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AUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2018

Singapore, 30 January 2019 - The Directors of Tuan Sing Holdings Limited ("the Company") are pleased to announce the following audited results of the Group for the fourth quarter and full year ended 31 December 2018.

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, CFO, 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 these 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

1. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Group Fourth Quarter 31.12.18 $'000	Group Fourth Quarter 31.12.17 $'000 (Restated)	+/(-) %	Group Full Year 31.12.18 $'000	Group Full Year 31.12.17 $'000 (Restated)	+/(-) %
Revenue	(a)	**83,329**	96,071	(13)	**336,108**	355,964	(6)
Cost of sales		**(64,530)**	(76,055)	(15)	**(267,390)**	(291,179)	(8)
Gross profit		**18,799**	20,016	(6)	**68,718**	64,785	6
Other operating income	(b)	**2,637**	2,121	24	**10,632**	7,346	45
Distribution costs		**(1,214)**	(930)	31	**(5,143)**	(5,885)	(13)
Administrative expenses		**(6,099)**	(7,437)	(18)	**(25,494)**	(26,319)	(3)
Other operating expenses	(c)	**(2,117)**	(980)	116	**(5,577)**	(3,390)	65
Share of results of an equity accounted investment	(d)	**3,820**	3,715	3	**19,214**	15,677	23
Interest income	(e)	**1,450**	897	62	**5,226**	4,150	26
Finance costs	(f)	**(10,708)**	(9,960)	8	**(41,861)**	(33,173)	26
Profit before tax and fair value adjustments		**6,568**	7,442	(12)	**25,715**	23,191	11
Fair value adjustments	(g)	**113,249**	44,898	152	**113,084**	44,814	152
Profit before tax		**119,817**	52,340	129	**138,799**	68,005	104
Income tax expenses	(h)	**(310)**	(2,445)	(87)	**(4,190)**	(5,261)	(20)
Profit for the period		**119,507**	49,895	140	**134,609**	62,744	115
OTHER COMPREHENSIVE INCOME							
Items that will not be reclassified subsequently to profit or loss							
Revaluation of properties	(j)	**7,754**	33,846	(77)	**7,754**	33,846	(77)
Income tax relating to components of other comprehensive income that will not be reclassified subsequently		**(2,358)**	(10,154)	(77)	**(2,358)**	(10,154)	(77)
		5,396	23,692	(77)	**5,396**	23,692	(77)
Items that may be reclassified subsequently to profit or loss							
Exchange differences on translation of foreign operations	(k)	**(6,255)**	(10,237)	(39)	**(19,278)**	(9,045)	113
Share of exchange differences on translation of an equity accounted investment	(k)	**219**	(161)	(236)	**1,866**	(6,360)	nm
Cash flow hedges		**(2)**	262	nm	**82**	916	(91)
Income tax relating to components of other comprehensive loss that may be reclassified subsequently		**(75)**	(79)	(5)	**(25)**	(275)	(91)
		(6,113)	(10,215)	(40)	**(17,355)**	(14,764)	18
Other comprehensive (loss) / income, net of tax		**(717)**	13,477	nm	**(11,959)**	8,928	nm
Total comprehensive income for the period		**118,790**	63,372	87	**122,650**	71,672	71
Profit attributable to:							
Owners of the Company		**119,465**	49,770	140	**134,376**	62,632	115
Non-controlling interests		**42**	125	(66)	**233**	112	108
		119,507	49,895	140	**134,609**	62,744	115
Total comprehensive income attributable to:							
Owners of the Company		**118,739**	63,250	88	**122,271**	72,078	70
Non-controlling interests		**51**	122	(58)	**379**	(406)	nm
		118,790	63,372	87	**122,650**	71,672	71
Basic and diluted earnings per share (in cents)							
Excluding fair value adjustments		**0.6**	0.7		**1.9**	1.8	
Including fair value adjustments		**10.0**	4.2		**11.3**	5.3	
Return on shareholders' funds ^					**12.9%**	6.5%	

nm: not meaningful

^ Return on shareholders' funds = net profit attributable to shareholders / average shareholders' funds over the year

** The 2017 comparatives are restated as the Group has adopted the Singapore financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") as from 1 January 2018.*

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

		Group Fourth Quarter			Group Full Year		
	Note	31.12.18 $'000	31.12.17 $'000 (Restated)	+/(-) %	31.12.18 $'000	31.12.17 $'000 (Restated)	+/(-) %
Depreciation of property, plant and equipment [included in cost of sales, distribution costs, administrative expenses]		**(1,453)**	(1,260)	15	**(7,916)**	(7,776)	2
Write-back of impairment of property, plant and equipment [included in other operating expenses]		**-**	14	nm	**-**	-	nm
Loss on disposal of property, plant and equipment, net [included in other operating income / (expenses)]		**(33)**	(9)	267	**(36)**	(6)	nm
Net gain on disposal of a subsidiary [included in other operating (expenses) / income]	(m)	**-**	-	nm	**3,893**	-	nm
Allowance for doubtful trade and other receivables, net [included in other operating income / (expenses)]	(n)	**(180)**	(403)	(55)	**(525)**	(425)	24
Allowance for inventory obsolescence, net [included in other operating income / (expenses)]		**-**	(1)	nm	**-**	(17)	nm
Foreign exchange gain / (loss), net [included in other operating income / (expenses)]	(p)	**30**	608	(95)	**(92)**	(188)	(51)
Write-back of allowance for diminution in value for development properties, net [included in cost of sales, other operating expenses, other operating income]		**478**	950	(50)	**1,576**	1,783	(12)

Explanatory notes

(a) Revenue for 4Q2018 was $83.3 million as compared to 4Q2017 of $96.1 million, a decrease of $12.8 million or 13%. The decrease was mainly due to lower revenue from Property and Hotels Investment segments. Revenue for FY2018 was $336.1 million as compared to $356.0 million last year, a decrease of $19.9 million or 6%. The decrease was mainly due to lower revenue from Property and Hotels Investment segments, which was offset by higher revenue in the Industrial Services segment.

(b) Other operating income for 4Q2018 was $2.6 million as compared to 4Q2017 of $2.1 million, an increase of $0.5 million. The increase was mainly due to an increase in foreign exchange gain. Other operating income for FY2018 was $10.6 million as compared to $7.3 million last year, an increase of $3.3 million. The increase was mainly due to a one-off gain of $3.9 million from the divestment of a subsidiary in China and an increase in foreign exchange gain, partially offset by the absence of $2.9 million liquidated damage received last year.

(c) Other operating expenses for 4Q2018 were $2.1 million as compared to 4Q2017 of $1.0 million, an increase of $1.1 million. The increase was mainly due to an increase in foreign exchange loss. Other operating expenses for FY2018 were $5.6 million as compared to $3.4 million last year, an increase of $2.2 million or 65%. The increase was mainly due to higher foreign currency exchange loss, partially offset by a decrease in allowance for diminution in value for development properties.

(d) Share of results of an equity accounted investment for 4Q2018 was $3.8 million as compared to 4Q2017 of $3.7 million, an increase of $0.1 million or 3%. Share of results of an equity accounted investment for FY2018 was $19.2 million as compared to $15.7 million last year, an increase of $3.5 million or 23%. The increase for both periods was mainly derived from the Group's 44.5%-owned associate, GulTech, which recorded better performance.

(e) Interest income for 4Q2018 was $1.5 million as compared to $0.9 million last year, an increase of $0.6 million or 62%. The increase was mainly attributable to an increase in interest from fixed deposits and loan by our subsidiary, SP Corporation Limited, to its related party.

Interest income for FY2018 was $5.2 million as compared to $4.2 million last year, an increase of $1.1 million or 26%. The increase in FY2018 was mainly attributable to an increase in interest from fixed deposits and loan by our subsidiary, SP Corporation Limited, to its related party.

(f) Finance costs for 4Q2018 was $10.7 million as compared to 4Q2017 of $10.0 million, an increase of $0.7 million or 8%. The increase was mainly due to higher utilisation of borrowings with higher interest rates for investment properties.

