



TUAN SING HOLDINGS LIMITED

(Company Registration No. 196900130M)

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UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

Singapore, 26 April 2019 - The Directors of Tuan Sing Holdings Limited (“the Company”) announce the following unaudited results of the Group for the first quarter ended 31 March 2019.

This announcement and the accompanying PowerPoint presentation slides are also available at the Company’s website: <http://www.tuansing.com>.

If you require any clarification on this announcement, please contact Mr Leong Kok Ho, Chief Financial Officer, at e-mail address: leong_kokho@tuansing.com.

Important Notes on Forward-Looking Statements:

All statements other than statements of historical facts included in this news release are or may be forward-looking statements. Forward-looking statements involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of changes of these assumptions, risks, and uncertainties. Examples of these factors include, but not limited to, general industry and economic conditions, interest rate movements, cost of capital and availability of capital, competition from other companies and venues for sale/ manufacture/ distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of the Company on future events. The Company undertakes no obligation to update publicly or revise any forward-looking statements.

TABLE OF CONTENTS

| | Page |
|--|------|
| 1. (A) CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME.. | 1 |
| 1. (B)(I) STATEMENTS OF FINANCIAL POSITION..... | 3 |
| 1. (B)(II) GROUP'S BORROWINGS AND DEBT SECURITIES | 4 |
| 1. (C) CONSOLIDATED STATEMENT OF CASH FLOWS | 5 |
| 1. (D)(I) STATEMENTS OF CHANGES IN EQUITY..... | 7 |
| 1. (D)(II) SHARE CAPITAL..... | 8 |
| 2. AUDIT..... | 9 |
| 3. AUDITORS' REPORT..... | 9 |
| 4. ACCOUNTING POLICIES..... | 9 |
| 5. CHANGES IN ACCOUNTING POLICIES | 9 |
| 6. EARNINGS PER ORDINARY SHARE | 10 |
| 7. NET ASSET VALUE PER ORDINARY SHARE..... | 10 |
| 8. REVIEW OF GROUP PERFORMANCE..... | 11 |
| 9. VARIANCE FROM PROSPECT STATEMENT | 13 |
| 10. OUTLOOK | 14 |
| 11. DIVIDEND..... | 14 |
| 12. SUBSEQUENT EVENT | 15 |
| 13. INTERESTED PERSON TRANSACTIONS | 15 |
| 14. CONFIRMATION PURSUANT TO RULE 720(1) OF THE SGX-ST LISTING MANUAL..... | 15 |
| 15. NEGATIVE CONFIRMATION PURSUANT TO RULE 705(5)..... | 15 |

TUAN SING HOLDINGS LIMITED
UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

1. (A) Consolidated Income Statement and Statement of Comprehensive Income

| | Note | Group First Quarter | | + / (-) % |
|---|------|------------------------|--------------------|--------------|
| | | 31.03.19 \$'000 | 31.03.18 \$'000 | |
| Revenue | | 77,463 | 76,470 | 1 |
| Cost of sales | | (60,946) | (59,881) | 2 |
| Gross profit | | 16,517 | 16,589 | (0) |
| Other operating income | | 388 | 4,964 | (92) |
| Distribution costs | | (1,123) | (557) | 102 |
| Administrative expenses | | (4,855) | (6,202) | (22) |
| Other operating expenses | | (312) | (318) | (2) |
| Share of results of equity accounted investments | | 3,509 | 4,172 | (16) |
| Interest income | | 1,269 | 1,143 | 11 |
| Finance costs | | (13,456) | (10,127) | 33 |
| Profit before tax and fair value adjustments | | 1,937 | 9,664 | (80) |
| Fair value adjustments | | 81 | (67) | nm |
| Profit before tax | | 2,018 | 9,597 | (79) |
| Income tax expenses | | (1,830) | (1,423) | 29 |
| Profit for the period | | 188 | 8,174 | (98) |
| OTHER COMPREHENSIVE INCOME | | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | | |
| Exchange differences on translation of foreign operations | (a) | (2,992) | (3,720) | (20) |
| Share of exchange differences on translation of an equity accounted investment | (a) | (1,536) | (2,278) | (33) |
| Cash flow hedges | | - | 86 | nm |
| Income tax relating to components of other comprehensive loss that may be reclassified subsequently | | - | 22 | nm |
| Other comprehensive loss, net of tax | | (4,528) | (5,890) | (23) |
| Total comprehensive (loss) / income for the period | | (4,340) | 2,284 | nm |
| <i>Profit attributable to:</i> | | | | |
| Owners of the Company | | 157 | 8,159 | (98) |
| Non-controlling interests | | 31 | 15 | 107 |
| | | 188 | 8,174 | (98) |
| <i>Total comprehensive (loss) / income attributable to:</i> | | | | |
| Owners of the Company | | (4,316) | 2,450 | nm |
| Non-controlling interests | | (24) | (166) | (86) |
| | | (4,340) | 2,284 | nm |
| Basic and diluted earnings per share (in cents) | | | | |
| Excluding fair value adjustments | | 0.01 | 0.7 | |
| Including fair value adjustments | | 0.01 | 0.7 | |
| Return on shareholders' funds ^ | | 0.1% | 3.3% | |

nm: not meaningful
^ Return on shareholders' funds = net profit attributable to shareholders / average shareholders' funds over the year

