



# TIONG SENG HOLDINGS LIMITED

(Incorporated in the Republic of Singapore )

(Co. Reg. No: 200807295Z)

## UNAUDITED FULL YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

#### 1(a)(i) Consolidated statement of comprehensive income, together with a comparative statement for the corresponding year of the immediately preceding financial year.

	12 Months Ended 31 December 2019 S\$'000	12 Months Ended 31 December 2018 S\$'000	Change %
Revenue	405,550	379,100	7
Cost of Sales	(359,106)	(326,776)	10
Gross profit	46,444	52,324	-11
Other income	13,660	4,756	>100
Depreciation and amortization	(7,791)	(7,919)	-2
Selling expenses	(1,498)	(2,416)	-38
Staff costs	(21,129)	(20,857)	1
Other expenses	(10,123)	(10,992)	-8
	(40,541)	(42,184)	-4
<b>Profit from operating activities</b>	19,563	14,896	31
Finance income	1,471	1,573	-6
Finance costs	(7,099)	(7,952)	-11
<b>Net finance costs</b>	(5,628)	(6,379)	-12
Share of profit of joint ventures, net of tax	3,975	209	>100
<b>Profit before tax</b>	17,910	8,726	>100
Tax expense	(7,873)	(305)	>100
<b>Profit for the year</b>	10,037	8,421	19

	12 Months Ended 31 December 2019 S\$'000	12 Months Ended 31 December 2018 S\$'000	Change %
<b>Other comprehensive income</b>			
<b>Items that are / may be reclassified subsequently to profit or loss:</b>			
Translation differences relating to financial statements of foreign subsidiaries	(4,388)	(5,095)	-14
Exchange differences on monetary items forming part of net investment in a foreign operation	(1,675)	(2,270)	-26
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	275	299	-8
Net change in fair value of equity investment at FVOCI	207	-	100
Realisation of translation difference from disposal of a subsidiary group	268	-	100
<b>Other comprehensive income for the year, net of tax</b>	<b>(5,313)</b>	<b>(7,066)</b>	<b>-25</b>
<b>Total comprehensive income for the year</b>	<b>4,724</b>	<b>1,355</b>	<b>&gt;100</b>
<b>Profit attributable to:</b>			
Owners of the Company	10,592	8,808	20
Non-controlling interests	(555)	(387)	43
<b>Profit for the year</b>	<b>10,037</b>	<b>8,421</b>	<b>19</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	6,822	3,225	>100
Non-controlling interests	(2,098)	(1,870)	12
<b>Total comprehensive income for the year</b>	<b>4,724</b>	<b>1,355</b>	<b>&gt;100</b>
<b>Earnings per share</b>			
- Basic and diluted (cents) <sup>1</sup>	2.38	1.98	20

<sup>1</sup> The earnings per share net of non-controlling interests has been calculated based on 444,785,349 (2018: 445,517,545) weighted average number of shares outstanding excluding treasury shares.

### 1(a)(ii) Notes to the consolidated statement of comprehensive income

The following items have been charged or (credited) in arriving at profit for the year:

#### 2a. Other income

	12 Months Ended 31 December 2019 S\$'000	12 Months Ended 31 December 2018 S\$'000	Change %
Included in other income:			
Fees from project and property management	(566)	(789)	-28
Gain from sales of car park lots	(151)	(313)	-52
Gain on disposal of scrap parts and materials	(679)	(678)	-
Gain on disposal of a subsidiary group	(7,383)	-	100
Bargain purchase on acquisition of a subsidiary group	(2,573)	-	100
Management fees	(840)	(140)	>100
Governments grants/ credit scheme	(136)	(635)	-79
Training and testing fee income	(174)	(313)	-44
Consultancy services fees	(134)	(514)	-74
Gain on disposal of property, plant and equipment	(21)	(405)	-95
Reversal of impairment of trade receivables	-	(3)	-100

**1(a)(ii) Notes to the consolidated statement of comprehensive income (Cont'd)**

2b. Selling expenses

	12 Months Ended 31 December 2019	12 Months Ended 31 December 2018	Change
	S\$'000	S\$'000	%
Included in selling expenses:			
Advertisement and commission expenses	993	1,925	-48

2c. Other expenses

	12 Months Ended 31 December 2019	12 Months Ended 31 December 2018	Change
	S\$'000	S\$'000	%
Included in other expenses:			
Entertainment	647	582	11
Legal and Professional fees	1,561	1,473	6
Operating lease expenses	324	2,410	-87
Property management expenses	772	839	-8
Property tax	692	734	-6
Repair and maintenance	2,246	1,079	>100
Travelling and transport	838	864	-3
Impairment of trade receivable	22	-	100
Write-off for stock obsolescence	12	-	100
Utilities	349	387	-10
Tender expenses	353	169	>100

2d. Finance income

	12 Months Ended 31 December 2019	12 Months Ended 31 December 2018	Change
	S\$'000	S\$'000	%
Included in finance income:			
Interest income on:			
- cash and cash equivalents	(212)	(113)	88
- loan to a joint venture	(79)	(228)	-65
- other investment	(30)	(12)	>100

