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**PRESS RELEASE**

**Tuan Sing Reported Lower Revenue & Profit**

**Singapore, 26 January 2017** – Tuan Sing reported lower revenue and profit for both the current quarter and the year ended December 2016 as it has completed all three of its residential developments in Singapore. For the full year 2016, Group revenue was \$404.0 million, a drop of 40% as compared to \$677.1 million last year. Net profit attributable to shareholders dropped 51% to \$33.6 million; from \$68.8 million of last year.

Earnings per share stood at 1.0 cent for the fourth quarter and 2.8 cents for the year, as compared to 1.2 cents and 5.8 cents respectively a year earlier. Net asset value per share was 77.7 cents at 31 December 2016, up from 74.4 cents a year earlier. The directors propose a first and final one-tier tax exempt dividend 0.6 cent per share for 2016, same as in last year.

**Property**

While full year property revenue decreased 68% to \$130.0 million, from \$404.0 million last year, rental income from investment properties of \$17.0 million was comparable to last year. More than 95% of the units in Seletar Park Residence and Sennett Residence units and 55% of the units in Cluny Park Residence had been sold. After providing a fair value loss of \$3.6 million for the unsold units of these projects, profit after tax for the full year was \$3.0 million, down from \$50.4 million a year ago. Property remains an important driver, contributing 32% of the Group's total revenue in 2016.

**Hotels Investment (including properties rental)**

For the full year, Hotels Investment segment recorded A\$136.9 million of revenue, as against A\$140.6 million last year. Non-hotel investment properties recorded a net fair value gain of \$0.3 million in the current year, whereas a net fair value loss of \$9.1 million was recorded a year ago. After deducting lower finance costs and deferred tax provision at the investment holding company level, Hotels Investment contributed a higher profit after tax of \$9.5 million as compared to \$5.2 million last year.

In addition, Hotel properties recorded a net fair value gain of A\$16.2 million, as against last year's A\$22.0 million which is reflected in the Group's balance sheet.

**Industrial Services**

For the full year, Industrial Services recorded higher revenue of \$134.1 million as compared to \$128.3 million last year. Accordingly, profit after tax was 30% higher at \$1.7 million as compared to \$1.3 million last year.

**Other Investment**

For the full year, GulTech reported revenue of US\$244.3 million as compared to the previous year's US\$242.9 million. Profit after tax however increased 28% to US\$28.8 million mainly on account of improved performance from its new Jiangsu Plant. In February 2016, GulTech increased its stake in the Suzhou Plant from 61.4% to 100%. As a result and overall, the Group's share of GulTech's profit (including fair value gain) more than doubled to \$13.6 million; from \$6.7 million in 2015.

**Outlook**

The Group plans to launch "Kandis Residence" in the middle of 2017 and will continue actively to seek well-located sites for residential and commercial development properties in both Singapore and overseas. Hotels Investment is expected to perform satisfactorily and continues to contribute recurring income and cash flow to the Group.

The Group will also continue to invest in other recurring income properties over the next several years. After investing in Robinson Point, the Group has continued to reinvest in Robinson Towers in order to



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improve its recurring income base. Over the next few years, the Group plans to further invest in other recurring income assets including the Perth site which will become a significant and iconic mixed project in Perth. The Group will also invest in other development and recurring income assets overseas.

Barring unforeseen circumstances, the Group is optimistic of achieving a profit for the year 2017.



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### **About Tuan Sing Holdings Limited**

Tuan Sing Holdings Limited was established in 1969 as “Hytex Limited” and listed on the Mainboard of the Singapore Stock Exchange in 1973. It adopted its current name in 1983. Tuan Sing is an investment holding company with interest mainly in property development, property investment and hotel ownership. Headquartered in Singapore, the Group has over 60 subsidiaries and associates serving a broad spectrum of customers through its workforce across the region.

The Property segment focuses on development of and investment in prime residential, commercial and industrial properties. Tuan Sing is a recognised developer in Singapore and China and owns a number of properties in prime areas in Singapore. This is in line with the Group’s strategic direction to continue expanding its property business to spearhead future growth.

The Group’s Hotels Investment is represented by Grand Hotel Group (“GHG”), which owns two five-star hotels in Australia, namely, Grand Hyatt Melbourne and Hyatt Regency Perth. The hotels are managed by Hyatt International and located in prime locations that cater to the business and tourism sectors in Melbourne and Perth.

The Industrial Services segment consists of 80.2%-owned SGX-ST listed subsidiary, SP Corporation Limited (“SP Corp”) and 97.9%-owned Hypak Sdn Berhad (“Hypak”). SP Corp is primarily engaged in commodities trading and tyres distribution. 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. (“GulTech”) and a 49% stake in Pan-West (Private) Limited (“Pan-West”). GulTech is a printed circuit board manufacturer with operations in Singapore and China and Pan-West is a retailer of golf-related products. In line with its strategic direction, the Group is not averse to divesting its investment in these two entities when opportunities arise.

#### **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.

#### **Issued by Tuan Sing Holdings Limited**

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