**TUAN SING HOLDINGS LIMITED**
(Company Registration No. 196900130M)
9 Oxley Rise #03-02 The Oxley Singapore 238697
Tel: (65) 6223 7211 Fax: (65) 6224 1085 (Main) / 6733 3835 (Corporate Affairs)

# UNAUDITED RESULTS FOR THE FIRST QUARTER 31 MARCH 2017

**Singapore, 27 April 2017** - The Directors of Tuan Sing Holdings Limited ("the Company") announce the following unaudited results of the Group for the first quarter ended 31 March 2017.

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 Chong Chou Yuen, Group CFO, at e-mail address*: chong_chouyuen@tuansing.com.*

**Important Notes on Forward-Looking Statements:**

This announcement may contain forward-looking statements. Words such as 'expects', 'anticipates', 'intends' or the negative use of these terms and other similar expressions of future performance or results and their negatives are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance or events.

These forward-looking statements involve assumptions, risks and uncertainties. The actual future performance or results may differ materially from those expressed or implied by these forward looking statements as a result of various important factors. These factors include but are not limited to, economic, political and social conditions in the geographic markets where the Group operates, interest rate and foreign currency exchange rate movements, cost of capital and availability of capital, competition from other companies and venues for sales / manufacturing / distribution of goods and services, shift in demands, customers and partners, and changes in operating costs. Further details of potential risks and uncertainties affecting the Group are discussed in the "BUSINESS DYNAMIC AND RISK FACTORS STATEMENT" section of this announcement. Unpredictable or unknown factors not discussed in this announcement could also have material adverse effects on forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revision to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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

| | Note | Group First Quarter 31.03.17 $'000 | Group First Quarter 31.03.16 $'000 | +/(-) % |
|---|---|---|---|---|
| **Revenue** | (a) | **74,797** | 105,462 | (29) |
| Cost of sales | | **(59,377)** | (81,582) | (27) |
| **Gross profit** | | **15,420** | 23,880 | (35) |
| Other operating income | (b) | **511** | 739 | (31) |
| Distribution costs | (c) | **(1,227)** | (986) | 24 |
| Administrative expenses | (d) | **(5,654)** | (7,085) | (20) |
| Other operating expenses | (b) | **(1,232)** | (582) | 112 |
| Share of results of an equity accounted investee | (e) | **3,603** | 1,740 | 107 |
| Interest income | (f) | **1,031** | 1,028 | nm |
| Finance costs | (g) | **(6,102)** | (6,735) | (9) |
| **Profit before tax and fair value adjustments** | | **6,350** | 11,999 | (47) |
| Fair value adjustments | (h) | **15** | 96 | (84) |
| **Profit before tax** | | **6,365** | 12,095 | (47) |
| Income tax expenses | (j) | **(1,044)** | (2,476) | (58) |
| **Profit for the period** | | **5,321** | 9,619 | (45) |
| | | | | |
| **OTHER COMPREHENSIVE LOSS** | | | | |
| *Items that may be reclassified subsequently to profit or loss* | | | | |
| Exchange differences on translation of foreign operations | (k) | **1,338** | (5,811) | nm |
| Share of other comprehensive (loss) / income of an equity accounted investee | (k) | **(2,851)** | 4,442 | nm |
| Cash flow hedges | (k) | **130** | (146) | nm |
| Income tax relating to components of other comprehensive income / (loss) that may be reclassified subsequently | | **(39)** | 44 | nm |
| **Other comprehensive loss, net of tax** | | **(1,422)** | (1,471) | (3) |
| **Total comprehensive income for the period** | | **3,899** | 8,148 | (52) |
| | | | | |
| *Profit attributable to:* | | | | |
| Owners of the Company | | **5,385** | 9,562 | (44) |
| Non-controlling interests | | **(64)** | 57 | nm |
| | | **5,321** | 9,619 | (45) |
| | | | | |
| *Total comprehensive income attributable to:* | | | | |
| Owners of the Company | | **4,184** | 8,218 | (49) |
| Non-controlling interests | | **(285)** | (70) | 307 |
| | | **3,899** | 8,148 | (52) |
| | | | | |
| **Basic and diluted earnings per share (in cents)** | | | | |
| Excluding fair value adjustments | (m) | **0.5** | 0.8 | |
| Including fair value adjustments | (m) | **0.5** | 0.8 | |
| **Return on shareholders' funds ^** | | **2.3%** | 4.3% | |

*nm: not meaningful*

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

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

| | | Group First Quarter | |
|---|---|---|---|
| | Note | **31.03.17 $'000** | **31.03.16 $'000** |
| Depreciation of property, plant and equipment [included in cost of sales, distribution costs, administrative expenses] | | **(2,171)** | (2,068) |
| Loss on disposal of property, plant and equipment, net [included in other operating (expenses) / income] | | **-** | (4) |
| Allowance for doubtful trade and other receivables, net [included in other operating income / (expenses)] | | **(17)** | (9) |
| Allowance for inventory obsolescence, net [included in other operating income / (expenses)] | | **-** | (30) |
| Foreign exchange loss, net [included in other operating (expenses) /income] | (b) | **(557)** | (78) |
| Allowance for diminution in value for development properties [included in other operating expenses] | (b) | **(361)** | - |

**Explanatory notes**

(a) Group's revenue in 1Q2017 was $74.8 million, down by 29% as compared to the corresponding period last year. The decrease was mainly due to lower revenue from development properties. In 1Q2017, $10.1 million was recognised as revenue from development properties as compared to $36.1 million in 1Q2016.

Revenues of Gul Technologies Singapore Pte. Ltd. ("GulTech") and Pan-West (Private) Limited ("Pan-West") are not included as their results are equity accounted for. Had their revenues been included, the Group's total revenue would have been $169.7 million for 1Q2017 as compared to $186.4 million in 1Q2016.

Detailed analysis of Group revenue is set out in Items 14 and 15.

(b) Other operating income in the current quarter was lower than the corresponding period last year as a result of lower foreign currency exchange gain arising from the appreciation of Australian Dollar ("AUD"). Other operating expenses comprised mainly allowance for diminution in value for one unit each in Cluny Park Residence and Sennett Residence, foreign currency exchange losses mainly arising from the depreciation of United States Dollar ("USD"). In comparison, other operating expenses for 1Q2016 comprised mainly foreign currency exchange loss arising from the depreciation USD.

