	6,628	130	146
Amount due to subsidiaries	-	-	11,447	8,589
Derivative financial liabilities	48	-	-	-
Bank borrowings	7,667	7,667	-	-
	14,720	14,295	11,577	8,735
<b>Net current assets</b>	9,073	6,953	8,261	7,036
<b>Non-current liabilities</b>				
Bank borrowings	60,323	62,241	-	-
Deferred income	13,160	12,107	-	-
	73,483	74,348	-	-
<b>Net assets</b>	91,606	89,155	53,117	53,285
<b>Equity attributable to owners of the Company</b>				
Share capital	31,886	31,886	31,886	31,886
Other reserves	1,284	1,649	-	-
Retained earnings	58,436	55,620	21,231	21,399
<b>Total equity</b>	91,606	89,155	53,117	53,285

**SINGAPORE SHIPPING CORPORATION LIMITED**

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**3(a). A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year (continued).**

For the balance sheet, the following closing rates were used to translate Singapore Dollar:

	<u>Jun 2018</u>	<u>Mar 2018</u>	<u>% Change</u>
SGD	1.3639	1.3120	4.0

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

<b>As at 30.6.2018</b>		<b>As at 31.3.2018</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
US\$7,667,000	-	US\$7,667,000	-

**Amount repayable after one year**

<b>As at 30.6.2018</b>		<b>As at 31.3.2018</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
US\$60,323,000	-	US\$62,241,000	-

**Details of any collaterals**

The bank borrowings of the Group are generally secured by a corporate guarantee from the Company, first priority mortgage of vessels and assignment of vessels' insurances. The carrying amount of the vessels mortgaged as security for the bank borrowings is approximately US\$84.0 million as at 30 June 2018 (31 March 2018: US\$84.7 million).

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**4. A statement of cash flows (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>The Group First Quarter</b>	
	<b>FY2019</b>	<b>FY2018</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	2,819	2,565
Adjustments for:		
Depreciation expense on property, plant and equipment	1,988	1,881
Interest income	(100)	(45)
Net change in fair value of financial assets held for trading	31	(16)
Finance costs on bank borrowings	557	617
(Gain)/loss on foreign exchange	(312)	136
Share of results of associated company and joint venture, net of tax	44	71
Operating cash flows before changes in working capital	5,027	5,209
Changes in working capital:		
Inventories	(58)	(20)
Trade and other receivables	(944)	(1,566)
Trade and other payables	389	1,721
Deferred income	1,053	827
<b>Cash flows from operations</b>	<b>5,467</b>	<b>6,171</b>
Tax paid	(3)	(3)
<b>Net cash flows from operating activities</b>	<b>5,464</b>	<b>6,168</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(15)	(15)
Payment for drydocking expenditure	(1,123)	(855)
Interest received	54	33
<b>Net cash flows used in investing activities</b>	<b>(1,084)</b>	<b>(837)</b>
<b>Cash flows from financing activities</b>		
Repayment of bank borrowings	(1,918)	(1,917)
Payment of finance costs on bank borrowings	(569)	(629)
<b>Net cash flows used in financing activities</b>	<b>(2,487)</b>	<b>(2,546)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,893</b>	<b>2,785</b>
Cash and cash equivalents at beginning of the period	13,936	11,447
Effect of exchange rate changes on cash and cash equivalents	(109)	14
<b>Cash and cash equivalents at end of the period</b>	<b>15,720</b>	<b>14,246</b>

**SINGAPORE SHIPPING CORPORATION LIMITED**

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5(a). A statement (for the issuer 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.

5(a)(i). The Group

**Consolidated statement of changes in equity for the period ended 30 June 2018**

	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Equity attributable to owners of the Group
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 April 2018</b>	31,886	2,359	(710)	55,620	89,155
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	2,816	2,816
Other comprehensive income for the period	-	76	(441)	-	(365)
<b>Total</b>	-	76	(441)	2,816	2,451
<b>Balance at 30 June 2018</b>	31,886	2,435	(1,151)	58,436	91,606
<b>Balance at 1 April 2017</b>	31,812	922	(1,508)	48,400	79,626
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	2,562	2,562
Other comprehensive income for the period	-	(630)	179	-	(451)
<b>Total</b>	-	(630)	179	2,562	2,111
<b>Balance at 30 June 2017</b>	31,812	292	(1,329)	50,962	81,737

5(a)(ii). The Company

**Statement of changes in equity for the period ended 30 June 2018**

	Share capital	Retained earnings	Equity attributable to owners of the Company
	US\$'000	US\$'000	US\$'000
<b>Balance at 1 April 2018</b>	31,886	21,399	53,285
<b>Total comprehensive income for the period</b>			
Loss for the period	-	(168)	(168)
<b>Total</b>	-	(168)	(168)
<b>Balance at 30 June 2018</b>	31,886	21,231	53,117
<b>Balance at 1 April 2017</b>	31,812	21,311	53,123
<b>Total comprehensive income for the period</b>			
Loss for the period	-	(82)	(82)
<b>Total</b>	-	(82)	(82)
<b>Balance at 30 June 2017</b>	31,812	21,229	53,041

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- 5(b). **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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

**Issued and fully paid ordinary shares**

At 30 June 2018 and 31 March 2018

No. of ordinary shares
437,019,791

There were are no outstanding share options, treasury shares and subsidiary holdings as at 30 June 2018 and 30 June 2017.