Finance costs for FY2018 was $41.9 million as compared to $33.2 million last year, an increase of $8.7 million or 26%. The increase for FY2018 was mainly due to higher utilisation of borrowings for investment properties with higher interest rates and finance cost from the issuance of the MTN Series II Term Notes of S$150 million since June 2017.

(g) Fair value adjustments for 4Q2018 were $113.2 million as compared to 4Q2017 of $44.9 million, an increase of $68.4 million. Fair value adjustments for FY2018 were $113.1 million as compared to $44.8 million last year, an increase of $68.3 million. The increase for both periods was mainly due to an increase in fair value gain of $68.6 million arising from the revaluation of investment properties, partially offset by a decrease in fair value of currency forward contracts.

(h) The tax charge as a percentage of profit before tax and fair value adjustments for 4Q2018 was 5% as compared to 33% in the same quarter last year. The decrease was mainly due to reversal of over provision of deferred tax by Australia subsidiaries, which offset the increase in current year tax arising from higher taxable income from the Property segment in Singapore.

The tax charge as a percentage of profit before tax and fair value adjustments for FY2018 was 16% as compared to 23% last year. The decrease was mainly due to reversal of over provision of deferred tax by Australia subsidiaries, which offset the increase in current year tax arising from higher taxable income from the Property segment in Singapore and under provision in prior years.

(j) Other comprehensive income arising from revaluation of properties for both 4Q2018 and FY2018 were $7.8 million as compared to $33.8 million in the corresponding periods last year, a decrease of $26.0 million. Revaluation gains for both years were for the hotel properties in Australia, based on the year-end valuation exercise.

(k) Exchange differences on translation of foreign operations recorded losses for both periods this year (4Q2018 and FY2018) and last year (4Q2017 and FY2017). The translation losses for both years were mainly due to the depreciation of Australian Dollar ("AUD") and Renminbi ("RMB") against Singapore Dollar ("SGD").

Exchange differences on translation of an equity accounted investment in GulTech recorded profits this year (4Q2018 and FY2018) as compared to losses in corresponding periods last year. The translation profits this year were mainly due to the appreciation of United States Dollar ("USD") against SGD. The losses last year were mainly due to the depreciation of USD against SGD.

(m) There was no transaction on disposal of a subsidiary for both 4Q2018 and 4Q2017. Net gain on disposal of a subsidiary for FY2018 was $3.9 million as compared to FY2017 of nil, an increase of $3.9 million. The increase was due to the one-off $3.9 million gain from the divestment of a subsidiary in China in 1Q2018.

(n) Allowance for doubtful trade and other receivables for 4Q2018 was $0.2 million as compared to 4Q2017 of $0.4 million, a decrease of $0.2 million or 55%. The decrease was due to lower doubtful debt provision made for tenants for the quarter. Allowance for doubtful trade and other receivables for FY2018 was $0.5 million as compared to $0.4 million for FY2017, an increase of $0.1 million. The increase was due to higher doubtful debt provision made for tenants in previous quarters.

(p) Net foreign exchange gain for 4Q2018 was $30,000 as compared to 4Q2017 of $608,000, a decrease of $578,000. The net foreign exchange gain was mainly attributable to the revaluation of Australia operation's SGD-denominated payable balances against AUD. The decrease in foreign exchange gain was due to lower depreciation of AUD against SGD as compared to the same quarter last year.

Net foreign exchange loss for FY2018 was $92,000 as compared to FY2017 of $188,000, a decrease of $96,000. The net foreign exchange loss was mainly due to the depreciation of RMB against SGD, which offset the foreign exchange gain recognised by Australia operations.

2. STATEMENTS OF FINANCIAL POSITION

		Group			Company		
		31.12.18	31.12.17	01.01.17	31.12.18	31.12.17	01.01.17
	Note	$'000	$'000	$'000	$'000	$'000	$'000
ASSETS			(Restated)	(Restated)		(Restated)	(Restated)
Current assets							
Cash and bank balances	(q)	**133,007**	216,843	163,688	**25,165**	88,737	301
Trade and other receivables		**76,142**	89,148	94,246	**347**	12,162	7,994
Amounts due from subsidiaries		**-**	-	-	**400,312**	354,851	255,467
Inventories		**2,792**	2,906	3,564	-	-	-
Development properties	(r)	**358,530**	188,680	183,232	-	-	-
Contract assets	(s)	**13,517**	4,480	64,547	-	-	-
Contract costs		**757**	485	337	-	-	-
Assets classified as held for sale	(t)	**42,040**	-	-	-	-	-
Total current assets		**626,785**	502,542	509,614	**425,824**	455,750	263,762
Non-current assets							
Property, plant and equipment	(u)	**425,944**	446,749	422,921	**67**	-	-
Investment properties	(w)	**1,742,662**	1,592,687	1,108,652	**498**	498	498
Investments in subsidiaries		**-**	-	-	**733,800**	695,647	684,755
Investments in equity accounted investees	(y)	**117,914**	93,185	83,579	-	-	-
Deferred tax assets		**2,135**	2,253	2,286	-	-	-
Contract assets	(s)	**1,934**	5,057	-	-	-	-
Other non-current assets		**12**	12	11	-	-	-
Total non-current assets		**2,290,601**	2,139,943	1,617,449	**734,365**	696,145	685,253
Total assets		**2,917,386**	2,642,485	2,127,063	**1,160,189**	1,151,895	949,015
LIABILITIES AND EQUITY							
Current liabilities							
Loans and borrowings	(z)	**884,170**	278,943	3,406	**79,877**	-	-
Trade and other payables		**125,125**	121,917	112,333	**24,573**	20,153	20,096
Contract liabilities	(aa)	**593**	372	-	-	-	-
Amounts due to subsidiaries		**-**	-	-	**308,288**	309,729	265,956
Derivative financial instruments		**-**	87	-	-	-	-
Income tax payable		**5,317**	13,523	22,290	**14**	84	52
Total current liabilities		**1,015,205**	414,842	138,029	**412,752**	329,966	286,104
Non-current liabilities							
Loans and borrowings	(z)	**746,271**	1,179,177	1,017,387	**149,203**	228,364	79,562
Derivative financial instruments		**-**	-	1,019	-	-	-
Deferred tax liabilities		**47,073**	47,784	35,730	-	-	-
Other non-current liabilities		**373**	463	462	-	-	-
Total non-current liabilities		**793,717**	1,227,424	1,054,598	**149,203**	228,364	79,562
Capital, reserves and non-controlling interests							
Share capital		**173,945**	172,514	171,306	**173,945**	172,514	171,306
Treasury shares	(ab)	**(1,523)**	-	-	**(1,523)**	-	-
Reserves		**921,030**	817,077	752,096	**425,812**	421,051	412,043
Equity attributable to owners of the Company		**1,093,452**	989,591	923,402	**598,234**	593,565	583,349
Non-controlling interests		**15,012**	10,628	11,034	-	-	-
Total equity		**1,108,464**	1,000,219	934,436	**598,234**	593,565	583,349
Total liabilities and equity		**2,917,386**	2,642,485	2,127,063	**1,160,189**	1,151,895	949,015
Working capital #		**(388,420)**	87,700	371,585			
Total borrowings	(z)	**1,630,441**	1,458,120	1,020,793			
Gross gearing (times) ^		**1.47**	1.46	1.09			
Net borrowings ^^		**1,497,434**	1,241,277	857,105			
Net gearing (times) ^		**1.35**	1.24	0.92			
Net asset value per share (in cents)		**92.2**	83.4	78.1			

 # 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

** The 2017 comparatives are restated as the Group has adopted the Singapore financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") as from 1 January 2018.*

Explanatory notes

(q) The Group's cash and bank balances as at 31 December 2018 were $133.0 million as compared to $216.8 million as at 31 December 2017, a decrease of $83.8 million. Analysis of the Group's cash flow is set out in Item 14.

It comprised cash at banks and on hand, fixed deposits and amounts held under the Housing Developers (Project Account) Rules. Certain amounts therein were held by banks as security for credit facilities [refer to Item 4 note (w)]. Withdrawals of amounts held under Project Accounts of development properties are restricted to payments for expenditure incurred on development properties as regulated under the provisions in the Housing Developers (Project Account) Rules in Singapore.

