TUAN SING HOLDINGS LIMITED
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AUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2017

Singapore, 26 January 2018 - The Directors of Tuan Sing Holdings Limited ("the Company") announce the following audited results of the Group for the fourth quarter and full year ended 31 December 2017.

This announcement, the accompanying PowerPoint presentation slides and webcast 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

		Group Fourth Quarter			Group Full Year		
	Note	31.12.17 $'000	31.12.16 $'000	+/(-) %	31.12.17 $'000	31.12.16 $'000	+/(-) %
Revenue	(a)	**98,029**	101,708	(4)	**357,922**	404,018	(11)
Cost of sales		**(77,955)**	(82,234)	(5)	**(292,894)**	(319,634)	(8)
Gross profit		**20,074**	19,474	3	**65,028**	84,384	(23)
Other operating income	(b)	**2,121**	1,574	35	**7,346**	4,490	64
Distribution costs	(c)	**(1,122)**	(1,394)	(20)	**(6,077)**	(5,867)	4
Administrative expenses	(d)	**(7,424)**	(6,562)	13	**(26,268)**	(29,741)	(12)
Other operating expenses	(b)	**(980)**	(1,398)	(30)	**(3,390)**	(7,739)	(56)
Share of results of an equity accounted investee	(e)	**3,715**	4,868	(24)	**15,677**	13,466	16
Interest income	(f)	**897**	1,085	(17)	**4,150**	4,465	(7)
Finance costs	(g)	**(9,960)**	(6,163)	62	**(33,173)**	(25,716)	29
Profit before tax and fair value adjustments		**7,321**	11,484	(36)	**23,293**	37,742	(38)
Fair value adjustments	(h)	**44,898**	2,199	1942	**44,814**	2,336	1818
Profit before tax		**52,219**	13,683	282	**68,107**	40,078	70
Income tax expenses	(j)	**(2,445)**	(1,190)	105	**(5,261)**	(6,272)	(16)
Profit for the period		**49,774**	12,493	298	**62,846**	33,806	86
OTHER COMPREHENSIVE INCOME / (LOSS)							
Items that will not be reclassified subsequently to profit or loss							
Revaluation of properties	(k)	**33,846**	16,980	99	**33,846**	16,980	99
Income tax relating to components of other comprehensive income that will not be reclassified subsequently		**(10,154)**	(5,094)	99	**(10,154)**	(5,094)	99
		23,692	11,886	99	**23,692**	11,886	99
Items that may be reclassified subsequently to profit or loss							
Exchange differences on translation of foreign operations	(k)	**(10,325)**	7,175	nm	**(9,109)**	4,903	nm
Share of other comprehensive (loss) / income of an equity accounted investee	(k)	**902**	5,614	(84)	**(6,360)**	2,829	nm
Cash flow hedges	(k)	**261**	716	(64)	**916**	(90)	nm
Income tax relating to components of other comprehensive (loss) / income that may be reclassified subsequently		**(79)**	(211)	(63)	**(275)**	27	nm
		(9,241)	13,294	nm	**(14,828)**	7,669	nm
Other comprehensive income, net of tax		**14,451**	25,180	(43)	**8,864**	19,555	(55)
Total comprehensive income for the period		**64,225**	37,673	70	**71,710**	53,361	34
Profit attributable to:							
Owners of the Company		**49,650**	12,461	298	**62,734**	33,585	87
Non-controlling interests		**124**	32	288	**112**	221	(49)
		49,774	12,493	298	**62,846**	33,806	86
Total comprehensive income attributable to:							
Owners of the Company		**64,104**	37,298	72	**72,116**	52,979	36
Non-controlling interests		**121**	375	(68)	**(406)**	382	nm
		64,225	37,673	70	**71,710**	53,361	34
Basic and diluted earnings per share (in cents)							
Excluding fair value adjustments	(m)	**0.7**	0.9		**1.8**	2.7	
Including fair value adjustments	(m)	**4.2**	1.0		**5.3**	2.8	
Return on shareholders' funds ^					**6.6%**	3.7%	

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 Fourth Quarter		Group Full Year	
	Note	31.12.17 $'000	31.12.16 $'000	31.12.17 $'000	31.12.16 $'000
Depreciation of property, plant and equipment [included in cost of sales, distribution costs, administrative expenses]		**(1,247)**	(1,564)	**(7,725)**	(7,772)
Write-back of impairment of property, plant and equipment [included in other operating expenses]		**14**	-	**-**	-
Loss on disposal of property, plant and equipment, net [included in other operating income / (expenses)]		**(9)**	(1)	**(6)**	(5)
Net loss on liquidation of subsidiaries [included in other operating expenses]		**-**	-	**-**	(1,794)
Allowance for doubtful trade and other receivables, net [included in other operating income / (expenses)]		**(403)**	(74)	**(425)**	(52)
Allowance for inventory obsolescence, net [included in other operating income / (expenses)]		**(1)**	(7)	**(17)**	(1)
Foreign exchange gain / (loss), net [included in other operating income / (expenses)]	(b)	**608**	622	**(188)**	352
Write-back of recognised corporate guarantee no longer required [included in other operating income]		**-**	445	**-**	445
Write-back of allowance / (allowance) for diminution in value for development properties, net [included in other operating income, cost of sales, other operating expenses]	(b)	**951**	(1,109)	**1,784**	(3,649)
Restructuring costs [included in other other operating expenses]	(b)	**(123)**	(18)	**(123)**	(73)

Explanatory notes

a) Group revenue in 4Q2017 was $98.0 million, down by 4% as compared to 4Q2016. The decrease was mainly due to lower revenue recorded in Industrial Services segment from $46.0 million in 4Q2016 to $37.4 million in the current quarter. Full year group revenue was $357.9 million, down by 11% as compared to last year. The decrease was due to lower revenue from development properties. For FY2017, revenue from Singapore development properties was $58.6 million as compared to $110.1 million in FY2016.