2e. Finance expenses

	12 Months Ended 31 December 2019	12 Months Ended 31 December 2018	Change
	S\$'000	S\$'000	%
Included in finance expenses:			
Interest expense on:			
- bank loans	3,407	2,402	42
- lease liabilities	138	22	>100
- medium term notes	-	17	-100
Exchange loss (net)	1,414	761	86

2f. Tax expenses

	12 Months Ended 31 December 2019	12 Months Ended 31 December 2018	Change
	S\$'000	S\$'000	%
Included in tax expenses:			
Overprovision in prior year	(1,389)	(3,005)	-54

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Company	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	102,465	121,016	-	-
Intangible assets	335	387	-	-
Investment properties	3,931	16,273	-	-
Right-of-use assets	5,404	-	-	-
Investment in subsidiaries	-	-	59,624	59,624
Associates and joint ventures	36,986	42,579	-	-
Trade and other receivables	2,917	11,741	-	-
Amount due from related parties	3,979	3,500	-	-
Other investments	1,485	1,271	-	-
Deferred tax assets	149	431	-	-
	157,651	197,198	59,624	59,624
<b>Current assets</b>				
Inventories	2,673	1,045	-	-
Contract costs	1,043	877	-	-
Contract assets	102,569	73,969	-	-
Development properties	223,993	234,290	-	-
Trade and other receivables	78,949	79,444	7	7
Amounts due from related parties	29,340	38,220	104,436	104,436
Cash and cash equivalents	55,539	39,975	85	82
	494,106	467,820	104,528	104,525
Assets held for sale	215	215	-	-
	494,321	468,035	104,528	104,525
<b>Total assets</b>	<b>651,972</b>	<b>665,233</b>	<b>164,152</b>	<b>164,149</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	181,947	181,947	181,947	181,947
Treasury shares	(4,452)	(4,452)	(4,452)	(4,452)
Reserves	(89,848)	(76,757)	(45,850)	(45,850)
Retained earnings / (Accumulated losses)	177,885	167,684	(27,755)	(25,771)
	265,532	268,422	103,890	105,874
<b>Non-controlling interests</b>	18,955	38,301	-	-
<b>Total equity</b>	<b>284,487</b>	<b>306,723</b>	<b>103,890</b>	<b>105,874</b>
<b>Non-current liabilities</b>				
Trade and other payables	11,933	7,588	-	-
Loans and borrowings	10,980	13,585	-	-
Lease liabilities	4,452	-	-	-
Deferred tax liabilities	3,412	3,509	-	-
	30,777	24,682	-	-
<b>Current liabilities</b>				
Contract liabilities	64,683	35,383	-	-
Trade and other payables	167,996	169,893	936	219
Amounts due to related parties	15,697	22,676	59,326	58,056
Loans and borrowings	80,603	96,325	-	-
Lease liabilities	1,327	-	-	-
Current tax payable	6,402	9,551	-	-
	336,708	333,828	60,262	58,275
<b>Total liabilities</b>	<b>367,485</b>	<b>358,510</b>	<b>60,262</b>	<b>58,275</b>
<b>Total equity and liabilities</b>	<b>651,972</b>	<b>665,233</b>	<b>164,152</b>	<b>164,149</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

Amount repayable in one year or less, or on demand

As at 31.12.2019		As at 31.12.2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
80,603	-	96,325	-

Amount repayable after one year

As at 31.12.2019		As at 31.12.2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
10,980	-	13,585	-

**Details of any collateral**

**1. Secured loan from a bank**

Pursuant to a loan facility arrangement with a bank, the Group pledges its shares in Chang De Investment Private Limited ("ChangDe"), Tiong Seng Properties (Private) Limited ("TSP"), Tianjin Zizhulin Development Co. Ltd. ("Zizhulin"), and Suzhou Changhe Investment and Development Co., Ltd ("Changhe") as well as the subordination of the Group's share of existing and future shareholder's loan to these companies, to the bank as securities. Notwithstanding this, ChangDe, TSP, Zizhulin and Changhe still remain as subsidiaries of the Group.

**2. The secured bank loans, secured loan from a financial institution and secured bank overdrafts are secured on the following assets:**

	31 December 2019	31 December 2018
	\$'000	\$'000
<b>Carrying amounts of assets:</b>		
Leasehold land	10,787	11,305
Freehold land	3,890	3,959
Leasehold properties	50,160	52,681
Investment properties	4,134	4,296
Plant and machinery	131	167
Motor vehicles	691	661
Deposits pledged	591	603
<b>Total</b>	<b>70,384</b>	<b>73,672</b>

The secured bank loans and bank overdrafts are also secured by assignment of rights, interests and benefits in connection with construction contracts and corporate guarantee of the Company.