(r) The Group's development properties balance as at 31 December 2018 was $358.5 million as compared to $188.7 million as at 31 December 2017, an increase of $169.8 million. The increase was mainly due to costs capitalised for properties in the course of development, offset by sales of completed properties and land.

(s) The Group's current contract assets as at 31 December 2018 were $13.5 million as compared to $4.5 million as at 31 December 2017, an increase of $9.0 million. The increase was mainly due to an increase in unbilled receivables from buyers of residential development properties in Singapore.

The Group's non-current contract assets as at 31 December 2018 were $1.9 million as compared to $5.1 million as at 31 December 2017, a decrease of $3.2 million. The decrease was mainly due to payments received from purchasers.

(t) The Group's assets classified as held for sale as at 31 December 2018 was $42.0 million as compared to nil as at 31 December 2017, an increase of $42.0 million. The increase was due to a planned sale of an investment property in Singapore.

(u) The Group's property, plant and equipment are mainly from hotel properties in Australia. Property, plant and equipment balance as at 31 December 2018 was $425.9 million as compared to $446.7 million as at 31 December 2017, a decrease of $20.8 million. The decrease was mainly caused by foreign currency translation loss as a result of the depreciation of AUD against SGD and depreciation charges.

(w) The Group's investment properties as at 31 December 2018 were $1,742.7 million as compared to $1,592.7 million as at 31 December 2017, an increase of $150.0 million. The increase was mainly due to a fair value gain of $113.1 million from the revaluation of investment properties, capitalisation of redevelopment costs and interest expenses for 18 Robinson, offsetting a reclassification of an investment property in Singapore to assets classified as held for sale.

(y) The Group's investments in equity accounted investees as at 31 December 2018 were $117.9 million as compared to $93.2 million as at 31 December 2017, an increase of $24.7 million. The increase was mainly attributable from an investment in Sanya Summer Real Estate Co Ltd ("SSRE"), China in September 2018 at $14.9 million (RMB75.0 million) and the remaining was the Group's equity share of GulTech's profits in FY2018.

(z) The Group's loans and borrowings as at 31 December 2018 was $1,630.4 million as compared to $1,458.1 million as at 31 December 2017, an increase of $172.3 million. The increase was mainly due to higher utilisation of borrowings for the developments of 333 Thomson Road (formerly known as "Peak Court"), Mont Botanik Residence (formerly known as "Remaja Development") and 18 Robinson, partially offset by lower carrying value of AUD-denominated borrowing as a result of the depreciation of AUD.

The Group's short-term loans and borrowings as at 31 December 2018 was $884.2 million as compared to $278.9 million as at 31 December 2017, an increase of $605.2 million. The increase in the current portion of loans and borrowings was mainly due to a reclassification of two bank loans and the MTN Series I Term Notes, totalling $580.0 million to current liability as they will mature within the next twelve months.

(aa) The Group's contract liabilities as at 31 December 2018 were $0.6 million as compared to $0.4 million as at 31 December 2017, an increase of $0.2 million. The increase was mainly due to an increase in payments received from purchasers, exceeding the revenue recognised.

(ab) The Group's treasury shares as at 31 December 2018 was $1.5 million as compared to nil as at 31 December 2017. The increase was due to the re-purchase of 4,383,400 shares from the market.

3. GROUP'S BORROWINGS AND DEBT SECURITIES

	Group			Company		
	31.12.18 $'000	31.12.17 $'000 (Restated)	01.01.17 $'000 (Restated)	31.12.18 $'000	31.12.17 $'000 (Restated)	01.01.17 $'000 (Restated)
Secured borrowings						
Amount repayable in one year or less, or on demand	**804,293**	278,943	3,406	-	-	-
Amount repayable after one year	**597,068**	950,813	937,825	-	-	-
	1,401,361	1,229,756	941,231	-	-	-
Unsecured borrowings						
Amount repayable in one year or less, or on demand	**79,877**	-	-	**79,877**	-	-
Amount repayable after one year	**149,203**	228,364	79,562	**149,203**	228,364	79,562
	229,080	228,364	79,562	**229,080**	228,364	79,562
	1,630,441	1,458,120	1,020,793	**229,080**	228,364	79,562

The Group's borrowings are secured except for the two series of notes issued under the MTN Programme [refer to below]. These secured borrowings are mainly for the financing of development and investment properties in Singapore and hotel and investment properties in Australia.

Approximately 86% (31 December 2017: 84%) of the Group's borrowings were on floating rates with various tenures, while the remaining 14% (31 December 2017: 16%) were on fixed rates. Singapore Dollar denominated borrowings represented approximately 79% (31 December 2017: 75%) of total borrowings; while the remaining were in AUD.

MTN Programme

The Company has in place a S$900 million MTN Programme under which it can issue notes in series or tranches and may be denominated in Singapore Dollar or other currency deemed appropriate at the time.

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

As at 31 December 2018, the net book value of assets pledged or mortgaged to financial institutions was $2,571.8 million (31 December 2017: $2,239.5 million).

4. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group Fourth Quarter 31.12.18 $'000	Group Fourth Quarter 31.12.17 $'000	Group Full Year 31.12.18 $'000	Group Full Year 31.12.17 $'000
OPERATING ACTIVITIES					
Profit before tax		**119,817**	52,340	**138,799**	68,005
Adjustments for:					
Fair value gain		**(113,249)**	(44,898)	**(113,084)**	(44,814)
Share of results of an equity accounted investee		**(3,820)**	(3,715)	**(19,214)**	(15,677)
Write-back of allowance for diminution in value for development properties, net		**(478)**	(950)	**(1,576)**	(1,783)
Depreciation of property, plant and equipment		**1,453**	1,260	**7,916**	7,776
Amortisation of contract costs		**725**	321	**725**	321
Write back of impairment of property, plant and equipment		**-**	(14)	**-**	-
Allowance for inventory obsolescence, net		**-**	1	**-**	17
Allowance for doubtful trade and other receivables, net		**180**	403	**525**	425
Net loss on disposal of property, plant and equipment		**33**	9	**36**	6
Net gain on disposal of a subsidiary		**-**	-	**(3,893)**	-
Interest income		**(1,450)**	(897)	**(5,226)**	(4,150)
Finance costs		**10,708**	9,960	**41,861**	33,173
Operating cash flows before movements in working capital		**13,919**	13,820	**46,869**	43,299
Development properties less progressive billings receivable		**(10,213)**	10,377	**(162,227)**	(2,867)
Inventories		**(132)**	164	**65**	672
Trade and other receivables		**33,490**	37,715	**31,222**	69,794
Trade and other payables		**(5,949)**	6,641	**3,298**	8,350
Contract assets		**(5,916)**	(7,238)	**(5,916)**	(7,238)
Contract costs		**(1,282)**	(148)	**(1,282)**	(148)
Contract liabilities		**221**	-	**221**	-
Cash generated from operations		**24,138**	61,331	**(87,750)**	111,862
Interest received		**3,940**	154	**6,114**	2,059
Income tax paid		**(1,011)**	(2,637)	**(12,268)**	(12,406)
Net cash from / (used in) operating activities		**27,067**	58,848	**(93,904)**	101,515
INVESTING ACTIVITIES					
Purchase of property, plant and equipment		**(847)**	(1,465)	**(3,433)**	(4,263)
Proceeds from disposal of property, plant and equipment		**-**	116	**18**	171
Additions to investment properties		**(11,995)**	(22,413)	**(85,949)**	(439,095)
Deposit paid for acquisition of land in Batam		**-**	(3,915)	**-**	(3,915)
Deposit collected from disposal of a subsidiary		**-**	4,294	**-**	4,294
Acquisition of investment in an associate		**45**	-	**(14,888)**	-
Acquisition of subsidiaries		**-**	-	**(11,310)**	-
Proceeds from disposal of a subsidiary		**-**	-	**16,547**	-
Loan to a related party		**(20,000)**	-	**(20,000)**	-
Net cash used in investing activities		**(32,797)**	(23,383)	**(119,015)**	(442,808)
FINANCING ACTIVITIES					
Proceeds from loans and borrowings		**60,521**	3,087	**230,008**	510,894
Repayment of loans and borrowings		**(27,749)**	(282)	**(38,349)**	(67,015)
Interest paid		**(25,233)**	(15,794)	**(50,054)**	(39,094)
Bank deposits (pledged) / released as securities for bank facilities		**(2,229)**	(809)	**(2,543)**	656
Dividend paid to shareholders		**-**	-	**(5,431)**	(5,866)
Purchase of treasury shares		**(1,523)**	-	**(1,523)**	-
Cancellation of Shares Buyback		**(16)**	(23)	**(258)**	(23)
Net cash from / (used in) financing activities		**3,771**	(13,821)	**131,850**	399,552
Net (decrease) / increase in cash and cash equivalents		**(1,959)**	21,644	**(81,069)**	58,259
Cash and cash equivalents:					
At the beginning of the period		**71,616**	130,987	**151,145**	95,896
Foreign currency translation adjustments		**(3,090)**	(1,486)	**(3,509)**	(3,010)
At the end of the period	(ac)	**66,567**	151,145	**66,567**	151,145