The consolidated revenue did not include those of Gul Technologies Singapore Pte. Ltd. ("GulTech") and Pan-West (Private) Limited ("Pan-West") as their results are equity accounted for. Had their revenues been included, the Group's total revenue would have been $206.1 million for 4Q2017 and $772.8 million for FY2017. In the previous year, it was lower at $201.3 million for 4Q2016 and $750.4 million for FY2016.

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

(b) The increase in other operating income in 2017 of $2.9 million over 2016 was attributable to i) a $2.9 million liquidated damage received from a contractor for its delay in a development project and ii) a $0.7 million gain in 4Q2017 on disposal of assets from the discontinued Tyre Distribution Unit in Industrial Services segment. The other components of the line include gain on foreign exchange and other income of various sums for all the four periods.

The decrease in other operating expenses in 2017 of $4.3 million over 2016 was mainly attributable to i) lower net provision for diminution in value for development properties of $0.5 million as compared to $3.7 million made in 2016; and ii) the absence of a foreign exchange loss realised from the translation reserve of $1.8 million in FY2016 arising from the liquidation of two Malaysian subsidiaries.

(c) The decrease in distribution costs for 4Q2017 was due mainly to lower promotion expense in the residential projects. The increase in distribution costs for FY2017 reflected mainly costs incurred for the preparation of the show flat for Kandis Residence. This increase was partly offset by lower promotion expenses in the other residential projects.

(d) The administrative expenses of $7.4 million for 4Q2017 were higher than 4Q2016 mainly because of higher manpower cost. In contrast, the decrease in administrative expenses for FY2017 reflected lower legal fees relating to the termination of the previous main contractor for Seletar Park Residence.

(e) This line 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) The decrease in interest income for 4Q2017 and FY2017 were due to mainly to lower interest income from overdue trade receivables under SP Corporation.

(g) The increase in finance costs for 4Q2017 and FY2017 was due mainly to higher investment property loans taken up for the acquisition of 896 Dunearn Road and the issuance of the MTN Series II Term Notes of S$150 million, both in June 2017. Interest cost capitalised was comparable with last year.

	Group Fourth Quarter		Group Full Year	
	31.12.17 $'000	**31.12.16 $'000**	**31.12.17 $'000**	**31.12.16 $'000**
Finance costs				
Interest expense on loans and borrowings	**11,234**	6,895	**37,351**	30,283
Amortisation of capitalised finance costs	**400**	296	**1,603**	1,303
	11,634	7,191	**38,954**	31,586
Less: Amounts capitalised as cost of properties	**(1,674)**	(1,028)	**(5,781)**	(5,870)
	9,960	6,163	**33,173**	25,716

(h) The revaluation of investment properties and mark-to-market adjustments of currency forward contracts gave rise to fair value adjustments. These fair value gains or losses 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.

	Note	Group Fourth Quarter		Group Full Year	
		31.12.17 $'000	**31.12.16 $'000**	**31.12.17 $'000**	**31.12.16 $'000**
Fair value adjustments					
Fair value gain on investment properties					
Subsidiaries		**44,525**	2,198	**44,525**	2,198
Fair value gain on financial instruments					
Share of an equity accounted investee	(e)	**373**	1	**289**	138
		44,898	2,199	**44,814**	2,336

(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 because of lower taxable income from the Property segment in Singapore and Hotels Investment segment in Australia. The under-provision in the prior years was mainly related to an investment property for transactions before it was acquired by the Group.

	Group Fourth Quarter		Group Full Year	
	31.12.17	31.12.16	31.12.17	31.12.16
	$'000	$'000	$'000	$'000
Income tax expenses				
Current income tax				
- Singapore	**197**	285	**328**	1,970
- Foreign	**1,248**	1,912	**1,992**	3,146
- Under / (over) provision in prior years	**367**	388	**648**	(10)
	1,812	2,585	**2,968**	5,106
Withholding tax expense	**10**	18	**41**	139
Deferred tax	**623**	(1,413)	**2,252**	1,027
	2,445	1,190	**5,261**	6,272

(k) Net fair value gain of $33.8 million was recorded on hotel properties used for production of goods and services as compared to a lower net gain of $17.0 million last year. Both valuation exercises were carried out at the respective year-end.

The foreign currency translation loss for 4Q2017 and FY2017 was mainly due to the depreciation of Australian Dollar ("AUD"), United States Dollar ("USD") and Renminbi ("RMB") against Singapore Dollar ("SGD") in translating the balance sheets of foreign currency denominated subsidiaries.

The share of other comprehensive loss or income was related to the Group's share of GulTech's foreign currency translation loss as USD depreciated against SGD.

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 and up till 2 January 2018. The balance was a current liability of $0.1 million at 31 December 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 Full Year 2017			Group Full Year 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	**23,293**	**44,814**	**68,107**	37,742	2,336	40,078
Income tax expenses	**(1,808)**	**(3,453)**	**(5,261)**	(6,185)	(87)	(6,272)
Profit after tax	**21,485**	**41,361**	**62,846**	31,557	2,249	33,806
Less:						
Non-controlling interests	**(112)**	**-**	**(112)**	(221)	-	(221)
Profit attributable to owners of the Company	**21,373**	**41,361**	**62,734**	31,336	2,249	33,585
Basic and diluted earnings per share (in cents)	**1.8**	**3.5**	**5.3**	2.7	**0.1**	2.8

