HIGHLIGHTS OF THE YEAR

DELIVERING OUR STRATEGY

MEETING CHALLENGES, DEVELOPING SOLUTIONS, SHAPING THE FUTURE

"Our objective is to deliver sustainable long-term value for all our stakeholders"

GROWTH IN UNDERLYING PROFITABILITY

- Group posted revenue of $404.0 million and net profit attributable to shareholders of $33.6 million
- All business segments were profitable, led by Hotels Investment
- Robinson Towers, under redevelopment, will contribute positively to both top and bottom lines when it is completed by end 2018

ENHANCED EARNINGS STABILITY

- Hotels investment business has been contributing meaningfully to both top and bottom lines which highlighted our right decision to acquire full ownership of GHG in 2014
- Core assets (development portfolio, investment portfolio and hotel portfolio) constituted majority of the Group's total assets base of $2,123.1 million at end-December 2016
- Focused on maintaining a diversified property portfolio to achieve greater balance in revenues and profitability stream

STRENGTHENED FINANCIAL POSITION

- Managed cash flow proactively – Free cash inflow of $158.9 million during the year; an increase of $11.4 million as compared to last year
- Reduced financial debt – Gross gearing improved to 1.10 times and net gearing to 0.92 times, as compared to last year's 1.25 times and 1.09 times respectively
- Improved loan maturity profile and competitively priced refinancing
- Maintained appropriate capital structure after taking cognizance of a balance between performance, leverage risk and flexibility

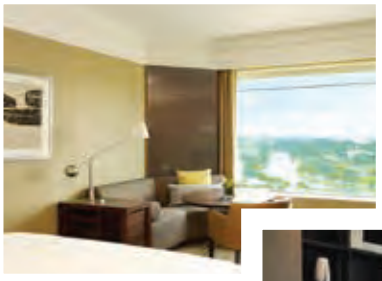
DELIVERED SHAREHOLDERS VALUE

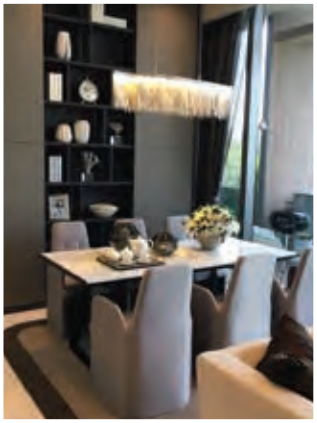
- Shareholders' funds grew 4.9% or $42.6 million to $919.4 million
- Net asset value per share increased in tandem to 77.7 cents
- Recommended dividend for the year of 0.6 cent, the same as last year
- Bought back and cancelled 414,600 shares

GOOD GOVERNANCE

- Moved up to 7th place for Singapore Governance and Transparency Index in 2016

Artist's impression





Core hotel and property businesses have broadened our asset base.

HIGHLIGHTS OF THE YEAR

KEY EVENTS

OUR GROWTH

"Growth is never by mere chance; it is the result of seizing the opportunity and getting it done"

JAN

- Seletar Park Residence obtained its Certificate of Statutory Completion ("CSC")

FEB

- GulTech completed the acquisition of the remaining 38.6% shareholding in Gultech Suzhou it did not already own from an interested party

APR

- Won the bidding for a plot of residential 99-year leasehold land, to be known as "Kandis Residence"

JUN

- Agreed to acquire, subject to conditions precedent, approximately 850,000 sq m of land in Batam, Indonesia with the intention to develop it into an integrated mixed-development township
- Appointment of new Independent and Non-Executive Director, Neo Ban Chuan, on board, following the cessation of Director, Ng Siow How

- Awarded "Best CEO" & "Best Investor Relations (Silver)" from 2016 Singapore Corporate Awards
- Sennett Residence obtained its Temporary Occupation Permit ("TOP")

JUL

- Cluny Park Residence obtained its TOP

AUG

- Ranked 7th amongst 631 listed companies in the Singapore Governance and Transparency Index 2016

OCT

- Cluny Park Residence obtained its CSC
- Establishment of a wholly owned subsidiary – Fuchsia Land Pty Ltd in Australia

