



Issuer: Sing Holdings Limited

Security: Sing Holdings Limited

Meeting details:

Date: 26 April 2019

Time: 3.30 p.m.

Venue: 168 Robinson Road, Level 9 STI Auditorium, Capital Tower, Singapore 068912

Company Description

Sing Holdings Limited is a Singapore-based investment holding and property development company. The Company invests and develops in a spectrum of properties ranging from landed houses, apartments, condominiums, office and industrial buildings, factories to warehouses. The Company's developments include residential projects, such as BelleRive in Bukit Timah area, The Laurels at Cairnhill, Waterwoods in Punggol and Robin Residences at Robin Drive. Waterwoods has approximately six blocks of 17-storey executive condominium with swimming pool, tennis court, gymnasium and car park. Robin Residences includes approximately five blocks of five-story condominium housing development with swimming pool, tennis court, gymnasium and car park. The Company has also developed industrial and commercial buildings, such as BizTech Centre along Aljunied Road, EastGate in the East Coast area and Ocean Towers, an office building in Shanghai, the People's Republic of China.

(Source: http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=51C)

Q1. As noted in the chairman's message, Parc Botannia, the group's 70% development project, has progress well with approximately 73% of the units in Parc Botannia being issued with options to purchase, with total sales value adding up to \$502.3 million. The group's other investments, namely Travelodge Docklands in Melbourne and BizTech Centre maintained their performance with occupancy rates of 93% and 89% respectively.

Since the group won the site for Parc Botannia and acquired the Melbourne hotel at the end of 2016, there has been no other major development in the group although the Sengkang project has since been launched and is doing well.

- (i) Would the board/management provide shareholders with better visibility of its mid/long term plans?**
- (ii) What is the group's leadership bench strength for the key business functions?**
- (iii) Does the group have the management bandwidth, risk appetite and balance sheet to pursue multiple projects/opportunities at the same time?**

Q2. Due to the group's investment in the hotel in Melbourne, the group recognised foreign currency translation of \$(788,000) in FY2017 and \$(5,066,000) in FY2018. This is not recognised in the consolidated income statement but in the consolidated statement of comprehensive income.

To put things in perspective, the group's consolidated income for FY2018 was \$13.8 million while the foreign currency translation loss was \$(5.066) million. The total comprehensive income for the year was \$8.45 million.

Given that the group has obtained AUD-financing, there is some level of natural hedging. The asset is valued at \$105.7 million while the existing loans amount to \$43.2 million.

- (i) Has the board considered and reviewed the currency risks prior to making overseas investments?**
- (ii) Other than the natural hedging, has the board evaluated what options are available to the group to mitigate the currency risks?**
- (iii) On a SGD basis, what is the overall return of the investment since the acquisition of the hotel was completed in early 2017?**
- (iv) Is the board also taking a view on the currency movement by not actively managing the currency risks?**

Q3. The board currently comprises four members, with two independent directors including Mr Tan Tong Guan who was appointed as an independent director on 19 April 2016.

The company has stated that it has adopted the guidelines set out in the Code and the Listing Rules of the SGX-ST (“SGX-ST Listing Manual”) including the Practice Guidance. An independent director is one who has no relationship with the Company, its related corporations, its 5% shareholders or its officers that could interfere, or be perceived to interfere, with the exercise of the director’s independent business judgment for the best interests of the Company.

Mr Tan was appointed to the board of Sing Investments & Finance Limited on 25 April 2005 and retired on 22 April 2014 after having served as a director for nine years.

F. H. Lee Holdings (Pte) Limited, the controlling shareholder of the company, is also the controlling shareholder of Sing Investments & Finance Limited. Mr Lee Sze Leong, the non-executive director, is the Managing Director and Chief Executive Office of Sing Investments & Finance Limited.

- (i) Can the nominating committee (NC) help shareholders understand how it had considered the relationship between Mr Tan (as independent director) and the company’s related corporations, its 5% shareholders or its officers?**

- (ii) Did the NC consider how the relationship Mr Tan has with the Company, its related corporations, its 5% shareholders or its officers could interfere, or be perceived to interfere, with the exercise of the director’s independent business judgment for the best interests of the Company?**

A copy of the questions for the Annual Report for the financial year ended 31 December 2016 could be found here:

<https://sias.org.sg/qa-on-annual-reports/?company=Sing%20Holdings%20Ltd&cid=6494,4285>

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