2. STATEMENTS OF FINANCIAL POSITION

		Group		Company	
		31.12.17	31.12.16	31.12.17	31.12.16
	Note	$'000	$'000	$'000	$'000
ASSETS					
Current assets					
Cash and bank balances	(n)	**216,843**	163,688	**88,737**	301
Trade and other receivables	(p)	**93,827**	158,793	**12,162**	7,994
Amounts due from subsidiaries	(aa)	**-**	-	**354,851**	255,467
Inventories	(q)	**2,906**	3,564	**-**	-
Development properties	(r)	**188,308**	183,232	**-**	-
Total current assets		**501,884**	509,277	**455,750**	263,762
Non-current assets					
Property, plant and equipment	(s)	**443,093**	419,278	**-**	-
Investment properties	(t)	**1,592,687**	1,108,652	**498**	498
Investments in subsidiaries	(aa)	**-**	-	**695,647**	684,755
Investments in equity accounted investees	(u)	**93,185**	83,579	**-**	-
Deferred tax assets	(z)	**2,253**	2,286	**-**	-
Trade and other receivables	(p)	**5,057**	-	**-**	-
Other non-current assets		**12**	11	**-**	-
Total non-current assets		**2,136,287**	1,613,806	**696,145**	685,253
Total assets		**2,638,171**	2,123,083	**1,151,895**	949,015
LIABILITIES AND EQUITY					
Current liabilities					
Loans and borrowings	(w)	**278,943**	3,406	**-**	-
Trade and other payables	(y)	**121,917**	112,333	**20,153**	20,096
Amounts due to subsidiaries		**-**	-	**309,729**	265,956
Derivative financial instruments	(k)	**87**	-	**-**	-
Income tax payable		**13,523**	22,290	**84**	52
Total current liabilities		**414,470**	138,029	**329,966**	286,104
Non-current liabilities					
Loans and borrowings	(w)	**1,179,177**	1,017,387	**228,364**	79,562
Derivative financial instruments	(k)	**-**	1,019	**-**	-
Deferred tax liabilities	(z)	**47,784**	35,730	**-**	-
Other non-current liabilities		**463**	462	**-**	-
Total non-current liabilities		**1,227,424**	1,054,598	**228,364**	79,562
Capital, reserves and non-controlling interests					
Share capital		**172,514**	171,306	**172,514**	171,306
Reserves	(ab)	**813,135**	748,116	**421,051**	412,043
Equity attributable to owners of the Company		**985,649**	919,422	**593,565**	583,349
Non-controlling interests		**10,628**	11,034	**-**	-
Total equity		**996,277**	930,456	**593,565**	583,349
Total liabilities and equity		**2,638,171**	2,123,083	**1,151,895**	949,015
Working capital #		**87,414**	371,248		
Total borrowings	(w)	**1,458,120**	1,020,793		
Gross gearing (times) ^		**1.46**	1.10		
Net borrowings ^^		**1,241,277**	857,105		
Net gearing (times) ^		**1.25**	0.92		
Net asset value per share (in cents)		**83.0**	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 $216.8 million (31 December 2016: $163.7 million). Included therein were i) amounts held under Project Accounts of development properties for which withdrawals are restricted to payments for expenditure incurred on development properties as regulated under the provisions in the Housing Developers (Project Account) Rules in Singapore and ii) amounts held by banks as security for credit facilities [refer to Item 4 note (ac)].

	Group		Company	
	31.12.17	**31.12.16**	**31.12.17**	**31.12.16**
	$'000	**$'000**	**$'000**	**$'000**
Cash and bank balances				
Cash at banks and on hand	**62,380**	39,271	**13,787**	301
Fixed deposits	**151,673**	117,323	**74,950**	-
Amounts held under the Housing Developers (Project Account) Rules	**2,790**	7,094	**-**	-
	216,843	163,688	**88,737**	301

(p) The reduction in the carrying amounts of trade and other receivables, current as at 31 December 2017 was mainly because of $nil receivables related to sales on completed development properties but not due for collection; whereas, it was $64.5 million as at end of last year. The increase in trade and other receivables, non-current was due to receivable of $5.1 million under deferred payment scheme related to sales on completed development properties.

(q) The decrease in inventories was due mainly to the disposal of inventories from the discontinued Tyre Distribution Unit from Industrial Services segment.

(r) Development properties, comprising properties in the course of development, land held for future development and completed properties held for sale, are analysed in the table below.

	Group	
	31.12.17	**31.12.16**
	$'000	**$'000**
Development properties		
Land cost	**128,509**	79,728
Development costs incurred	**8,862**	979
Interest and others	**4,396**	1,484
	141,767	82,191
Add: Attributable profit	**732**	-
Less: Progress billings received and receivable	**(2,791)**	-
Less: Allowance for diminution in value	**(7,236)**	(7,378)
Properties in the course of development	**132,472**	74,813
Completed properties held for sale	**58,739**	113,105
Less: Allowance for diminution in value	**(2,903)**	(4,686)
Completed properties held for sale	**55,836**	108,419
Total Development Properties	**188,308**	183,232
Represented by:		
Properties in the course of development in Singapore	**113,379**	56,166
Land held for future development in China	**7,236**	18,647
Land held for sale in China	**11,856**	-
Completed properties held for sale in Singapore	**51,793**	104,310
Completed properties held for sale in China	**4,044**	4,109
	188,308	183,232

(s) Property, plant and equipment comprise mainly hotel properties in Australia. The increase was attributable mainly to the fair value gain for the two hotels in Melbourne and Perth, Australia, offset partially by foreign currency translation loss as a result of the depreciation of AUD.

(t) Investment properties increased from $1,108.7 million to $1,592.7 million reflecting mainly i) the purchase of the building at 896 Dunearn Road in June 2017, ii) the redevelopment costs and interest expenses capitalised under 18 Robinson, and iii) a net fair vale gain of $44.5 million recognised in 4Q2017 and FY2017 [Refer to note (h). The Group revalued its investment properties based on professional valuations carried out at each year-end.

	Group	
	31.12.17	**31.12.16**
	$'000	**$'000**
Investment properties		
Completed investment properties	**1,106,736**	711,698
Construction of 18 Robinson	**485,951**	396,954
	1,592,687	1,108,652
Represented by:		
Singapore, completed investment properties	**865,030**	478,030
Australia, completed investment properties	**235,372**	227,309
China, completed investment properties	**6,334**	6,359
Singapore, construction of 18 Robinson	**485,951**	396,954
	1,592,687	1,108,652

(u) The increase in value reflected the Group's share of GulTech's year-to-date profit, net of the fair value gain and a translation loss as a result of the depreciation of USD which is the reporting currency of GulTech.