DEC

- Celebrated 30th anniversary of Grand Hyatt Melbourne

HIGHLIGHTS OF THE YEAR

KEY FIGURES

REVENUE

$404.0M

Dropped 40% as compared to last year; All the three residential developments in Singapore were completed

PROFIT AFTER TAX

$33.8M

Decreased 51% mainly on the account of lower contribution from Property

CASH AND BANK BALANCES

$163.7M

Increased 15.5% mainly as more cash were received from development properties following their completion

TOTAL BORROWINGS

$1,020.8M

Decreased 7.7% attributable to repayment of certain loans after the completion of development properties

TOTAL ASSETS

$2,123.1M

Decreased 1.8% as there was lower carrying amount of the three development properties

SHAREHOLDERS' FUNDS

$919.4M

Grew 4.9% reflect mainly profit made & revaluation gain on properties

GROSS GEARING

1.10 TIMES

Improved from 1.25 times last year

NET ASSET VALUE PER SHARE

77.7 CENTS

Increased from 74.4 cents a year ago

DIVIDEND YIELD

2.0%

Increased as compared to last year's 1.7%; Dividend yield is defined as dividend per share divided by average share price during the year

MARKET CAPITALISATION

$337.1M

A discount of 63% from the net assets of the Group

GROUP FINANCIAL HIGHLIGHTS

CHALLENGING OPERATING LANDSCAPE & UNCERTAIN GLOBAL ECONOMIC OUTLOOK

"The Group reported lower revenue and profits as all the three development projects were completed during the year"

	2016	2015
FOR THE YEAR ($'000)		
Revenue	404,018	677,122
Revenue (including equity-accounted investees)	750,370	1,023,366
Profit		
– Before tax and fair value adjustments	37,742	88,703
– Before tax	40,078	80,654
– After tax	33,806	69,119
Profit attributable to shareholders		
– Before fair value adjustments	31,336	74,159
– After fair value adjustments	33,585	68,833
Total comprehensive income attributable to shareholders	52,979	78,798
Operating cash flow	190,103	152,303
Free cash flow[1]	158,875	147,447
AT YEAR-END ($'000)		
Total assets	2,123,083	2,162,505
Total liabilities	1,192,627	1,275,048
Total borrowings	1,020,793	1,106,334
Net borrowings	857,105	964,617
Working capital	371,248	61,828
Shareholders' funds	919,422	876,805
Total equity	930,456	887,457
FINANCIAL RATIOS		
Return on assets[2]	1.6%	3.1%
Return on shareholders' funds[3]	3.7%	8.2%
Return on total equity		
– Before tax and fair value adjustments	4.2%	10.4%
– Before tax	4.4%	9.5%
– After tax	3.7%	8.1%
Debt-equity ratio[4]		
– Gross gearing	1.10X	1.25X
– Net gearing	0.92X	1.09X
SHAREHOLDERS' RETURN		
Earnings per share (cents)		
– Before fair value adjustments	2.7	6.3
– After fair value adjustments	2.8	5.8
Net asset value per share (cents)	77.7	74.4
Proposed first and final dividend per share (cent)	0.6	0.6
Total dividend payout ($'000)	7,097	7,073
Dividend payout ratio[5]	22.6%	9.5%
Dividend yield[6]	2.0%	1.7%

Definitions:

1. Free cash flow = operating cash flow + investing cash flow
2. Return on assets = profit after tax/ average total assets
3. Return on shareholders' funds = profit attributable to shareholders/average shareholders' funds
4. Gross gearing = total borrowings/total equity; Net gearing = net borrowings/ total equity
5. Dividend payout ratio = total dividend payout/profit before fair value adjustments attributable to shareholders
6. Dividend yield = dividend per share/ average share price during the year

HIGHLIGHTS OF THE YEAR

GROUP QUARTERLY RESULTS

FIRST QUARTER

For the first quarter, the Group reported revenue of $105.5 million as compared to $155.3 million reported in the same quarter last year. Profit before tax stood at $12.1 million. Net profit attributable to shareholders was $9.6 million as compared to $15.9 million in the first quarter last year. Lower revenue and profit for the quarter was due mainly to Seletar Park Residence project having obtained its Certificate of Statutory Completion in the quarter. Earnings per share came in at 0.8 cent, down from 1.4 cents a year earlier.