(c) The increase in distribution costs for the first quarter was largely due to higher promotion and commission expenses incurred in relation to the residential projects.

(d) The decrease in administrative expenses was due to lower legal fees incurred in relation to the termination of the previous Seletar Park Residence main contractor.

(e) The Group's share of results of an equity accounted investee reflected solely share of results of the 44.5%-owned GulTech. The Group has ceased recognising Pan-West's losses after the Group's share of Pan-West's accumulated losses exceeded the Group's cost of investment there.

(f) Interest income was comparable with that of 1Q2016.

(g) Borrowing costs capitalised as cost of "properties under development" relate to borrowings taken up to finance the various projects. Amount capitalised and overall finance costs reduced in the quarter mainly because of lower interest rates secured for loans on certain investment properties.

| | **Group First Quarter** | |
|---|---|---|
| | **31.03.17 $'000** | **31.03.16 $'000** |
| **Finance costs** | | |
| Interest expense on loans and borrowings | **6,986** | 8,375 |
| Amortisation of capitalised finance costs | **322** | 319 |
| | **7,308** | 8,694 |
| Less: Amounts capitalised as cost of properties | **(1,206)** | (1,959) |
| | **6,102** | 6,735 |

(h) Fair value gain in 1Q2016 and 1Q2017 arose solely from GulTech's foreign exchange forward contracts. These mark-to-market fair value adjustments are unrealised and may not necessarily recur in the future. Hence they are separately disclosed so as to provide a better understanding of the underlying profit attributable to shareholders.

(j) Taxation charges were arrived at based on the statutory tax rates of the respective countries in which the Group operates and took into account non-deductible expenses and temporary differences. Included therein was deferred tax provision arising from a change in the fair value of net assets of Grand Hotel Group ("GHG") as compared to the tax-cost base of the securities in GHG. Overall, income tax decreased for both current periods as lower profit was generated from Property and Hotels Investment segments.

| | **Group First Quarter** | |
|---|---|---|
| | **31.03.17 $'000** | **31.03.16 $'000** |
| **Income tax expenses** | | |
| Current income tax | | |
| - Singapore | **(57)** | 72 |
| - Foreign | **413** | 447 |
| - Over provision in prior years | **(55)** | (2) |
| | **301** | 517 |
| Withholding tax expense | **10** | 4 |
| Deferred tax | **733** | 1,955 |
| | **1,044** | 2,476 |

(k) Other comprehensive loss in the current quarter relates mainly to:

(i) Foreign currency translation gain of $1.3 million was mainly attributable to the appreciation of Australian Dollar ("AUD") in translating the financial statements of the Australian operations,

(ii) The share of foreign currency translation loss of $2.9 million in GulTech because of the depreciation of USD; and

(iii) Cash flow hedges represented the effective portion of changes in the fair value of AUD interest rate swap contracts. These contracts had an effective date from 30 April 2015. The balance was a non-current liability of $0.9 million at 31 March 2017 [refer to Item 2, line "Derivative financial instruments"].

(m) Analysis of the Group's profit before and after fair value adjustments is shown below:

| | Group First Quarter 2017 | | | Group First Quarter 2016 | | |
|---|---|---|---|---|---|---|
| | Before Fair Value Adjustments | Fair Value Adjustments | After Fair Value Adjustments | Before Fair Value Adjustments | Fair Value Adjustments | After Fair Value Adjustments |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Profit before tax** | **6,350** | **15** | **6,365** | 11,999 | 96 | 12,095 |
| Income tax expenses | **(1,044)** | **-** | **(1,044)** | (2,476) | - | (2,476) |
| **Profit after tax** | **5,306** | **15** | **5,321** | 9,523 | 96 | 9,619 |
| *Less:* | | | | | | |
| Non-controlling interests | **64** | **-** | **64** | (57) | - | (57) |
| **Profit attributable to owners of the Company** | **5,370** | **15** | **5,385** | 9,466 | 96 | 9,562 |
| **Basic and diluted earnings per share (in cents)** | **0.5** | @ | **0.5** | 0.8 | @ | 0.8 |