TUAN SING HOLDINGS LIMITED
UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

Profit has been arrived at after crediting / (charging) the following:

| | Note | Group | | + / (-) % |
|--|------|--------------------|--------------------|--------------|
| | | First Quarter | | |
| | | 31.03.19 \$'000 | 31.03.18 \$'000 | |
| Depreciation of property, plant and equipment [included in cost of sales, distribution costs, administrative expenses] | | (1,996) | (2,204) | (9) |
| Net gain on disposal of a subsidiary [included in other operating (expenses) / income] | (b) | - | 3,893 | nm |
| Allowance for doubtful trade and other receivables, net [included in other operating income / (expenses)] | | (92) | (301) | (69) |
| Net loss on disposal of an investment property [included in other operating expenses] | (c) | (48) | - | nm |
| Foreign exchange gain, net [included in other operating income] | | 174 | 343 | (49) |
| Write-back of allowance for diminution in value for development properties, net [included in cost of sales, other operating expenses, other operating income] | (d) | - | 319 | nm |

Explanatory notes

- (a) Exchange differences on translation of foreign operations recorded losses for both 1Q2019 and 1Q2018. The translation losses for both periods were due mainly to the depreciation of the Australian Dollar (“AUD”) and the United States Dollar (“USD”) against the Singapore Dollar (“SGD”).
- (b) Net gain on disposal of a subsidiary for 1Q2019 was nil as compared to \$3.9 million in 1Q2018, a decrease of \$3.9 million. The decrease was due to the absence of a one-off \$3.9 million gain from the divestment of a subsidiary in China in 1Q2018.
- (c) Net loss on disposal of an investment property for 1Q2019 was \$48,000 as compared to nil in 1Q2018, an increase of \$48,000. The loss in 1Q2019 was mainly attributed to the transaction cost incurred due to the completion of the collective sale of Century Warehouse, whereas the fair value gain was already reflected in 4Q2018.
- (d) Write-back on allowance for diminution in value for development properties for 1Q2019 was nil as compared to \$319,000 in 1Q2018, a decrease of \$319,000. There is no additional allowance or write-back required on allowance for 1Q2019 as allowance for diminution in value for development properties has been assessed to be adequate.

TUAN SING HOLDINGS LIMITED
UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

1. (B)(I) Statements of Financial Position

| | Note | Group | | Company | |
|--|------|--------------------|--------------------|--------------------|--------------------|
| | | 31.03.19 \$'000 | 31.12.18 \$'000 | 31.03.19 \$'000 | 31.12.18 \$'000 |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and bank balances | | 184,919 | 133,007 | 29,586 | 25,165 |
| Trade and other receivables | | 81,427 | 76,142 | 416 | 347 |
| Amounts due from subsidiaries | | - | - | 392,593 | 400,312 |
| Inventories | | 2,716 | 2,792 | - | - |
| Development properties | | 352,267 | 358,530 | - | - |
| Contract assets | | 17,712 | 13,517 | - | - |
| Contract costs | | 349 | 757 | - | - |
| Assets classified as held for sale | | - | 42,040 | - | - |
| Total current assets | | 639,390 | 626,785 | 422,595 | 425,824 |
| Non-current assets | | | | | |
| Property, plant and equipment | | 418,846 | 425,944 | 63 | 67 |
| Right-of-use assets | | 23 | - | - | - |
| Investment properties | | 1,740,474 | 1,742,662 | 498 | 498 |
| Investments in subsidiaries | | - | - | 735,339 | 733,800 |
| Investments in equity accounted investees | | 122,628 | 117,914 | - | - |
| Deferred tax assets | | 2,104 | 2,135 | - | - |
| Contract assets | | 1,948 | 1,934 | - | - |
| Other non-current assets | | 12 | 12 | - | - |
| Total non-current assets | | 2,286,035 | 2,290,601 | 735,900 | 734,365 |
| Total assets | | 2,925,425 | 2,917,386 | 1,158,495 | 1,160,189 |
| LIABILITIES AND EQUITY | | | | | |
| Current liabilities | | | | | |
| Loans and borrowings | | 905,353 | 884,170 | 79,915 | 79,877 |
| Trade and other payables | | 121,556 | 125,125 | 25,599 | 24,573 |
| Contract liabilities | | 876 | 593 | - | - |
| Amounts due to subsidiaries | | - | - | 297,958 | 308,288 |
| Income tax payable | | 4,199 | 5,317 | - | 14 |
| Total current liabilities | | 1,031,984 | 1,015,205 | 403,472 | 412,752 |
| Non-current liabilities | | | | | |
| Loans and borrowings | | 741,435 | 746,271 | 149,341 | 149,203 |
| Lease liabilities | | 24 | - | - | - |
| Deferred tax liabilities | | 47,570 | 47,073 | - | - |
| Other non-current liabilities | | 368 | 373 | - | - |
| Total non-current liabilities | | 789,397 | 793,717 | 149,341 | 149,203 |
| Total liabilities | | 1,821,381 | 1,808,922 | 552,813 | 561,955 |
| Capital, reserves and non-controlling interests | | | | | |
| Share capital | | 173,945 | 173,945 | 173,945 | 173,945 |
| Treasury shares | | (1,605) | (1,523) | (1,605) | (1,523) |
| Reserves | | 916,713 | 921,030 | 433,342 | 425,812 |
| Equity attributable to owners of the Company | | 1,089,053 | 1,093,452 | 605,682 | 598,234 |
| Non-controlling interests | | 14,991 | 15,012 | - | - |
| Total equity | | 1,104,044 | 1,108,464 | 605,682 | 598,234 |
| Total liabilities and equity | | 2,925,425 | 2,917,386 | 1,158,495 | 1,160,189 |
| Working capital # | | (392,594) | (388,420) | | |
| Total borrowings | | 1,646,788 | 1,630,441 | | |
| Gross gearing (times) ^ | | 1.49 | 1.47 | | |
| Net borrowings ^^ | | 1,461,869 | 1,497,434 | | |
| Net gearing (times) ^ | | 1.32 | 1.35 | | |
| Net asset value per share (in cents) | | 91.8 | 92.2 | | |