SECOND QUARTER

For the second quarter, the Group reported revenue of $106.6 million as compared to $194.1 million reported in the same quarter last year. Profit before tax and fair value adjustments dropped by 79% to $5.5 million as compared to $27.0 million posted in the same quarter last year. Net profit attributable to shareholders was down 77% to $5.1 million as compared to $22.3 million reported in the second quarter a year ago. There was lower revenue and profit recognised from Seletar Park Residence and Sennett Residence. Sennett Residence obtained its Temporary Occupation Permit ("TOP") in this quarter. Earnings per share stood 0.4 cent for the second quarter, down from 1.9 cents a year earlier.

THIRD QUARTER

For the third quarter, Group's revenue decreased 51% to $90.3 million as compared to $184.3 million reported in the same quarter last year. Net profit attributable to shareholders dropped 60% to $6.4 million from $16.2 million in same quarter last year. Lower revenue and profit recognised in this quarter was a reflection of the completion of the Seletar Park Residence and Sennett Residence projects. Cluny Park Residence obtained its TOP in this quarter. Earnings per share stood at 0.5 cent for third quarter as compared to 1.4 cents a year earlier.

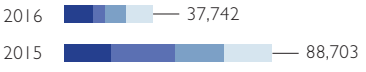
2016	1Q	2Q	3Q	4Q	Total
GROUP QUARTERLY RESULTS ($'000)					
Revenue	105,462	106,573	90,275	101,708	404,018
Profit					
– Before tax and fair value adjustments	11,999	5,549	8,710	11,484	37,742
– Before tax	12,095	5,575	8,725	13,683	40,078
– After tax	9,619	5,114	6,580	12,493	33,806
Profit attributable to shareholders	9,562	5,137	6,425	12,461	33,585
Earnings per share (cents)	0.8	0.4	0.5	1.0	2.8

2015	1Q	2Q	3Q	4Q	Total
GROUP QUARTERLY RESULTS ($'000)					
Revenue	155,298	194,066	184,337	143,421	677,122
Profit					
– Before tax and fair value adjustments	20,131	27,048	21,252	20,272	88,703
– Before tax	20,316	27,047	21,167	12,124	80,654
– After tax	15,945	22,331	16,281	14,562	69,119
Profit attributable to shareholders	15,936	22,311	16,184	14,402	68,833
Earnings per share (cents)	1.4	1.9	1.4	1.2	5.8

Note: Discrepancy in the values or percentages in the above tables, if any, is due to rounding.

REVENUE ($'000)

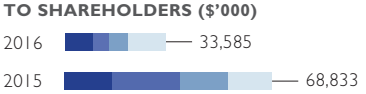
PROFIT BEFORE TAX AND FAIR VALUE ADJUSTMENTS ($'000)



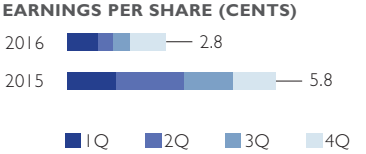
FOURTH QUARTER

For the fourth quarter 2016, the Group reported revenue of $101.7 million, a drop of 29% as compared to last year same quarter of $143.4 million. Net profit attributable to shareholders fell 13% to $12.5 million as compared to the same quarter last year; included therein was a fair value gain for investment properties of $2.2 million. Last year, there was a fair value loss of $7.9 million. Earnings per share came in at 1.0 cent for the fourth quarter as compared to 1.2 cents a year earlier.