** The 2017 comparatives are restated as the Group has adopted the Singapore financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") as from 1 January 2018.*

Explanatory notes

(aa) Cash and cash equivalents

	Group	
	31.12.18	**31.12.17**
	$'000	**$'000**
		(Restated)
Cash and bank balances	**133,007**	216,843
Less:		
Encumbered fixed deposits and bank balances	**(66,440)**	(65,698)
Cash and cash equivalents per consolidated statement of cash flows	**66,567**	151,145

The Group had cash and cash equivalents of $66.6 million as at 31 December 2018, as compared to $151.1 million as at 31 December 2017.

The Group had encumbered fixed deposits and bank balances of $66.4 million as at 31 December 2018 as compared to $65.7 million as at 31 December 2017. Such encumbered fixed deposits and bank balances, which are held by banks as security for credit facilities, are excluded from the cash and cash equivalents.

As at 31 December 2018, the Group had cash placed with banks in China amounting to $79.1 million (31 December 2017: $81.7 million); of which, $63.1 million (31 December 2017: $63.9 million) was pledged to a bank as security for banking facilities in Singapore. The repatriation of such cash into Singapore is subject to the Foreign Exchange Control Regulations in China.

5. STATEMENTS OF CHANGES IN EQUITY

The Group

	Share capital	Treasury shares	Foreign currency translation account	Asset revaluation reserve	Other capital reserves	Revenue reserve	Attributable to owners of the Company	Non-controlling interests	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2018									
At 1 January 2018	**172,514**	**-**	**(31,102)**	**130,112**	**150,662**	**563,463**	**985,649**	**10,628**	**996,277**
Effects of adopting SFRS(I) 1 and SFRS(I) 15	-	-	64	3,643	-	235	3,942	-	3,942
At 1 January 2018 (Restated)	172,514	-	(31,038)	133,755	150,662	563,698	989,591	10,628	1,000,219
Total comprehensive income									
Profit for the period	-	-	-	-	-	**134,376**	**134,376**	**233**	**134,609**
Other comprehensive (loss) / income, net of tax	-	-	**(17,558)**	**5,396**	**57**	-	**(12,105)**	**146**	**(11,959)**
Total	-	-	**(17,558)**	**5,396**	**57**	**134,376**	**122,271**	**379**	**122,650**
Transaction with owners, recognised directly in equity									
Transfer from revenue reserve to other capital reserves	-	-	-	-	**17,388**	**(17,388)**	-	-	-
Non-controlling interest arising from acquisition of a subsidiary	-	-	-	-	-	-	-	**3,405**	**3,405**
Non-controlling interest arising from incorporation of a subsidiary	-	-	-	-	-	-	-	**600**	**600**
Issue of shares under the Scrip Dividend Scheme	**1,689**	-	-	-	-	-	**1,689**	-	**1,689**
Shares bought back and cancelled	**(258)**	-	-	-	-	-	**(258)**	-	**(258)**
Repurchase of shares	-	**(1,523)**	-	-	-	-	**(1,523)**	-	**(1,523)**
Dividend paid to shareholders									
- Cash	-	-	-	-	-	**(5,431)**	**(5,431)**	-	**(5,431)**
- Share	-	-	-	-	-	**(1,689)**	**(1,689)**	-	**(1,689)**
Goodwill paid over acquiring additional shares in a member of associate	-	-	-	-	**(11,198)**	-	**(11,198)**	-	**(11,198)**
Total	**1,431**	**(1,523)**	-	-	**6,190**	**(24,508)**	**(18,410)**	**4,005**	**(14,405)**
At 31 December 2018	**173,945**	**(1,523)**	**(48,596)**	**139,151**	**156,909**	**673,566**	**1,093,452**	**15,012**	**1,108,464**
2017									
At 1 January 2017	171,306	-	(16,151)	106,420	126,787	531,060	919,422	11,034	930,456
Effects of adopting SFRS(I) 1 and SFRS(I) 15	-	-	-	3,643	-	337	3,980	-	3,980
At 1 January 2017 (Restated)	171,306	-	(16,151)	110,063	126,787	531,397	923,402	11,034	934,436
Total comprehensive income									
Profit for the period	-	-	-	-	-	62,632	62,632	112	62,744
Other comprehensive (loss) / income, net of tax	-	-	(14,887)	23,692	641	-	9,446	(518)	8,928
Total	-	-	(14,887)	23,692	641	62,632	72,078	(406)	71,672
Transaction with owners, recognised directly in equity									
Transfer from revenue reserve to other capital reserves	-	-	-	-	23,234	(23,234)	-	-	-
Issue of shares under the Scrip Dividend Scheme	1,231	-	-	-	-	-	1,231	-	1,231
Shares bought back and cancelled	(23)	-	-	-	-	-	(23)	-	(23)
Dividend paid to shareholders							-		
- Cash	-	-	-	-	-	(5,866)	(5,866)	-	(5,866)
- Share	-	-	-	-	-	(1,231)	(1,231)	-	(1,231)
Total	1,208	-	-	-	23,234	(30,331)	(5,889)	-	(5,889)
At 31 December 2017 (Restated)	172,514	-	(31,038)	133,755	150,662	563,698	989,591	10,628	1,000,219

The Company

	Share capital	Treasury shares	Other capital reserve	Revenue reserve	Total equity
	$'000	$'000	$'000	$'000	$'000
2018					
At 1 January 2018	**172,514**	**-**	**101,264**	**319,787**	**593,565**
Profit, representing total comprehensive income for the period	-	-	-	**11,881**	**11,881**
Transactions with owners, recognised directly in equity					
Issue of shares under the Scrip Dividend Scheme	**1,689**	-	-	-	**1,689**
Dividend paid to shareholders					
- Cash	-	-	-	**(5,431)**	**(5,431)**
- Share	-	-	-	**(1,689)**	**(1,689)**
Shares bought back and cancelled	**(258)**	-	-	-	**(258)**
Repurchase of shares	-	**(1,523)**	-	-	**(1,523)**
Total	**1,431**	**(1,523)**	**-**	**(7,120)**	**(7,212)**
At 31 December 2018	**173,945**	**(1,523)**	**101,264**	**324,548**	**598,234**
2017					
At 1 January 2017	171,306	-	101,264	310,779	583,349
Profit, representing total comprehensive income for the period	-	-	-	16,105	16,105
Transactions with owners, recognised directly in equity					
Issue of shares under the Scrip Dividend Scheme	1,231	-	-	-	1,231
Dividend paid to shareholders					
- Cash	-	-	-	(5,866)	(5,866)
- Share	-	-	-	(1,231)	(1,231)
Shares bought back and cancelled	(23)	-	-	-	(23)
Total	1,208	-	-	(7,097)	(5,889)
At 31 December 2017 (Restated)	172,514	-	101,264	319,787	593,565

6. SHARE CAPITAL

Share Capital

Total number of issued shares excluding treasury shares as at 31 December 2018 was 1,186,404,962 ordinary shares (30 September 2018: 1,190,838,362 ordinary shares). The decrease represents 4,433,400 ordinary shares being purchased from the market under the "Share Purchase Mandate", of which 50,000 ordinary shares were cancelled and 4,383,400 ordinary shares were held as treasury shares.