Working capital = total current assets - total current liabilities
^ Gross gearing = total borrowings / total equity; Net gearing = net borrowings / total equity
^^ Net borrowings = total borrowings - cash and bank balances

Refer to Note 8(iii) for the review on financial position.

1. (B)(II) Group's Borrowings and Debt Securities

| | Group | | Company | |
|--|------------------|-----------------|-----------------|-----------------|
| | 31.03.19 | 31.12.18 | 31.03.19 | 31.12.18 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Secured borrowings | | | | |
| Amount repayable in one year or less, or on demand | 825,438 | 804,293 | - | - |
| Amount repayable after one year | 592,094 | 597,068 | - | - |
| | 1,417,532 | 1,401,361 | - | - |
| Unsecured borrowings | | | | |
| Amount repayable in one year or less, or on demand | 79,915 | 79,877 | 79,915 | 79,877 |
| Amount repayable after one year | 149,341 | 149,203 | 149,341 | 149,203 |
| | 229,256 | 229,080 | 229,256 | 229,080 |
| Total borrowings | 1,646,788 | 1,630,441 | 229,256 | 229,080 |

The Group's borrowings are secured except for the two series of notes issued under the Medium Term Note Programme ("MTN"). The Group's secured borrowings are applied to financing of development, investment and hotel properties in Singapore and Australia respectively.

Approximately 86% (31 December 2018: 86%) of the Group's borrowings are on floating rates with various tenures, while the remaining 14% (31 December 2018: 14%) are on fixed rates.

SGD denominated borrowings represented approximately 79% (31 December 2018: 79%) of total borrowings; while the remaining were in AUD.

MTN Programme

The Company established a S\$900 million MTN Programme in February 2013 and may issue notes in series in SGD or other currencies.

Series I of S\$80 million were issued on 14 October 2014. They are of five years duration, unsecured, bear a fixed interest rate of 4.50% per annum payable semi-annually in arrear and will mature on 14 October 2019.

Series II of S\$150 million were issued on 5 June 2017. They are of three years duration, unsecured, bear a fixed interest rate of 6.00% per annum payable semi-annually in arrear and will mature on 5 June 2020.

Details of any collateral

The net book value of assets pledged or mortgaged to financial institutions was \$2,517.6 million (31 December 2018: \$2,571.8 million) as at 31 March 2019.