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial period.**

	12 Months Ended 31 December 2019 S\$'000	12 Months Ended 31 December 2018 S\$'000
<b>Cash flow from operating activities</b>		
Profit from operating activities	19,563	14,896
Adjustments for:		
Reversal of impairment of trade receivables	-	(3)
Depreciation and amortisation	23,341	18,902
Property, plant and equipment written off	-	8
Gain on disposal of property, plant and equipment	(21)	(405)
Gain on disposal of an associate	(311)	-
Gain on disposal of subsidiary group	(7,383)	-
Bargain purchase on acquisition of subsidiary group	(2,573)	-
<b>Operating profit before working capital changes</b>	<b>32,616</b>	<b>33,398</b>
Changes in working capital:		
Inventories	(281)	29
Contract assets	(26,468)	3,672
Contract liabilities	29,300	(70,556)
Contract costs	(166)	751
Development properties	3,952	35,689
Trade and other receivables	8,132	17,170
Balances with related parties (trade)	(2,300)	1,661
Trade and other payables	(2,099)	(63,644)
Cash generated from / (used in) operations	42,686	(41,830)
Income taxes paid	(5,953)	(8,029)
<b>Net cash generated from/ (used in) operating activities</b>	<b>36,733</b>	<b>(49,859)</b>
<b>Cash flow from investing activities</b>		
Balances with related parties (non-trade)	(3,147)	(3,798)
Loan repayment from joint ventures	5,358	7,755
Investment in a joint venture	(1,924)	(13,185)
Investment in an associate	(1,584)	(914)
Acquisition of subsidiary group, net of cash acquired	3,046	-
Disposal of subsidiary group, net of cash disposed of	12,528	-
Proceeds from disposal of an associate	2,783	-
Interest received	313	353
Proceeds from disposal of property, plant and equipment	248	2,632
Purchase of property, plant and equipment	(4,039)	(16,555)
Purchase of intangible assets	(45)	(72)
Government grant received for purchase of property, plant and equipment	621	603
<b>Net cash generated from/(used in) investing activities</b>	<b>14,158</b>	<b>(23,181)</b>

	<b>12 Months Ended 31 December 2019</b>	<b>12 Months Ended 31 December 2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flow from financing activities</b>		
Balances with related parties (non-trade)	(5,711)	2,388
(Increase)/decrease in restricted cash	(2)	1,576
Increase in deposits pledged	(2)	(38)
Dividends paid to:		
- owners of the company	(2,224)	(6,675)
- non-controlling interests	(1,109)	-
Interest paid	(3,576)	(2,441)
Acquisition of non-controlling interest in a subsidiary	(2,727)	-
Purchase of treasury shares	-	(1,419)
Payments of lease liabilities (2018: payment of finance lease liabilities)	(1,467)	(351)
Proceeds from loans and borrowings	51,984	80,714
Repayment of loans and borrowings	(70,216)	(102,617)
<b>Net cash used in financing activities</b>	<b>(35,050)</b>	<b>(28,863)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>15,841</b>	<b>(101,903)</b>
Cash and cash equivalents at beginning of the year	39,147	141,334
Effect of exchange rate changes on balances held in foreign currencies	(263)	(284)
<b>Cash and cash equivalents at end of the year</b>	<b>54,725</b>	<b>39,147</b>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

Group	Share capital	Treasury shares	Merger reserve	Capital reserve	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2019	181,947	(4,452)	(77,720)	(27)	3,564	-	(2,574)	167,684	268,422	38,301	306,723
Adjustment on initial application of SFRS(I)16	-	-	-	-	-	-	-	(236)	(236)	(83)	(319)
Adjusted balance at 1 January 2019	181,947	(4,452)	(77,720)	(27)	3,564	-	(2,574)	167,448	268,186	38,218	306,404
Profit for the period	-	-	-	-	-	-	-	10,592	10,592	(555)	10,037
<b>Other comprehensive income</b>											
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	-	-	(2,845)	-	(2,845)	(1,543)	(4,388)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	-	-	-	(1,675)	-	(1,675)	-	(1,675)
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	-	-	-	-	-	-	275	-	275	-	275
Realisation of translation difference from disposal of a subsidiary group	-	-	-	-	-	-	268	-	268	-	268
Net change in fair value of equity investment at FVOCI	-	-	-	-	-	207	-	-	207	-	207
Total other comprehensive income	-	-	-	-	-	207	(3,977)	-	(3,770)	(1,543)	(5,313)
<i>Total comprehensive income for the period</i>	-	-	-	-	-	207	(3,977)	10,592	6,822	(2,098)	4,724
<b>Transaction with owners, recognised directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Dividend paid	-	-	-	-	-	-	-	(2,224)	(2,224)	(1,109)	(3,333)
Disposal of a subsidiary group with non-controlling interest	-	-	-	-	(2,069)	-	-	2,069	-	(4,541)	(4,541)
Acquisition of non-controlling interest without a change in control	-	-	-	(7,252)	-	-	-	-	(7,252)	(11,515)	(18,767)
<i>Total transaction with owners of the Company</i>	-	-	-	(7,252)	(2,069)	-	-	(155)	(9,476)	(17,165)	(26,641)
At 31 December 2019	181,947	(4,452)	(77,720)	(7,279)	1,495	207	(6,551)	177,885	265,532	18,955	284,487