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 30 September 2018, being the end of the preceding period reported on. There were also no outstanding convertible securities for which shares might be issued.

Total number of issued shares excluding treasury shares as at 31 December 2018 was 1,186,404,962 ordinary shares (31 December 2017: 1,186,992,780 ordinary shares). The decrease represents 5,033,400 ordinary shares being purchased from the market under the "Share Purchase Mandate", of which 650,000 ordinary shares were cancelled and 4,383,400 ordinary shares were held as treasury shares. In addition, 4,445,582 new ordinary shares were allotted and issued on 26 June 2018 at $0.38 per share to eligible shareholders who have elected to participate in the Company's Scrip Dividend Scheme in respect of the first and final tax exempted one-tier dividend of 0.6 cent per ordinary share in the capital of the Company for the financial year ended 31 December 2017.

Treasury Shares

The Company held 4,383,400 treasury shares as at 31 December 2018 and did not hold any treasury shares as at 31 December 2017.

In FY2018, the Company purchased from the market totalling 5,033,400 ordinary shares under the "Share Purchase Mandate". 4,383,400 of these ordinary shares were held as treasury shares while the remaining 650,000 ordinary shares were cancelled. There were no other transfers, disposal or cancellation of treasury shares during the year. In FY2017, there were no sales, transfers, disposals, cancellation and / or use of treasury shares.

7. AUDIT

Please refer to Appendix A for the full audited financial statements.

8. AUDITORS' REPORT

See Appendix A.

9. BASIS OF PREPARATION

The financial statements in Appendix A are prepared in accordance with the provisions of the Singapore Companies Act and the new Singapore financial framework, the Singapore Financial Reporting Standards (International) ("SFRS(I)"), that is identical to the International Financial Reporting Standards ("IFRS") for annual periods beginning on or after 1 January 2018.

10. ACCOUNTING POLICIES

Except as disclosed in Item 11 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 2017.

11. CHANGES IN ACCOUNTING POLICIES

The Group has adopted the new financial reporting framework on 1 January 2018 in accordance with the decision made by the Accounting Standards Council for Singapore incorporated companies listed on the Singapore Exchange. Under SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International), paragraph D5, the Company has the option to measure property, plant and equipment at its fair value and to use that fair value as its deemed cost on 1 January 2017. The Group and Company have applied the changes in accounting policies retrospectively to each reporting year presenting, using the full retrospective approach. As such, the comparative 2017 figures in this report are not comparable to those previously announced.

In addition, the Group has adopted all the new and revised FRSs and Interpretations of FRS (“INT FRS”) that are effective from 1 January 2018 as follows:

SFRS(I) 9 Financial Instruments
SFRS(I) 15 Revenue from Contracts with Customers (with clarifications issued)

<u>(i) SFRS(I) 9 Financial Instruments</u>

SFRS(I) 9 introduces new requirements for recognition, classification and measurement of financial assets, impairment of financial assets and hedge accounting from 1 January 2018. In relation to the impairment of financial assets, SFRS(I) 9 requires an expected credit loss model and replaces the FRS39 incurred loss model. The Group and the Company have adopted the new standard and assessed that the adoption of this standard has no material effect on the amounts reported. As such, the comparative 2017 figures have not been restated.

<u>(ii) SFRS(I) 15 Revenue from Contracts with Customers (with clarifications issued)</u>

SFRS(I) 15 establishes a five step model to account for revenue arising from contracts with customers, and introduces new contract costs guidance. Under SFRS(I) 15, there are specific requirements on how revenue should be recognised and other new requirements such as accounting for commissions paid to salesmen, additional disclosures, etc. The Group and the Company have applied the changes in accounting policies retrospectively to each reporting year presenting, using the full retrospective approach. As such, the comparative 2017 figures in this report are not comparable to those previously announced.

12. EARNINGS PER ORDINARY SHARE

	Group Fourth Quarter		Group Full Year	
	31.12.18	31.12.17	31.12.18	31.12.17
(a) Earnings per ordinary share based on the weighted average number of ordinary shares in issue (in cents):				
Excluding fair value adjustments	**0.6**	0.7	**1.9**	1.8
Including fair value adjustments	**10.0**	4.2	**11.3**	5.3
Weighted average number of ordinary shares in issue (in millions)	**1,190.2**	1,187.0	**1,188.8**	1,185.0
(b) Earnings per ordinary share based on fully diluted basis (in cents)				
Excluding fair value adjustments	**0.6**	0.7	**1.9**	1.8
Including fair value adjustments	**10.0**	4.2	**11.3**	5.3
Adjusted weighted average number of ordinary shares (in millions)	**1,190.2**	1,187.0	**1,188.8**	1,185.0

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.

13. NET ASSET VALUE PER ORDINARY SHARE

	Group			Company		
	31.12.18	31.12.17 (Restated)	01.01.17 (Restated)	31.12.18	31.12.17 (Restated)	01.01.17 (Restated)
Net asset value per ordinary share (in cents)	**92.2**	83.4	78.1	**50.4**	50.0	49.3
Total number of issued shares (in millions)	**1,186.4**	1,187.0	1,182.8	**1,186.4**	1,187.0	1,182.8

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

14. REVIEW OF GROUP PERFORMANCE

Overview

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

For 4Q2018, the Group's revenue was $83.3 million, a 13% drop as compared to $96.1 million in the same quarter last year. For FY2018, the Group's revenue was $336.1 million, a 6% decrease as compared to $356.0 million last year. The decrease for both periods was mainly due to lower sales of residential development projects and a decrease of revenue from the hotels business.

The net profit attributable to shareholders for 4Q2018 was $119.5 million, an increase of $69.7 million as compared to $49.8 million in the same quarter last year. The increase was mainly attributable to a higher fair value gain of $68.6 million arising from the revaluation of investment properties, from $44.5 million for FY2017 to $113.1 million for FY2018. For FY2018, net profit attributable to shareholders was $134.4 million, an increase of $71.8 million as compared to $62.6 million last year. The increase was mainly attributable to a higher fair value gain of $68.6 million arising from the revaluation of investment properties, an one-off $3.9 million gain arising from the divestment of a subsidiary in China and higher profits from GulTech which was offset by an absence of a $2.9 million liquidated damage received in FY2017.

Earnings per share, including fair value adjustments, was 10.0 cents for 4Q2018 and 11.3 cents for FY2018, as compared to 4.2 cents and 5.3 cents respectively, in the corresponding quarter and period a year earlier. Net asset value per share as at 31 December 2018 was 92.2 cents as compared to 83.4 cents at 31 December 2017.

Financial Performance for 4Q2018

The Group's revenue was $83.3 million as compared to $96.1 million in the same quarter last year, a decrease of 13%. The decrease was mainly due to lower revenue from Property and Hotels Investment segments.

The Group's gross profit was $18.8 million as compared to $20.0 million in the same quarter last year.

Other operating income was $2.6 million as compared to $2.1 million in the same quarter last year, an increase of $0.5 million. The increase was mainly due to an increase in foreign exchange gain.

Distribution costs were $1.2 million as compared to $0.9 million in the same quarter last year, an increase of $0.3 million. The increase was mainly due to an increase in sales promotional expenses for Mont Botanik Residence in 4Q2018.

Administrative expenses were $6.1 million as compared to $7.4 million in the same quarter last year, a decrease of $1.3 million. The decrease was mainly due to a decrease in manpower cost and professional fees.

Other operating expenses were $2.1 million as compared to $1.0 million in the same quarter last year, an increase of $1.1 million. The increase was mainly due to an increase in foreign exchange loss.

Share of results of an equity accounted investment was $3.8 million as compared to $3.7 million in the same quarter last year, an increase of $0.1 million. The increase was derived from the Group's 44.5%-owned associate, GulTech, which recorded better performance.

Fair value adjustments were $113.2 million as compared to $44.9 million in the same quarter last year, an increase of $68.4 million. The increase was mainly due to an increase in fair value gain of $68.6 million arising from the revaluation of investment properties, partially offset by a decrease in fair value of currency forward contracts.

Finance costs were $10.7 million as compared to $10.0 million in the same quarter last year.