TUAN SING HOLDINGS LIMITED
UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

1. (C) Consolidated Statement of Cash Flows

| | Note | Group | |
|---|------|--------------------|--------------------|
| | | First Quarter | |
| | | 31.03.19 \$'000 | 31.03.18 \$'000 |
| OPERATING ACTIVITIES | | | |
| Profit before tax | | 2,018 | 9,597 |
| <i>Adjustments for:</i> | | | |
| Fair value gain / (loss) | | (81) | 67 |
| Share of results of equity accounted investments | | (3,509) | (4,172) |
| Write-back of allowance for diminution in value for development properties, net | | - | (319) |
| Depreciation of property, plant and equipment | | 1,996 | 2,204 |
| Allowance for doubtful trade and other receivables, net | | 92 | 301 |
| Net gain on disposal of a subsidiary | | - | (3,893) |
| Net loss on disposal of an investment property | | 48 | - |
| Interest income | | (1,269) | (1,143) |
| Finance costs | | 13,456 | 10,127 |
| Operating cash flows before movements in working capital | | 12,751 | 12,769 |
| Development properties less progressive billings receivable | | 7,849 | 4,025 |
| Inventories | | 101 | 77 |
| Trade and other receivables | | (7,985) | 15,301 |
| Trade and other payables | | (10,761) | (17,216) |
| Contract assets | | (4,209) | - |
| Contract costs | | 408 | - |
| Contract liabilities | | 283 | - |
| Cash (used in) / generated from operations | | (1,563) | 14,956 |
| Interest received | | 3,402 | 218 |
| Income tax refund / (paid) | | 705 | (1,574) |
| Net cash from operating activities | | 2,544 | 13,600 |
| INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | | (865) | (888) |
| Proceeds from disposal of property, plant and equipment | | - | 5 |
| Proceeds from sale of an investment property | | 41,992 | - |
| Additions to investment properties | | (980) | (22,086) |
| Acquisition of investment in an associate | | (2,449) | - |
| Proceeds from disposal of a subsidiary | | - | 15,967 |
| Net cash from / (used in) investing activities | | 37,698 | (7,002) |
| FINANCING ACTIVITIES | | | |
| Proceeds from loans and borrowings | | 44,342 | 2,798 |
| Repayment of loans and borrowings | | (23,651) | (757) |
| Interest paid | | (6,586) | (4,487) |
| Bank deposits (pledged) / released as securities for bank facilities | | (1,157) | 628 |
| Purchase of treasury shares | | (82) | - |
| Net cash from / (used in) financing activities | | 12,866 | (1,818) |
| Net increase in cash and cash equivalents | | 53,108 | 4,780 |
| Cash and cash equivalents: | | | |
| At the beginning of the period | | 66,567 | 151,145 |
| Foreign currency translation adjustments | | (3,224) | (794) |
| At the end of the period | (aa) | 116,451 | 155,131 |

Please refer to Note 8(iv) for the review on cash flow.

Explanatory notes

(aa) Cash and cash equivalents

| | Group | |
|---|-----------------|-----------------|
| | 31.03.19 | 31.03.18 |
| | \$'000 | \$'000 |
| Cash and bank balances | 184,919 | 221,141 |
| Less: | | |
| Encumbered fixed deposits and bank balances | (68,468) | (66,010) |
| Cash and cash equivalents per consolidated statement of cash flows | 116,451 | 155,131 |

The Group had cash and cash equivalents of \$116.5 million as at 31 March 2019, as compared to \$155.1 million as at 31 March 2018.

The Group had encumbered fixed deposits and bank balances of \$68.5 million as at 31 March 2019 as compared to \$66.0 million as at 31 March 2018. The encumbered fixed deposits and bank balances are held by banks as security for credit facilities and are excluded from cash and cash equivalents.

The Group had cash placed with banks in China amounting to \$82.6 million (31 March 2018: \$94.6 million); of which, \$64.0 million (31 March 2018: \$64.9 million) was pledged as security for banking facilities in Singapore as at 31 March 2019. The repatriation of such cash into Singapore is subject to Foreign Exchange Control Regulations in China.

TUAN SING HOLDINGS LIMITED
UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