Group	Share capital	Treasury shares	Merger reserve	Capital reserve	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2018	181,947	(3,033)	(77,720)	(2)	3,564	-	3,009	165,588	273,353	46,982	320,335
Adoption of SFRS(I)9	-	-	-	-	-	-	-	(37)	(37)	-	(37)
Adjusted balance at 1 January 2018	181,947	(3,033)	(77,720)	(2)	3,564	-	3,009	165,551	273,316	46,982	320,298
Profit for the period	-	-	-	-	-	-	-	8,808	8,808	(387)	8,421
<b>Other comprehensive income</b>											
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	-	-	(3,612)	-	(3,612)	(1,483)	(5,095)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	-	-	-	(2,270)	-	(2,270)	-	(2,270)
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	-	-	-	-	-	-	299	-	299	-	299
Total other comprehensive income	-	-	-	-	-	-	(5,583)	-	(5,583)	(1,483)	(7,066)
Total comprehensive income for the period	-	-	-	-	-	-	(5,583)	8,808	3,225	(1,870)	1,355
<b>Transaction with owners, recognised directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Purchase of treasury shares	-	(1,419)	-	-	-	-	-	-	(1,419)	-	(1,419)
Dividend paid	-	-	-	-	-	-	-	(6,675)	(6,675)	(3,259)	(9,934)
Capital reduction in a subsidiary	-	-	-	-	-	-	-	-	-	(3,577)	(3,577)
Acquisition of non-controlling interest without a change in control	-	-	-	(25)	-	-	-	-	(25)	25	-
Total transaction with owners of the Company	-	(1,419)	-	(25)	-	-	-	(6,675)	(8,119)	(6,811)	(14,930)
At 31 December 2018	181,947	(4,452)	(77,720)	(27)	3,564	-	(2,574)	167,684	268,422	38,301	306,723

Company	Share capital	Treasury Shares	Merger Reserve	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2019</b>	181,947	(4,452)	(45,850)	(25,771)	105,874
Total comprehensive income for the period	-	-	-	240	240
Dividend paid	-	-	-	(2,224)	(2,224)
<b>At 31 December 2019</b>	<b>181,947</b>	<b>(4,452)</b>	<b>(45,850)</b>	<b>(27,755)</b>	<b>103,890</b>
<b>At 1 January 2018</b>	181,947	(3,033)	(45,850)	(27,641)	105,423
Total comprehensive income for the period	-	-	-	8,545	8,545
Dividend paid	-	-	-	(6,675)	(6,675)
Purchase of treasury shares	-	(1,419)	-	-	(1,419)
<b>At 31 December 2018</b>	<b>181,947</b>	<b>(4,452)</b>	<b>(45,850)</b>	<b>(25,771)</b>	<b>105,874</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the end of the previous period reported on.**

State also the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There is no change in the Company's share capital since the end of the previous period reported on.

The Company held 14,838,500 treasury shares which represents 3.34% of the total number of issued shares of the Company (excluding treasury shares) as at 31 December 2019 and 31 December 2018.

The Company did not have any outstanding options or convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	No of shares	
	31 December 2019	31 December 2018
Total number of issued shares excluding treasury shares	444,785,349	444,785,349

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial year reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There are no subsidiary holdings as at the end of the current financial period reported.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's independent auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 31 December 2018.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted new/revised Singapore Financial Reporting Standards (International) (SFRS(I)s) that are effective for annual periods beginning on or after 1 January 2019. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

The following are the new or amended SFRS(I)s, and SFRS(I) Interpretations, that are relevant to the Group:

- SFRS(I) 16 Leases;
- SFR(I) INT 23 Uncertainty Over Income Tax Treatments;
- Amendments to SFRS(I) 9 Prepayment Features with Negative Compensation;
- Amendments to SFRS(I) 1-28 Long-term Interests in Associates and Joint Ventures; and
- Amendments to SFRS(I) 1-23 Borrowing costs eligible for capitalisation

There is no material impact on the financial statements in adopting the new or amended SFRS(I)s, and SFRS(I) Interpretations except for the adoption of SFRS(I)16.

In the adoption of SFRS(I) 16 for the Group financial results beginning on 1 January 2019, the Group has applied the simplified transition approach and did not restate comparative amounts for the year prior to first adoption.

SFRS(I) 16 has resulted in substantial part of leases being recognized on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term leases and leases of low value assets. The accounting for lessors has not changed significantly.

Right-of-use assets are measured using the cost model and are carried at cost less accumulated depreciation and impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

The adoption of SFRS(I) 16 resulted in adjustments to the balance sheet of the Group as at 1 January 2019. The impact to balance sheet as previously reported as at 31 December 2018 are as follows:

Consolidated Financial Position	1 January 2019
	Increase/(decrease)
	S\$'000
Right-of-use	3,333
<b>Total assets</b>	<b>3,333</b>

Retained earnings	(236)
Non-controlling interest	(83)
<b>Total equity</b>	<b>(319)</b>
Lease liabilities	3,652
<b>Total liabilities</b>	<b>3,652</b>
<b>Total equity and liabilities</b>	<b>3,333</b>

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	12 Months Ended 31 December 2019	12 Months Ended 31 December 2018
	(cents)	(cents)
Earnings per ordinary share of the group, after deducting any provision for preference dividends (in cents):		
(a) Based on weighted average number of ordinary shares on issue; and	2.38	1.98
(b) On a fully diluted basis	2.38	1.98

The earning per ordinary share net of non-controlling interests has been calculated based on weighted average number of shares outstanding of 444,785,349 (2018: 445,517,545) excluding any treasury shares.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	Group		Company	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	(cents)	(cents)	(cents)	(cents)
Net asset value per ordinary share based on issued share capital at the end of:	59.70	60.35	23.36	23.80

The net asset value per ordinary share, net of non-controlling interests and excluding treasury shares, has been calculated based on 444,785,349 shares as at 31 December 2019 and 31 December 2018.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**  
**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

