

# FINANCIAL HIGHLIGHTS

**“Profit attributable to shareholders increased 115% to \$134.4 million”**

FOR THE YEAR (\$'000)	2018	2017 (Restated)
Revenue	336,108	355,964
Revenue (including equity-accounted investees)	799,662	770,884
Profit		
– Before tax and fair value adjustments	25,715	23,191
– Before tax	138,799	68,005
– After tax	134,609	62,744
Profit attributable to shareholders		
– Before fair value adjustments	21,292	17,818
– After fair value adjustments	134,376	62,632
Total comprehensive income attributable to shareholders	122,271	72,078
Operating cash flow	(93,904)	101,515
Free cash flow <sup>1</sup>	(212,919)	(341,293)

## AT YEAR END (\$'000)

Total assets	2,917,386	2,642,485
Total liabilities	1,808,922	1,642,266
Total borrowings	1,630,441	1,458,120
Net borrowings	1,497,434	1,241,277
Working capital	(388,420)	87,700
Shareholders' funds	1,093,452	989,591
Total equity	1,108,464	1,000,219

## FINANCIAL RATIOS

Return on assets (%) <sup>2</sup>	4.8%	2.6%
Return on shareholders' funds (%) <sup>3</sup>	12.9%	6.5%
Return on total equity (%)		
– Before tax and fair value adjustments	2.4%	2.4%
– Before tax	13.2%	7.0%
– After tax	12.8%	6.5%
Debt-equity ratio (times) <sup>4</sup>		
– Gross gearing	1.47X	1.46X
– Net gearing	1.35X	1.24X

## SHAREHOLDERS' RETURN

Earnings per share (cents)		
– Before fair value adjustments	1.9	1.8
– After fair value adjustments	11.3	5.3
Net asset value per share (cents)	92.2	83.4
Proposed first and final dividend per share (cent)	0.6	0.6
Proposed special dividend per share (cent)	0.3	–
Total dividend payout (\$'000)	10,678	7,122
Dividend payout ratio <sup>5</sup>	50.2%	40.0%
Dividend yield <sup>6</sup>	2.2%	1.7%

### Definitions:

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

## QUARTERLY RESULTS

### FIRST QUARTER

For the first quarter ("1Q"), the Group reported revenue of \$76.5 million, an increase of 2% as compared to \$74.8 million in 1Q2017. The increase was mainly attributable to higher revenue recorded in Industrial Services segment. Net profit attributable to shareholders was \$8.2 million, an increase of \$2.9 million or 53% as compared with \$5.3 million in 1Q2017. The increase mainly arose from a one-off \$3.9 million gain on divestment of a subsidiary in China. Earnings per share stood at 0.7 cent for the first quarter as compared to 0.4 cent a year earlier.

### SECOND QUARTER

For the second quarter ("2Q"), the Group reported revenue of \$81.7 million, a decrease of 3% as compared to \$84.1 million in 2Q2017. The decrease was mainly due to lower sales of residential development projects and lower revenue from the hotels business, partially offset by higher revenue from the Industrial Services segment. Net profit attributable to shareholders was \$3.0 million, an increase of \$1.2 million or 70% as compared with \$1.8 million in 2Q2017. The increase mainly arose from a one-off \$3.9 million gain on divestment of a subsidiary in China. Earnings per share stood at 0.3 cent for the second quarter as compared to 0.2 cent a year earlier.

### THIRD QUARTER

For the third quarter ("3Q"), the Group reported revenue of \$94.6 million, a decrease of 6% as compared to \$101.0 million in 3Q2017. The decrease was mainly due to lower sales of residential development projects and lower contributions from the Group's hotels business. The decrease was partially offset by higher revenue in the Industrial Services segment. Net profit attributable to shareholders was \$3.8 million, a decrease of \$2.0 million or 35% as compared with \$5.8 million in 3Q2017. The decrease was mainly due to the absence of a one-off liquidated damages of \$2.9 million received in 3Q2017. Earnings per share stood at 0.3 cent for the third quarter as compared to 0.5 cent a year earlier.