1. (D)(I) Statements of Changes in Equity

The Group

| | Share capital \$'000 | Treasury shares \$'000 | Foreign currency translation account \$'000 | Asset revaluation reserve \$'000 | Other capital reserves \$'000 | Revenue reserve \$'000 | Attributable to owners of the Company \$'000 | Non-controlling interests \$'000 | Total equity \$'000 |
|---|-------------------------|---------------------------|--|-------------------------------------|----------------------------------|---------------------------|---|-------------------------------------|------------------------|
| 2019 | | | | | | | | | |
| At 1 January 2019 | 173,945 | (1,523) | (48,596) | 139,151 | 156,909 | 673,566 | 1,093,452 | 15,012 | 1,108,464 |
| Effects of adopting SFRS(I) 16 | - | - | - | - | - | (1) | (1) | - | (1) |
| At 1 January 2018 (Restated) | 173,945 | (1,523) | (48,596) | 139,151 | 156,909 | 673,565 | 1,093,451 | 15,012 | 1,108,463 |
| Total comprehensive income | | | | | | | | | |
| Loss for the period | - | - | - | - | - | 157 | 157 | 31 | 188 |
| Other comprehensive loss, net of tax | - | - | (4,473) | - | - | - | (4,473) | (55) | (4,528) |
| Total | - | - | (4,473) | - | - | 157 | (4,316) | (24) | (4,340) |
| Transaction with owners, recognised directly in equity | | | | | | | | | |
| Transfer from revenue reserve to other capital reserves | - | - | - | - | 304 | (304) | - | - | - |
| Non-controlling interest arising from acquisition of a subsidiary | - | - | - | - | - | - | - | 3 | 3 |
| Repurchase of shares | - | (82) | - | - | - | - | (82) | - | (82) |
| Total | - | (82) | - | - | 304 | (304) | (82) | 3 | (79) |
| At 31 March 2019 | 173,945 | (1,605) | (53,069) | 139,151 | 157,213 | 673,418 | 1,089,053 | 14,991 | 1,104,044 |
| 2018 | | | | | | | | | |
| At 1 January 2018 | 172,514 | - | (31,038) | 133,756 | 150,662 | 563,698 | 989,592 | 10,627 | 1,000,219 |
| Total comprehensive income | | | | | | | | | |
| Profit for the period | - | - | - | - | - | 8,159 | 8,159 | 15 | 8,174 |
| Other comprehensive (loss) / income, net of tax | - | - | (5,817) | - | 108 | - | (5,709) | (181) | (5,890) |
| Total | - | - | (5,817) | - | 108 | 8,159 | 2,450 | (166) | 2,284 |
| Transaction with owners, recognised directly in equity | | | | | | | | | |
| Transfer from revenue reserve to other capital reserves | - | - | - | - | 1,338 | (1,338) | - | - | - |
| At 31 March 2018 | 172,514 | - | (36,855) | 133,756 | 152,108 | 570,519 | 992,042 | 10,461 | 1,002,503 |

The Company

| | Share capital \$'000 | Treasury shares \$'000 | Other capital reserve \$'000 | Revenue reserve \$'000 | Total equity \$'000 |
|--|-------------------------|---------------------------|---------------------------------|---------------------------|------------------------|
| 2019 | | | | | |
| At 1 January 2019 | 173,945 | (1,523) | 101,264 | 324,548 | 598,234 |
| Profit, representing total comprehensive income for the period | - | - | - | 7,530 | 7,530 |
| Repurchase of shares | - | (82) | - | - | (82) |
| At 31 March 2019 | 173,945 | (1,605) | 101,264 | 332,078 | 605,682 |
| 2018 | | | | | |
| At 1 January 2018 | 172,514 | - | 101,264 | 319,787 | 593,565 |
| Profit, representing total comprehensive income for the period | - | - | - | 12,486 | 12,486 |
| At 31 March 2018 | 172,514 | - | 101,264 | 332,273 | 606,051 |

1. (D)(II) Share Capital

Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding conversion. If any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital

| | The Company | |
|--|----------------------|---------------------------|
| | No. of shares | Amount S\$'000 |
| Balance as at 1 January 2019 | 1,186,404,962 | 173,945 |
| Shares bought back and held as treasury shares | (200,000) | - |
| Balance as at 31 March 2019 | 1,186,204,962 | 173,945 |

Save for the above, there has been no change in the Company's share capital arising from rights issue, bonus issue, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since 31 December 2018, being the end of the preceding period reported on.

There were also no outstanding convertible securities for which shares might be issued as at 31 March 2019 and 31 March 2018.

To show the total number of issued share excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

Total number of issued shares excluding treasury shares as at 31 March 2019 was 1,186,204,962 ordinary shares (31 December 2018: 1,186,404,962 ordinary shares).

A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Treasury Shares

| | The Company | |
|--|----------------------|---------------------------|
| | No. of shares | Amount S\$'000 |
| Balance as at 1 January 2019 | 4,383,400 | 1,523 |
| Shares bought back and held as treasury shares | 200,000 | 82 |
| Balance as at 31 March 2019 | 4,583,400 | 1,605 |

There were no other transfers, disposal or cancellation of treasury shares during the financial period. The Company did not hold any treasury shares as at 31 March 2018.

2. Audit

Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The financial statements have not been audited or reviewed by the Company's external auditors.

3. Auditor's Report

Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

4. Accounting Policies

Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in Item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared with those of the audited financial statements for the financial year ended 31 December 2018.

5. Changes in accounting policies

If there are any changes in the accounting policies and methods of computation including any required by an accounting standards, what has changed as well as the reasons for, and the effect of, the change

(i) SFRS(I) 16 *Leases*

The Group has applied SFRS(I) 16 *Leases* that is effective from 1 January 2019.

SFRS(I) 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance lease, and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The Group and the Company have applied the changes in accounting policies using the modified retrospective approach. The impact of adoption is adjusted against the opening balance of retained earnings on 1 January 2019, which is the date of initial application. Comparatives are not restated.

