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**ANNUAL GENERAL MEETING TO BE HELD ON 26 APRIL 2022  
RESPONSES TO QUESTIONS RECEIVED FROM SHAREHOLDERS**

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The Board of Directors (the "**Board**") of Sing Investments & Finance Limited (the "**Company**" and together with its subsidiary, the "**Group**") refers to its forthcoming annual general meeting to be held on Tuesday, 26 April 2022 at 3.00 p.m. ("**2022 AGM**") and would like to thank the shareholders of the Company (the "**Shareholders**") for submitting their questions in advance of the 2022 AGM.

The Board wishes to announce the following in response to the queries submitted by the Shareholders which are relevant to the resolutions tabled for approval at the 2022 AGM:

**Question 1**

**In page 5 of the Annual Report 2021 under the section "Dividends", the statement "...significantly higher by 4.4 cents per share, or more than double the 3.6 cents per share dividend for FY2020." requires additional information to provide more accuracy. For FY2020, the Group could have distributed a dividend of at least 6 cents per share, but due to the Monetary Authority of Singapore's mandate for FY2020, the Group was restricted to pay out only a maximum of 60 percent of dividends paid out for FY2019. Could the Board please consider making an addendum to the statement?**

**Company's response**

The Company explained in the Annual Report for the financial year ended 31 December 2020 ("**FY2020**") and elaborated on page 42 of the Annual Report for the financial year ended 31 December 2021 ("**FY2021**"), extracted below for ease of reference, for the lower dividend payout for FY2020.

*Extracted from page 42 of FY2021 Annual Report:*

"SIF registered a record net profit after tax of \$31.4 million in the year 2021, 60% higher compared to a year ago. With the strong financial performance, the Board is pleased to recommend a first and final dividend of 8 cents per share for the financial year 2021, 4.4 cents higher than last year when MAS called on the Singapore banks and finance companies to cap dividends for capital preservation. The proposed dividends are subjected to approval by shareholders at the coming Annual General Meeting."

Given the above, the Company believes that an addendum is not necessary.

**Question 2**

**It is good to see active renewal/succession (and also introduction of women) to the Board, a warm welcome to Ms. Quan Wai Yee as a director. In the SGX submission of her credentials in April last year (2021), it was mentioned that the Company that Ms. Quan previously worked for (BSI Bank Ltd) was investigated for breaches of anti-money laundering requirements in 2016. It was also mentioned that Ms. Quan was not involved in the investigation. Was her division involved in the**

investigation?

### **Company's response**

Ms Quan confirmed that neither she nor her division was involved in the investigations by any of the relevant authorities, regulatory or otherwise. The Company notes that it had in its 27 April 2021 announcement on the appointment of Ms Quan, indicated as additional information to item (j)(i) that "Ms Quan was employed by BSI Bank Limited which was previously investigated for breaches of anti-money laundering requirements in 2016. Ms Quan held the position of a senior employee in the credit solutions division which was not involved in the investigation".

### **Question 3**

**Can the Board and management provide dividend policy moving forward? How many % of profit will pay out as dividend?**

### **Company's response**

Please see the Company's response to Question 4 below.

### **Question 4**

**I refer to the proposed dividends of 8 cents for the year 2021 which looks like a huge increase from 3.6 cents for 2020. It must be noted however that the 2020 dividends cut was due to regulatory guidance.**

**In effect, shareholders are getting less than the average dividends for the past 2 years. I append the following figures for your easy reference:**

<b>Year</b>	<b>EPS(cts)</b>	<b>DPS(cts)</b>
<b>2021</b>	<b>19.94</b>	<b>8.0</b>
<b>2020</b>	<b>12.44</b>	<b>3.6</b>
<b>2019</b>	<b>12.70</b>	<b>6.0</b>
<b>2018</b>	<b>15.24</b>	<b>7.0</b>
<b>2017</b>	<b>14.40</b>	<b>7.0</b>

**Looking at the strong balance sheets of the Company for decades, I am at a loss to explain why we can't have a fairer or clearer dividends policy.**

