SG Market Weekly Update
9 March – 13 March 2020

SAC CAPITAL

Weekly Wrap of STI

The STI ended 1.67% down or 44.64 points lower on Friday to end at 2,634.00 as the surge in number of worldwide Covid-19 cases continued to weigh on the index.

The STI opened lower and remained largely flat at the start of the week as investor's remained in risk-off mode in the start of the week. On Thursday, selling intensified across the globe as the number of Covid-19 cases worldwide surged. On Friday, the STI fell more than 6% after the open, after US markets had their biggest drops since the "Black Monday" stock market crash of 1987 on Thursday, but managed to claw back most losses after the mid-day break on strong short covering throughout the region. For the week, the STI fell 11% in the worst weekly performance since 2008.

Year to date, the STI index is down by 19.0%.

Week Ahead: 16 March – 20 March 2020

Economic Calendar: China Industrial Production (16 Mar), China Retail Sales (16 Mar), China NBS Press Conference (16 Mar), EU Group Meeting (16 Mar), Japan Industrial Production (17 Mar), German ZEW Economic Sentiment (17 Mar), US Retail Sales (18 Mar), US Federal Reserve interest rate decision (18 Mar), Japan BOJ Monetary Policy Statement (19 Mar), China PBoC interest rate decision (20 Mar)

Company Results: -

Companies News

1. Q&M eyes joint venture with 2 China companies to manufacture surgical masks

Q&M Dental Group ("**Q&M**") is in talks with two China-based companies over a joint venture to manufacture surgical masks. This is in order to reduce the company's reliance on external manufacturers and suppliers of surgical masks and to safeguard the company against future supply shocks. The outbreak of the novel coronavirus (Covid-19) has led to a surge in prices for surgical masks, on the back of a worldwide shortage in supply. While the group said it has so far managed to maintain a healthy stockpile of surgical masks for its staff and employees, it added that the shortage has "adversely affected" medical and healthcare institutions. The group announced it has entered into a non-binding memorandum of understanding ("**MOU**") with Hubei Aishubao Living Supplies Co and Guangzhou Pharmasen Co. Aishubao produces and sells Class 1 medical devices in China, while Pharmasen is involved in the wholesale and distribution of medical equipment there. Q&M did not specify where the activities of the proposed joint venture company are expected to be based. The total expected investment amount was also not disclosed. Under the terms of the MOU, Q&M will contribute 20% of the total registered share capital of the joint venture company, with Aishubao and Pharmasen contributing 70% and 10% respectively.

2. United Global CEO increased stake

Catalist-listed lubricant manufacturer and trader United Global executive director and CEO Jacky Tan Thuan Hor acquired 3 million shares of the company at S$0.47 per share, and a consideration of S$1.41 million. The married deal took his total interest in the company from 36.01% to 36.96%. His preceding acquisition was on 13 December 2019, when 2 million shares were also acquired at S$0.47 per share. Mr Tan's spouse, executive director Ety Wiranto, also maintained a total stake of 36.96% in United Global.

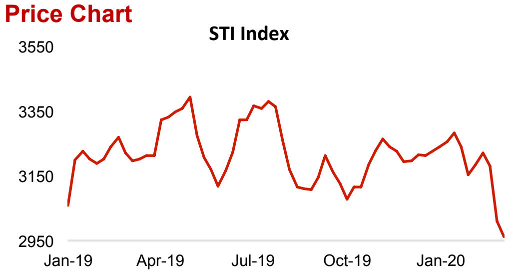
3. Frasers Logistics Trust, Frasers Commercial Trust unitholders voted in favour of merger to create S$5.7 billion behemoth, announced acquisition

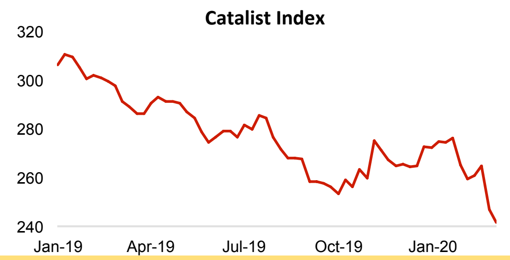
The unitholders of both Frasers Logistics Trust ("**FLT**") and Frasers Commercial Trust ("**FCOT**") have approved the proposed merger of the two entities for a price tag of S$1.54 billion. The total consideration for the proposed merger comprises $138.1 million in cash and some 1,128.1 million consideration units. The deal would see FCOT unitholders receive $1.68 for each FCOT unit held at the REIT's books closure date. This constitutes 15.1 cents per unit in cash and 1.233 new FLT units at an issue price of $1.240 per unit, representing a gross exchange ratio of 1.355 times. For FLT, some 99.85% of unitholders voted for the merger, while 98.61% of FCOT's unitholders were in favour of the merger. The merger, would see FLT acquire all units of FCOT in exchange for a combination of cash and new units in FLT. The REIT managers had also said that the merger would create an enlarged REIT with a total portfolio worth a total of $5.7 billion. The merged entity was also slated to be one of the top 10 largest S-REITs by market capitalisation, with greater index representation on the FTSE EPRA/NAREIT Index. In conjunction with the proposed merger, FLT had also announced the proposed acquisition of 50% interest in Farnborough Business Park (FBP) from a wholly-owned subsidiary of its sponsor Frasers Property for an estimated price tag of £90.1 million ($157.7 million). FBP is a 46.5ha freehold high-quality business park located in the Thames Valley in the United Kingdom. It has a net lettable area of approximately 50,882 sqm, committed occupancy rate of 99.1% and weighted average lease expiry of 6.8 years as at end-September 2019. 99.76% of FLT unitholders had voted in favour of the acquisition.

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	2634.0	▼44.6	▼1.7%	▼11.0%	▼19.0%
SG Mid Cap	721.2	▼6.4	▼0.9%	▼2.3%	▼17.2%
SG Catalist	212.6	▼4.7	▼0.7%	▼2.2%	▼22.9%
SG Small Cap	335.8	▼5.1	▼1.5%	▼0.1%	▼15.5%

Price Chart





Capital Market News

RedDoorz cut close to 50 employees in 'appraisal' exercise

Singapore-based budget hotel operator RedDoorz confirmed that it has trimmed nearly 50 employees from its Indonesia office as part of a "periodic staff appraisal exercise" in February. That amounts to 8% of its more than 600-strong Indonesian team. Globally, the laid off employees made up less than 5% of the startup's total workforce. RedDoorz announced that the cuts were in line with usual HR practices. RedDoorz has close to 1,100 employees across four offices in South-east Asia. The move comes as many other startups in the region have likewise cut staff during reorganisation exercises as part of their efficiency drives.