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GST Reg No: M90367530Y

Issuer: SingHaiyi Group Ltd.

Security: SingHaiyi Group Ltd.

Meeting details:

Date: 26 July 2018

Time: 2.00 p.m.

Venue: Level 1, Taurus Ballroom Marina Mandarin Singapore, 6 Raffles Boulevard Marina Square, Singapore 039594

Company Description

SingHaiyi Group Ltd., an investment holding company, develops, owns, and manages real estate properties in Singapore, Malaysia, and the United States. The company operates through Property Development, Property Investment, and Others segments. The company develops and sells residential properties; and invests in residential, commercial, retail, and other properties. The company formerly known as SingXpress Land Ltd. and changed its name to SingHaiyi Group Ltd. in March 2013. SingHaiyi Group Ltd. was incorporated in 1988 and is based in Singapore. SingHaiyi Group Ltd. is a subsidiary of Haiyi Holdings Pte Ltd.

(Source: http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=5H0)

1. As noted in the Joint message by Chairman and Group managing director, the group meaningfully bolstered its land bank with the acquisition of three collective sales, namely Sun Rosier (for \$271 million), How Sun Park development (for \$81.1 million) and Park West (for \$840.9 million).

The estimated land costs of the acquisitions were S\$1,325 per square foot per plot ratio for Sun Rosier, \$1,092 per square foot per plot ratio for How Sun Park and \$850 per square foot per plot ratio for Park West.

- (i) What experience did the group gain from its recent developments such as The Vales and City Suites (which is 85% sold after its completion in August 2017)?**
- (ii) During the budgeting and planning for the acquisition of its land bank, what is the group's minimum/required developer's margin?**
- (iii) With the new cooling measures that were announced on 5 July 2018 raising the Additional Buyer's Stamp Duty (ABSD) rates and tightening loan-to-value (LTV) limits on residential property purchases, how have the group's plans been affected?**
- (iv) What is the total capital required to develop the three newly acquired land bank? Does the group have the financial resources to fund all its development, including the ongoing projects in the USA?**

2. On 26 December 2017, the company announced an a renounceable non-underwritten rights issue of up to 1,435,148,925 new ordinary shares in the capital of the Company at an issue price of S\$0.100 for each Rights Share.

At the close of the rights issue, the valid acceptances received were for a total of 1,070,702,021 Rights Shares, (including acceptance of 806,182,040 Rights Shares by Haiyi Holdings pursuant to the Irrevocable Undertaking), representing approximately 74.61% of the total number of Rights Shares available for subscription under the Rights Issue.

- (i) Has the board/management carried out a review to understand the reasons for the under-subscription by the minority shareholders?**

3. Mr. Gordon Tang is a non-executive director of the company, having being appointed to the board on 14 January 2013. Mr. Tang is also a member of the remuneration committee (RC).

The attendance of Mr. Tang at board meetings and at the RC meetings is as follows:

Board meetings: 2 out of 4 in FY2016, 0 out of 4 in FY2017 and 2 out of 4 in FY2018
RC meetings: 0 out of 1 in FY2016, 0 out of 1 in FY2017 and 0 out of 1 in FY2018



- (i) Would Mr. Gordon Tang help shareholders understand if there were extenuating circumstances that led him to miss 8 out of the 12 scheduled board meetings in the past 3 years?**
- (ii) As Mr. Gordon Tang has also missed all the RC meetings in the past 3 years, how effective is Mr. Gordon Tang as a member of the RC?**
- (iii) How can the company, the company secretary and the directors improve the scheduling of board meetings so that the attendance of all directors can be improved?**

A copy of the questions for the Annual Report for the financial year ended 31 March 2017 could be found here:

https://sias.org.sg/index.php?option=com_qaannualreports&view=qareports&filter_company=233

The company's response could be found here: -----