(w) The Group's loans and borrowings, net of capitalised finance costs, stood at $1,458.1 million (31 December 2016: $1,020.8 million). The increase reflected loans drawn to finance the acquisition of 896 Dunearn Road property, the vacant land at No. 1 Jalan Remaja and the issuance of Multicurrency Medium Term Note ("MTN") Series II of S$150 million on 5 June 2017. AUD borrowing amounting to $364.7 million, maturing in January 2018 was renewed in December 2017 and had been classified as non-current as at 31 December 2017.

	Group		Company	
	31.12.17	**31.12.16**	**31.12.17**	**31.12.16**
	$'000	**$'000**	**$'000**	**$'000**
Current				
Bank loans	**278,943**	3,406	**-**	-
Non-current				
Bank loans	**950,813**	937,825	**-**	-
Notes issued under MTN Programme	**228,364**	79,562	**228,364**	79,562
	1,179,177	1,017,387	**228,364**	79,562
	1,458,120	1,020,793	**228,364**	79,562
Represented by:				
Interest-bearing liabilities	**1,462,088**	1,024,085	**230,000**	80,000
Capitalised finance costs	**(3,968)**	(3,292)	**(1,636)**	(438)
	1,458,120	1,020,793	**228,364**	79,562

(y) The increase in trade and other payables was in line with higher level of construction activities in Kandis Residence and of 18 Robinson, partially offset by lower activities in relation to 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 existed. The Company has made a net impairment of $0.1 million (FY2016: write-back of $7.3 million) in value of investments in subsidiaries, and an impairment of $1.4 million (FY2016: $1.5 million) in value of amounts due from subsidiaries for the current period. The above adjustments have no impact to the Group's consolidated results for the said adjustments.

(ab) Composition of reserves

	Group		Company	
	31.12.17	**31.12.16**	**31.12.17**	**31.12.16**
	$'000	**$'000**	**$'000**	**$'000**
Reserves				
Foreign currency translation account	**(31,102)**	(16,151)	**-**	-
Asset revaluation reserve	**130,112**	106,420	**-**	-
Other capital reserves:				
- Non-distributable capital reserves	**151,434**	128,200	**101,264**	101,264
- Cash flow hedging account	**(772)**	(1,413)	**-**	-
	150,662	126,787	**101,264**	101,264
Revenue reserve	**563,463**	531,060	**319,787**	310,779
	813,135	748,116	**421,051**	412,043

Foreign currency translation account 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 as defined by the Trust Deed.

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

Revenue reserve is used to record the balance of amounts available for distributions as defined by regulatory requirements. This is distributable to shareholders as dividend.

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	
	31.12.17	31.12.16	31.12.17	31.12.16
	$'000	$'000	$'000	$'000
Secured borrowings				
Amount repayable in one year or less, or on demand	**278,943**	3,406	-	-
Amount repayable after one year	**950,813**	937,825	-	-
	1,229,756	941,231	-	-
Unsecured borrowings				
Amount repayable after one year	**228,364**	79,562	**228,364**	79,562
	1,458,120	1,020,793	**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 financing development and investment properties in Singapore and hotel and investment properties in Australia.

Approximately 84% (31 December 2016: 92%) of the Group's borrowings were on floating rates with various tenures, while the remaining 16% (31 December 2016: 8%) were on fixed rates. Singapore Dollar denominated borrowings represented approximately 75% (31 December 2016: 64%) 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 2017, the net book value of assets pledged or mortgaged to financial institutions was $2,229.8 million (31 December 2016: $1,736.9 million).

4. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group Fourth Quarter 31.12.17 $'000	Group Fourth Quarter 31.12.16 $'000	Group Full Year 31.12.17 $'000	Group Full Year 31.12.16 $'000
OPERATING ACTIVITIES					
Profit before tax		**52,219**	13,683	**68,107**	40,078
Adjustments for:					
Fair value gain		**(44,898)**	(2,199)	**(44,814)**	(2,336)
Share of results of an equity accounted investee		**(3,715)**	(4,868)	**(15,677)**	(13,466)
(Write-back of allowance) / allowance for diminution in value for development properties, net		**(951)**	1,109	**(1,784)**	3,649
Depreciation of property, plant and equipment		**1,247**	1,564	**7,725**	7,772
Write back of impairment of property, plant and equipment		**(14)**	-	**-**	-
Allowance for inventory obsolescence, net		**1**	7	**17**	1
Allowance for doubtful trade and other receivables, net		**403**	74	**425**	52
Write-back of recognised corporate guarantee no longer required		**-**	(445)	**-**	(445)
Net loss on liquidation of subsidiaries		**-**	-	**-**	1,794
Net loss on disposal of property, plant and equipment		**9**	1	**6**	5
Interest income		**(897)**	(1,085)	**(4,150)**	(4,465)
Finance costs		**9,960**	6,163	**33,173**	25,716
Operating cash flows before movements in working capital		**13,364**	14,004	**43,028**	58,355
Development properties less progressive billings receivable		**10,749**	5,991	**(2,495)**	149,759
Inventories		**163**	(253)	**671**	83
Trade and other receivables		**30,464**	14,157	**62,358**	(12,424)
Trade and other payables		**6,642**	3,708	**8,351**	(4,276)
Cash generated from operations		**61,382**	37,607	**111,913**	191,497
Interest received		**154**	254	**2,059**	2,129
Income tax paid		**(2,637)**	(887)	**(12,406)**	(3,523)
Net cash from operating activities		**58,899**	36,974	**101,566**	190,103
INVESTING ACTIVITIES					
Purchase of property, plant and equipment		**(1,465)**	(950)	**(4,263)**	(4,098)
Proceeds from disposal of property, plant and equipment		**116**	-	**171**	64
Additions to investment properties		**(22,413)**	(5,277)	**(439,095)**	(19,364)
Deposit paid for acquisition of land in Batam		**(3,915)**	-	**(3,915)**	(7,830)
Deposit collected from planned disposal of subsidiary		**4,294**	-	**4,294**	-
Net cash used in investing activities		**(23,383)**	(6,227)	**(442,808)**	(31,228)
FINANCING ACTIVITIES					
Proceeds from loans and borrowings		**3,087**	1,636	**510,894**	98,166
Repayment of loans and borrowings		**(282)**	(20,260)	**(67,015)**	(192,611)
Interest paid		**(15,794)**	(7,651)	**(39,094)**	(34,161)
Bank deposits (pledged) / released as securities for bank facilities		**(809)**	(993)	**656**	(32,922)
Dividend paid to shareholders		**-**	-	**(5,866)**	(5,877)
Cancellation of Shares Buyback		**(23)**	(47)	**(23)**	(120)
Net cash (used in) / from financing activities		**(13,821)**	(27,315)	**399,552**	(167,525)
Net increase / (decrease) in cash and cash equivalents		**21,695**	3,432	**58,310**	(8,650)
Cash and cash equivalents:					
At the beginning of the period		**130,987**	90,712	**95,896**	105,675
Foreign currency translation adjustments		**(1,537)**	1,752	**(3,061)**	(1,129)
At the end of the period	(ac)	**151,145**	95,896	**151,145**	95,896