- 5(c). **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 30.6.2018	As at 31.3.2018
Total number of issued shares (excluding treasury shares)	437,019,791	437,019,791

There were no shares held as treasury shares as at 30 June 2018 and 31 March 2018.

- 5(d). **A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 5(e). **A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

6. **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

7. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

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8. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period compared with the audited financial statements as at 31 March 2018.

9. **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.**

In December 2017, the Accounting Standards Council issued the Singapore Financial Reporting Standards (International) ("SFRS(I)"). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards as issued by the International Accounting Standards Board at 31 December 2017 that are applicable for annual period beginning on 1 January 2018. Singapore-incorporated companies that have issued, or are in the process of issuing equity or debt instruments for trading in a public market in Singapore, will have to apply SFRS(I) for annual periods beginning on or after 1 January 2018.

The Group has adopted SFRS(I) on 1 April 2018 and the adoption of SFRS(I) did not have any effect on the financial performance or position of the Group and the Company.

10. **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.**

	The Group First Quarter	
	FY2019	FY2018
Profit for the period attributable to owners of the Company (US\$'000)	2,816	2,562
Weighted average number of ordinary shares for basic and diluted earnings per share calculation ('000)	437,020	436,657
Earnings per share:		
(i) Basis (US cents)	0.6	0.6
(ii) Diluted (US cents)	0.6	0.6

11. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	The Group		The Company	
	30.6.2018	31.3.2018	30.6.2018	31.3.2018
	US Cents	US Cents	US Cents	US Cents
Net asset value per ordinary share based on the total number of issued shares as at the end of the period/year	21.0	20.4	12.2	12.2



## SINGAPORE SHIPPING CORPORATION LIMITED

(Company Registration Number: 198801332G)

12. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.

### INCOME STATEMENT

#### REVENUE

	The Group First Quarter		
	FY2019 US\$'000	FY2018 US\$'000	Change %
Ship owning	7,861	8,025	(2.0)
Agency and logistics	4,251	3,733	13.9
	12,112	11,758	3.0

### PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

	The Group First Quarter		
	FY2019 US\$'000	FY2018 US\$'000	Change %
Ship owning	2,254	2,594	(13.1)
Agency and logistics	870	808	7.7
Unallocated items <sup>(a)</sup>	(567)	(680)	(16.6)
Exchange differences	259	(160)	NM
Profit for the period	2,816	2,562	9.9

<sup>(a)</sup> Unallocated items refer to corporate costs, finance and investment income and taxation.

- The off-hire due to drydocking resulted in lower revenue/operating profit in Q1 FY2019.
- Agency and logistics segment continued to enjoy higher business volume.
- Due to stronger US\$, our S\$ functional currency entities recorded a translation gain.

### BALANCE SHEET

- Reduced value of property, plant and equipment was due to depreciation of vessels, partially offset by capitalisation of drydocking expenses.
- Reduced bank borrowings due to progressive repayments made during the period.

### STATEMENT OF CASH FLOWS

Overall increase of US\$1.9 million in cash and cash equivalents due to operating cash inflows. This is in spite of:

- Repayment of bank borrowings; and
- Drydocking expenses.

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

No forecast was previously provided.

14. **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 Group performed creditably in every segment of its business.
- With its mounting cash flows, the Group is focused on delivering further sustainable results.
- Barring unforeseen circumstances, the Group expects to remain profitable in FY2019.

15. **Dividends**

***(a) Current financial period reported on***

Any dividend declared/recommended for the current financial period reported on? No

***(b) Corresponding period of the immediately preceding financial year***

Any dividend declared/recommended for the corresponding period of the immediately preceding financial year? No

***(c) Date payable***

Not applicable

***(d) Books closure date***

Not applicable

16. **If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared or recommended in the current reporting period.

17. **Interested person transactions (“IPTs”)**

The Company has not obtained a general mandate from shareholders for any IPTs.

18. **Statement by directors pursuant to Rule 705(5) of the Listing Manual**

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 30 June 2018 to be false or misleading in any material aspect.

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

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

On behalf of the Board of Directors

Ow Chio Kiat  
Executive Chairman

Ow Yew Heng  
Chief Executive Officer

**BY ORDER OF THE BOARD**

Lee Li Huang  
Company Secretary

27 July 2018