



## **SINGHAIYI GROUP LTD.**

(Company Registration No. 198803164K)  
(Incorporated in the Republic of Singapore)

---

### **PARTIAL DISPOSAL OF STAPLED SECURITIES OF CROMWELL PROPERTY GROUP**

---

#### **1. INTRODUCTION**

The Board of Directors (the “**Board**”) of SingHaiyi Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on today accepted the proportional tender offer by ARA Real Estate Investors 28 Limited, a wholly owned subsidiary of ARA Asset Management Holdings Pte. Ltd., to partially dispose 17,453,987 units of the existing stapled securities (“**Cromwell Securities**”) in Cromwell Property Group (“**Cromwell**”), each comprising one ordinary share issued in Cromwell Corporation Limited (“**CCL**”) stapled to one ordinary unit issued in Cromwell Diversified Property Trust (“**CDPT**”), for an aggregate sale consideration of A\$16.1 million (approximately S\$15.9 million) (the “**Disposal**”).

Following the completion of the Disposal, the Company will own 1.6% stake in Cromwell.

#### **2. THE DISPOSAL**

##### **2.1 Information on Cromwell**

Cromwell is a global real estate investment manager and is listed on the S&P/ASX 200. As at 30 June 2020, Cromwell had a direct property investment portfolio in Australia valued at A\$3.0 billion and total assets under management of A\$11.5 billion across Australia, New Zealand and Europe. Cromwell is the sponsor of Cromwell European Real Estate Investment Trust (“**CEREIT**”) which is listed on the Main Board of Singapore Exchange Securities Trading Limited.

##### **2.2 Consideration for the Disposal**

The proportional offer price per Cromwell Security accepted by the Company is A\$0.92 which represents a premium of 14.9% and 18.2% to the Distribution Adjusted volume weighted average price (“**VWAP**”) of A\$0.80 per Cromwell Security for the 30 trading days up to 14 August 2020 and Distribution Adjusted VWAP of A\$0.78 per Cromwell Security for the 3 months respectively.

The Company is expected to receive the aggregate sale consideration of A\$16.1 million fully in cash. There are no material conditions attaching to the Disposal.

## 2.3 Rationale for the Disposal

The Company believes that the Disposal will enhance the financial flexibility of the Company as the sale proceeds will be used to repay the bank loans. The proportional offer price of A\$0.92 is higher than the book value of A\$0.80 as at the financial year ended 31 March 2020. This translates into a gain on Disposal of A\$2.1 million (approximately S\$2.1 million).

## 3. ILLUSTRATIVE FINANCIAL EFFECTS

### 3.1 Bases and Assumptions

The pro forma financial effects of the Disposal on the Company are strictly for illustrative purposes only and have been prepared based on:

- (i) the audited consolidated financial statements of the Group for the financial year ended 31 March 2020 (“FY2020”); and
- (ii) book value of A\$0.80 per Cromwell Security as at FY2020.

### 3.2 Net Tangible Assets (“NTA”)

For purely illustrative purposes only, the pro forma financial effects of the Disposal on the NTA per share of the Company (“SHG Share”), if the Company had completed the Disposal as at the end of FY2020, are as follows:

	As at FY2020	
	Before the Disposal	After the Disposal
NTA (S\$'000)	632,121	634,221
SHG Shares in issue (excluding treasury shares)	4,212,025,475	4,212,025,475
NTA per SHG Share (cents)	15.01	15.06

### 3.3 Loss Per SHG Share (“LPS”)

For purely illustrative purposes only, the pro forma financial effects of the Disposal on the LPS, if the Company had completed the Disposal at the beginning of FY2020, are as follows:

	FY2020	
	Before the Disposal	After the Disposal
Net loss attributable to Owners of the Company (S\$'000)	7,826	7,826 <sup>(2)</sup>
LPS basic and diluted (cents)	0.186 <sup>(1)</sup>	0.186

**Note:**

<sup>(1)</sup> Calculated based on the weighted average number of SHG Shares (excluding treasury shares) of 4,212,025,175 as at 31 March 2020.

<sup>(2)</sup> No impact on the net loss attributable to owners of the Company as the gain on Disposal will be recorded in other comprehensive income.

#### 4. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

The relative figures for the Subscription computed on the relevant bases set out in Rule 1006 of the Listing Manual are as follows:

<b>Rule 1006</b>	<b>Bases</b>	<b>The Disposal</b>	<b>The Group</b>	<b>Relative Figure (%)</b>
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value as at FY2020.	S\$12.2 million	S\$632.1 million	1.9
(b)	The net profit attributable to the Disposal, compared with the Group's net profit.	The gain on Disposal will be recorded in other comprehensive income. As such, there is no impact on the net profit.		
(c)	The aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued SHG Shares (excluding treasury shares) as at 21 September 2020.	S\$15.9 million	S\$307.5 million	5.2
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities of the Company previously in issue.	Not applicable as this is a disposal transaction.		
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	Not applicable as the Company is not a mineral, oil and gas company		

As the relative figures under Rules 1006(c) exceeds 5%. but does not exceed 20%, the Disposal is a "discloseable transaction" for the purposes of Chapter 10 of the Listing Manual which does not require the approval of the shareholders of the Company at a general meeting.

#### 5. FURTHER INFORMATION

##### 5.1 Directors' Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

## **5.2 Interests of Directors and Controlling Shareholders of the Company**

Save as disclosed in this announcement and save for their shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Disposal.

### **BY ORDER OF THE BOARD**

Celine Tang  
Group Managing Director

21 September 2020