*@ Less than 0.1 cent*

## 2. STATEMENTS OF FINANCIAL POSITION

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 31.03.17 $'000 | 31.12.16 $'000 | 31.03.17 $'000 | 31.12.16 $'000 |
| **ASSETS** | | | | | |
| **Current assets** | | | | | |
| Cash and bank balances | (n) | **138,741** | 163,688 | **539** | 301 |
| Trade and other receivables | (p) | **161,890** | 158,793 | **7,963** | 7,994 |
| Amounts due from subsidiaries | (aa) | **-** | - | **257,115** | 255,467 |
| Inventories | (q) | **3,742** | 3,564 | **-** | - |
| Development properties | (r) | **173,790** | 183,232 | **-** | - |
| Total current assets | | **478,163** | 509,277 | **265,617** | 263,762 |
| | | | | | |
| **Non-current assets** | | | | | |
| Property, plant and equipment | (s) | **427,509** | 419,278 | **-** | - |
| Investment properties | (t) | **1,124,207** | 1,108,652 | **498** | 498 |
| Investments in subsidiaries | (aa) | **-** | - | **684,794** | 684,755 |
| Investments in equity accounted investees | (u) | **84,346** | 83,579 | **-** | - |
| Deferred tax assets | (z) | **2,334** | 2,286 | **-** | - |
| Other non-current assets | | **11** | 11 | **-** | - |
| Total non-current assets | | **1,638,407** | 1,613,806 | **685,292** | 685,253 |
| **Total assets** | | **2,116,570** | 2,123,083 | **950,909** | 949,015 |
| | | | | | |
| **LIABILITIES AND EQUITY** | | | | | |
| **Current liabilities** | | | | | |
| Loans and borrowings | (w) | **394,658** | 3,406 | **-** | - |
| Trade and other payables | (y) | **99,423** | 112,333 | **19,761** | 20,096 |
| Amounts due to subsidiaries | | **-** | - | **268,115** | 265,956 |
| Income tax payable | | **21,402** | 22,290 | **55** | 52 |
| Total current liabilities | | **515,483** | 138,029 | **287,931** | 286,104 |
| | | | | | |
| **Non-current liabilities** | | | | | |
| Loans and borrowings | (w) | **628,173** | 1,017,387 | **79,601** | 79,562 |
| Derivative financial instruments | (k) | **910** | 1,019 | **-** | - |
| Deferred tax liabilities | (z) | **37,177** | 35,730 | **-** | - |
| Other non-current liabilities | | **472** | 462 | **-** | - |
| Total non-current liabilities | | **666,732** | 1,054,598 | **79,601** | 79,562 |
| | | | | | |
| **Capital, reserves and non-controlling interests** | | | | | |
| Share capital | | **171,306** | 171,306 | **171,306** | 171,306 |
| Reserves | (ab) | **752,300** | 748,116 | **412,071** | 412,043 |
| Equity attributable to owners of the Company | | **923,606** | 919,422 | **583,377** | 583,349 |
| Non-controlling interests | | **10,749** | 11,034 | **-** | - |
| Total equity | | **934,355** | 930,456 | **583,377** | 583,349 |
| **Total liabilities and equity** | | **2,116,570** | 2,123,083 | **950,909** | 949,015 |
| | | | | | |
| **Working capital #** | | **(37,320)** | 371,248 | | |
| | | | | | |
| **Total borrowings** | (w) | **1,022,831** | 1,020,793 | | |
| **Gross gearing (times) ^** | | **1.09** | 1.10 | | |
| | | | | | |
| **Net borrowings ^^** | | **884,090** | 857,105 | | |
| **Net gearing (times) ^** | | **0.95** | 0.92 | | |
| | | | | | |
| **Net asset value per share (in cents)** | | **78.1** | 77.7 | | |

*# 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*

**Explanatory notes**

(n) Cash and bank balances held by the Group were $138.7 million (31 December 2016: $163.7 million). Included therein were amounts held under project accounts of development properties for which withdrawals are restricted to payments for expenditure incurred on development properties and are subject to the provisions in the Housing Developers (Project Account) Rules in Singapore. Certain bank balances and fixed deposits were held by banks as security for credit facilities [refer to Item 4 note (ac)].

| | Group | | Company | |
|---|---|---|---|---|
| | 31.03.17 | 31.12.16 | 31.03.17 | 31.12.16 |
| | $'000 | $'000 | $'000 | $'000 |
| **Cash and bank balances** | | | | |
| Cash at banks and on hand | **33,241** | 39,271 | **539** | 301 |
| Fixed deposits | **101,376** | 117,323 | **-** | - |
| Amounts held under the Housing Developers (Project Account) Rules | **4,124** | 7,094 | **-** | - |
| | **138,741** | 163,688 | **539** | 301 |

(p) Included in the carrying amounts as at 31 March 2017 were mainly receivables of $62.4 million (31 December 2016: $64.5 million) relating to the remaining sales consideration on completed development properties sold, option fee of $1.0 million for land acquisition for 1 Jalan Remaja ("Remaja Project"), land acquisition deposit of $7.8 million (31 December 2016: $7.8 million) for land in Batam, Indonesia and of $4.9 million (31 December 2016: $5.0 million) for land in Jiaozhou, China.

(q) The balance of inventories, from the Industrial Services segment, were comparable with that of last year.

(r) Development properties comprise properties in the course of development, land held for future development and completed properties held for sale, as detailed in the table below.

| | Group | |
|---|---|---|
| | 31.03.17 | 31.12.16 |
| | $'000 | $'000 |
| **Development properties** | | |
| Land cost | **79,135** | 79,728 |
| Development costs incurred | **1,087** | 979 |
| Interest and others | **1,803** | 1,484 |
| | **82,025** | 82,191 |
| Less: Allowance for diminution in value | **(7,190)** | (7,378) |
| Properties in the course of development | **74,835** | 74,813 |
| Completed properties held for sale | **104,002** | 113,105 |
| Less: Allowance for diminution in value | **(5,047)** | (4,686) |
| Completed properties held for sale | **98,955** | 108,419 |
| Total Development Properties | **173,790** | 183,232 |
| **Represented by:** | | |
| Properties in the course of development in Singapore | **56,613** | 56,166 |
| Land held for future development in China | **18,222** | 18,647 |
| Completed properties held for sale in Singapore | **94,947** | 104,310 |
| Completed properties held for sale in China | **4,008** | 4,109 |
| | **173,790** | 183,232 |

(s) Property, plant and equipment comprise mainly hotel properties in Australia. The increase was attributable mainly to foreign currency translation gain as a result of the appreciation of AUD.

(t) The increase in investment properties was primarily because of development costs and interest expenses capitalised under the Robinson Tower redevelopment as well as the foreign currency translation gain relating to investment properties in Australia as a result of the appreciation of AUD. There was no fair value adjustment for this quarter as the Group's practice is to revalue investment properties on an annual basis at year-end.

| | Group | |
|---|---|---|
| | **31.03.17** | **31.12.16** |
| | **$'000** | **$'000** |
| **Investment properties** | | |
| Completed investment properties | **716,442** | 711,698 |
| Investment property under redevelopment | **407,765** | 396,954 |
| | **1,124,207** | 1,108,652 |
| **Represented by:** | | |
| Singapore, completed investment properties | **478,030** | 478,030 |
| Australia, completed investment properties | **232,215** | 227,309 |
| China, completed investment properties | **6,197** | 6,359 |
| Singapore, investment property under redevelopment | **407,765** | 396,954 |
| | **1,124,207** | 1,108,652 |

(u) The Group's equity-accounted investments consist of 44.5% interest in GulTech and 49% interest in Pan-West. The decrease was due to foreign currency translation loss as a result of the depreciation of USD which is the reporting currency of GulTech. The decrease was mitigated by the Group's share of GulTech's profit and fair value gain totalling $3.6 million in the current period.