### FOURTH QUARTER

For the fourth quarter ("4Q"), the Group reported revenue of \$83.3 million, a decrease of 13% as compared to \$96.1 million in 4Q2017. The decrease was mainly due to lower sales of residential development projects and a decrease of revenue from the hotels business. Net profit attributable to shareholders was \$119.5 million, an increase of \$69.7 million or 140% as compared with \$49.8 million in 4Q2017. The increase was mainly attributable to a higher fair value gain of \$68.6 million arising from the revaluation of investment properties. Earnings per share stood at 10.0 cents for the fourth quarter as compared to 4.2 cents a year earlier.

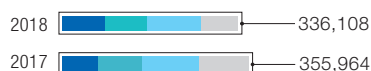
2018 QUARTERLY RESULTS (\$'000)	1Q	2Q	3Q	4Q	TOTAL
Revenue	76,470	81,663	94,646	83,329	336,108
Profit					
– Before tax and fair value adjustments	9,664	4,309	5,174	6,568	25,715
– Before tax	9,597	4,178	5,207	119,817	138,799
– After tax	8,174	3,082	3,846	119,507	134,609
Profit attributable to shareholders	8,159	2,985	3,767	119,465	134,376
Earnings per share (cents)	0.7	0.3	0.3	10.0	11.3

2017 (RESTATED) QUARTERLY RESULTS (\$'000)	1Q	2Q	3Q	4Q	TOTAL
Revenue	74,796	84,096	101,001	96,071	355,964
Profit					
– Before tax and fair value adjustments	6,282	2,451	7,016	7,442	23,191
– Before tax	6,297	2,331	7,037	52,340	68,005
– After tax	5,253	1,741	5,855	49,895	62,744
Profit attributable to shareholders	5,317	1,757	5,788	49,770	62,632
Earnings per share (cents)	0.4	0.2	0.5	4.2	5.3

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

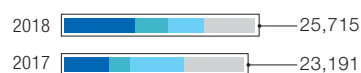
### REVENUE (\$'000)



### PROFIT ATTRIBUTABLE TO SHAREHOLDERS (\$'000)



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



■ 1Q ■ 2Q ■ 3Q ■ 4Q

## FIVE-YEAR PERFORMANCE

“In the region, the Group will continue to identify suitable opportunities to grow its portfolio of well-located assets, and explore meaningful partnerships and collaborations”

	2018	2017 (Restated)	2016 (Restated) <sup>(a)</sup>	2015	2014
<b>FOR THE YEAR (\$'000)</b>					
Revenue	336,108	355,964	404,018	677,122	354,765
Profit before tax	138,799	68,005	40,078	80,654	75,973
Income tax	(4,190)	(5,261)	(6,272)	(11,535)	(14,387)
Profit after tax	134,609	62,744	33,806	69,119	61,586
Profit attributable to:					
Shareholders of the Company	134,376	62,632	33,585	68,833	61,169
Non-controlling interests	233	112	221	286	417
	134,609	62,744	33,806	69,119	61,586

<b>AT YEAR END (\$'000)</b>					
Property, plant and equipment	425,944	446,749	422,921	395,149	397,886
Investment properties	1,742,662	1,592,687	1,108,652	1,076,909	1,082,932
Development properties	358,530	188,680	183,232	336,132	414,153
Investments in equity-accounted investees	117,914	93,185	83,579	71,511	62,981
Cash and bank balances	133,007	216,843	163,688	141,717	252,270
Other assets	139,329	104,341	164,991	141,087	96,100
Total assets	2,917,386	2,642,485	2,127,063	2,162,505	2,306,322
Shareholders' funds	1,093,452	989,591	923,402	876,805	802,918
Non-controlling interests	15,012	10,628	11,034	10,652	10,129
Total borrowings	1,630,441	1,458,120	1,020,793	1,106,334	1,344,872
Other liabilities	178,481	184,146	171,834	168,714	148,403
Total liabilities and equity	2,917,386	2,642,485	2,127,063	2,162,505	2,306,322