As a result, the Group's profit after tax was $119.5 million as compared to $49.9 million in the same quarter last year. The profit attributable to the owners of the Company was $119.5 million as compared to $49.8 million in the same quarter last year, an increase of $69.7 million.

Financial Performance for FY2018

The Group's revenue was $336.1 million as compared to $356.0 million last year, a decrease of $19.9 million or 6%. The decrease was mainly due to lower revenue from Property and Hotels Investment segments, which was offset by higher revenue in the Industrial Services segment.

Gross profit was $68.7 million as compared to $64.8 million last year, an increase of $3.9 million.

Other operating income was $10.6 million as compared to $7.3 million last year, an increase of $3.3 million. The increase was mainly due to a one-off gain of $3.9 million from the divestment of a subsidiary in China and an increase in foreign exchange gain, partially offset by the absence of liquidated damage received last year.

Distribution costs were $5.1 million as compared to $5.9 million last year, a decrease of $0.7 million or 13%. The decrease was mainly due to lower manpower and rental costs from Industrial Services Segment following the cessation of tyre distribution since December 2017 and lower commission following the decline in revenue from residential projects. These are partially offset by higher advertising, promotion and show flat expenses incurred for the launch of new projects in 2018.

Administrative expenses were $25.5million as compared to $26.3 million last year.

Other operating expenses were $5.6 million as compared to $3.4 million last year, an increase of $2.2 million or 65%. The increase was mainly due to higher foreign currency exchange loss, partially offset by a decrease in allowance for diminution in value for development properties.

Share of results of an equity accounted investment was $19.2 million as compared to $15.7 million last year, an increase of $3.5 million or 23%. The increase was mainly derived from the Group's 44.5%-owned associate, GulTech, which recorded better performance.

Finance costs were $41.9 million as compared to $33.2 million last year, an increase of $8.7 million or 26%. The increase was mainly due to higher utilisation of borrowings for investment properties with higher interest rates and finance cost from the issuance of the MTN Series II Term Notes of S$150 million since June 2017.

Fair value adjustments were $113.1 million as compared to $44.8 million last year, an increase of $68.3 million. The increase was mainly due to an increase in fair value gain of $68.6 million arising from the revaluation of investment properties, partially offset by a decrease in fair value of currency forward contracts.

As a result, the Group's profit after tax was $134.6 million as compared to $62.7 million last year, an increase of $71.9 million. The profit attributable to the owners of the Company was $134.4 million as compared to $62.6 million in the same period last year, an increase of $71.8 million.

Financial Position

As at 31 December 2018, both the Group's total assets and total liabilities increased. Total assets increased to $2,917.4 million, from $2,642.5 million as at 31 December 2017 and total liabilities increased to $1,808.9 million from $1,642.3 million as at 31 December 2017.

As at 31 December 2018, shareholders' fund was $1,093.5 million as compared to $989.6 million. The increase was mainly due to profit for the period, partially offset by payment of dividends to shareholders and goodwill paid in acquiring the remaining 49.0% shareholdings in Gultech (Wuxi).

As at 31 December 2018, the Group's negative working capital as at 31 December 2018 of $388.4 million was mainly due to the reclassification of two bank loans and the MTN Series I Term Notes, totalling $580.0 million to current liability as they will mature within the next twelve months. The Group is in discussion with its bankers on the possibility of renewing these borrowings.

Cash Flows

During FY2018, net cash used in operating activities of $93.9 million was mainly for the working capital in development properties.

Net cash used in investing activities was an outflow of $119.0 million, mainly related to progress payments for investments properties of $85.9 million, acquisition of subsidiaries for $11.3 million in connection with the purchase of land in Batam, payment of $14.9 million for the investment in a stake of 7.8% in SSRE and $20.0 million for a loan to a related party. This was offset by proceeds of $16.5 million from the divestment of a subsidiary in China.

Net cash from financing activities was an inflow of $131.8 million, mainly from net proceeds from borrowings of $191.7 million, offset by interest payments of $50.1 million and dividend payment of $5.4 million.

As a result, cash and cash equivalents were $66.6 million as at 31 December 2018, representing an outflow of $81.1 million since 31 December 2017.

15. REVIEW OF SEGMENT PERFORMANCE

Property

Property Segment revenue for FY2018 was $83.0 million as compared to $101.3 million last year, a decrease of $18.3 million or 18%. The decrease was mainly driven by a decline in sales of development properties as most of the units in Cluny Park Residence have been sold last year. This was partially offset by the increase in sales from Kandis Residence and increase in revenue from investment properties mainly due to the acquisition of 896 Dunearn Road in June 2017.

Profit for the period was $127.4 million as compared to $55.3 million last year, an increase of $72.1 million. The increase in profit was mainly due to an increase in fair value gain of $68.6 million arising from the revaluation of investment properties and an one-off $3.9 million gain arising from the divestment of a subsidiary in China.

Hotels Investment

Hotels Investment Segment revenue for FY2018 was $109.7 million (or A$108.6 million) as compared to $119.8 million (or A$113.2 million) last year, a decrease of $10.1 million (or A$4.6 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.

Profit for the period was $5.0 million as compared to $4.7 million last year.

Industrial Services

Industrial Services Segment revenue for FY2018 was $144.8 million as compared to $136.1 million last year, an increase of $8.7 million or 6%. The increase was due to the better performance from the commodities trading business, offset by the loss of revenue due to the disposal of the tyres distribution business since December 2017.

Profit for the period was $1.2 million as compared to $0.4 million last year. The increase of profit was mainly due to better performance from the commodities trading business, disposal of the loss-making tyres distribution business, offset by poorer performance from Hypak.

Other Investments

Other Investments Segment profit for the period was $19.3 million as compared to $16.0 million last year.

Other Investments Segment is mainly the Group’s 44.48% in GulTech, which manufactures and sells printed circuit boards with three plants in China. Its revenue for FY2018 was US$337.7 million as compared to US$294.1 million in the same period last year. The increase was mainly attributable to improved performance from all its three plants in China.

Profit for the period was US$36.1 million as compared to US$35.3 million in the same period last year.

16. VARIANCE FROM PROSPECT STATEMENT

Not applicable.

17. OUTLOOK

The Group will be celebrating its Jubilee year in 2019.

The Group has grown from a humble polypropylene bags manufacturer into a reputable property development company in Singapore, which also owns iconic hotels in Australia and other investments in the region. The Group has already begun further business transformation to reposition itself from a niche developer to a regional player with presence in various key international destinations focusing on integrated mixed use and tourism developments.

In 2018, the Group has further expanded its portfolio. In June 2018, the Group has completed the acquisition of approximate 85 hectares land in Batam (850,000 square meter) through its 90% stake in PT Goodworth Investment. In September 2018, the Group has acquired 7.8% stake in Sanya Summer Real Estate Co Ltd, which is a Hainan-based property development which will develop a 2.6 million square feet integrated development in Sanya, adjacent to the Sanya High-Speed Railway Station and the proposed bus interchange.

Looking ahead in 2019 and beyond, the Group remain cautiously positive for the years ahead.

In Singapore property segment, the Group will actively market the current developments, namely Mont Botanik Residence, Kandis Residence and 333 Thomson Road. With the completion of 18 Robinson and the repositioning of 896 Dunearn Road, they will bring new stream of recurring leasing income to the Group. The Group is cautiously optimistic on the Singapore property market, although it is still adjusting to the cooling measures introduced in July 2018. The commercial property segment remains to be positive and resilient.

In Australia, the asset enhancement initiative for Perth Fortescue Centre has commenced, and Multiplex, a leading Australian builder, was appointed for early contracts involvement which is expected to complete in 2020. Upon its completion, it will be an iconic commercial and retail hub in Perth which will integrate with Perth Hyatt Regency. Melbourne Grand Hyatt will continue to be a leading hotel in Australia bring recurring income to the Group.

In Batam, subject to the relevant authorities' approval for master planning, the Group plans to launch the Batam Marina City's initial phase of the integrated township development comprising condotels, retail outlets, food & beverage and entertainment spaces in 2019.