(w) The Group's loans and borrowings net of capitalised finance costs, stood at $1,022.8 million (31 December 2016: $1,020.8 million). The increase was mainly due to a higher carrying value of AUD-denominated borrowing as a result of the appreciation of AUD. In the current quarter, AUD-denominated borrowing amounting to $378.2 million has been reclassified as current as it is maturing in January 2018.

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.17** | **31.12.16** | **31.03.17** | **31.12.16** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| **Current** | | | | |
| Bank loans | **394,658** | 3,406 | **-** | - |
| **Non-current** | | | | |
| Bank loans | **548,572** | 937,825 | **-** | - |
| Notes issued under MTN Programme | **79,601** | 79,562 | **79,601** | 79,562 |
| | **628,173** | 1,017,387 | **79,601** | 79,562 |
| | **1,022,831** | 1,020,793 | **79,601** | 79,562 |
| **Represented by:** | | | | |
| Interest-bearing liabilities | **1,025,900** | 1,024,085 | **80,000** | 80,000 |
| Capitalised finance costs | **(3,069)** | (3,292) | **(399)** | (438) |
| | **1,022,831** | 1,020,793 | **79,601** | 79,562 |

(y) The decrease in trade and other payables was in line with the lower level of activities for development properties and in Industrial Services segment.

(z) Deferred tax assets and liabilities are netted off when there is a legally enforceable right to offset and when the deferred income taxes relate to the same tax authority. Deferred tax liabilities arose largely from the recognition the Group's deferred tax liabilities arising from its interest in GHG.

(aa) Investments in subsidiaries and amounts due from subsidiaries shown under the Company's statement of financial position are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired or any indication that the previously impaired amounts had decreased or no longer exist. No impairment loss or write-back was recognised in profit or loss as a result of above assessment for the current quarter.

(ab) Composition of reserves

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.17** | **31.12.16** | **31.03.17** | **31.12.16** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| **Reserves** | | | | |
| Foreign currency translation account | **(17,443)** | (16,151) | **-** | - |
| Asset revaluation reserve | **106,420** | 106,420 | **-** | - |
| Other capital reserves: | | | | |
| - Non-distributable capital reserves | **128,909** | 128,200 | **101,264** | 101,264 |
| - Cash flow hedging account | **(1,322)** | (1,413) | **-** | - |
| | **127,587** | 126,787 | **101,264** | 101,264 |
| Revenue reserve | **535,736** | 531,060 | **310,807** | 310,779 |
| | **752,300** | 748,116 | **412,071** | 412,043 |

Foreign currency translation account (balance sheet) comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the Group, i.e. SGD; as well as from the translation of monetary items which form part of the Group's net investment in foreign operations at the end of the reporting period.

Asset revaluation reserve comprises net cumulative surpluses arising from the revaluation of property, plant and equipment which are held for the purpose of production or supply of goods and services.

Non-distributable capital reserves comprise mainly capital reduction reserve of the Company, share of reserve of an associate, GulTech and distribution reserve of GHG which is used to record the balance of amounts available for distribution.

Cash flow hedging account represents the cumulative net change in fair value of the effective portion of the cash flow hedges.

Movement in the Group's and the Company's reserves are set out in Item 5.

## 3. GROUP'S BORROWINGS AND DEBT SECURITIES

| | Group | | Company | |
|---|---|---|---|---|
| | **31.03.17** | **31.12.16** | **31.03.17** | **31.12.16** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| **Secured borrowings** | | | | |
| Amount repayable in one year or less, or on demand | **394,658** | 3,406 | **-** | - |
| Amount repayable after one year | **548,572** | 937,825 | **-** | - |
| | **943,230** | 941,231 | **-** | - |
| **Unsecured borrowings** | | | | |
| Amount repayable after one year | **79,601** | 79,562 | **79,601** | 79,562 |
| | **1,022,831** | 1,020,793 | **79,601** | 79,562 |

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

Approximately 92% (31 December 2016: 92%) of the Group's borrowings were on floating rates with various tenures, while the remaining 8% (31 December 2016: 8%) were on fixed rates. Singapore Dollar denominated borrowings represented approximately 63% (31 December 2016: 64%) of total borrowings; while the remaining were in AUD.

**Multicurrency Medium Term Note Programme ("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.

Fixed rate notes of S$80 million (the "Notes") were issued under the MTN Programme on 14 October 2014. The Notes are unsecured, bear a fixed interest rate of 4.50% per annum payable semi-annually in arrears and will mature on 14 October 2019.

**Details of any collateral**

As at 31 March 2017, the net book value of assets pledged or mortgaged to banks and a financial institution was $1,750.3 million (31 December 2016: $1,736.9 million).

## 4. CONSOLIDATED STATEMENT OF CASH FLOWS

| | Note | Group First Quarter 31.03.17 $'000 | Group First Quarter 31.03.16 $'000 |
|---|---|---|---|
| **OPERATING ACTIVITIES** | | | |
| Profit before tax | | **6,365** | 12,095 |
| *Adjustments for:* | | | |
| Fair value gain | | **(15)** | (96) |
| Share of results of an equity accounted investee | | **(3,603)** | (1,740) |
| Allowance for diminution in value for development properties | | **361** | - |
| Depreciation of property, plant and equipment | | **2,171** | 2,068 |
| Allowance for inventory obsolescence, net | | **-** | 30 |
| Allowance for doubtful trade and other receivables, net | | **17** | 9 |
| Net loss on disposal of property, plant and equipment | | **-** | 4 |
| Interest income | | **(1,031)** | (1,028) |
| Finance costs | | **6,102** | 6,735 |
| **Operating cash flows before movements in working capital** | | **10,367** | 18,077 |
| Development properties less progressive billings receivable | | **8,585** | (9,318) |
| Inventories | | **(210)** | 375 |
| Trade and other receivables | | **(3,343)** | 37,152 |
| Trade and other payables | | **(12,433)** | (12,950) |
| **Cash generated from operations** | | **2,966** | 33,336 |
| Interest received | | **523** | 373 |
| Income tax paid | | **(1,186)** | (444) |
| **Net cash from operating activities** | | **2,303** | 33,265 |
| **INVESTING ACTIVITIES** | | | |
| Purchase of property, plant and equipment | | **(1,675)** | (972) |
| Proceeds on disposal of property, plant and equipment | | **-** | 62 |
| Additions to investment properties | | **(9,947)** | (1,687) |
| Option fee paid for purchase of land | | **(1,000)** | - |
| **Net cash used in investing activities** | | **(12,622)** | (2,597) |
| **FINANCING ACTIVITIES** | | | |
| Proceeds from loans and borrowings | | **5,968** | 30,900 |
| Repayment of loans and borrowings | | **(11,940)** | (62,149) |
| Interest paid | | **(6,226)** | (10,342) |
| Bank deposits pledged as securities for bank facilities | | **1,698** | (30,193) |
| **Net cash used in financing activities** | | **(10,500)** | (71,784) |
| **Net decrease in cash and cash equivalents** | | **(20,819)** | (41,116) |
| **Cash and cash equivalents:** | | | |
| At the beginning of the period | | **95,896** | 105,675 |
| Foreign currency translation adjustments | | **(687)** | (1,201) |
| **At the end of the period** | (ac) | **74,390** | 63,358 |

