SG Market Weekly Update
9 April – 13 April 2018

SAC ADVISORS

Weekly Wrap of STI

The STI ended 32.69 points higher on Friday to close at 3501.3, due to the easing trade tensions between the US and China, alongside Trump's proposal to rejoin the Trans-Pacific Partnership trade pact. For the week, the STI gained 58.50 points or 1.71%.

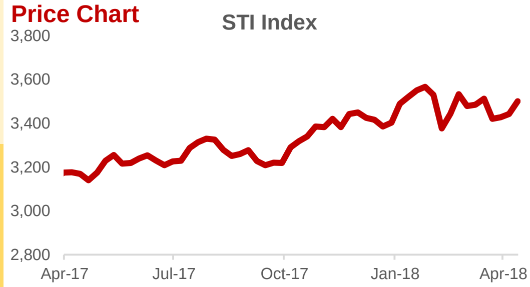
The STI posted gains in the first three days of the week due to easing trade fears as China's President Xi Jinping's promise to cut import tariffs, to which President Trump praised. The index however made a turn on Thursday to close lower due to the rising tensions in the Middle East. Fortunately, the STI bounced back on Friday as geopolitical tensions took a back seat following Trump's clarification on a possible Syria attack.

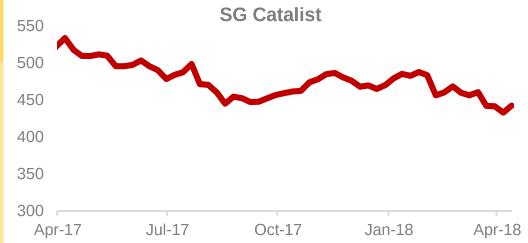
Year to date, the STI index is up by 2.9% while the Catalist index is down by 5.8%.

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	3501.3	▲ 32.69	▲ 0.9%	▲ 1.7%	▲ 2.9%
SG Mid Cap	763.8	▲ 4.09	▲ 0.5%	▲ 1.5%	▼ 0.4%
SG Catalist	442.5	▲ 3.85	▲ 0.9%	▲ 2.2%	▼ 5.8%
SG Small Cap	390.5	▲ 0.92	▲ 0.2%	▲ 0.8%	▼ 4.0%

Price Chart





Week Ahead: 16 April – 20 April 2018

Economic: US Retail Sales (16 Apr), CH GDP (17 Apr), CH Retail Sales (17 Apr), UK Jobless Claims (17 Apr), US Redbook (17 Apr), US Industrial Production (17 Apr), EIA Petroleum Status (18 Apr), Japan Trade Balance (18 Apr), US Jobless Claims (19 Apr), EIA Natural Gas Report (19 Apr)

Company Results: M1 (16 Apr), Qian Hu Corp (16 Apr), First REIT (17 Apr), Keppel REIT (18 Apr), Keppel Corp (19 Apr), Singapore Exchange (20 Apr), CapitaLand Mall Trust (20 Apr), Frasers Commercial Trust (20 Apr)

Companies News

1. Lian Beng unit to offer 238m shares at S$0.23 apiece for Catalist listing

SLB Development, the property development spin-off from mainboard-listed Lian Beng Group, registered its offer documents on April 11 for its proposed Catalist listing. It is offering 238 million shares at S$0.23 each, comprising eight million shares by way of public offer, and 230 million by way of placement. This pegs the gross proceeds at S$54.7 million and represents 26.07% of SLB's post-invitation share capital. Market capitalisation as at the initial public offering (IPO) will be S$210 million. Lian Beng will retain 73.93% interest in SLB after the invitation. The listing is expected to raise net proceeds of S$51.4 million with 32.9% of gross proceeds to go towards replacing its land bank and overseas expansion. Another 33.6% will go towards funding existing property development projects in the pipeline and general working capital purposes. The rest will go towards repaying a bridging loan and listing expenses. Separately, it has reported a 63% rise in net profit for the fiscal third quarter from a year ago, reflecting stronger revenue. Net profit for the three months ended Feb 28, 2018 stood at S$4.68 million, up from S$2.87 million a year ago. Revenue rose 62.5% to S$58.8 million.

2. Kim Heng secured one- year charter contract for its two vessels

Catalist-listed Kim Heng Offshore & Marine Holdings Ltd has secured a one year charter contract commencing in April 2018, for its two Anchor Handling Tug / Supply Vessels ("**AHTS**"), Bridgewater 131 and Bridgewater 132, from a leading oil major in Malaysia. "As the oil prices recently rallied to $70 per barrel, we believe we are well positioned for the eventual upturn in the oil industry to secure more contracts in the region", said Mr. Thomas Tan, Executive Chairman & CEO.