## Review of Group Performance for FY2019 vs FY2018

### Overview

The breakdown of our major business segment financial information as follows:

	<u>Construction</u>	<u>Engineering Solution</u>	<u>Property Development</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
	Financial Year Ended 31 December 2019					
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	313,358	98,264	22,325	905	(29,302)	405,550
Costs	(278,067)	(93,431)	(16,496)	-	28,888	(359,106)
Gross Profit	35,291	4,833	5,829	905	(414)	46,444
Other income	532	4,605	317	8,386	(180)	13,660
Depreciation	(6,803)	(502)	(41)	(445)	-	(7,791)
Selling expenses	-	(1)	(1,496)	(1)	-	(1,498)
Staff costs	(12,965)	(4,526)	(1,645)	(1,993)	-	(21,129)
Other operating expenses	(4,720)	(2,120)	(2,168)	(1,709)	594	(10,123)
Profit from operating activities	11,335	2,289	796	5,143	-	19,563

	<u>Construction</u>	<u>Engineering Solution</u>	<u>Property Development</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
	Financial Year Ended 31 December 2018 (Restated)					
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	272,694	55,553	64,069	1,548	(14,764)	379,100
Costs	(230,370)	(58,644)	(52,526)	-	14,764	(326,776)
Gross Profit	42,324	(3,091)	11,543	1,548	-	52,324
Other income	1,814	1,387	422	1,313	(180)	4,756
Depreciation	(6,696)	(439)	(59)	(725)	-	(7,919)
Selling expenses	-	(27)	(2,389)	-	-	(2,416)
Staff costs	(12,768)	(4,082)	(1,569)	(2,438)	-	(20,857)
Other operating expenses	(6,386)	(1,160)	(1,840)	(1,786)	180	(10,992)
Profit / (loss) from operating activities	18,288	(7,412)	6,108	(2,088)	-	14,896

As announced on 10 December 2019, the Group has re-organized its management structure to have its diverse portfolio of engineering capabilities carved out from the Group's construction segment to form a new operating segment namely "Engineering Solutions". Following the re-organization of the management structure, Engineering Solutions segment has been split out from Construction segment for operating segment disclosure with corresponding segment financial being restated to reflect the change.

During the year, the Group disposed of a subsidiary group ("Huiyang Group") that holds an investment property for rental income. Following the disposal of Huiyang Group, investment property and rental income are no longer a significant component to the Group's asset and income statement. As a result, rental segment is no longer separately presented in the Group's segment report but included as part of other segment.

As a whole, the Group's profit from operating activities increased by S\$4.7 million or 31.3% year-on-year (yoy) from approximately S\$14.9 million in FY2018 to S\$19.6 million in FY2019. The increase was mainly attributable to gain on disposal of Huiyang Group of S\$7.4 million, bargain purchase arising from the acquisition of remaining interest in another subsidiary group ("GRV Group") of S\$2.6 million and reduction in operating expenses of S\$1.6 million. The increase was partially offset by lower Group's gross profit by S\$5.9 million as a result of drop in gross profit margin in construction segment and lower revenue recognition in property development segment.

## Revenue

Revenue increased by approximately S\$26.5 million or 7.0% yoy from approximately S\$379.1 million in FY2018 to approximately S\$405.6 million in FY2019, attributable mainly to increase in work performed in construction segment, precast work in engineering solutions segment, partially offset by lower revenue recognized in property development segment.

### Revenue from construction contracts

Increase in construction revenue by approximately S\$40.7 million from S\$272.7 million in FY2018 to S\$313.4 million in FY2019 was mainly due to difference in stages of revenue recognition for the various construction contracts.

### Revenue from engineering solutions

Increase in engineering solutions revenue by approximately S\$42.7 million from S\$55.6 million in FY2018 to S\$98.3 million in FY2019 mainly due to higher precast production volume, prefabricated prefinished volumetric construction work.

### Revenue from sales of development properties

Revenue from sales of development properties in FY2019 amounted to S\$22.3 million contributed mainly from the sale recognition of 16 units (4,972 sqm) from Tranquility Project, 2 units (446 sqm) from Sunny International Project and 8 units (1,677 sqm) from Equinox Project. In FY2018, revenue amounted to S\$64.1 million was contributed mainly from the sale recognition of 10 units (2,666 sqm) from Tranquility Project and 2 units (372 sqm) from the Sunny International Project and 99 units (17,546 sqm) from Equinox Project.

As at 31 December 2019, approximately S\$42.5 million of gross development value were sold, but yet to be recognised as revenue in accordance to our revenue recognition policy, as follows:

Projects		Total	Total Launch	Sold and recognised	Sold but yet to be recognised	Unsold Inventories	Future Launch	ASP <sup>^</sup> psm for units sold but yet to be recognised (RMB)
Equinox	Units	Note 1	434	272	62	100	Note 1	15,172
	Area ('000 sqm)	172	88	56	10	22	84	
Tranquility	Units	636	636	599	11	26	-	17,944
	Area ('000 sqm)	100	100	88	3	9	-	

Note 1: Products for subsequent phases to be finalized on accordance to market demand

<sup>^</sup> Average selling price

## Other Income

Other income increased by S\$8.9 million from S\$4.8 million in FY2018 to S\$13.7 million in FY2019 mainly due to a gain from disposal of Huiyang Group, bargain purchase arising from increase shareholdings in GRV Group to become wholly owned subsidiary of the Group.