PROFIT ATTRIBUTABLE TO SHAREHOLDERS ($'000)



EARNINGS PER SHARE (CENTS)



FIVE-YEAR PERFORMANCE

STAYING RESILIENT IN TIME OF CHANGES

"Property remains an important driver for revenue"

	2016	2015	2014	2013	2012
FOR THE YEAR ($'000)					
Revenue	404,018	677,122	354,765	302,273	371,847
Profit before tax	40,078	80,654	75,973	62,769	123,843
Income tax	(6,272)	(11,535)	(14,387)	(9,715)	(6,036)
Profit after tax	33,806	69,119	61,586	53,054	117,807
Profit attributable to:					
Shareholders of the Company	33,585	68,833	61,169	52,000	109,532
Non-controlling interests	221	286	417	1,054	8,275
	33,806	69,119	61,586	53,054	117,807
AT YEAR-END ($'000)					
Property, plant and equipment	419,278	395,149	397,886	3,504	4,651
Investment properties	1,108,652	1,076,909	1,082,932	824,125	436,425
Development properties	183,232	336,132	414,153	404,285	442,807
Investments in equity-accounted investees	83,579	71,511	62,981	208,159	210,298
Cash and bank balances	163,688	141,717	252,270	276,872	211,664
Other assets	164,654	141,087	96,100	66,366	69,384
Total assets	2,123,083	2,162,505	2,306,322	1,783,311	1,375,229
Shareholders' funds	919,422	876,805	802,918	749,681	707,629
Non-controlling interests	11,034	10,652	10,129	9,524	12,932
Total borrowings	1,020,793	1,106,334	1,344,872	917,656	560,595
Other liabilities	171,834	168,714	148,403	106,450	94,073
Total liabilities and equity	2,123,083	2,162,505	2,306,322	1,783,311	1,375,229
FINANCIAL RATIOS					
Return on assets[1]	1.6%	3.1%	3.0%	3.4%	8.8%
Return on shareholders' funds[2]	3.7%	8.2%	7.9%	7.1%	16.6%
Interest coverage ratio[3]	2.2X	3.1X	5.1X	6.2X	14.0X
Interest coverage ratio[3] – before fair value adjustments	2.1X	3.3X	4.7X	3.7X	6.7X
Gross gearing[4]	1.10X	1.25X	1.65X	1.21X	0.78X
Net gearing[5]	0.92X	1.09X	1.34X	0.84X	0.48X
SHAREHOLDERS' RETURN					
Earnings per share (cents)	2.8	5.8	5.2	4.5	9.5
Net asset value per share (cents)	77.7	74.4	68.3	63.9	60.9
Dividend per share (cent)	0.6	0.6	0.5	0.5	0.5
Total dividend payout ($'000)	7,097	7,073	5,881	5,864	5,806

Definitions:

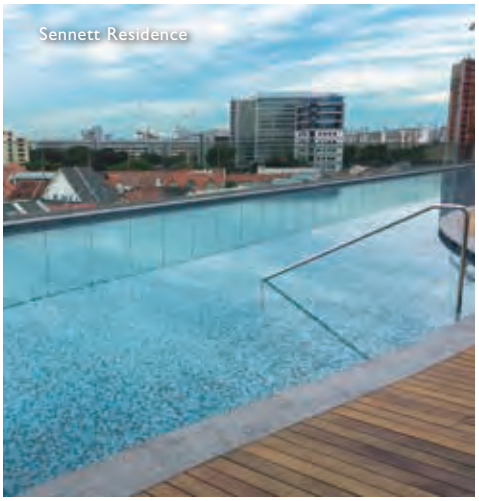
1. Return on assets = profit after tax/ average total assets
2. Return on shareholders' funds = profit attributable to shareholders/ average shareholders' funds
3. Interest coverage ratio = profit before interest & tax/interest on borrowings including amounts capitalised as project costs
4. Gross gearing = total borrowings/ total equity
5. Net gearing = net borrowings/total equity

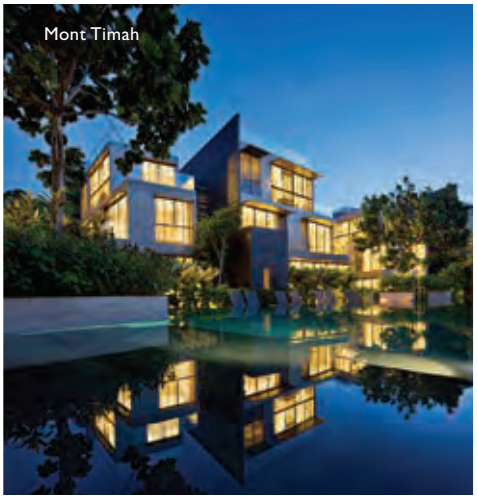
FIVE-YEAR PERFORMANCE – BUSINESS SEGMENT

