TUAN SING HOLDINGS LIMITED
(Registration No. 196900130M)

PRESS RELEASE

Tuan Sing posts fifteen-fold increase in 1H2021 net profit to $100.7 million

- *Strong revenue recovery across all business segments despite prolonged impact of COVID-19 and macroeconomic challenges*
- *Steadfast commitment to focus on core property segment in transition to regional real estate player*

Summary of unaudited financial results for the six-month period ended 30 June 2021

	1H2021 $' million	1H2020 $' million	Variance %
Revenue	143.9	91.9	57
Net profit attributable to shareholders	100.7	6.6	N.A.
Earnings per share (cents)	8.5	0.6	N.A.

SINGAPORE – 6 August 2021 - SGX Mainboard-listed Tuan Sing Holdings Limited ("**Tuan Sing**" or the "**Group**"), a regional real estate company focused on real estate development, real estate investment, and hospitality, today reported net profit attributable to shareholders of $100.7 million for the six months ended 30 June 2021 ("**1H2021**"), a fifteenfold increase from the same period a year ago ("**1H2020**").

The Group's diversified property and industrial portfolio continue to perform resiliently in 1H2021, with strong recovery in revenues across all business segments despite continued disruptions from the prolonged COVID-19 pandemic, reflecting the Group's ability to deliver stable and consistent performances over time.

The group revenue stood at $143.9 million in 1H2021, an increase of 57% from a year ago.

Greater progressive recognition of units sold at Mont Botanik Residence, higher occupancies at 18 Robinson and Link@896, as well as an increase in average gross rental for Link@896 due to the ongoing asset enhancement work and tenant optimisation, drove the Group's revenue from Real Estate Development and Real Estate Investment segments higher to $84.2 million. Stronger revenue contributions from the Industrial Services and Hospitality segments also underscored the gradual recovery of the Group's operations since the outbreak of the pandemic last year.

Other operating income rose by $87.8 million to $93.3 million in 1H2021, mainly attributable to a disposal gain on an indirect wholly owned subsidiary in Singapore and partially offset by lower COVID-19 related government grant income. The Group also recorded a higher share of results of equity accounted investees of $17.0 million in 1H20201 from $14.3 million in 1H2020, mainly attributable to higher net profit contribution from the Group's 44.5% stake in GulTech, which rose 19% to $16.9 million on the back of higher revenue and an increase in scrap sales income.

The Group maintained a disciplined focus on financial management as it took great strides in further strengthening its robust balance sheet, with cash and cash equivalents of $250.0 million as at 30 June 2021, which more than doubled from $108.3 million a year ago and representing an inflow of $50.7 million since 31 December 2020. Net gearing dropped to 0.79x as at 30 June 2021 from 1.01x as at 31 December 2020. The stronger financial position underlines the Group's commitment to prudent financial management and provides the Group with greater headroom to swiftly take advantage of any business opportunities to grow in a post-pandemic environment.

Mr William Liem, Chief Executive Officer of Tuan Sing, commented, "Against the backdrop of the disruptions wrought by the prolonged COVID-19 pandemic, the Group has continued to perform admirably in the new financial year, with stronger performances across all business segments. Our well-diversified assets and business portfolio, coupled with our effective management and strong execution capabilities, will remain the cornerstone for our long-term success, even as we maintain a steadfast focus on building capabilities and strengthening our competitiveness.

"While the road towards a full post-pandemic recovery remains uncertain, we are confident that our strong foundation will allow us to thrive in this challenging period. Our resilient business model and adaptability has enabled us to continually deliver consistent financial performances since inception, notwithstanding any unfavourable prevailing macroeconomic challenges. In addition, we remain unflinching in our commitment to focus on our core property segment and will continue to seek opportunities and explore potential partnerships and collaborations to grow our portfolio of well-located assets in tourism gateway cities, as well as strengthen our commercial portfolio in the region as we transition into a regional real estate player. At the same time, we will consider any opportunities to review our non-core real estate investments and businesses as and when they arise with the view to potential value maximisation."

Property development and investment updates

In Singapore, the Group obtained the temporary occupation permit (TOP) for Kandis Residence in March 2021. All the units in this development had been sold out. Sales at Mont Botanik Residence has been performing well with a healthy uptick in units sold while the Group will be commencing the sale of Peak Residence following the recent soft launch. The Group remains positive on buying sentiment in the residential property segment on the back of a low interest rate environment and ample liquidity in the market, despite concerns over higher construction costs and the tight manpower situation within the sector.

The Group's investment properties remain largely unscathed by the pandemic. The divestment of Robinson Point was completed on 7 June 2021 for a significant divestment gain while the Group's flagship building - 18 Robinson - and Link@896 continues to enjoy improved occupancies. In particular, the ongoing asset enhancement work and tenant optimisation at Link@896 is expected to improve recurring income for the Group.

In Australia, Hyatt Regency Perth remains utilised as a quarantine hotel, and is likely to remain so until late-2021. Grand Hyatt Melbourne was fully occupied for the Australia Open in January while pent-up demand from local and inter-state travellers provided a boost for occupancy at the hotel from March to May before the business was interrupted again by intermittent lockdowns in Melbourne and other parts of Australia since late May. The Group expects demand to improve towards the later part of 2021 with broader vaccine rollout, gradual normalisation of inter-state travel and the potential resumption of the travel bubble with New Zealand.

Meanwhile, the renewal and extension of major tenancies at the Group's Melbourne and Perth investment properties is expected to contribute to the Group's performance in 2021 and beyond.

In Indonesia, the Group is positive on the strong development potential of Batam as a locale for high-quality lifestyle for residents and visitors, given its proximity to Singapore and strong domestic airlinks. The newly enacted Omnibus Law will also ease foreign ownership restrictions and provide a boost for the property market, particularly those of the top-end residential sector.

The Group is actively developing Batam Opus Bay, an upcoming 125-hectare integrated mixed development township. Sales from the recent soft launches of the residential component - Balmoral Tower and Cluny Villas - have been encouraging despite travel restrictions.

In China, GulTech continues to contribute positively to the Group's performance in 1H2021. Gultech China has entered into sale and purchase agreements to divest approximately 2.5% of Gultech Jiangsu to the investment arm of the local authority: Xishan Economic and Technology Development Zone for RMB 83.75 million recently. The onboarding of new shareholders, following Yonghua Capital and Wens Capital, as part of a broader restructuring of Gultech Jiangsu's shareholding capital is in line with its strategic review and positions the company for a possible listing in China. The divestment will allow the Group to monetise part of its longstanding investment in Gultech and is in line with the Group's plan to strengthen its balance sheet and focus on its core real estate business in the region. Gultech China and Gultech Jiangsu will remain as associated companies of the Group upon completion of the proposed transactions.

TUAN SING HOLDINGS LIMITED
(Registration No. 196900130M)

About Tuan Sing Holdings Limited

Tuan Sing Holdings Limited is a regional investment holding company with interests mainly in real estate development, real estate investment and hospitality. 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.

The Group also holds a 44.48% interest in Gul Technologies Singapore Pte. Ltd., a printed circuit board manufacturer with manufacturing plants in China

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:

Tuan Sing Holdings Limited
(Company registration No. 196900130M)
Tel: (65) 6223 7211; Fax: (65) 6224 1085
www.tuansing.com

Media Contact

Zavier Ong, zavierong@august.com.sg
Tel: +65 6733 8873