### **Gross profit in construction segment**

Decrease in gross profit margin of approximately 4.2% from 15.5% in FY2018 to 11.3% in FY2019 as a result of the competitive tender landscape combined with differences in projects' profile and relative weighted average profitability in the projects recognized over the two periods.

### **Gross profit in engineering solutions segment**

Gross profit margin improved from -5.6% in FY2018 to 4.9% in FY2019 mainly due to lower production volume to cover the segment production overhead in FY2018 and differences in profitability and stages of work progress from various projects over the two periods.

### **Gross profit in property development segment**

Gross profit margin increased approximately 8.1% from 18.0% in FY2018 to 26.1% in FY2019 mainly due to the difference in projects' profile and relative profitability in the units recognized over the two periods.

### **Selling expenses**

Decrease in selling expenses of approximately S\$0.9 million from S\$2.4 million in FY2018 to S\$1.5 million in FY2019 mainly due to decrease in sales commission for the sale of development properties following lower revenue recognition.

### **Net finance expenses**

Net finance expenses decreased by approximately S\$0.8 million from S\$6.4 million in FY2018 to S\$5.6 million in FY2019 mainly due to lower financing component cost for advance receipt from the sale of development properties in PRC.

### **Share of profit of joint ventures, net of tax**

The Group registered a higher share of profit from joint ventures by approximately S\$3.8 million from S\$0.2 million in FY2018 to S\$4.0 million in FY2019 due mainly to higher net contribution from certain joint ventures project.

### **Tax expense**

Income tax expense increased by approximately S\$7.6 million from S\$0.3 million in FY2018 to S\$7.9 million in FY2019 due mainly to tax arising from disposal of Huiyang Group and higher land appreciation tax provided in property development in PRC, as compared to over tax provision recorded in FY2018.

### **Profit for the year**

FY2019 reported a profit after tax of S\$10.0 million as a result of the factors mentioned in the preceding paragraphs.

## **Review of Group Financial Position**

### **Non-Current Assets**

As at 31 December 2019, non-current assets stood at S\$157.7 million or approximately 24.2% of total assets, a decrease of approximately S\$39.6 million as compared to 31 December 2018.

Decrease in property, plant & equipment (“PPE”) by approximately S\$18.6 million to S\$102.5 million as at 31 December 2019 was mainly due to depreciation incurred partially offset by new acquisition of plant and equipment for the year.

Decrease in investment properties by S\$12.3 million to S\$3.9 million as at 31 December 2019 was due to disposal of Huiyang Group with an investment property of S\$11.8 million as well as depreciation incurred for the year.

Following the adoption of SFRS(I)16 as enumerated in section 5 above, right-of-use assets were first being recognized in balance sheet for the financial period beginning on or after 1 January 2019 without restatement of comparative amounts for the period prior to its first adoption.

Decrease in investment in associates and joint ventures by S\$5.6 million to S\$37.0 million as at 31 December 2019 was mainly due to repayment of loan from joint venture and consolidation of the newly acquired subsidiary, previously a joint venture in the Group.

Decrease in non-current trade and other receivables by S\$8.8 million to S\$2.9 million as at 31 December 2019 was mainly due to reclassification of retention sums receivable within 12 months to current assets.

### **Current Assets**

As at 31 December 2019, current assets stood at S\$494.3 million or approximately 75.8% of total assets, an increase of approximately S\$26.3 million as compared to 31 December 2018.

Inventories increased by S\$1.6 million to S\$2.7 million as at 31 December 2019 mainly due to consolidation of inventories of precast tunnel following acquisition of GRV Group.

Contract assets increased by S\$28.6 million to S\$102.6 million as at 31 December 2019 mainly due to difference in timing between revenue recognition and actual billing over the periods under review.

Decrease in development properties by S\$10.3 million to S\$224.0 million as at 31 December 2019 was due mainly to revenue recognition and translation difference as a result of weakened Renminbi vis-à-vis Singapore Dollar, partially offset by development costs incurred for the same period.

Amount due from related parties decreased by S\$8.9 million to S\$29.3 million as at 31 December 2019 mainly due to the settlement of outstanding account with non-controlling interest following the acquisition of their interests in a subsidiary, Tianjin Zizhulin Guangang Property Co., Ltd. (“Guangang”).

Increase in cash and cash equivalents by S\$15.6 million to S\$55.5 million as at 31 December 2019 underpinned by cash generated from operating activities and proceeds from disposal of Huiyang, partially offset by net repayment of borrowings and acquisition of non-controlling interest in a subsidiary.

### **Non-Current Liabilities**

As at 31 December 2019, non-current liabilities amounted to S\$30.8 million or approximately 8.4% of total liabilities, an increase of approximately S\$6.1 million as compared to 31 December 2018.

Non-current trade and other payables increased by approximately S\$4.3 million to S\$11.9 million as at 31 December 2019 mainly due to increase in retention sum payables arising from construction projects.



Loan and borrowings decreased by approximately S\$2.6 million to S\$11.0 million as at 31 December 2019 mainly due to reclassification of borrowings due within 12 months to current liabilities.