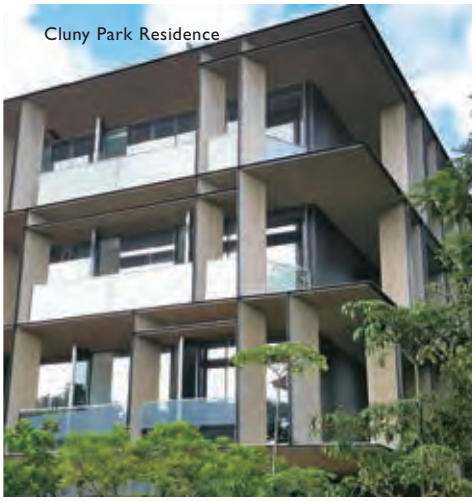
	2016	%	2015	%	2014	%	2013	%	2012	%
REVENUE BY BUSINESS SEGMENT ($'000)										
Property	130,007	32%	404,025	60%	203,022	57%	141,097	46%	188,258	51%
Hotels Investment[1]	140,606	35%	145,479	21%	12,023	3%	–	–	–	–
Industrial Services	134,148	33%	128,342	19%	140,347	40%	162,025	54%	184,420	49%
Corporate and Others	(743)	0%	(724)	0%	(627)	0%	(849)	0%	(831)	0%
Total	404,018	100%	677,122	100%	354,765	100%	302,273	100%	371,847	100%
PROFIT ATTRIBUTABLE TO SHAREHOLDERS BY BUSINESS SEGMENT ($'000)										
Property	3,159	9%	50,440	73%	36,580	60%	36,007	69%	92,789	85%
Hotels Investment[1]	9,501	28%	5,249	8%	12,962	21%	9,139	18%	807	1%
Industrial Services	1,331	4%	999	1%	1,409	2%	1,910	4%	2,026	2%
Other Investments[2]	12,256	37%	6,680	10%	11,539	19%	7,800	15%	13,812	12%
Corporate and Others	7,338	22%	5,465	8%	(1,321)	-2%	(2,856)	-6%	98	0%
Total	33,585	100%	68,833	100%	61,169	100%	52,000	100%	109,532	100%

Notes:

1. Revenue reported under "Hotels Investment" relates to GHG's results after it was 100%-owned on 2 December 2014. Prior to that, the Group equity-accounted for its 50% interest in GHG.
2. No revenue is reported under "Other Investments" as the Group equity accounts for its investment in GulTech and Pan-West.