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

The Group will continue to look for opportunities to divest our non-core assets. In January 2019, the Group announced that letter of award was issued to the successful tenderer for the sale of Century Warehouse through collective sale via public tender. The cash proceeds will further strengthen the balance sheet of the Group.

Barring unforeseen circumstances, the Group is expected to be profitable for the year 2019.

18. BUSINESS DYNAMIC AND RISK FACTORS STATEMENT

We list below key risks that have been identified. There may be other risks which are unknown to the Group. We have also taken mitigating actions that we believe could help us to manage these risks. However, we may not always be successful in deploying all of these mitigating actions. In that event, our cash flow, operating results, financial position, business and reputation could be adversely affected.

The Group acknowledges that it is necessary to take certain risks in order to remain in the business. However, such risks taking should be within its risks appetite and strategy after considering the economic and regulatory environments that the Group is operating in.

After making due inquiry, the Group believes that we would be able to refinance the loans that are maturing and it will not affect its ability to continue as a going concern within the next 12 months.

Business & Strategic Risk

- The Group may not be able to successfully implement its business strategy due to limited opportunities, foreign ownership restrictions, government policies, political consideration or specific preference of sellers
- The Group's operations are subject to country-specific risks be they political, regulatory, economic or currency particularly when it ventures into neighbouring country
- Industries that the Group operates in are highly competitive. The increasing competition could adversely affect the business and financial position of the Group
- The Group's development property business inherently has long gestation period and is subject to execution risks during which government policy changes could have substantial effect on the success of a project
- The Group's property and hotels investment businesses are capital intensive and rely on the availability of sizable external funding below the breakeven rate of the businesses
- The Group may face reputation risk arising from negative publicity over adverse happenings or events
- The Group is facing increasing expectations on good corporate governance and social responsibility obligations

Financial Risk

- The Group is exposed to the increasing volatility in interest rates, foreign exchange and equity rate of returns
- The Group is exposed to the inherent risks of using financial derivatives to counter volatility in interest rates and foreign exchange
- The Group is exposed to liquidity risks arising from external borrowings
- The Group is exposed to risk of regulatory bodies' monetary policy changes which may render its capital structure ineffective or inefficient
- The Group faces credit risks when counterparties default on their contractual obligations thereby resulting in financial loss to the Group
- The Group is subject to tax exposure in foreign jurisdictions in which the tax regulations are complex, less explicit or subject to changes at short notice
- The Group's investment value may fluctuate due to changes in the economic conditions

Operational Risk

- The Group is exposed to alliance risk due to possible conflict of interests between the Group and its business associates or joint venture partners
- The property business relies heavily on third-party contractors whose services may fall short of the quality and timeliness the Group requires, given the prevailing tight labour market in Singapore
- The Group's hotels investment is also subject to technology disruption including attendant cyber security risks
- The Group is exposed to inefficient operations that it does not discover in time
- With increasing concern from the community on climatic and environmental issues, the Group's exposure to such risk is increasing
- Unexpected loss of key personnel or a failure in the execution of succession plans may jeopardise the successful implementation of business plans
- The Group is exposed to vendors whose services in terms of quality and timeliness are not satisfactory
- The Group is exposed to work health and safety risks arising from occurrence of incidents in carrying out a process or pandemic beyond the control of the Group
- The Group is exposed to personal data protection risk in relating to the Personal Data Protection Act 2012 in Singapore and the Privacy Act in Australia
- Not all facets of the Group's operations are insurable or at an acceptable premium

Compliance Risk

- The Group may be held responsible for non-compliance in countries where laws, regulations, rules , practices or ethical standards are less explicit or different from those in Singapore
- Rapid changes in laws, regulations, rules and practices where the Group operates have created an increasingly more complex environment for compliance
- The Group is exposed to the risk of inappropriate or inadequate documentation of contractual relationships with third parties
- The Group's internal control systems and related framework may not be kept up-to-date in this dynamic business environment and any non-observance by business units may not be discovered in time

19. DIVIDEND

(a) Current financial period reported on

The Directors propose that a First and Final one-tier tax exempt dividend of 0.6 cent per share and an additional Special dividend of 0.3 cent per share to be paid for the financial year ended 31 December 2018. The Tuan Sing Scrip Dividend Scheme implemented since 2009 will be applicable to this proposed dividend.

Name of dividend	First & Final
Dividend type	Cash / Scrip
Dividend rate	0.6 cent per ordinary share under one-tier system
Tax rate	Tax exempt

Name of dividend	Special
Dividend type	Cash / Scrip
Dividend rate	0.3 cent per ordinary share under one-tier system
Tax rate	Tax exempt

(b) Corresponding period of the immediately preceding financial year

Name of dividend	First & Final
Dividend type	Cash / Scrip
Dividend rate	0.6 cent per ordinary share under one-tier system
Tax rate	Tax exempt

Except for the above, no other dividend was declared in the previous corresponding period or last financial year ended 31 December 2017.

(c) Date payable

26 June 2019 (Wednesday)

(d) Books closure date

NOTICE IS HEREBY GIVEN THAT subject to shareholders of Tuan Sing Holdings Limited ("the Company") approving the proposed payment of the First and final dividend of 0.6 cent per ordinary share and a Special dividend of 0.3 cent per ordinary share (the "Dividends") at the 49^{th} Annual General Meeting to be held on 24 April 2019, the share transfer books and register of members of the Company will be closed on Tuesday, 7 May 2019 to Wednesday, 8 May 2019 (both dates inclusive) for the preparation of dividend warrants.

Duly completed instruments of transfer received by the Company's share registrar in Singapore, B.A.C.S. Private Limited at 8 Robinson Road #03-00 ASO Building, Singapore 048544 up to 5.00 p.m. on Monday, 6 May 2019 will be registered to determine shareholders' entitlements to the proposed Dividends.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with shares in the capital of the Company as at 5.00 p.m. on 6 May 2019 will be entitled to the proposed Dividends.

Shareholders with registered address outside Singapore and who have not provided to the Company or CDP, address in Singapore for the service of notices and documents by Wednesday, 24 April 2019, will not participate in the Tuan Sing Holdings Limited Scrip Dividend Scheme which is applicable to the proposed Dividends.

The proposed Dividends, if approved by shareholders, will be paid on 26 June 2019.

20. SEGMENTAL ANALYSIS

Products and services from which reportable segments derive their revenue

For management purpose, the Group is organised into strategic business units based on their products and services. The Group's principal business operating units, during and at the end of the reporting period, are Property, Hotels Investment, Industrial Services and Other Investments. Accordingly, the Group's reportable operating segments under *SFRS(I) 8* are as follows:

Segment	**Principal activities**
Property	Development of properties for sale, property investment and provision of property management services in Singapore, Australia and China.
Hotels Investment	Investment in hotels in Melbourne and Perth, Australia, managed by Hyatt.
Industrial Services	Trading and marketing of industrial commodities, distribution of tyres and re-treading of tyres (ceased since December 2017), as well as manufacturing of polypropylene woven bags in Malaysia.
Other Investments	Investment in GulTech, a printed circuit boards manufacturer with plants in China.

Segment revenue represents revenue generated from external and internal customers. Segment profit represents the profit earned by each segment after allocation of central administrative costs and finance costs. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Information regarding each of the Group's reportable segments is presented below.