Explanatory notes

(ac) Cash and cash equivalents

As at 31 December 2017, fixed deposits and bank balances of $65.7 million (31 December 2016: $67.8 million) held by banks as security for credit facilities were excluded from the cash and cash equivalents.

	Group	
	31.12.17	31.12.16
	$'000	$'000
Cash and bank balances	**216,843**	163,688
Less:		
Encumbered fixed deposits and bank balances	**(65,698)**	(67,792)
Cash and cash equivalents per consolidated statement of cash flows	**151,145**	95,896

As at 31 December 2017, the Group had cash placed with banks in China amounting to $78.9 million (31 December 2016: $80.3 million); of which, $63.9 million (31 December 2016: $65.1 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.

(ad) Free cash flow

	Group Fourth Quarter		Group Full Year	
	31.12.17	31.12.16	31.12.17	31.12.16
	$'000	$'000	$'000	$'000
Net cash from operating activities	**58,899**	36,974	**101,566**	190,103
Net cash used in investing activities	**(23,383)**	(6,227)	**(442,808)**	(31,228)
Free cash in / (out) flow for the period ^	**35,516**	30,747	**(341,242)**	158,875

^ 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	-	-	-	-	**62,734**	**62,734**	**112**	**62,846**
Other comprehensive (loss) / income, net of tax	-	**(14,951)**	**23,692**	**641**	-	**9,382**	**(518)**	**8,864**
Total	-	**(14,951)**	**23,692**	**641**	**62,734**	**72,116**	**(406)**	**71,710**
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	**172,514**	**(31,102)**	**130,112**	**150,662**	**563,463**	**985,649**	**10,628**	**996,277**
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 year	-	-	-	-	33,585	33,585	221	33,806
Other comprehensive income / (loss), net of tax	-	7,571	11,886	(63)	-	19,394	161	19,555
Total	-	7,571	11,886	(63)	33,585	52,979	382	53,361
Transaction with owners, recognised directly in equity								
Transfer from revenue reserve to other capital reserves	-	-	-	14,873	(14,873)	-	-	-
Issue of shares under the Scrip Dividend Scheme	1,196	-	-	-	-	1,196	-	1,196
Shares bought back and cancelled	(120)	-	-	-	-	(120)	-	(120)
Dividend paid to shareholders								
- Cash	-	-	-	-	(5,877)	(5,877)	-	(5,877)
- Share	-	-	-	-	(1,196)	(1,196)	-	(1,196)
Goodwill paid over acquiring additional shares in a member of associate		-	-	(4,365)	-	(4,365)		(4,365)
Total	1,076	-	-	10,508	(21,946)	(10,362)	-	(10,362)
At 31 December 2016	171,306	(16,151)	106,420	126,787	531,060	919,422	11,034	930,456

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	-	-	**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	**172,514**	**101,264**	**319,787**	**593,565**
2016				
At 1 January 2016	170,230	101,264	294,427	565,921
Profit, representing total comprehensive income for the year	-	-	23,425	23,425
Transactions with owners, recognised directly in equity				
Issue of shares under the Scrip Dividend Scheme	1,196	-	-	1,196
Dividend paid to shareholders				
- Cash	-	-	(5,877)	(5,877)
- Share	-	-	(1,196)	(1,196)
Shares bought back and cancelled	(120)	-	-	(120)
Total	1,076	-	(7,073)	(5,997)
At 31 December 2016	171,306	101,264	310,779	583,349

6. SHARE CAPITAL

Share Capital

Total number of issued ordinary shares as at 31 December 2017 was 1,186,992,780 as compared to 1,182,842,055 as at 31 December 2016. On 23 June 2017, 4,200,725 new ordinary shares were allotted and issued at $0.293 per share to eligible shareholders who had elected to participate in the Company's Scrip Dividend Scheme in respect of the dividend of 0.6 cent per ordinary share for the financial year ended 31 December 2016. Separately, 50,000 ordinary shares were purchased under the "Share Purchase Mandate" and subsequently cancelled on 1 December 2017.

Save for the above, 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 30 September 2017, being the end of the preceding period reported on. There were also no outstanding convertible securities for which shares might be issued.

Treasury Shares

The Company did not hold any treasury shares as at 31 December 2017 or as at 31 December 2016. In December 2017, the Company purchased from the market, 50,000 ordinary shares in the Company at an average price $0.465 per share under the "Share Purchase Mandate". For FY2016, the Company purchased 264,600 and 150,000 shares at an average price of $0.29 and $0.2863 per share respectively under the same mandate. Both shares purchase were cancelled.