Sennett Residence


Mont Timah


Cluny Park Residence

Robinson Tower Redevelopment

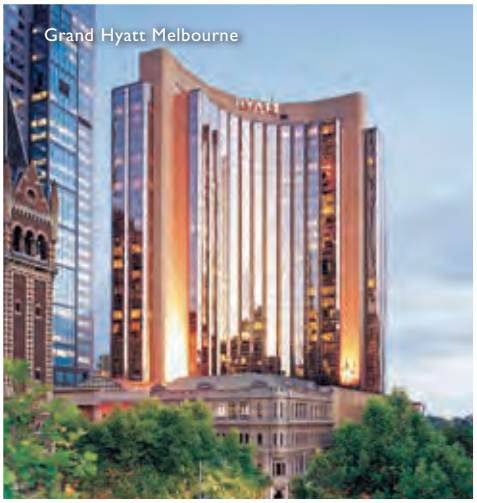
Artist's impression

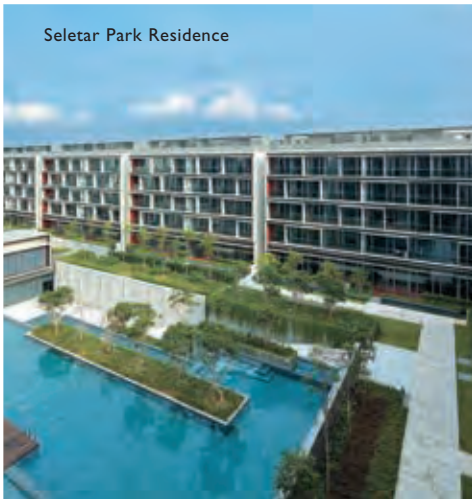
THROUGH THE **YEARS**

Robinson Point

Asset Enhancement Initiative, Perth

Artist's impression


Grand Hyatt Melbourne


Seletar Park Residence

HIGHLIGHTS OF THE YEAR

FIVE-YEAR PERFORMANCE

2016

Revenue from development properties in Singapore have been recognised based on the percentage of completion method. The Group reported lower revenue and profits due to the completion of the various development projects during the year. Revenue for the year was $404.0 million, a drop of 40% as compared to $677.1 million last year. There was a fair value gain for investment properties of $2.2 million as compared to a fair value loss of $7.9 million last year.

Overall, the Group's profit after tax and fair value adjustments was $33.8 million. After accounting for non-controlling interests' share of profit, the Group's net profit attributable to shareholders was $33.6 million. Earnings per share stood at 2.8 cents for the year, as compared to 5.8 cents a year earlier. Net asset value per share was 77.7 cents at 31 December 2016, up from 74.4 cents at 31 December 2015. The Directors proposed a first and final dividend of 0.6 cent per share.

2015

The Group's revenue increased 91% to $677.1 million. Progressive recognition of revenue for units sold at Seletar Park Residence, Sennett Residence and Cluny Park Residence formed the bulk of revenue and profit in 2015. The increase was also boosted by the full-year consolidation of GHG.

Profit before tax and fair value adjustments grew by 28% to $88.7 million despite an allowance for diminution in value of $8.9 million made for development properties in Singapore and China during the year. In addition, a net fair value loss of $8.0 million was recorded mainly for investment properties in Perth amidst a weak macroeconomic environment, mitigated partially by fair value gain in Melbourne which market remain promising.

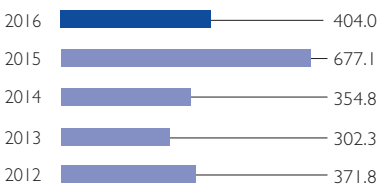
Profit after tax and fair value adjustments rose 12% to $69.1 million. After accounting for non-controlling interests' share of profit, the Group's net profit attributable to shareholders improved 13% to $68.8 million, from $61.2 million reported last year. Earnings per share increased to 5.8 cents for the year, as compared to 5.2 cents a year earlier. Net asset value per share rose to 74.4 cents at 31 December 2015, from 68.3 cents at the previous year-end. The Directors proposed a first and final dividend of 0.6 cent per share.

2014

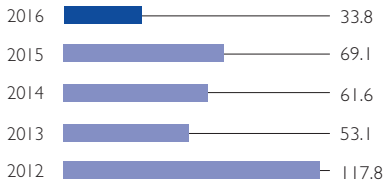
Tuan Sing posted full year revenue of $354.8 million, an increase of 17% over 2013. Increase in revenue was attributable to the progressive recognition for Seletar and Sennett projects and the initial 20% recognition on new bookings at Cluny Park Residence. Full year rental from Robinson Point, acquired in October 2013, also contributed to the increase in revenue. The Group completed its acquisition of the remaining 50% interest in GHG on 2 December 2014. Henceforth, the Group had full ownership and control over GHG and accordingly full consolidation of the financial results of GHG.

Profit before tax and fair value gain increased 96% to $69.5 million. A net fair value gain of $6.5 million was recorded as compared to $27.2 million a year ago. As a result, profit after tax increased at a smaller 16% to $61.6 million. After accounting for non-controlling interests' share of profits, the Group reported a net profit attributable to shareholders of $61.2 million, 18% higher than $52.0 million in the previous year. Full year earnings per share increased to 5.2 cents from 4.5 cents last year. Net asset value per share further advanced to 68.3 cents at 31 December 2014. The Directors proposed a first and final dividend of 0.5 cent per share.