3. Interra's drilling commencement of Chauk Development Well

Interra Resources has announced that its joint venture entity, Goldpetrol Joint Operating Company Inc. ("**Goldpetrol**"), has commenced drilling development well CHK 1205 in the Chauk oil field in Myanmar. Interra owns 60% interest in the Improved Petroleum Recovery contract of the Chauk field as well as 60% of Goldpetrol which is the operator of the field. Interra's share of the cost of drilling is funded from existing funds on hand. As the first well to be drilled in Myanmar in 2018, CHK 1205 is expected to produce undrained oil from the targeted reservoirs that currently produce in CHK 1203 and other wells in this block. Results of the drilling are expected to be available in six weeks time.

4. Asti-owned Catalist unit to buy a group of semiconductor companies for S$10m

ASTI Holdings-owned Advanced Systems Automation has entered into a sale and purchase agreement with one Seah Chong Hoe for Yumei Technologies Sdn Bhd, its asset manager Yumei Reit Sdn Bhd, and metal product maker Pioneer Venture Pte Ltd. Mr Seah, the vendor, has undertaken that pre-tax profits of the target companies for financial year 2018 and 2019 is at least S$3 million altogether. The target companies' book value and net tangible asset value stood at S$4.07 million as at Feb 28. Advanced Systems Automation executive chairman and chief executive, Michael Loh, said that these companies are expected to "bring in new skill sets" in die-casting and plastic injection, "enabling us to offer a more comprehensive value proposition to a broader customer base across a wider region". "Their business presence in Malacca is also complementary to our existing business locations," he added. The completion of the deal hinges upon certain conditions precedent, which are to be satisfied within six months from the date of entering into the sale and purchase agreement.

5. Apsil ended RTO deal to buy Chinese property firm

Catalist-listed Asia-Pacific Strategic Investments ("**Apsil**") has ended a deal to buy a Chinese real estate firm via a reverse takeover. This comes as it has not obtained approval from China's Ministry of Commerce for the acquisition since its application for approval in 2016, it said in a statement. Apsil originally planned to buy the Chinese real estate firm that is controlled by the China Real Estate Development Union Investments for S$33.3 million. While that agreement had been terminated, the Apsil said it had earlier completed the acquisition of 72% of two companies in Huzhou, China. Through those two firms, Apsil will focus on developing waterside villas, island residences and townhouses in Huzhou, a city in the Zhejiang province.

IPO News

1. ASIAN Healthcare Specialists places IPO at $0.23 per placement share

Asian Healthcare Specialists ("**AHS**"), is placing out 46.9 million new shares at S$0.23 apiece as part of a listing on the Singapore Exchange's Catalist board. The placement aims to raise around S$9.5 million in net proceeds. There is no public tranche, and trading will commence next Friday. At S$0.23 a share and a post-placement share capital of 290 million, AHS will have a market cap of S$66.7 million upon listing.

2. Summit Power's SGX debut will be first Bangladeshi listing here

Singapore is set to have the first Bangladeshi company list on the Singapore Exchange, as electricity producer Summit Power International on Thursday lodged its initial public offering ("**IPO**") prospectus here to raise about US$245 million. Summit is the largest independent power producer in Bangladesh, and owns 15 operational power plants in the country which have an aggregated installed capacity of 1,201 MW. This gives it a 21% market share of the total private installed capacity as at Dec 31, 2017. It is tapping the Singapore market for funds to expand to meet "the growing demand for power in Bangladesh's under-served power market". Three ongoing power projects undertaken by Summit are expected to nearly double its current capacity by 2021. SAC Capital is the Independent Financial Advisor.

Capital Market News

1. SGX to list new Indian derivatives in June; exploring Gujarat tie-up with NSE

SGX will list new derivative products tied to Indian equities in June 2018, the bourse operator said on Wednesday morning. These new products are intended to replace SGX's Nifty futures, which face an uncertain future after August in the wake of the decision by India's stock exchanges to stop supporting offshore derivatives linked to their benchmark indices. The new derivatives will also add to the available single-stock futures offerings linked to Indian counters, which were launched on the Singapore market on Feb 5. Separately, SGX added that it is still working with its Indian counterpart, the NSE, to evaluate a joint trading and clearing model in Gujarat International Finance Tec-City ("**GIFT City**"). Indian bourses announced in mid-February that they would stop sharing data feeds to support offshore contracts, amid concerns that those offshore contracts were draining liquidity from onshore markets.