## Explanatory notes

(ac) Cash and cash equivalents

Encumbered fixed deposits and bank balances held by banks as security for credit facilities were excluded from the cash and cash equivalents:

| | Group First Quarter | |
|---|---|---|
| | **31.03.17** | **31.03.16** |
| | **$'000** | **$'000** |
| Cash and bank balances | **138,741** | 128,508 |
| Less: | | |
| Encumbered fixed deposits and bank balances | **(64,351)** | (65,150) |
| **Cash and cash equivalents per consolidated statement of cash flows** | **74,390** | 63,358 |

As at 31 March 2017, the Group had cash placed with banks in China amounting to $77.6 million (31 March 2016: $80.4 million). The repatriation of these cash into Singapore is subject to the Foreign Exchange Control Regulations in China. Out of which, $63.4 million (31 March 2016: $63.1 million) was pledged to a bank as security for banking facilities.

(ad) Free cash flow

| | Group First Quarter | |
|---|---|---|
| | **31.03.17** | **31.03.16** |
| | **$'000** | **$'000** |
| Net cash from operating activities | **2,303** | 33,265 |
| Net cash used in investing activities | **(12,622)** | (2,597) |
| **Free cash (out)/inflow for the period ^** | **(10,319)** | 30,668 |

^ *Free cashflow = operating cash flow + investing cash flow*

Detailed analysis of Group's cash flow is set out in Item 14.

# 5. STATEMENTS OF CHANGES IN EQUITY

## The Group

| | Share capital | 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 |
| **2017** | | | | | | | | |
| **At 1 January 2017** | **171,306** | **(16,151)** | **106,420** | **126,787** | **531,060** | **919,422** | **11,034** | **930,456** |
| **Total comprehensive income** | | | | | | | | |
| Profit for the year | **-** | **-** | **-** | **-** | **5,385** | **5,385** | **(64)** | **5,321** |
| Other comprehensive income / (loss), net of tax | **-** | **(1,292)** | **-** | **91** | **-** | **(1,201)** | **(221)** | **(1,422)** |
| Total | **-** | **(1,292)** | **-** | **91** | **5,385** | **4,184** | **(285)** | **3,899** |
| **Transaction with owners, recognised directly in equity** | | | | | | | | |
| Transfer from revenue reserve to other capital reserves | **-** | **-** | **-** | **709** | **(709)** | **-** | **-** | **-** |
| **At 31 March 2017** | **171,306** | **(17,443)** | **106,420** | **127,587** | **535,736** | **923,606** | **10,749** | **934,355** |
| **2016** | | | | | | | | |
| **At 1 January 2016** | 170,230 | (23,722) | 94,534 | 116,342 | 519,421 | 876,805 | 10,652 | 887,457 |
| **Total comprehensive income** | | | | | | | | |
| Profit for the period | - | - | - | - | 9,562 | 9,562 | 57 | 9,619 |
| Other comprehensive loss, net of tax | - | (1,242) | - | (102) | - | (1,344) | (127) | (1,471) |
| Total | - | (1,242) | - | (102) | 9,562 | 8,218 | (70) | 8,148 |
| **Transaction with owners, recognised directly in equity** | | | | | | | | |
| Transfer from revenue reserve to other capital reserves | - | - | - | 1,328 | (1,328) | - | - | - |
| **At 31 March 2016** | 170,230 | (24,964) | 94,534 | 117,568 | 527,655 | 885,023 | 10,582 | 895,605 |

## The Company

| | Share capital | Other capital reserve | Revenue reserve | Total equity |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| **2017** | | | | |
| **At 1 January 2017** | **171,306** | **101,264** | **310,779** | **583,349** |
| Profit, representing total comprehensive income for the year | **-** | **-** | **28** | **28** |
| **At 31 March 2017** | **171,306** | **101,264** | **310,807** | **583,377** |
| **2016** | | | | |
| **At 1 January 2016** | 170,230 | 101,264 | 294,427 | 565,921 |
| Profit, representing total comprehensive income for the year | - | - | 50 | 50 |
| **At 31 March 2016** | 170,230 | 101,264 | 294,477 | 565,971 |

## 6. SHARE CAPITAL

Share Capital

The Company's issued shares as at 31 March 2017 comprised 1,182,842,055 ordinary shares (31 December 2016: 1,182,842,055 ordinary shares). There has been no change in the Company's share capital arising from rights issue, bonus issue, share buy-backs, 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 31 December 2016, being the end of the preceding period reported on. There were also no outstanding convertible securities for which shares may be issued.

Treasury Shares

The Company did not hold any treasury shares as at 31 March 2017 or as at 31 December 2016. There were also no sales, transfers, disposals, cancellation and / or use of treasury shares during 1Q2017 and FY2016.

## 7. AUDIT

The financial statements have not been audited or reviewed by the Company's external auditors.

## 8. AUDITORS' REPORT

Not applicable.

## 9. BASIS OF PREPARATION

The financial statements are prepared in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

## 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 periods as compared with those of the audited financial statements for the financial year ended 31 December 2016.