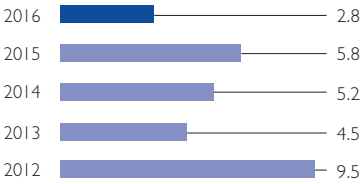
REVENUE ($'M)



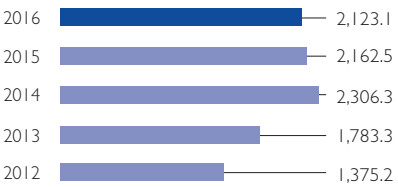
PROFIT AFTER TAX ($'M)



EARNINGS PER SHARE (CENTS)



TOTAL ASSETS ($'M)



FIVE-YEAR PERFORMANCE

2013 Tuan Sing posted full year revenue of $302.3 million. The 19% decrease over 2012 was due to lower contribution from Property and Industrial Services. Revenue from Property declined as Mont Timah and Botanika projects had been fully sold. In addition, there was no rental income from Robinson Towers and International Factors Building since June 2013 as the site was slated for redevelopment. The Group commenced progressive recognition of revenue and profit in Sennett Residence and Cluny Park Residence in the second and third quarter respectively upon buyers' signing the sale and purchase contracts and paying 20% of the contract sum. From the fourth quarter onwards, recognition of revenue and profit on units sold in Seletar Park Residence were based on the percentage of completion method as construction progresses.

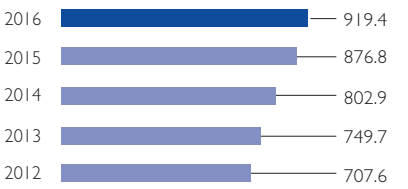
Overall, the Group's full year net profit attributable to shareholders was $52.0 million inclusive of a fair value gain of $27.2 million and a one-time further recognition of losses in Pan-West of $5.9 million. Earnings per share were 4.5 cents for the year as compared to 9.5 cents a year earlier. Net asset value per share rose to 63.9 cents at 31 December 2013, up from 60.9 cents at the previous year-end. The Directors proposed a first and final dividend of 0.5 cent per share.

2012 Tuan Sing posted full year revenue of $371.8 million. The 55% increase over 2011 was attributable to higher development property revenue even though there was lower revenue from Industrial Services. Property contributed 51% of the Group's total revenue as sale rolled in from completed development properties at Botanika, Mont Timah and Lakeside Ville Phase III, and a new project, Seletar Park Residence. From the second quarter, the Group commenced progressive recognition of revenue and profit in Seletar Park Residence upon buyers' signing the sale and purchase contracts and paying 20% of the contract sum.

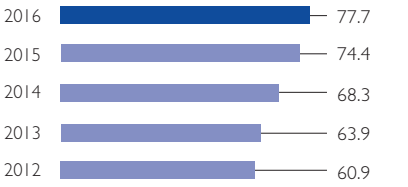
There was also a fair value gain of $67.7 million mainly on investment properties, and better performance from GHG and GulTech over 2011. As a result, the Group's full year net profit attributable to shareholders grew 172% to $109.5 million. Out of which, $92.8 million or 85% was contributed by Property. Earnings per share increased to 9.5 cents for the year, up from 3.5 cents a year earlier. Net asset value per share was 60.9 cents at 31 December 2012, up 16% from 52.7 cents at the previous year-end. The Directors proposed a first and final dividend of 0.5 cent per share. ■

Recharge to the fullest at the 50-metre infinity-edge lap pool at Sennett Residence.

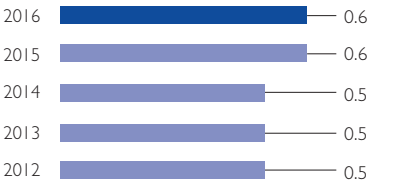
SHAREHOLDERS' FUNDS ($'M)



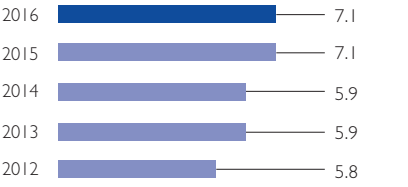
NET ASSET VALUE PER SHARE (CENTS)



DIVIDEND PER SHARE (CENT)



DIVIDEND PAYOUT ($'M)



HIGHLIGHTS OF THE YEAR

PORTFOLIO HIGHLIGHTS

BUILDING ON OUR PROGRESS

"The Group will continue to seek well-located sites for residential and/or commercial developments as well as investment properties to broaden our assets base"