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 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 from that date and are relevant to its operations. The adoption of these new and 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 Fourth Quarter		Group Full Year	
	31.12.17	**31.12.16**	**31.12.17**	**31.12.16**
(a) Earnings per ordinary share based on the weighted average number of ordinary shares in issue (in cents):				
Excluding fair value adjustments	**0.7**	0.9	**1.8**	2.7
Including fair value adjustments	**4.2**	1.0	**5.3**	2.8
Weighted average number of ordinary shares in issue (in millions)	**1,187.0**	1,183.0	**1,185.0**	1,181.0
(b) Earnings per ordinary share based on fully diluted basis (in cents)				
Excluding fair value adjustments	**0.7**	0.9	**1.8**	2.7
Including fair value adjustments	**4.2**	1.0	**5.3**	2.8
Adjusted weighted average number of ordinary shares (in millions)	**1,187.0**	1,183.0	**1,185.0**	1,181.0

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	
	31.12.17	**31.12.16**	**31.12.17**	**31.12.16**
Net asset value per ordinary share (in cents)	**83.0**	77.7	**50.0**	49.3
Total number of issued shares (in millions)	**1,187.0**	1,182.8	**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

For the 4Q2017, the Group reported revenue of $98.0 million, a decrease of 4% as compared to last year same quarter of $101.7 million due to lower revenue from Industrial Services segment. For the full year, Group revenue was $357.9 million, a reduction of 11% compared to $404.0 million last year due mainly to lower sales of the residential development projects. However, net profit attributable to shareholders for 4Q2017 increased by 298% to $49.7 million; whereas for full year it was an 87% increase to $62.7 million. Higher profit reported for the two periods were mainly because of the increase in the fair value gain on investment properties of $44.5 million as compared to $2.2 million in corresponding periods last year.

Earnings per share stood at 4.2 cents for 4Q2017 and 5.3 cents for FY2017, as compared to 1.0 cent and 2.8 cents respectively a year earlier. Net asset value per share was 83.0 cents at 31 December 2017 compared to 77.7 cents as on 31 December 2016.

Financial Performance

As a result of reduction of revenue in 4Q2017, distribution costs decreased by 20%. However, full year cost increased 4% because of the cost incurred for the Kandis Residence show flat. Lower administrative expenses reflected lower legal fees relating to the termination of the previous main contractor at Seletar Park Residence.

Other operating income increased for both periods mainly attributable to the $2.9 million liquidated damages received from a contractor for its delayed work in an investment property and a gain on disposal of assets of $0.7 million from the discontinued Tyre Distribution operation in Industrial Services.

The decrease in other operating expenses for 4Q2017 and FY2017 was because of the lower net allowance for diminution in value for development properties. In addition, there was a one-off realised foreign exchange loss transferred from translation reserve of $1.8 million recognised in FY2016 on liquidation of two Malaysian subsidiaries.

The Group’s share of results of its 44.5%-owned associate, GulTech in 4Q2017 was $3.7 million, a 24% drop over 4Q2016; whereas, for the full year, it was $15.7 million, an increase of 16% over last year.

Overall, the Group’s profit after tax (inclusive of fair value adjustments) in 4Q2017 was $49.8 million, an increase of 298%; whereas, it was $62.8 million for the full year, an increase of 86% over last year.

Financial Position

As at 31 December 2017, the Group's total assets increased 24% or $515.1 million to $2,638.2 million as compared to $2,123.1 million at the previous year-end. The increase was mainly attributable to i) the acquisition of the 896 Dunearn Road property and a vacant land at Jalan Remaja, ii) a higher cash and bank balances after the issuance of the Series II MTN Notes and iii) a net fair vale gain on Investment properties, offset partially by a decrease in trade and other receivables.

For similar reasons, the Group's total liabilities increased by 38% or $449.3 million to $1,641.9 million as compared to $1,192.6 million at the previous year-end. This resulted in gross gearing increased to 1.46 times as compared to 1.10 times at the previous year-end. Net gearing increased to 1.25 times from 0.92 times.

As at 31 December 2017, shareholders' fund grew by 7% over the previous year-end or $66.2 million to $985.6 million. The increase reflected a combination of profit made during the year, gain from revaluation of properties, and after netting of foreign currency translation losses and Company's payment of dividends to shareholders.

4.2 million new shares were issued to shareholders under the Tuan Sing Scrip Dividend Scheme in June 2017. Separately, 50,000 shares were cancelled after they were purchased from the open market in December 2017. Accordingly in monetary term, the Company's share capital increased by approximately $1.2 million to $172.5 million as at 31 December 2017.

Cash Flow

For FY2017, cash flow activities were dominated by the afore-mentioned acquisitions and borrowing activities.

During the year, net cash generated from operating activities of $101.6 million was mainly from the sale of completed development properties.

Net cash used in investing activities was $442.8 million including $365.0 million for the acquisition of 896 Dunearn Road, $62.7 million for the construction of 18 Robinson and $4.1 million on capital expenditure for the two hotels in Australia. In comparison, $18.7 million was spent on 18 Robinson and $4.0 million on capital expenditure for the two hotels last year.

Net cash generated from financing activities was $399.6 million which were inclusive of the proceeds from the issuance of Series II notes and from drawing down of loan facilities. There were also interest payment of $39.1 million, and cash dividends paid to shareholders of $5.9 million. For last year, net cash of $167.5 million was used in financing activities mainly on a net loan repayment of $94.4 million, interest payment of $34.2 million, cash dividends of $5.9 million, and an increase in bank deposit pledged of $32.9 million.

As a result of the aforementioned, cash and cash equivalents stood at $151.1 million as at 31 December 2017; from $95.9 million as at 31 December 2016. There was a free cash outflow of $341.2 million as compared to free cash inflow of $158.9 million in last year.

15. REVIEW OF SEGMENT PERFORMANCE

Property

The three development property projects, namely, Seletar Park Residence, Sennett Residence, and Cluny Park Residence had been completed and substantially sold.

As a result, Property revenue for FY2017 decreased by 28% to $122.9 million from $171.3 million last year. However, profit after tax increased to $56.9 million from $17.2 million a year ago, mainly attributable to fair value gain in investment properties and lower net allowance for diminution in value for development properties.

Hotels Investment

Grand Hyatt Melbourne and Hyatt Regency Perth registered a combined 1% drop in RevPAR despite higher occupancy rates. As a result, Hotels Investment reported revenue of A$116.5 million in FY2017, as compared to A$120.4 million last year. Full year net income reduced by 4% to A$25.1 million from A$26.2 million. Full year profit after tax was A$3.0 million; higher than the A$2.7 million reported last year mainly because of lower expense.