## 11. CHANGES IN ACCOUNTING POLICIES

On 1 January 2017, the Group adopted all the new and revised Financial Reporting Standards ("FRSs") and interpretations of FRS ("INT FRS") that are effective as from that date and are relevant to its operations. The adoption of these new or revised FRSs and INT FRSs does not result in changes to the Group's and the Company's accounting policies and has no material effect on the accounts reported for the current or prior financial periods or financial years.

## 12. EARNINGS PER ORDINARY SHARE

| | Group First Quarter | |
|---|---|---|
| | **31.03.17** | **31.03.16** |
| **(a) Earnings per ordinary share based on the weighted average number of ordinary shares in issue (in cents):** | | |
| Excluding fair value adjustments | **0.5** | 0.8 |
| Including fair value adjustments | **0.5** | 0.8 |
| Weighted average number of ordinary shares in issue (in millions) | **1,182.8** | 1,178.8 |
| **(b) Earnings per ordinary share based on fully diluted basis (in cents)** | | |
| Excluding fair value adjustments | **0.5** | 0.8 |
| Including fair value adjustments | **0.5** | 0.8 |
| Adjusted weighted average number of ordinary shares (in millions) | **1,182.8** | 1,178.8 |

*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 | |
|---|---|---|---|---|
| | **31.03.17** | **31.12.16** | **31.03.17** | **31.12.16** |
| Net asset value per ordinary share (in cents) | **78.1** | 77.7 | **49.3** | 49.3 |
| Total number of issued shares (in millions) | **1,182.8** | 1,182.8 | **1,182.8** | 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**

For the first quarter, the Group reported revenue of $74.8 million, a drop of 29% as compared to same quarter last year of $105.5 million. Accordingly, net profit attributable to shareholders fell 44% to $5.4 million as compared to the same quarter last year. Earnings per share stood at 0.5 cent for the first quarter, down from 0.8 cent a year earlier. Lower revenue and profit were due to the Group having sold most of the units of its residential development projects which were completed last year.

Net asset value per share rose to 78.1 cents at 31 March 2017, up from 77.7 cents at 31 December 2016.

**Financial Performance**

Lower revenue in the quarter resulted in lower gross profit of $15.4 million as compared to $23.9 million in the corresponding quarter in 2016. Distribution costs increased largely on account of higher promotion and commission expenses in relation to residential projects. Lower administrative expenses reflected lower legal fees incurred in relation to the termination of the previous main contractor at Seletar Park Residence.

In the first quarter, other operating income was lower than the corresponding period last year, reflected mainly a lower foreign currency exchange gains arising from the appreciation of Australian Dollar ("AUD"). Other operating expenses comprised mainly $0.4 million allowance for diminution in value for one unit each in Cluny Park Residence and Sennett Residence, foreign currency exchange losses mainly from the depreciation of United States Dollar ("USD").

GulTech, an equity-accounted investee, contributed a profit of $3.6 million in first quarter 2017, an increase of 107% over the same quarter last year of $1.7 million.

Overall, the Group's profit after tax (inclusive of fair value adjustments) for the first quarter was $5.3 million, down 45% from $9.6 million in the same quarter last year.

**Financial Position**

As at 31 March 2017, the Group had total assets amounting to $2,116.6 million, a small decrease of $6.5 million as compared to $2,123.1 million at the previous year-end. There were lower cash and bank balances and lower value of development properties but higher balances in trade and other receivables, investment properties and property, plant and equipment.

The capitalised cost for the Robinson Tower redevelopment, while it is in progress, caused an increase in investment properties. The increase in property, plant and equipment was mainly attributable to foreign currency translation gain as a result of the appreciation of AUD for the assets in Australia.

Corresponding to the drop in the Group's total assets, total liabilities of $1,182.2 million represented a marginal 0.9% decrease from the previous year-end.

Shareholders' fund grew 0.5% or $4.2 million during the current quarter to $923.6 million. Total equity (i.e. including non-controlling interests) increased to $934.4 million as at 31 March 2017, from $930.5 million at the previous year-end. These increases reflect mainly profit made during the first quarter, offset by loss on foreign currency translation.

The negative working capital as at 31 March 2017 was due solely to the reclassification to current liability of a bank loan amounting to $378.2 million maturing in January 2018. The Group plans to rollover the loan before the end of the year.

**Cash Flow (refer to Item 4 for details)**

During the quarter, net cash generated from operating activities was $2.3 million as compared to $33.3 million in the same period last year. The decrease was due mainly to lower sales from the completed development properties as most of the units had been sold.

Net cash used in investing activities in the current quarter was $12.6 million as compared to $2.6 million in the corresponding period a year ago. The increase was mainly for the redevelopment of Robinson Tower ($9.8 million), capital expenditure for the two hotels ($1.6 million) and option fee paid ($1.0 million) for the land purchase at 1 Jalan Remaja.

As net cash generated from operating activities was lower than the net cash used in investing activities, there was a free cash outflow of $10.3 million during the quarter, as opposed to free cash inflow of $30.7 million in the same period last year [refer to Item 4, note (ad)].

Net cash used in financing activities was $10.5 million, reflecting mainly a net loan repayment of $6.0 million and interest payment of $6.2 million. For the corresponding period last year, net cash of $71.8 million was used for a net loan repayment of $31.2 million, interest of $10.3 million and an additional bank deposit of $30.2 million pledged for certain bank facilities.

Overall, cash and cash equivalents stood at $74.4 million at 31 March 2017, a decrease from $95.9 million as at 31 December 2016.

## 15. REVIEW OF SEGMENT PERFORMANCE

**Property**

For the first quarter, property revenue decreased to $22.7 million from $48.9 million in the same period last year. Profit after tax was $2.0 million, down from $7.1 million a year ago. New sales recognition for units sold at the Cluny Park Residence formed the bulk of the revenue in the current quarter.

Including rental income from investment properties, Property segment contributed 30% of the Group's total revenue in the first quarter of 2017.