Following the adoption of SFRS(I) 16 as enumerated in section 5 above, lease liabilities for the right-of-use assets were first time being recognized in balance sheet for the financial periods beginning on or after 1 January 2019 without restatement of comparative amounts for the period prior to its first adoption.

### **Current liabilities**

As at 31 December 2019, current liabilities stood at S\$336.7 million or approximately 91.6% of total liabilities, an increase of S\$2.9 million as compared to 31 December 2018.

Contract liabilities increased by S\$29.3 million to S\$64.7 million as at 31 December 2019 mainly due to increase in the excess of progress billing over construction revenue recognized arising from timing difference between actual billing and revenue recognition over the period under review and increase in advance receipt from sale of development properties in PRC.

Amount due to related parties decreased by approximately S\$7.0 million to S\$15.7 million as at 31 December 2019 due mainly to settlement of account with a joint venture following finalization of the project.

Loan and borrowings decreased by S\$15.7 million to 80.6 million as at 31 December 2019 due mainly to net repayment made for the period reported on.

Following the adoption of SFRS(I) 16 as enumerated in section 5 above, lease liabilities for the right-of-use assets were first time being recognized in balance sheet for the financial periods beginning on or after 1 January 2019 without restatement of comparative amounts for the period prior to its first adoption.

Current tax payables decreased by S\$3.1 million to S\$6.4 million as at 31 December 2019 mainly due to net repayment of tax expenses and derecognition of tax payables following the disposal of Huiyang Group.

### **Review of Statement of Cash Flows**

#### **Net cash from operating activities**

For the year ended 31 December 2019, the Group recorded a net cash inflow from operating activities of approximately S\$36.7 million, as compared to S\$49.9 million net cash outflow in the previous corresponding year. This was mainly due to differences in timing of collection and payment of construction billing and costs respectively for both financial years.

#### **Net cash from investing activities**

For the year ended 31 December 2019, the Group recorded a net cash inflow from investing activities of approximately S\$14.2 million, as compared to S\$23.2 million net cash outflow in the previous corresponding year. The cash inflow from investing activities in FY2019 improved mainly due to the collection of proceeds from the disposal of Huiyang Group in FY2019 and lower net investment in joint ventures and PPE.

#### **Net cash from financing activities**

For the year ended 31 December 2019, the Group recorded a net cash outflow from financing activities of S\$35.1 million, increased by S\$6.2 million as compared to previous corresponding year. Net cash used in financing activities in both years are mainly attributed to dividend distribution and net payment of loans and borrowings, including the redemption of S\$75.0 million multi-currency term note in 1Q2018.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed to shareholders.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

**Construction Outlook**

Construction demand in 2020 is expected to remain strong after reaching a five-year high in 2019<sup>1</sup>. Momentum driven by the public sector is likely to persist, with demand expected to reach between S\$17.5 billion and S\$20.5 billion, or approximately 62 per cent of total projected demand. The industry landscape on the other hand remains challenging due to growing competition from foreign players and a shrinking labour pool, both of which continues to keep margins slim.

In view of the competitive industry landscape, the government is investing significantly in initiatives to transform the sector and enhance the competitiveness of local players by building a pipeline of skilled local graduates, and bringing buyers and developers on board to progressively create a healthy environment where contracts are awarded based on quality<sup>2</sup>.

The Group's order book as at 31 December 2019 stood at approximately S\$902.3 million which is expected to extend till year 2023.

**Property Development Outlook**

*Singapore*

Based on industry reports, prices of private homes in Singapore are expected to show modest growth over the next two years, with a nominal growth rate of about 2 per cent for both 2020 and 2021<sup>3</sup>. This reflects expectations for slowing population growth of approximately 1 per cent, and the high likelihood that the government would apply cooling measures if home prices show signs of overheating. At the same time, Singapore is also experiencing a supply glut with almost 32,000 either finished or under-construction apartments in the pipeline, which has been an unintended consequence of government measures forcing developers to build and sell apartments quickly or face stiff penalties<sup>4</sup>. With conservative sales estimates expected to come in at around 8,000 to 10,000 units per annum, industry experts believe that the supply of housing will only be absorbed fully in about three to four years.

The Group's joint venture project located at Balmoral Road is currently under development. It was launched to the public on 11 January 2020. Meantime, the construction of the project located at Cairnhill Rise is expected to commence in 1Q2020 and the sale launch in 2Q2020.

*China*

China's new home prices grew at their weakest pace in 17 months, with average prices in the country's 70 major cities rising 6.6 per cent in December 2019, slowing from a 7.1 per cent

<sup>1</sup> "2020 building demand likely to stay robust after reaching 5-year high last year", The Business Times, 9 January 2020

<sup>2</sup> "Construction sector must attract more Singaporeans to build strong local core", The Business Times, 9 January 2020

<sup>3</sup> "Singapore private home prices to grow 2% in 2020, 2021: Fitch Ratings", The Business Times, 18 December 2019

<sup>4</sup> "Singapore home glut tied to official curbs, key developer says", The Business Times, 11 December 2019

gain in the previous month<sup>5</sup>. Attributable in part to China's slowing pace of economic growth and the impact of the novel coronavirus outbreak<sup>6</sup>, market observers are also forecasting a further slowdown in the coming months. In spite of current market conditions, home prices still marked the 56<sup>th</sup> straight month of growth, with most city officials reacting by lifting government-mandated price caps on new launches to foster stability within the sector. This has translated to stronger price growth on paper, even as overall demand for new homes has cooled.