In addition, there was a net fair value gain of A$32.9 million, as against last year's A$16.2 million from hotel properties used for production and services which is reflected in the Group's balance sheet.

Industrial Services

For the full year, Industrial Services reported higher revenue of $136.1 million as compared to $134.1 million last year. This was mainly attributable to higher activities from Commodities Trading unit. Industrial Services reported a decrease in profit after tax from $1.7 million to $0.5 million mainly due to lower profits reported by Commodities Trading.

Other Investments

For the full year, GulTech reported revenue of US$294.1 million as compared to US$244.3 million last year.

GulTech reported net profit attributable to shareholders of US$26.0 million for FY2017, an increase of 17% from US$22.2 million in FY2016. This translated into an increase in the Group's share of net profit (including fair value gain) of $16.0 million as compared to $13.6 million last year.

16. VARIANCE FROM PROSPECT STATEMENT

Not applicable.

17. OUTLOOK

In Singapore, there is renewed confidence in the residential property sector, with increasing *en bloc* activity and rising land costs, pointing towards a more robust market in 2018. As at 31 December 2017, the Group has sold most of the completed units. The Group will now focus on two new projects, namely, Kandis Residence and Remaja project as well as the repositioning of the property at 896 Dunearn Road.

Kandis Residence project, located near Sembawang Park, has 130 one- to three-bed-room units spread over three- and seven-storey buildings with full condominium facilities. The freehold vacant lot at No. 1Jalan Remaja, within walking distance to Hillview MRT Station, will be developed into approximately 100 residence units with condominium facilities.

As for 896 Dunearn Road (directly opposite King Albert Park MRT Station), the Group has a plan to reposition it into a hub of activities that can serve the needs of the vast residential community in the vicinity.

With the expected completion of 18 Robinson in 2018, a significant developer's profit is expected to be realised. The rental will also provide a steady stream of recurring income to the Group.

Written Planning Approval has been obtained from the City of Perth for the Asset Enhancement Initiative in respect of Hyatt Centre and development of Lot 11, one of the two vacant plots. The Group planned to commence the enhancement work in the second half of 2018. After completion it would be a significant commercial and retail hub in Perth.

The Group is expected to launch the initial phase of the integrated township development, which comprises condotels supported by retail outlets, food & beverage and entertainment spaces, in Batam Marina City, Indonesia in 2018, subject to the relevant authorities' approval.

The Group will continue to explore acquisitions of well-located sites for residential and commercial development properties in both Singapore and overseas when opportunities arise.

Barring unforeseen circumstances, the Group will achieve a profit for the year 2018.

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

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 be paid for the financial year ended 31 December 2017. 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

(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 2016.

(c) Date payable

26 June 2018 (Tuesday)

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed from Monday, 7 May 2018 to Tuesday, 8 May 2018 (both dates inclusive) for the purpose of determining the shareholders' entitlements to the proposed first and final dividend.

Duly completed and stamped transfers of the ordinary shares of the Company ("Shares") received by the Company's Share Registrar, B.A.C.S. Private Limited at 8 Robinson Road #03-00 ASO Building, Singapore 048544 up to 5.00 p.m. on Friday, 4 May 2018 will be registered before the shareholders' entitlements to the proposed first and final dividend are determined.

Shareholders whose securities accounts with The Central Depository (Pte) Limited ("CDP") are credited with Shares as at 5.00 p.m. on 4 May 2018 will be entitled to the proposed first and final dividend.

Shareholders with registered address outside Singapore and who have not provided to the Company or CDP, addresses in Singapore for the service of notices and documents by Thursday, 19 April 2018, will not participate in the Tuan Sing Holdings Limited Scrip Dividend Scheme which is applicable to the proposed first and final dividend.

Subject to shareholders' approval at the 48th Annual General Meeting to be held on 19 April 2018, the proposed first and final dividend of 0.6 cent per Share will be paid on 26 June 2018.