### FINANCIAL RATIOS

Return on assets <sup>1</sup>	4.8%	2.6%	1.6%	3.1%	3.0%
Return on shareholders' funds <sup>2</sup>	12.9%	6.5%	3.7%	8.2%	7.9%
Interest coverage ratio <sup>3</sup>	3.7X	2.7X	2.2X	3.1X	5.1X
Interest coverage ratio <sup>3</sup> – before fair value adjustments	1.4X	1.5X	2.1X	3.3X	4.7X
Gross gearing <sup>4</sup>	1.47X	1.46X	1.09X	1.25X	1.65X
Net gearing <sup>5</sup>	1.35X	1.24X	0.92X	1.09X	1.34X

### SHAREHOLDERS' RETURN

Earnings per share (cents)	11.3	5.3	2.8	5.8	5.2
Net asset value per share (cents)	92.2	83.4	78.1	74.4	68.3
Dividend per share <sup>6</sup> (cent)	0.9	0.6	0.6	0.6	0.5
Total dividend payout (\$'000)	10,678	7,122	7,097	7,073	5,881

#### Definitions:

- Return on assets = profit after tax/average total assets
- Return on shareholders' funds = profit attributable to shareholders/average shareholders' funds
- Interest coverage ratio = profit before interest & tax/interest on borrowings including amounts capitalised as project costs
- Gross gearing = total borrowings/total equity
- Net gearing = net borrowings/total equity
- Dividend per share for FY2018 includes an additional special dividend of 0.3 cent per share

(a) Statement of Financial Position as at 1 January 2017 was restated with the transition to SFRS(I).

## FIVE-YEAR PERFORMANCE

### FIVE-YEAR PERFORMANCE – BUSINESS SEGMENT

	2018	%	2017 (Restated)	%	2016	%	2015	%	2014	%
<b>REVENUE BY BUSINESS SEGMENT (\$'000)</b>										
Property	83,019	25%	101,345	28%	148,899	37%	422,750	62%	203,022	57%
Hotels Investment <sup>1</sup>	109,714	32%	119,750	34%	121,749	30%	126,788	19%	12,023	3%
Industrial Services <sup>3</sup>	144,828	43%	136,119	38%	134,148	33%	128,342	19%	140,347	40%
Corporate and Others <sup>4</sup>	(1,453)	*	(1,250)	*	(778)	*	(758)	*	(627)	*
<b>Total</b>	<b>336,108</b>	<b>100%</b>	<b>355,964</b>	<b>100%</b>	<b>404,018</b>	<b>100%</b>	<b>677,122</b>	<b>100%</b>	<b>354,765</b>	<b>100%</b>
<b>PROFIT ATTRIBUTABLE TO SHAREHOLDERS BY BUSINESS SEGMENT (\$'000)</b>										
Property	127,504	95%	55,340	88%	13,124	39%	50,747	74%	36,580	60%
Hotels Investment <sup>1</sup>	4,954	4%	4,730	8%	6,675	20%	9,531	14%	12,962	21%
Industrial Services <sup>3</sup>	853	1%	307	*	1,331	4%	999	1%	1,409	2%
Other Investments <sup>2</sup>	19,301	14%	15,966	25%	12,256	36%	6,680	10%	11,539	19%
Corporate and Others <sup>4</sup>	(18,236)	(14%)	(13,711)	(21%)	199	1%	876	1%	(1,321)	(2%)
<b>Total</b>	<b>134,376</b>	<b>100%</b>	<b>62,632</b>	<b>100%</b>	<b>33,585</b>	<b>100%</b>	<b>68,833</b>	<b>100%</b>	<b>61,169</b>	<b>100%</b>

\* Less than 1%

#### Notes:

- Revenue reported under "Hotels Investment" relates to Grand Hotel Group's results after it became 100%-owned on 2 December 2014. Before that, the Group equity accounted for its 50% interest in Grand Hotel Group.
- No revenue is reported under "Other Investments" as the Group equity accounts for its investment in Gul Technologies Singapore Pte. Ltd., Pan-West (Private) Limited and Sanya Summer Real Estate Co. Ltd..
- The Tyre Distribution Unit included in the "Industrial Services" Segment discontinued its operations as at 31 December 2017. The discontinued operations contributed revenue of \$6.7 million (2016: \$16.3 million), gross profit of \$1.0 million (2016: \$2.6 million), loss before tax of \$1.5 million (2016: \$0.9 million) and loss after tax of \$1.2 million (2016: \$0.7 million) for the year ended 31 December 2017.
- "Corporate and Others" refers to the aggregation of provision of corporate-level services by the Company to various subsidiaries and charged as such. They are eliminated at the Group level upon consolidation.

