

TRAVELODGE DOCKLANDS – EMPHASIS OF MATTER AND BUSINESS UPDATE

The board of directors (the “**Board**”) of the Company wishes to announce that the independent auditor (the “**Auditor**”) of the Company’s subsidiary trusts in Australia (the “**Trusts**”) has included emphasis of matter in its reports on the financial statements of the Trusts for the financial year ended 31 December 2019.

The emphasis of matter highlighted the impact of the COVID-19 outbreak on demand for travel and accommodation services in Australia. This, in turn, would affect the future earnings, cash flow and financial condition of the Trusts’ hotel, Travelodge Docklands, which is classified as an investment property. While the financial impact could not be reasonably determined at the date of its report, the Auditor cautioned that the value of the investment property as at 31 December 2019 might have materially changed by the date of its report. The Auditor further explained that as the COVID-19 outbreak occurred subsequent to the financial year end, no adjustments had been made to the financial statements as at 31 December 2019. The Auditor’s opinion on the financial statements of the Trusts was not modified in respect of the emphasis of matter.

The Board would like to provide an update on the performance of Travelodge Docklands for the quarter ended 31 March 2020 (“**1Q2020**”), which has been adversely impacted by the COVID-19 outbreak and the measures implemented to combat the outbreak. Since mid-March 2020, following the implementation of stringent measures such as closure of borders and shut down of non-essential services in Australia, occupancy rates of the hotel dipped drastically towards the end of March 2020. Average occupancy rate for 1Q2020 stood at about 77% (1Q2019: 95%). Rental income received/ receivable from the hotel dropped by AUD761,000 to about AUD1.19 million for 1Q2020 (1Q2019: AUD1.95 million).

For a one-month period commencing end March 2020, the hotel has secured a self-isolation business contract from the Victorian Government for all the rooms in the hotel which may be subject to further extension.

As the COVID-19 situation is still evolving, the Board is unable to assess its impact on the Company’s consolidated financial results for the financial year ending 31 December 2020. The Board will continue to monitor the development closely and will provide further updates when necessary.

BY ORDER OF THE BOARD
SING HOLDINGS LIMITED

Lee Sze Hao
Chief Executive Officer

Singapore, 19 April 2020