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. The tyres distribution and re-treading operation was discontinued at the end of the year.
Other Investments	Investment in GulTech, a printed circuit boards manufacturer with plants 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[3] $'000	Industrial Services[4] $'000	Other Investments[1] $'000	Corporate and Others[2] $'000	Inter-Segment Eliminations $'000	Total Consolidated $'000
FY2017							
Revenue							
External revenue	**100,346**	**121,277**	**136,119**	**-**	**180**	**-**	**357,922**
Inter-segment revenue	**22,549**	**2,052**	**-**	**-**	**25,767**	**(50,368)**	**-**
	122,895	**123,329**	**136,119**	**-**	**25,947**	**(50,368)**	**357,922**
Results							
Gross profit	**53,933**	**28,197**	**3,801**	**-**	**17,756**	**(38,659)**	**65,028**
Other operating income	**3,976**	**-**	**1,462**	**-**	**(2,237)**	**4,145**	**7,346**
Distribution costs	**(4,052)**	**-**	**(2,025)**	**-**	**-**	**-**	**(6,077)**
Administrative expenses	**(17,779)**	**(23,836)**	**(3,490)**	**-**	**(2,529)**	**21,366**	**(26,268)**
Other operating expenses	**(2,893)**	**(36)**	**(415)**	**-**	**(2,929)**	**2,883**	**(3,390)**
Share of results of an equity accounted investee	**-**	**-**	**-**	**15,677**	**-**	**-**	**15,677**
Interest income	**4,332**	**4**	**1,117**	**-**	**227**	**(1,530)**	**4,150**
Finance costs	**(23,915)**	**-**	**(1)**	**-**	**(10,787)**	**1,530**	**(33,173)**
Profit before tax and fair value adjustments	**13,602**	**4,329**	**449**	**15,677**	**(499)**	**(10,265)**	**23,293**
Fair value adjustments	**44,525**	**-**	**-**	**289**	**-**	**-**	**44,814**
Profit before tax	**58,127**	**4,329**	**449**	**15,966**	**(499)**	**(10,265)**	**68,107**
Income tax expenses	**(1,195)**	**(1,139)**	**22**	**-**	**(2,949)**	**-**	**(5,261)**
Profit for the year	**56,932**	**3,190**	**471**	**15,966**	**(3,448)**	**(10,265)**	**62,846**
Profit attributable to:							
Owners of the Company	**56,933**	**3,190**	**358**	**15,966**	**(3,448)**	**(10,265)**	**62,734**
Non-controlling interests	**(1)**	**-**	**113**	**-**	**-**	**-**	**112**
Profit for the year	**56,932**	**3,190**	**471**	**15,966**	**(3,448)**	**(10,265)**	**62,846**
FY2016							
Revenue							
External revenue	147,941	121,749	134,148	-	180	-	404,018
Inter-segment revenue	23,371	1,868	-	-	18,070	(43,309)	-
	171,312	123,617	134,148	-	18,250	(43,309)	404,018
Results							
Gross profit	70,543	28,784	5,643	-	10,782	(31,368)	84,384
Other operating income	13,987	27	963	445	11,850	(22,782)	4,490
Distribution costs	(3,362)	-	(2,505)	-	-	-	(5,867)
Administrative expenses	(21,263)	(24,804)	(3,678)	1	(2,367)	22,370	(29,741)
Other operating expenses	(24,064)	-	(49)	(1,794)	2,474	15,694	(7,739)
Share of results of an equity accounted investee	-	-	-	13,466	-	-	13,466
Interest income	4,120	23	1,840	-	16	(1,534)	4,465
Finance costs	(21,959)	-	(9)	-	(5,282)	1,534	(25,716)
Profit before tax and fair value adjustments	18,002	4,030	2,205	12,118	17,473	(16,086)	37,742
Fair value adjustments	2,198	-	-	138	-	-	2,336
Profit before tax	20,200	4,030	2,205	12,256	17,473	(16,086)	40,078
Income tax expenses	(2,989)	(1,271)	(537)	-	(1,475)	-	(6,272)
Profit for the year	17,211	2,759	1,668	12,256	15,998	(16,086)	33,806
Profit attributable to:							
Owners of the Company	17,327	2,759	1,331	12,256	15,998	(16,086)	33,585
Non-controlling interests	(116)	-	337	-	-	-	221
Profit for the year	17,211	2,759	1,668	12,256	15,998	(16,086)	33,806

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.*
4. *Tyre Distribution Unit included in Industrial Services Segment has discontinued its operations as at 31 December 2017. The discontinued operation has contributed revenue of $6.7 million (2016: $16.3 million), gross profit of $1.0 million (2016: $2.6 million), loss before tax of $1.5 million (2016: $0.9 million) and loss after tax of $1.2 million (2016: $0.7 million) for the year ended 31 December 2017.*

Segment assets and liabilities

	Property $'000	Hotels Investment $'000	Industrial Services $'000	Other Investments $'000	Corporate and Others $'000	Total Consolidated $'000
31.12.2017						
Assets						
Segment assets	**2,349,160**	**13,823**	**73,573**	**-**	**108,430**	**2,544,986**
Investment in equity accounted investees	**-**	**-**	**-**	**93,185**	**-**	**93,185**
Total assets	**2,349,160**	**13,823**	**73,573**	**93,185**	**108,430**	**2,638,171**
Liabilities						
Segment liabilities	**(77,593)**	**(17,382)**	**(16,665)**	**(5,432)**	**(5,395)**	**(122,467)**
Loan and borrowings	**(1,229,756)**	**-**	**-**	**-**	**(228,364)**	**(1,458,120)**
Current and deferred tax liabilities	**(14,535)**	**(275)**	**(292)**	**-**	**(46,205)**	**(61,307)**
Total liabilities	**(1,321,884)**	**(17,657)**	**(16,957)**	**(5,432)**	**(279,964)**	**(1,641,894)**
Net assets/ (liabilities)	**1,027,276**	**(3,834)**	**56,616**	**87,753**	**(171,534)**	**996,277**
31.12.2016						
Assets						
Segment assets	1,932,426	13,833	84,515	-	8,730	2,039,504
Investment in equity accounted investees	-	-	-	83,579	-	83,579
Total assets	1,932,426	13,833	84,515	83,579	8,730	2,123,083
Liabilities						
Segment liabilities	(61,887)	(17,408)	(25,247)	(5,432)	(3,840)	(113,814)
Loan and borrowings	(941,231)	-	-	-	(79,562)	(1,020,793)
Current and deferred tax liabilities	(21,925)	-	(619)	-	(35,476)	(58,020)
Total liabilities	(1,025,043)	(17,408)	(25,866)	(5,432)	(118,878)	(1,192,627)
Net assets/ (liabilities)	907,383	(3,575)	58,649	78,147	(110,148)	930,456

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 are based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	2017 $'000	2016 $'000	2017 $'000	2016 $'000
Singapore	**175,753**	202,779	**1,450,029**	959,520
Australia	**140,231**	140,606	**678,550**	646,300
China	**13,757**	26,401	**6,407**	6,447
Malaysia	**9,904**	16,520	**1,301**	1,539
Indonesia	**12,677**	9,254	**-**	-
Other ASEAN Countries	**5,351**	7,350	**-**	-
Others	**249**	1,108	**-**	-
	357,922	404,018	**2,136,287**	1,613,806

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 $357.9 million (2016: $404.0 million) were sales of approximately $38.1 million (2016: $44.7 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		
	2017 $'000	2016 $'000	+/(-) %
(a) Revenue			
- First quarter	**74,797**	105,462	(29)
- Second quarter	**84,095**	106,573	(21)
- Third quarter	**101,001**	90,275	12
- Fourth quarter	**98,029**	101,708	(4)
Full year revenue	**357,922**	404,018	(11)
(b) Profit after tax before deducting non-controlling interests			
- First quarter	**5,321**	9,619	(45)
- Second quarter	**1,821**	5,114	(64)
- Third quarter	**5,930**	6,580	(10)
- Fourth quarter	**49,774**	12,493	298
Full year profit after tax	**62,846**	33,806	86

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	45	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)	76	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	51	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.	N.A.

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

Helena Chua
Company Secretary
26 January 2018