Refer to Note 1(B)(I) for the right-of-use assets and lease liabilities recognised as at 31 March 2019 as a result of the application of SFRS(I) 16 and refer to Note 1(D)(I) for the impact on opening retained earnings.

(ii) IAS 23

On 6 March 2019, the International Financial Reporting Standards ("IFRS") Interpretation Committee has finalised the agenda decision on IAS 23 *Borrowing Costs – Revenue recognised over time*. It was concluded that borrowing costs would not be capitalised when the borrowings relate to the construction of a residential multi-unit real estate development for which revenue is recognised over time. No adjustments have been made as the Group and Company are in the process of assessing the impact of adoption.

6. Earnings Per Ordinary Share (“EPS”)

| | Group | |
|---|----------------------|-----------------|
| | First Quarter | |
| | 31.03.19 | 31.03.18 |
| (a) Earnings per ordinary share based on the weighted average number of ordinary shares in issue (in cents): | | |
| Excluding fair value adjustments | <u>0.01</u> | <u>0.7</u> |
| Including fair value adjustments | <u>0.01</u> | <u>0.7</u> |
| Weighted average number of ordinary shares in issue (in millions) | <u>1,186.4</u> | <u>1,187.0</u> |
| (b) Earnings per ordinary share based on fully diluted basis (in cents) | | |
| Excluding fair value adjustments | <u>0.01</u> | <u>0.7</u> |
| Including fair value adjustments | <u>0.01</u> | <u>0.7</u> |
| Adjusted weighted average number of ordinary shares (in millions) | <u>1,186.4</u> | <u>1,187.0</u> |

Earnings per ordinary share = Profit attributable to owners of the Company / Weighted average number of shares

There was no outstanding dilutive potential ordinary share. Hence diluted earnings per ordinary share were the same as the earnings per ordinary share for the respective periods.

7. Net Asset Value Per Ordinary Share (“NAV”)

| | Group | | Company | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 31.03.19 | 31.12.18 | 31.03.19 | 31.12.18 |
| Net asset value per ordinary share (in cents) | <u>91.8</u> | <u>92.2</u> | <u>51.1</u> | <u>50.4</u> |
| Total number of issued shares (in millions) | <u>1,186.2</u> | <u>1,186.4</u> | <u>1,186.2</u> | <u>1,186.4</u> |

Net asset value per ordinary share = Equity attributable to owners of the Company / Total number of issued shares

8. Review of Group Performance

The Group operates four business segments, namely Property, Hotel Investments, Industrial Services and Other Investments.

The Group's flagship building, 18 Robinson obtained Temporary Occupation Permit ("TOP") indicating the completion of the previously known Robinson Towers' redevelopment in January 2019. It is expected to generate recurring rental income when the tenancies commence following fitting out periods in 2H2019.

The Group has commenced Additions & Alterations ("A&A") works at 896 Dunearn Road in 1Q2019 and intends on repositioning the property to introduce more lifestyle retail and food & beverage tenancies in the building. This is expected to generate recurring rental income upon completion of the works and commencement of the new tenancies in 2H2019.

The Group completed the acquisition of P.T. Titian Damai Mandiri ("TDM"), an Indonesia company which holds a land allocation letter from Batam Authorities granting TDM the rights to acquire 40 hectares of land in Marina City, Batam in early April 2019.

(i) Financial Performance for 1Q2019

The Group's revenue was \$77.5 million as compared to \$76.5 million in 1Q2018, an increase of \$1.0 million. The increase was due mainly to higher revenue from Property segment, partially offset by lower revenue from Hotels Investment and Industrial Services segments.

Gross profit was \$16.5 million as compared to \$16.6 million in 1Q2018.

Other operating income was \$0.4 million as compared to \$5.0 million in 1Q2018, a decrease of \$4.6 million. The decrease was due mainly to the absence of \$3.9 million gain from divestment of a China subsidiary in 2018.

Distribution costs were \$1.1 million as compared to \$0.6 million in 1Q2018, an increase of \$0.5 million. The increase was due mainly to higher commission and promotional expenses relating to the sale of development property units.

Administrative expenses were \$4.9 million as compared to \$6.2 million in 1Q2018, a decrease of \$1.3 million. The decrease was due mainly to write-back on provision of legal costs relating to a dispute with a contractor.

Other operating expenses of \$0.3 million were comparable with \$0.3 million in 1Q2018.

Share of results of equity accounted investments was \$3.5 million as compared to \$4.2 million in 1Q2018, a decrease of \$0.7 million. The decrease was due mainly to lower contribution from the Group's associate, which recorded lower revenue and higher foreign exchange loss arising from the weakening of the USD against the Renminbi ("RMB").

Interest income was \$1.3 million as compared to \$1.1 million in 1Q2018, an increase of \$0.2 million. The increase was mainly attributable to an increase in interest income by the Group's subsidiary, SP Corporation Limited, which extended a loan to its related party.