## FIVE-YEAR PERFORMANCE

2018

Tuan Sing reported revenue of \$336.1 million, down 6%, as compared with \$356.0 million a year earlier. The drop was due to lower sales of residential development projects and a decrease in revenue from the hotels business. Profit after tax and fair value adjustment rose 115% to \$134.6 million. The increase was attributable mainly to a higher fair value gain of \$68.6 million arising from the revaluation of investment properties, as well as a one-off \$3.9 million gain arising from the divestment of a subsidiary in China and higher profits from Gul Technologies Singapore Pte. Ltd., which were offset by the absence of liquidated damages of \$2.9 million received in FY2017. Correspondingly, net profit attributable to shareholders rose 115% to \$134.4 million.

Earnings per share increased to 11.3 cents as compared with 5.3 cents a year earlier. Net asset value per share was 92.2 cents as at 31 December 2018 as compared with 83.4 cents the year before. The Directors proposed a first and final dividend of 0.6 cent per share and a special dividend of 0.3 cent per share.

2017

The Group's revenue was \$356.0 million, a decrease of 12% from \$404.0 million in 2016. Revenue was lower because most of the units of the residential development projects had been sold. Profit after tax and fair value adjustment increased 86% to \$62.7 million, attributable mainly to the \$44.5 million fair value gain on investment properties as compared with \$2.2 million a year earlier. Correspondingly, net profit attributable to shareholders rose 86% to \$62.6 million.

Accordingly, earnings per share increased to 5.3 cents as compared with 2.8 cents a year earlier. Net asset value per share was 83.4 cents as at 31 December 2017 as compared with 78.1 cents the year before. The Directors proposed a first and final dividend of 0.6 cent per share.

2016

Revenue from development properties in Singapore has been recognised based on the percentage-of-completion method. The Group reported lower revenue and profits as various development projects had been completed during the year. Revenue for the year was \$404.0 million, a decrease of 40%, as compared with \$677.1 million a year earlier. There was a fair value gain for investment properties of \$2.2 million as compared with a fair value loss of \$7.9 million the year before.

Overall, the Group's profit after tax and fair value adjustments was \$33.8 million. After netting off non-controlling interests, the Group's net profit attributable to shareholders came to \$33.6 million. Earnings per share stood at 2.8 cents for the year, as compared with 5.8 cents a year earlier. Net asset value per share was 78.1 cents as at 31 December 2016, up from 74.4 cents as 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 accounted for the bulk of revenue and profit in 2015. Overall revenue was also boosted by the full-year consolidation of Grand Hotel Group ("GHG").

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 the year before. Earnings per share increased to 5.8 cents for the year, as compared with 5.2 cents a year earlier. Net asset value per share rose to 74.4 cents as 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% from 31 December 2013. The rise was attributable to progressive revenue recognition for the Seletar Park Residence and Sennett Residence and the initial 20% recognition of new bookings at Cluny Park Residence. Full-year rental from Robinson Point, acquired in October 2013, also helped raise revenue. The Group completed its acquisition of the remaining 50% interest in GHG on 2 December 2014. Thereafter, the Group had full ownership of and control over GHG and GHG's financial results were fully consolidated accordingly.

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 with \$27.2 million a year earlier. As a result, profit after tax rose by 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 the \$52.0 million posted in the previous year. Full-year earnings per share rose to 5.2 cents from 4.5 cents the year before. Net asset value per share advanced further to 68.3 cents at 31 December 2014. The Directors proposed a first and final dividend of 0.5 cent per share.