9% DEVELOPMENT PORTFOLIO

839,990 SQ. FT.
of GFA of development properties in Singapore

TARGET
at upper-middle to high income segment

42% INVESTMENT PORTFOLIO

7 INVESTMENT PROPERTIES
in Singapore and China

461,290 SQ. FT.
lettable area lined-up

Mostly **FREEHOLD**

30% HOTEL PORTFOLIO

2 QUALITY HOTELS
in Australia

917 Hotel rooms

284,590 SQ. FT.
retail & office space

>1,600 car park bays

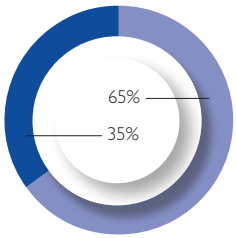
GROUP'S ASSETS VALUE BY PORTFOLIOS IN 2016

PORTFOLIO HIGHLIGHTS

DEVELOPMENT PORTFOLIO IN SINGAPORE

PROPERTY VALUE – $160.5M

BY STAGE

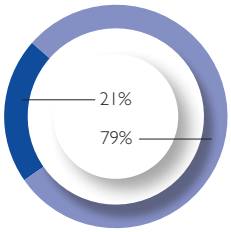


- Completed
- Under development

Property under development pertains to Kandis Residence.

NUMBER OF RESIDENTIAL UNITS – 790 UNITS

BY UNITS SOLD

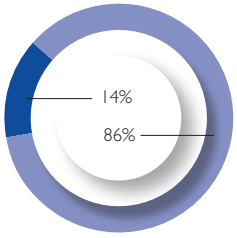


- Sold or booked
- Unsold

The unsold residential units include 130 units from Kandis Residence which have not been launched.

GROSS FLOOR AREA – 839,990 SQ. FT.

BY STAGE



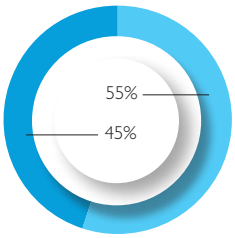
- Completed
- Under development

Property under development pertains to Kandis Residence.

INVESTMENT PORTFOLIO IN SINGAPORE & CHINA

PROPERTY VALUE – $881.3M

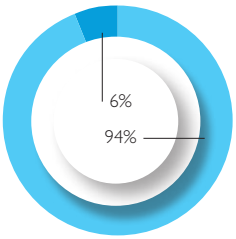
BY STAGE



- Completed
- Under development

PROPERTY VALUE – $881.3M

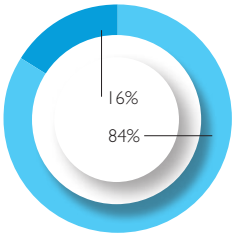
BY STAGE



- Commercial
- Industrial

ESTIMATED LETTABLE/STRATA AREA – 461,290 SQ. FT.

BY TYPE



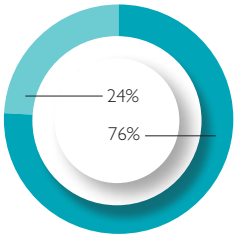
- Commercial
- Industrial

Commercial buildings include estimated lettable area of Robinson Tower Redevelopment upon completion.

HOTEL PORTFOLIO (INCLUDING RELATED COMMERCIAL SPACE)

PROPERTY VALUE – A$613.1M

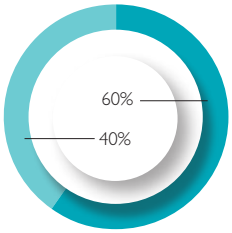
BY LOCATION



- Melbourne
- Perth

NUMBER OF HOTEL ROOMS – 917 ROOMS

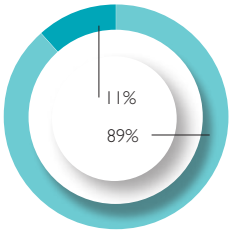
BY LOCATION



- Melbourne
- Perth

COMMERCIAL SPACE BY LETTABLE AREA – 284,590 SQ. FT.

BY LOCATION



- Melbourne
- Perth

Investment properties held by GHG is excluded and presented under "Hotel Portfolio" as an integral part of hotel property.