Finance costs was \$13.5 million as compared to \$10.1 million in 1Q2018, an increase of \$3.4 million. The increase was due mainly to interest expenses for 18 Robinson. Prior to obtaining TOP, the interest expenses in respect of the borrowing were capitalised. In addition, interest rates on borrowings for other investment properties had increased in the course of the year.

Income tax expense was \$1.8 million as compared to \$1.4 million in 1Q2018, an increase of \$0.4 million. In 1Q2019, the higher tax expense was due mainly to higher taxable income from the Property segment in Singapore, while in 1Q2018, lower tax expense was partially due to no tax provision in relation to a gain arising from the divestment of a China subsidiary.

As a result, the profit attributable to the owners of the Company was \$0.2 million as compared to profit of \$8.2 million in the same period last year, a decrease of \$8.0 million.

(ii) Business Segment

Property segment

Property segment revenue for 1Q2019 was \$26.6 million as compared to \$17.2 million in 1Q2018, an increase of \$9.4 million. The increase was mainly driven by an increase in sales and percentage of completion of development properties. This was partially offset by the decrease in revenue from investment properties due mainly to the commencement of A&A works on 896 Dunearn Road in 1Q2019.

Profit for 1Q2019 was \$0.5 million as compared to \$7.4 million in 1Q2018, a decrease of \$6.9 million. The decrease in profit was due mainly to the absence of \$3.9 million gain arising from the divestment of a China subsidiary, and an increase in finance cost of \$3.2 million, which was due mainly to interest for 18 Robinson being expensed after obtaining TOP in January 2019. Prior to obtaining TOP, interest expenses were capitalised. This was offset by a write-back on provision of legal cost relating to a dispute with a contractor.

Hotels Investment segment

Hotels Investment segment revenue for 1Q2019 was \$26.1 million (or A\$27.0 million) as compared to \$29.2 million (or A\$28.1 million) in 1Q2018, a decrease of \$3.1 million (or A\$1.1 million). The Melbourne hotel performed better with increase in RevPAR and occupancy rate. However, it was offset by the weaker performance of the Perth hotel.

Correspondingly, profit for 1Q2019 was \$1.0 million as compared to \$2.2 million in 1Q2018, a decrease of \$1.2 million. The decrease was due mainly to weaker performance of Perth hotel.

Industrial Services segment

Industrial Services segment revenue for 1Q2019 was \$25.2 million as compared to \$30.4 million in 1Q2018, a decrease of \$5.2 million. The decrease was due mainly to lower revenue from the commodities trading business, arising from lower average selling prices for coal, rubber and aluminium as well as lower sales volume for rubber and aluminium.

Profit for 1Q2019 was \$37,000 as compared to a loss of \$45,000 in the same period last year.

Other Investments segment

Other Investments segment is mainly the Group's 44.48% equity stake in GulTech, a manufacturer and vendor of printed circuit boards. The Group's share of profit in Other Investments segment for 1Q2019 was \$3.3 million as compared to \$4.1 million in 1Q2018. The decrease was due mainly to lower revenue and higher foreign exchange loss arising from the weakening of the USD against the RMB.

1Q2019 versus 1Q2018

| | Property \$'000 | Hotels Investment \$'000 | Industrial Services \$'000 | Other Investments ¹ \$'000 | Corporate and Others ² \$'000 | Inter- Segment Eliminations \$'000 | Total Consolidated \$'000 |
|-----------------------|--------------------|--------------------------------|----------------------------------|---|---|---|---------------------------------|
| 1Q2019 | | | | | | | |
| Revenue | 26,568 | 26,089 | 25,170 | - | 12,815 | (13,179) | 77,463 |
| Profit for the period | 471 | 1,004 | 37 | 3,320 | 5,734 | (10,378) | 188 |
| 1Q2018 | | | | | | | |
| Revenue | 17,178 | 29,206 | 30,422 | - | 17,314 | (17,650) | 76,470 |
| Profit for the period | 7,359 | 2,193 | (45) | 4,105 | 10,283 | (15,721) | 8,174 |

Note:

1. No revenue is reported under "Other Investments" as the Group equity accounts for its investments in GulTech and Pan-West.
2. "Corporate and Others" refers to the aggregation of provision of corporate-level services by the Company to the various subsidiaries and charged as such. They are eliminated at group-level upon consolidation.

(iii) Financial Position and Working Capital

Total assets as at 31 March 2019 was \$2,925.4 million as compared to \$2,917.4 million as at 31 December 2018, an increase of \$8.0 million.

Total liabilities as at 31 March 2019 was \$1,821.4 million as compared to \$1,808.9 million as at 31 December 2018, an increase of \$12.5 million.

As at 31 March 2019, shareholders' fund was \$1,089.1 million as compared to \$1,093.5 million as at 31 December 2018.