**Hotels Investment**

For the first quarter, Hotels Investment segment recorded A$28.0 million of revenue as compared to A$29.8 million in the same period last year. There was a marginal 2.5% drop in RevPAR ("Revenue Per Available Room") from the two hotels and lower intake from the food and beverage business as compared to the same period a year ago. Consequently and after deducting finance costs and deferred tax provision at the investment holding company level, Hotels Investment segment contributed a lower profit after tax of $0.7 million as compared to $0.8 million last year.

**Industrial Services**

For the first quarter, Industrial Services segment recorded lower revenue of $26.0 million as compared to $30.0 million the same period a year ago. Accordingly, Industrial Services segment reported loss after tax of $0.3 million as opposed to profit after tax of $0.3 million same period last year.

**Other Investment**

For the first quarter, GulTech reported revenue of US$65.2 million and profit after tax of US$7.6 million, an increase of 17% and 66% respectively from the previous corresponding quarter. The increase was mainly attributable to improved performance from all its three plants.

Consequently, GulTech's net profit attributable to shareholders improved 95% to US$5.7 million from US$2.9 million in the same quarter last year. This translated into a higher share of profit (including fair value gain) of $3.6 million for the Group.

## 16. VARIANCE FROM PROSPECT STATEMENT

Not applicable.

## 17. OUTLOOK

In Singapore, the private residential market is expected to remain subdued as the prevailing property cooling measures would continue to weigh on market sentiment. The Group will continue to market the remaining units of its three completed residential developments in the coming months. As at 31 March 2017, only 3 units of Seletar Park Residence, 16 units of Cluny Park Residence; and 11 units and the 3 shop units of Sennett Residence remain unsold.

Forging ahead, the Group plans to launch "Kandis Residence" in the third quarter of 2017. This project has about 130 one- to three-bed-room units spread over three and seven-storey buildings with full condominium facilities.

In April 2017, the Group exercised the option to purchase a vacant lot at no. 1 Jalan Remaja for $47.8 million. This freehold residential site is within walking distance to Hillview MRT Station. The transaction is expected to be completed in June 2017. The Group plans to develop it into approximately 100 condominium apartments. Project launch is targeted in 2Q2018.

In the same month April 2017, the Group also entered into an agreement to purchase Sime Darby Centre located at Dunearn Road (opposite King Albert Park MRT Station) for $365 million. Currently, the property is about 96% occupied over a net lettable area of approximately 18,832 square metres. In due course, the Group will reposition the property into a hub of activities that can serve the needs of the vast residential community in the vicinity. The transaction is also expected to be completed in June 2017.

To finance the acquisition of Sime Darby Centre and to meet an increase in working capital requirement for residential development projects, the Company plans to issue a second tranche of notes under the MTN Programme of about S$140 million in May 2017. The Company will provide further details when it is appropriate.

The new building at the Robinson Towers site is progressing well and is expected to be completed in the second half of 2018 when it will provide a steady stream of income to the Group.

Hotels Investment in Australia is expected to perform satisfactorily and continue to contribute recurring income and cash flow to the Group.

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

## 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 is satisfied that there were no risks that could 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

<u>Operational Risk</u>

- 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

<u>Compliance Risk</u>

- 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

No dividend has been recommended or declared for 1Q2017.

(b) Corresponding period of the immediately preceding financial year

No dividend was declared for 1Q2016, being the corresponding period of the immediately preceding year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

## 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 *FRS 108* 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 Australia. |
| Industrial Services | Trading and marketing of industrial commodities, distribution of tyres and re-treading of tyres, as well as manufacturing of polypropylene woven bags in Malaysia. |
| Other Investment | Investment in GulTech, a printed circuit boards manufacturer with operations mainly in China. |
| Corporate and Others | Provision of corporate-level services. |

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.

Management monitors the operating results of each of its business unit for the purpose of making decisions on resource allocation and performance assessment. Corporate and Others are managed on a group basis and are not allocated to operating segments. Segment assets and liabilities are presented net of inter-segment balances. Inter-segment pricing is determined on arm's length basis.

