



PRESS RELEASE

Tuan Sing reports financial performance for 3Q and 9M2019

- *Anticipates recurring rental streams and improved revenue*
- *Refinancing initiatives diversifies funding sources*

Summary of Financial Results for the three-month & nine-month period ended 30 September 2019

	3Q2019	3Q2018	Variance	9M2019	9M2018	Variance
	\$' million	\$' million	%	\$' million	\$' million	%
Net profit attributable to shareholders	0.2	3.8	(95)	1.8	14.9	(88)
Revenue	67.0	94.6	(29)	218.4	252.8	(14)
Earnings per share (cents)	0.02	0.3	(93)	0.2	1.3	(85)

SINGAPORE – [13 November 2019] – SGX Mainboard-listed Tuan Sing Holdings Limited (“Tuan Sing” or the “Group”), a fast-growing, diversified regional real estate company focused on property development and investment, hotel investment and industrial services, today reported its financial results for the quarter ended 30 September 2019 (“**3Q2019**”).

The Group posted net profit attributable to shareholders of \$0.2 million for 3Q2019, declining from \$3.8 million a year ago as a result of lower revenue of \$67 million compared to \$94.6 million in 3Q2018, mainly due to lower revenue contributions from the Industrial Services and Property segments. In addition, an increase in manpower costs and higher interest expense for 18 Robinson led to higher administrative expenses and finance costs, respectively.

Revenue for the nine months ended 30 September 2019 (“**9M2019**”) stood at \$218.4 million, declining from \$252.8 million a year ago on the back of lower revenue from the Hotels Investment and Industrial Services segments, partially offset by improved performance of the Group’s Property segment which saw a \$4 million increase in revenue to \$69.2 million due to higher sales and percentage of completion of development properties in 9M2019. Finance costs increased by \$8.8 million to \$40 million driven by interest expenses for 18 Robinson, contributing to the overall reduction in net profit.

Diversifying Group’s funding sources

As part of the Group’s strategy to improve its working capital position, its wholly-owned subsidiary, Superluck Properties Pte Ltd (“**Superluck**”), on 18 October 2019 issued S\$200 million of 2.80%



senior notes due 2022 under Superluck's new S\$500 million secured multicurrency medium term note ("MTN") programme.

As of 14 October 2019, the Group has also fully redeemed and cancelled its outstanding Series I of S\$80 million 4.5% notes due 2019, which were issued in 2014 under the S\$900 million MTN Programme launched in February 2013.

Including the recent note issue by Superluck, Tuan Sing's completed refinancing of two secured borrowings and repayment of its MTN Series I notes have substantially reduced its current secured borrowings to date. Had these transactions been completed by 30 September 2019, current borrowings would have been reduced by \$645.0 million, resulting in the Group having a positive working capital of \$352.6 million, as opposed to the current negative working capital of \$292.4 million.

Property development and investment updates

In Singapore, Tuan Sing expects 18 Robinson, which obtained its Temporary Occupation Permit ("TOP") in January 2019 and has been welcoming tenants since 3Q2019, to generate healthy recurring rental streams with Grade A office rental growth reported to be the strongest in the Shenton Way, Tanjong Pagar and Raffles Place areas. LINK@896, the Group's investment property formerly known as 896 Dunearn Road, is anticipated to complete its ongoing Asset Enhancement Initiative ("AEI") by 4Q2019 with new food and beverage outlets including Burger King and Cedele. Conveniently located beside the King Albert Park MRT Station along the Downtown Line, LINK@896 is expected to bring in recurring revenue for the Group upon the completion of its AEI.

The Group will continue to market its development properties while seeking potential developmental sites cautiously. Kandis Residence, a 130-unit condo development in Sembawang, is estimated to obtain TOP by as early as end-2019, while Peak Residence, formerly known as Peak Court at 333 Thomson Road, is expected to launch in early 2020. The Group's freehold residential development in Bukit Timah, Mont Botanik Residence, will be marketed as a premium freehold condominium.

In Australia, Tuan Sing's Hotels Investment segment will continue to bring in income with more contribution expected from the continued positive performance of Grand Hyatt Melbourne compared with Hyatt Regency Perth, which operates in a softer market. The Fortescue Centre, adjacent to the Hyatt Regency Perth, is due to commence AEI works with a targeted completion by 1H2021.

In China, construction works have commenced for the Group's 7.8%-owned Sanya project, which will comprise commercial, residential and retail components with connectivity to the Sanya High-Speed Railway Station. Once completed, the development will have a total saleable and leasable area of 2.6 million square feet.



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Tuan Sing remains upbeat on its prospects in Indonesia, where the government intends to build a bridge connecting Batam and Bintan. This will benefit the Group's upcoming integrated mix-development township in Batam, which will feature hotels with Meetings, Incentives, Conferences and Events ("MICE") facilities, condotels, retail outlets, food and beverage, entertainment spaces, tourist facilities and attractions as well as residential properties.

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

Commenting on the latest set of results, Mr William Liem, Chief Executive Officer of Tuan Sing, said, "As Tuan Sing continues to make strides in its transformation journey into a regional real estate player with an expanding foothold in gateway cities of Asia Pacific, we remain positive on the Group's ability to maintain profitability. Coupled with the expected completion of the construction and asset enhancement of some of our properties, we expect an improvement in performance going forward.

Over the last quarter, Tuan Sing forayed into the SGD secured bond market with the successful pricing of its inaugural S\$200 million 2.8% senior secured notes due 2022 against the Group's flagship property, 18 Robinson. This significant milestone not only diversifies the Group's funding sources, but also signals confidence from investors in the quality and potential of 18 Robinson, which will bolster and stabilise our income streams ahead."

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About Tuan Sing Holdings Limited

Tuan Sing Holdings Limited is a fast-growing, diversified regional investment holding company with interests mainly in property development, property investment and hotel ownership. Over the years, the Group has developed a portfolio of strategically located real estate assets in Singapore and across the region, and established a reputation for the delivery of good quality and iconic developments.

In addition, the Group has an 80.2% stake in SGX-ST listed subsidiary, SP Corporation Limited ("SP Corp") and a 97.9% stake in Hypak Sdn Berhad ("Hypak"). SP Corp is primarily engaged in commodities trading, while Hypak is in the business of manufacturing and marketing polypropylene packaging bags in Malaysia.

The Group also holds a 44.5% interest in Gul Technologies Singapore Pte. Ltd., a printed circuit board manufacturer and a 49% stake in Pan-West (Private) Limited, a retailer of golf-related products.

As the Group approaches its Golden Jubilee in 2019, it has embarked on a business transformation to reposition itself from a niche developer to a major regional player with a presence in commercial, residential and hospitality properties in various key Asian cities across Singapore, China, Indonesia



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and Australia. Leveraging on its strengths and track record in property development and investment across a diverse range of property segments, the Group intends to participate in large-scale integrated developments and townships as it enters the next phase of growth.

For more information on Tuan Sing Holdings Limited, please visit <http://www.tuansing.com>.

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Tuan Sing Holdings Limited

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