The Group's negative working capital of \$392.6 million, as at 31 March 2019, was attributed to secured loans and borrowings of \$825.4 million and MTN (Series I) of \$79.9 million, which amounted to \$905.3 million. The Group is in on-going discussions with bankers to refinance these loans and borrowings.

(iv) Cash Flows

During 1Q2019, net cash generated from operating activities of \$2.5 million arose from profit for the period, after changes in working capital and other adjustments.

Net cash generated from investing activities of \$37.7 million was mainly attributable to the sale proceeds of an investment property in Singapore for \$42.0 million. This was offset by payment for the investment in a stake of 49% in TDM, progress payments for investments properties and purchase of property, plant and equipment.

Net cash generated from financing activities of \$12.9 million was mainly attributable to the net borrowings received of \$20.7 million. This was offset by interest payments of \$6.6 million.

As a result, cash and cash equivalents were \$116.5 million as at 31 March 2019, representing an inflow of \$53.1 million since 31 December 2018.

9. Variance from prospect statement

Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

10. Outlook

A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

As the Group marks its Golden Jubilee in 2019, the Group has embarked on a strategic business transformation to reposition itself from a niche developer to a regional player with value-added opportunities in commercial, residential and hospitality properties in various gateway cities in the Asia-Pacific, with a particular emphasis in Singapore, China, Indonesia and Australia.

The Group has just completed the acquisition of TDM in April 2019. Following the acquisition, the Group holds approximately 125 hectares of land in Marina City, Batam, Indonesia. The Group intends to develop the site into an integrated mixed-development township, comprising hotels with MICE facilities, condotels, retail, tourist facilities and attractions as well as residential properties. Subject to obtaining regulatory approvals, the Group plans to launch the initial phase of the integrated township development comprising condotels, retail outlets, and food & beverage and entertainment spaces in 2019.

In Australia, the Asset Enhancement Initiative (“AEI”) for Fortescue Centre Perth has commenced with the appointment of Multiplex to carry out Early Contractors Involvement Work. The Perth AEI is expected to be completed in 2020. Upon completion, it will be an iconic commercial and retail hub in Perth which will integrate with the Hyatt Regency Perth. Grand Hyatt Melbourne continues to be a leading luxury hotel in Australia, generating recurring income to the Group.

In China, the Group’s investment in the Sanya project has commenced construction work. Upon completion, it will be an iconic landmark project which comprises commercial, residential and retail components and is connected to the Sanya High-Speed Railway Station. It will have a total saleable and leasable area of 2.6 million square feet.

In Singapore, 18 Robinson and 896 Dunearn Road will generate new stream of recurring rental income to the Group beginning in the second half of the year. 18 Robinson has been majority leased including co-working operator, service and technology companies, finance companies and lifestyle tenants. We expect good rental rates and healthy take up because of lower supply of Grade A office buildings in CBD area. The Group will continue to market their residential projects actively, namely Kandis Residence and Mont Botanik Residence.

The outlook for Singapore commercial property market is expected to improve in 2019, with commercial sector continuing to show modest growth amid tighter supply. Analysts expect office rents to grow in 2019, as vacancies tighten amid tight supply and healthy demand, which appears to be well supported by the expansion plans of service and technology companies, as well as co-working operators.

In the region, the Group will continue to seek opportunities, explore potential partnerships and collaborations to grow its portfolio of well-located assets.

11. Dividend

- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been recommended or declared for 1Q2019.

- (b) Interim or final dividend per share

Not applicable.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable.

(d) Date the dividend is payable

Not applicable.

(e) Book Closure Date

Not applicable.

If no dividend has been declared (recommended), a statement to that effect

The Group's practice is to consider declaring dividends on an annual basis. Therefore, there was no interim dividend declared for 1Q2019.

12. Subsequent event

On 8 April 2019, the Group, through its indirect wholly-owned subsidiary, Lachenalia Pte. Ltd., has acquired the balance of 51% equity interest in TDM for a cash consideration of Rp26.010 billion (approximates S\$2.41 million). Following the acquisition, TDM becomes an indirect wholly-owned subsidiary of the Group.

13. Interested Person Transactions (“IPTs”)

If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, statement to that effect

The Company did not have a shareholders' general mandate pursuant to Rule 920 of the Listing Manual as at 31 March 2019.

14. Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual of SGX-ST.

15. Negative Confirmation Pursuant to Rule 705(5)

We, Ong Beng Kheong and William Nursalim alias William Liem, being two directors of Tuan Sing Holdings Limited (the “Company”), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results of the first quarter ended 31 March 2019 to be false or misleading in any material aspect.

Ong Beng Kheong
Chairman

William Nursalim alias William Liem
Chief Executive Officer

BY ORDER OF THE BOARD

Julie Koh Ngin Joo
Company Secretary
26 April 2019