**I understand and accept that if conditions deteriorate or if the Company needs to retain earnings for greater purposes, they should do it.**

**I propose that the Company fix the dividend payout ratio to at least 50% of the earnings per share. This will definitely not compromise the financial health of the Company.**

**At the same time, it gives greater clarity and fairness to loyal and long term shareholders. All the banks and a lot of companies are already fixing the payout ratios and please enlighten me why we cannot do the same.**

### **Company's response**

The Company has a general dividend policy, i.e. the Board will evaluate and pay dividends to Shareholders at a sustainable rate that balances returns to Shareholders while maintaining a solid financial position and compliance with regulatory standards of capital requirements.

The Board will recommend dividends to be paid to Shareholders taking into consideration the following factors:

- The Group's financial results;
- Compliance with regulatory capital requirements;
- Sufficiency of retained earnings and reserves for capital expenditure, such as investment in technology, and business operations and expansion;
- A fair and sustainable return on investment for the Shareholders;
- The Company's past dividend payment history; and
- Economic and market conditions.

The Company is of the view that the general policy as outlined above has served it well and would continue to do so.

#### **Question 5**

**Can look at some strategies to close the gap between NAV and share price?**

#### **Company's response**

The Board believes in focusing on the fundamentals of the business and generate sustainable returns to shareholders. The Board encourages Shareholders to take a long-term view of their investment in the Company as it continues to build on its capabilities and business operations with a view to enhancing the Company's value.

#### **Questions 6**

**Is there a strategic review done by the board/management? Can provide some guidance on the direction of SIF for the next 5 years?**

#### **Company's response**

Please see the Company's response to Question 7 below.

#### **Questions 7**

**What is the prospect and strategy ahead?**

#### **Company's response**

The Board reviews the Company's strategies regularly. Recognising the immense market competition and customers' needs, the Company will continue to embrace digital transformation as one of its key strategies to remain relevant to our customers and ensure that we continue to be able to serve their needs well.

The Company rolled out its retail app, SIF Mobile, in 2019 and it was the first finance company to do so. The Company has garnered a good customer base actively transacting on this platform. The Company has been working relentlessly amidst the disruption caused by the pandemic to launch another digital channel for corporate customers. At the date of this announcement, the Company has soft-launched a new mobile app with web-based digital tools, SIF BIZ, for its corporate customers. This is another significant milestone in the Company's digital transformation journey.

The Company will continue to forge ahead in its investment in digital transformation in order to deliver

better and more convenient products and services to all its customers.

The Board will also continue to review our strategies regularly.

### **Question 8**

**As one of the smaller listed finance companies in Singapore, how do you think you can compete successfully amidst the changing financial landscape of digitalisation and many new fintech companies.**

### **Company's response**

Indeed, the financial landscape is constantly evolving, especially with digitisation and the emergence of fintech companies. Competition is expected to further intensify. The Company has 50 years of experience serving the financial needs of our individual and corporate customers. We have built up a sizable customer base of both individual and corporate customers, many of whom have been with the Company for a long time. The Company has always placed its customers at the centre of its business and will continue to do so. We are also focused on knowing our customers and their needs and being a relatively small financial institution, we can be more nimble in responding not only to the needs of our customers but also our operating environment.

Over the past few years, the Company has been transforming its business while developing new digital capabilities to better serve our customers. The Company has embraced the "new normal" in the form of the digital financial world, and views this as an opportunity to improve its suite of products and services and delivery channels to remain relevant to its customers and to acquire new ones.

The Company started its digital transformation journey early. The Company has rolled out a retail app in 2019 and soft-launched its SIF BIZ recently (please also see response to Question 7 above). We are also constantly looking for opportunities to develop new products and services to meet our customers' needs. The Company has the capacity to continue to invest in our infrastructure and capabilities given its strong capital position and dedicated and responsive management and staff. We believe that these factors are critical for the Company to thrive in the digital financial world and to protect and grow its existing customer base.

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

Ong Beng Hong  
Joint Company Secretary  
Date: 21 April 2022  
Singapore