

HD Capital: Insider Moves - Koh Wee Meng raises stakeholdings in Tuan Sing to become significant shareholder

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Koh Wee Meng, chairman of Fragrance **Group**, bought 6.5 million shares in **property** developer Tuan Sing Holdings on the open market at 43.2 cents each on Sept 25. This boosts his stake in Tuan Sing from 4.46% to 5.02%, making him a significant shareholder of the **company**.

Tuan Sing's share price soared to a 52-week high on Sept 29, hitting 47.5 cents, before closing at 45.5 cents. It closed at 44.5 cents on Oct 1. The closing price represents a "still significant" 30.1% discount to Tuan Sing's book value, says OCBC analyst Eli Lee. The discount is broadly in line with peers trading at an average discount of 27.7%. It remains to be seen what Koh intends to do with Tuan Sing, adds Lee.

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In 1H2014 ended June, Tuan Sing posted an 11% fall in earnings to \$19.5 million from a year ago. This came on the back of a 22% fall in revenue to \$142.9 million. Net asset value rose 2% to 65 cents.

On top of its core businesses of developing **residential** and **commercial** projects, Tuan Sing owns the Grand Hyatt Melbourne and the Hyatt Regency Perth in Australia, grouped under its subsidiary Grand **Hotel Group**. In September, it announced the acquisition of the remaining 50% in GHG for A\$12.6 million (\$14 million). GHG posted earnings of \$2.1 million for the six months, up 70% from \$1.2 million a year ago. Both hotels provide 913 rooms in total and have retail and office space totalling 259,100 sq ft. In 2013, they achieved an occupancy rate of 85%.

In Singapore, Tuan Sing's main projects include Cluny **Park** Residence, a 52-unit luxury **residential** development on Cluny **Park** Road, Senett Residence, a 335-unit condominium beside the Pasir Ris MRT Station, as well as Mont Timah, a landed housing development right next to the Bukit Timah Nature Reserve. It is also redeveloping Robinson Towers, a 13-storey **commercial** project in the CBD, which should be completed in 2016.

It has other investments unrelated to real **estate**, including an 80.2% stake in SP Corp, a commodities trading and tyres distribution **firm**, as well as a 97.9% stake in Hypak Sdn Bhd, which makes packaging bags in Malaysia. Tuan Sing also holds a 44.5% stake in Gul Technologies, a print circuit **board** manufacturer, and a 49% stake in Pan-West Ltd, a golf product retailer.

Meanwhile, Dr Jong Hee Sen, chairman and president of International Healthway Corp (IHC), scooped up 12 million shares on the open market at 26.5 cents each on Sept 24. This boosts his stake to 11.53%, which includes deemed stakes held through his shareholdings in Xanery Ltd, his investment vehicle, as well as various nominee accounts.

IHC develops medical assets in Asia Pacific. Its portfolio includes a medical suite and **apartment** complex in Kuala Lumpur, a medical city in Chengdu and a hospital in Wuxi, both of which are in **China**. It also owns several nursing facilities in Hokkaido, Okinawa and Nagano, Japan, as well as a private medical centre in Melbourne.

In 2Q2014 ended June, IHC reported a 91% fall in earnings to \$2.63 million from a year ago, despite revenues rising 14.7% to \$9 million. IHC shares closed at 26.5 cents on Oct 1.

In other trades, investor Eugene Wong snapped up 38,000 shares in private education provider TMC

Education Corp on Sept 17 and 22. Koh Wee Meng's brother Koh Wee Seng, also the CEO of Aspial Corp, **purchased** 373,000 shares in pawn-broking **firm** Maxi-Cash Financial Services on Sept 17 and 18. Kuah Boon Wee, CEO of offshore and gas support **firm** MTQ Corp, bought 71,000 shares from Sept 25 to 29.

CO tusi : Tuan Sing Holdings Ltd

IN i8396 : Diversified Holding Companies | ibcs : Business/Consumer Services

RE austr : Australia | singp : Singapore | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania |
 seasiaz : Southeast Asia

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