Segment revenues and results

4Q2018 versus 4Q2017 (restated)

	Property $'000	Hotels Investment $'000	Industrial Services $'000	Other Investments[1] $'000	Corporate and Others[2] $'000	Inter-Segment Eliminations $'000	Total Consolidated $'000
4Q2018							
Revenue							
External revenue	**17,583**	**28,296**	**37,406**	**-**	**44**	**-**	**83,329**
Inter-segment revenue	**286**	**220**	**-**	**-**	**4,329**	**(4,835)**	**-**
	17,869	**28,516**	**37,406**	**-**	**4,373**	**(4,835)**	**83,329**
Results							
Profit before tax and fair value adjustments	**3,160**	**3,161**	**425**	**3,943**	**4,408**	**(8,529)**	**6,568**
Fair value adjustments	**113,120**	**-**	**-**	**129**	**-**	**-**	**113,249**
Profit before tax	**116,280**	**3,161**	**425**	**4,072**	**4,408**	**(8,529)**	**119,817**
Income tax expenses	**(1,503)**	**(126)**	**(51)**	**-**	**1,370**	**-**	**(310)**
Profit for the period	**114,777**	**3,035**	**374**	**4,072**	**5,778**	**(8,529)**	**119,507**
Profit attributable to:							
Owners of the Company	**114,833**	**3,035**	**275**	**4,072**	**5,778**	**(8,528)**	**119,465**
Non-controlling interests	**(56)**	**-**	**99**	**-**	**-**	**(1)**	**42**
Profit for the period	**114,777**	**3,035**	**374**	**4,072**	**5,778**	**(8,529)**	**119,507**
4Q2017							
Revenue							
External revenue	26,549	32,054	37,423	-	45	-	96,071
Inter-segment revenue	279	116	-	-	5,198	(5,593)	-
	26,828	32,170	37,423	-	5,243	(5,593)	96,071
Results							
Profit before tax and fair value adjustments	1,962	3,317	556	3,715	5,005	(7,113)	7,442
Fair value adjustments	44,525	-	-	373	-	-	44,898
Profit before tax	46,487	3,317	556	4,088	5,005	(7,113)	52,340
Income tax expenses	(486)	(352)	13	-	(1,620)	-	(2,445)
Profit for the period	46,001	2,965	569	4,088	3,385	(7,113)	49,895
Profit attributable to:							
Owners of the Company	46,001	2,965	444	4,088	3,385	(7,113)	49,770
Non-controlling interests	-	-	125	-	-	-	125
Profit for the period	46,001	2,965	569	4,088	3,385	(7,113)	49,895

FY2018 versus FY2017 (restated)

	Property $'000	Hotels Investment $'000	Industrial Services $'000	Other Investments[1] $'000	Corporate and Others[2] $'000	Inter-Segment Eliminations $'000	Total Consolidated $'000
FY2018							
Revenue							
External revenue	**81,874**	**109,227**	**144,828**	**-**	**179**	**-**	**336,108**
Inter-segment revenue	**1,145**	**487**	**-**	**-**	**26,042**	**(27,674)**	**-**
	83,019	**109,714**	**144,828**	**-**	**26,221**	**(27,674)**	**336,108**
Results							
Profit before tax and fair value adjustments	**17,165**	**5,953**	**1,423**	**19,337**	**7,128**	**(25,291)**	**25,715**
Fair value adjustments	**113,120**	**-**	**-**	**(36)**	**-**	**-**	**113,084**
Profit before tax	**130,285**	**5,953**	**1,423**	**19,301**	**7,128**	**(25,291)**	**138,799**
Income tax expenses	**(2,852)**	**(999)**	**(266)**	**-**	**(73)**		**(4,190)**
Profit for the period	**127,433**	**4,954**	**1,157**	**19,301**	**7,055**	**(25,291)**	**134,609**
Profit attributable to:							
Owners of the Company	**127,504**	**4,954**	**853**	**19,301**	**7,055**	**(25,291)**	**134,376**
Non-controlling interests	**(71)**	**-**	**304**	**-**	**-**	**-**	**233**
Profit for the period	**127,433**	**4,954**	**1,157**	**19,301**	**7,055**	**(25,291)**	**134,609**
FY2017							
Revenue							
External revenue	100,346	119,319	136,119	-	180	-	355,964
Inter-segment revenue	999	431	-	-	25,967	(27,397)	-
	101,345	119,750	136,119	-	26,147	(27,397)	355,964
Results							
Profit before tax and fair value adjustments	12,009	5,869	397	15,677	11,211	(21,972)	23,191
Fair value adjustments	44,525	-	-	289	-	-	44,814
Profit before tax	56,534	5,869	397	15,966	11,211	(21,972)	68,005
Income tax expenses	(1,195)	(1,139)	23	-	(2,950)	-	(5,261)
Profit for the period	55,339	4,730	420	15,966	8,261	(21,972)	62,744
Profit attributable to:							
Owners of the Company	55,340	4,730	307	15,966	8,261	(21,972)	62,632
Non-controlling interests	(1)	-	113	-	-	-	112
Profit for the period	55,339	4,730	420	15,966	8,261	(21,972)	62,744

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.*

Geographical information

Geographically, management reviews the performance of the businesses in Singapore, Australia, China, Malaysia, Indonesia, Europe and other ASEAN countries. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of external customers. Non-current assets other than investments in associates and deferred tax assets are based on the geographical location of the assets.

	Revenue from external customers		Non-current assets		
	2018	2017	31 December 2018	31 December 2017	1 January 2017
	$'000	$'000	$'000	$'000	$'000
Singapore	**179,849**	175,753	**1,513,022**	1,357,155	876,251
Australia	**127,035**	138,273	**646,660**	676,296	644,015
China	**14,467**	13,757	**6,306**	6,407	6,447
Malaysia	**8,449**	9,904	**4,485**	4,646	4,871
Indonesia	**6,297**	12,677	**20**	-	-
Other ASEAN Countries [1]	-	5,351	-	-	-
Others	**11**	249	**59**	-	-
	336,108	355,964	**2,170,552**	2,044,505	1,531,584

Note:
1. *Other ASEAN countries comprise Vietnam, Cambodia, Brunei and Laos with revenue in each country constituting not more than 1% of total Group revenue.*

Other segment information

Included in the Group revenue of $336.1 million (2017: $356.0 million) were sales of approximately $52.8 million (2017: $38.1 million) to one major customer that contributed 10% or more to the Group revenue.

21. BREAKDOWN OF REVENUE AND PROFIT AFTER TAX BY PERIOD

	Group Full Year		
	2018	2017	+/(-)
	$'000	$'000	%
(a) Revenue			
- First quarter	**76,470**	74,796	2
- Second quarter	**81,663**	84,096	(3)
- Third quarter	**94,646**	101,001	(6)
- Fourth quarter	**83,329**	96,071	(13)
Full year revenue	**336,108**	355,964	(6)
(b) Profit after tax before deducting non-controlling interests			
- First quarter	**8,174**	5,253	56
- Second quarter	**3,082**	1,741	77
- Third quarter	**3,846**	5,855	(34)
- Fourth quarter	**119,507**	49,895	140
Full year profit after tax	**134,609**	62,744	115

22. INTERESTED PERSON TRANSACTIONS

The Company did not seek and does not have a shareholders' general mandate pursuant to Rule 920 of the Listing Manual.

23. PERSONS OCCUPYING MANAGERIAL POSITIONS PURSUANT TO RULE 704(13)

Persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer (CEO) or substantial shareholder of the Company pursuant to Rule 704(13) are listed below.

Name	Age	Family relationship with any director, CEO and / or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
William Nursalim alias William Liem	46	Brother of Michelle Liem Mei Fung (Non-Executive Director and Deemed Substantial Shareholder of the Company) and brother-in-law of Tan Enk Ee (Deemed Substantial Shareholder of the Company). Brother-in-law of David Lee Kay Tuan (Non-Executive Director of the Company).	Executive Director of the Company since January 2004 and Chief Executive Officer since January 2008.	N.A.
Boediman Gozali (alias Tony Wu)	77	Uncle of William Nursalim alias William Liem (Chief Executive Officer, Executive Director of the Company and Deemed Substantial Shareholder of the Company), Michelle Liem Mei Fung (Non-Executive Director and Deemed Substantial Shareholder of the Company).	Managing Director and Chief Executive Officer of SP Corporation Limited, a subsidiary of the Company, since August 2010.	N.A.
Lee Kay Chen	52	Brother of David Lee Kay Tuan (Non-Executive Director of the Company) Brother-in-law of Michelle Liem Mei Fung (Non-Executive Director and Deemed Substantial Shareholder of the Company)	General Manager of Globaltraco International Pte Ltd, a subsidiary of the Company, since 1 September 2015.	Business Development Manager of SP Resources International Pte Ltd, a subsidiary of the Company, since 1 June 2018. His duties include mainly coordination, administrative work and sales.

24. CONFIRMATION PURSUANT TO RULE 720(1) OF THE 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.

BY ORDER OF THE BOARD

Julie Koh Ngin Joo
Company Secretary
30 January 2019