TUAN SING HOLDINGS LIMITED
(Registration No. 196900130M)

PRESS RELEASE

Tuan Sing reports healthy 1H2020 profit of $6.6 million amid global macroeconomic headwinds

- *Diversified portfolio across the region provides financial resilience*
- *Strong performance from Property segment*
- *Investment properties in Singapore expected to continue strong revenue*

Summary of unaudited financial results for the six-month period ended 30 June 2020

	1H2020 $' million	1H2019 (Restated) $' million	Variance %
Net profit attributable to shareholders	6.6	(0.5)	N.M.
Revenue	91.9	151.4	(39)
Earnings per share (cents)	0.6	(0.04)	N.M.

SINGAPORE - 30 July 2020 - SGX Mainboard-listed Tuan Sing Holdings Limited ("**Tuan Sing**" or the "**Group**"), a fast-growing, diversified regional real estate company focused on property development and investment, hotels investment and industrial services, today reported its unaudited financial results for the half-year period ("**1H2020**") ended 30 June 2020.

The Group continued to make headway in its transition into a diversified property business as it recorded profit attributable to shareholders of $6.6 million in 1H2020, a turnaround from a loss of $0.5 million in the same period last year, largely buoyed by higher contributions from the Property segment and the Group's stake in GulTech, as well as the recognition of a fair value gain during the period.

Notably, the Property segment achieved a substantial revenue increase of $7.5 million in 1H2020 compared to a year ago (**"1H2019"**) as tenants of the Group's flagship property, 18 Robinson, began to move in, while sales of Kandis Residence and Mont Botanik Residence also came in above expectations given the current pandemic situation. These helped to partially mitigate lower revenue contributions from the Hotels Investment and Industrial Services segments, which were affected due to travel and movement restrictions as well as lower sales volume and logistics for commodity trading, respectively as a result of the COVID-19 pandemic.

As a result, the Group recorded revenue of $91.9 million in 1H2020, compared to $151.4 million in 1H2019.

The Group's 44.48%-owned associate, GulTech, also contributed to the Group's strong performance in 1H2020. Share of results of equity accounted investees was $14.3 million as compared to $10.3 million in 1H2019, with the increase of $4.0 million mainly attributable to higher net profit attributable to shareholders of US$23.0 million from GulTech, as compared to US$16.9 million in 1H2019. This was due to GulTech's new customers orders as some competitors and peers struggled to operate amid China's containment measures during the COVID-19 pandemic.

The Group also booked a significant fair value gain of $3.2 million in 1H2020, reversing from a loss of $0.2 million in the previous year due to the revaluation of a property in China which was reclassified from property, plant and equipment to investment property. Excluding the one-off fair value gain, the Group recorded a profit before tax and fair value adjustments of $3.8 million, an increase of 5% from the corresponding period a year ago.

As at 30 June 2020, the Group's balance sheet remained robust with cash and bank balances of $187.0 million, up from $172.3 million as at 31 December 2019.

Commenting on the latest set of results, Mr William Liem, Chief Executive Officer of Tuan Sing, said, "The first half of 2020 has been challenging mainly due to the ongoing COVID-19 pandemic, which has caused widespread global disruptions for myriad sectors across geographies, including the markets in which we operate. We are nonetheless pleased to deliver a strong set of results in these unprecedented times, backed by our diversified portfolio of business segments and strong commitment to cost discipline. While the pandemic has resulted in practical difficulties in evaluating new expansion opportunities, we remain committed to growing our portfolio and footprint in key regional markets such as China and Indonesia. At the same time, we will also continue to practice vigilance in managing our costs in this challenging period."

Business segment updates

In Singapore, 18 Robinson is generating healthy recurring rental streams as tenants of the property began moving in since 1H2019. Link@896 along Dunearn Road has substantially completed its Asset Enhancement Initiative (**"AEI"**) with a larger area for food and beverage outlets to better serve residents in the neighbourhood. Tuan Sing will continue to market its development properties while seeking potential development sites more cautiously, in view of the current pandemic situation.

Tuan Sing's investment properties are mainly in the office sector in the central business district, which saw relatively limited impact from the COVID-19 pandemic. The Group has received property tax rebates from the Singapore government, and has accordingly passed on the rental rebates to its occupants with additional relief granted to selected tenants.

In Australia, the Hotels Investment segment, comprising the Grand Hyatt Melbourne and Hyatt Regency Perth, has seen a decline in occupancy rate across both hotels due to the impact of the COVID-19 pandemic and ongoing travel restrictions. The Group is working with the Hyatt management to rationalise its hotel operations, with the aim of achieving a leaner and more cost-efficient structure in the post pandemic environment.

In the region, construction works have fully resumed for Tuan Sing's 7.8%-owned Sanya project after being temporarily affected by the COVID-19 pandemic during the second quarter of the year. Opus Bay, the Group's integrated mixed development township project in Batam, Indonesia, is currently in its late design and planning stage, and therefore has been less impacted by the pandemic as construction has yet to commence.

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About Tuan Sing Holdings Limited

Tuan Sing Holdings Limited is a fast-growing, diversified regional investment holding company with interests mainly in property development, property investment and hotel ownership. Over the years, the Group has developed a portfolio of strategically located real estate assets in Singapore and across the region, and established a reputation for the delivery of good quality and iconic developments.

In addition, the Group has an 80.2% stake in SGX-ST listed subsidiary, SP Corporation Limited ("SP Corp") and a 97.9% stake in Hypak Sdn Berhad ("Hypak"). SP Corp is primarily engaged in commodities trading, while Hypak is in the business of manufacturing and marketing polypropylene packaging bags in Malaysia.

The Group also holds a 44.48% interest in Gul Technologies Singapore Pte. Ltd., a printed circuit board manufacturer and a 49% stake in Pan-West (Private) Limited, a retailer of golf-related products.

Since marking its Golden Jubilee in 2019, Tuan Sing has embarked on a business transformation to reposition itself from a niche developer to a major regional player with a presence in commercial, residential and hospitality properties in various key Asian cities across Singapore, China, Indonesia and Australia. Leveraging on its strengths and track record in property development and investment across a diverse range of property segments, the Group intends to participate in large-scale integrated developments and townships as it enters the next phase of growth.

For more information on Tuan Sing Holdings Limited, please visit http://www.tuansing.com.

Issued by August Consulting on behalf of:

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