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

*Segment revenues and results*

| | Property $'000 | Hotels Investment $'000 | Industrial Services $'000 | Other Investments $'000 | Corporate and Others $'000 | Inter-Segment Eliminations $'000 | Total Consolidated $'000 |
|---|---|---|---|---|---|---|---|
| **1Q2017** | | | | | | | |
| **Revenue** | | | | | | | |
| External revenue | **19,214** | **29,515** | **26,023** | - | **45** | **-** | **74,797** |
| Inter-segment revenue | **3,456** | **500** | **-** | - | **2,160** | **(6,116)** | **-** |
| | **22,670** | **30,015** | **26,023** | **-** | **2,205** | **(6,116)** | **74,797** |
| **Results** | | | | | | | |
| Gross profit | **10,863** | **7,208** | **940** | **-** | **443** | **(4,034)** | **15,420** |
| Other operating income | **93** | **249** | **144** | **-** | **29** | **(4)** | **511** |
| Distribution costs | **(617)** | **-** | **(610)** | **-** | **-** | **-** | **(1,227)** |
| Administrative expenses | **(3,756)** | **(3,877)** | **(899)** | **-** | **(474)** | **3,352** | **(5,654)** |
| Other operating expenses | **(455)** | **(514)** | **(252)** | **-** | **(11)** | **-** | **(1,232)** |
| Share of results of an equity accounted investee | **-** | **-** | **-** | **3,603** | **-** | **-** | **3,603** |
| Interest income | **1,051** | **3** | **329** | **-** | **1,282** | **(1,634)** | **1,031** |
| Finance costs | **(5,176)** | **(1,321)** | **-** | **-** | **(1,239)** | **1,634** | **(6,102)** |
| **Profit before tax and fair value adjustments** | **2,003** | **1,748** | **(348)** | **3,603** | **30** | **(686)** | **6,350** |
| Fair value adjustments | **-** | **-** | **-** | **15** | **-** | **-** | **15** |
| **Profit before tax** | **2,003** | **1,748** | **(348)** | **3,618** | **30** | **(686)** | **6,365** |
| Income tax expenses | **20** | **(1,078)** | **17** | **-** | **(3)** | **-** | **(1,044)** |
| **Profit for the year** | **2,023** | **670** | **(331)** | **3,618** | **27** | **(686)** | **5,321** |
| **Profit attributable to:** | | | | | | | |
| Owners of the Company | **2,024** | **670** | **(268)** | **3,618** | **27** | **(686)** | **5,385** |
| Non-controlling interests | **(1)** | **-** | **(63)** | **-** | **-** | **-** | **(64)** |
| **Profit for the year** | **2,023** | **670** | **(331)** | **3,618** | **27** | **(686)** | **5,321** |
| **1Q2016** | | | | | | | |
| **Revenue** | | | | | | | |
| External revenue | 45,612 | 29,775 | 30,030 | - | 45 | - | 105,462 |
| Inter-segment revenue | 3,277 | 445 | - | - | 2,506 | (6,228) | - |
| | 48,889 | 30,220 | 30,030 | - | 2,551 | (6,228) | 105,462 |
| **Results** | | | | | | | |
| Gross profit | 18,176 | 6,841 | 1,511 | - | (267) | (2,381) | 23,880 |
| Other operating income | 139 | 388 | 164 | 38 | 14 | (4) | 739 |
| Distribution costs | (352) | - | (634) | - | - | - | (986) |
| Administrative expenses | (4,799) | (3,531) | (959) | 2 | (538) | 2,740 | (7,085) |
| Other operating expenses | (64) | (386) | (131) | - | (1) | - | (582) |
| Share of results of an equity accounted investee | - | - | - | 1,740 | - | - | 1,740 |
| Interest income | 1,068 | 5 | 400 | - | 1,282 | (1,727) | 1,028 |
| Finance costs | (5,799) | (1,312) | (9) | - | (1,342) | 1,727 | (6,735) |
| **Profit before tax and fair value adjustments** | 8,369 | 2,005 | 342 | 1,780 | (852) | 355 | 11,999 |
| Fair value adjustments | - | - | - | 96 | - | - | 96 |
| **Profit before tax** | 8,369 | 2,005 | 342 | 1,876 | (852) | 355 | 12,095 |
| Income tax expenses | (1,259) | (1,160) | (58) | - | 1 | - | (2,476) |
| **Profit for the year** | 7,110 | 845 | 284 | 1,876 | (851) | 355 | 9,619 |
| **Profit attributable to:** | | | | | | | |
| Owners of the Company | 7,111 | 845 | 226 | 1,876 | (851) | 354 | 9,561 |
| Non-controlling interests | (1) | - | 58 | - | - | - | 57 |
| **Profit for the year** | 7,110 | 845 | 284 | 1,876 | (851) | 354 | 9,618 |

***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.*
3. *Results of GHG's investment property have been reclassified from Hotels Investment Segment to Property Segment.*

*Segment asset, liabilities and other segment information*

| | Property $'000 | Hotels Investment $'000 | Industrial Services $'000 | Other Investments $'000 | Corporate and Others $'000 | Total Consolidated $'000 |
|---|---|---|---|---|---|---|
| **31.03.2017** | | | | | | |
| **Assets** | | | | | | |
| Segment assets | **1,935,257** | **16,322** | **71,723** | **-** | **8,922** | **2,032,224** |
| Investment in equity accounted investees | **-** | **-** | **-** | **84,346** | **-** | **84,346** |
| **Total assets** | **1,935,257** | **16,322** | **71,723** | **84,346** | **8,922** | **2,116,570** |
| **Liabilities** | | | | | | |
| Segment liabilities | **(58,644)** | **(19,090)** | **(14,198)** | **(5,433)** | **(3,440)** | **(100,805)** |
| Loan and borrowings | **(943,230)** | **-** | **-** | **-** | **(79,601)** | **(1,022,831)** |
| Current and deferred tax liabilities | **(21,349)** | **(36,659)** | **(430)** | **-** | **(141)** | **(58,579)** |
| **Total liabilities** | **(1,023,223)** | **(55,749)** | **(14,628)** | **(5,433)** | **(83,182)** | **(1,182,215)** |
| **Net assets** | **912,034** | **(39,427)** | **57,095** | **78,913** | **(74,260)** | **934,355** |
| **31.12.2016** | | | | | | |
| **Assets** | | | | | | |
| Segment assets | 1,932,426 | 13,847 | 84,515 | - | 8,716 | 2,039,504 |
| Investment in equity accounted investees | - | - | - | 83,579 | - | 83,579 |
| **Total assets** | 1,932,426 | 13,847 | 84,515 | 83,579 | 8,716 | 2,123,083 |
| **Liabilities** | | | | | | |
| Segment liabilities | (61,887) | (17,475) | (25,247) | (5,432) | (3,773) | (113,814) |
| Loan and borrowings | (941,231) | - | - | - | (79,562) | (1,020,793) |
| Current and deferred tax liabilities | (21,925) | (35,337) | (619) | - | (139) | (58,020) |
| **Total liabilities** | (1,025,043) | (52,812) | (25,866) | (5,432) | (83,474) | (1,192,627) |
| **Net assets** | 907,383 | (38,965) | 58,649 | 78,147 | (74,758) | 930,456 |

## 21. INTERESTED PERSON TRANSACTIONS

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

## 22. SUBSEQUENT EVENTS

On 10 April 2017, the Company announced that it has on 7 April 2017 signed a Property Purchase Agreement with Sime Darby Property (Dunearn) Private Limited to purchase Sime Darby Centre located at 896 Dunearn Road, Singapore for a purchase consideration of $365 million.

On 12 April 2017, the Company announced that it has exercised an option to purchase a piece of vacant land at 1 Jalan Remaja, Singapore for a purchase consideration of $47.8 million.

Save for the above, in the opinion of the Directors, no other factor has arisen between 1 April 2017 and the date of this announcement which would materially affect its outlook or the results of the Group and of the Company for the periods just ended.

## 23. 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.

## 24. CONFIRMATION BY THE BOARD

We, Ong Beng Kheong and William Nursalim alias William Liem, being two directors of Tuan Sing Holdings Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results of the first quarter ended 31 March 2017 to be false or misleading in any material aspect.

**Ong Beng Kheong**
Chairman

**William Nursalim alias William Liem**
Chief Executive Officer

**BY ORDER OF THE BOARD**

Helena Chua
Company Secretary
27 April 2017