As at 31 December 2019, approximately S\$42.5 million of gross development value comprises 62 units (10,026 sqm) of the Equinox and 11 units (3,498 sqm) of Tranquility Residences were sold, but yet to be recognized as revenue in accordance to the Group's revenue recognition policy.

As at 31 December 2019, approximately 77.0% of the total 434 units launched for Equinox have been sold. Based on current existing phase development plan and schedule, the Group is currently carrying out construction for two of its phases, E2 and G1, with expected completion and handover in 3Q2020 and 4Q2021 respectively.

For Tranquility Residences project in Suzhou New District Development zone, approximately 95.9% of the total 636 completed units were sold.

### **Change in Quarterly Reporting**

Singapore Exchange Regulation has adopted a risk-based approach to quarterly reporting with effect from 7 February 2020. Pursuant to the new rules, the Group will not be required to release its financial statements on quarterly basis and therefore will publish its financial results on half-yearly basis. However, we will continue to engage our stakeholders regularly and will publish periodic business updates to shareholders.

## **11. Dividend**

### **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend:	First and Final
Dividend Type:	Cash
Dividend Rate:	0.5 cent per ordinary share
Tax rate:	1-tier tax-exempt

### **(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend:	First and Final
Dividend Type:	Cash
Dividend rate:	0.5 cent per ordinary share
Tax rate:	1-tier tax-exempt

### **(c) Date payable**

The proposed dividend, if approved at the Annual General Meeting, will be paid out at a date to be announced.

<sup>5</sup> "China's home price growth at almost 1½-year low in December", The Business Times, 17 January 2020

<sup>6</sup> "The coronavirus outbreak could bring China's property investment market", South China Morning Post, 10 February 2020

**(d) Books closure date**

The books closure date will be announced at a later date.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as require under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Pursuant to Rule 920(1)(a)(ii), the following interested person transactions were entered into during the financial year ended 31 December 2019.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	4Q2019	FY2019	4Q2019	FY2019
	S\$'000	S\$'000	S\$'000	S\$'000
<b><u>Hiring charges</u></b>				
Peck Tiong Choon Transport (Pte) Ltd	-	-	1,040	5,244
Peck Tiong Choon Logistic (Pte) Ltd	-	-	149	741
Total	-	-	1,189	5,985
<b><u>Proceeds from sales of development property</u></b>				
Daughter of Patrick Ang Peng Koon*	-	3,453	-	-
Total	-	3,453	-	-

\* Patrick Ang Peng Koon is the Independent Director of the Company.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT  
(This part is no applicable to Q1, Q2, Q3, or Half Year Results)**

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**a) Business segments**

**31 December 2019**

	Construction S\$'000	Engineering Solutions S\$'000	Property Development S\$'000	Others S\$'000	Elimination S\$'000	Total S\$'000
External revenue	310,353	71,967	22,325	905	-	405,550
Internal revenue	3,005	26,297	-	-	(29,302)	-
Interest income	1,255	6	183	359	(1,482)	321
Interest expenses	(2,801)	(751)	(350)	(1,125)	1,482	(3,545)
Depreciation and amortization	(17,352)	(5,905)	(65)	(19)	-	(23,341)
Reportable segment profit / (loss) before income tax	10,193	1,399	(865)	3,208	-	13,935
Share of profit of associates and joint ventures, net of tax	4,452	2,496	(2,973)	-	-	3,975
Profit before income tax						17,910
Income tax expense						(7,873)
Profit for the year						10,037
Reportable segment assets	249,671	78,660	262,205	24,450	-	614,986
Investment in associates and joint ventures	3,291	409	33,286	-	-	36,986
Total assets						651,972
Reportable segment liabilities	231,994	52,369	69,168	13,954		367,485
Capital expenditure	901	2,532	1	29		3,463

**31 December 2018**

	Construction S\$'000	Engineering Solutions S\$'000	Property Development S\$'000	Others S\$'000	Elimination S\$'000	Total S\$'000
External revenue	272,694	40,789	64,069	1,548	-	379,100
Internal revenue	-	14,764	-	-	(14,764)	-
Interest income	1,173	6	279	356	(1,461)	353
Interest expenses	(1,882)	(534)	(325)	(1,161)	1,461	(2,441)
Depreciation and amortization	(12,514)	(5,727)	(93)	(568)	-	(18,902)
Reportable segment profit / (loss) before income tax	17,384	(8,063)	2,683	(3,487)	-	8,517
Share of profit of associates and joint ventures, net of tax	2,330	(982)	(1,139)	-	-	209
Profit before income tax						8,726
Income tax expense						(305)
Profit for the year						8,421
Reportable segment assets	251,661	56,808	281,338	32,847	-	622,654
Investment in associates and joint ventures	8,391	3,269	30,005	914	-	42,579
Total assets						665,233
Reportable segment liabilities	262,694	41,736	52,496	1,584	-	358,510
Capital expenditure	11,027	5,000	82	13	-	16,122

**(b) Geographical segment**

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets. The construction and property development segments are mainly domiciled in Singapore and the PRC respectively.

	<u>Revenue from external customers</u>		<u>Non-current assets*</u>	
	<b>2019</b> <b>S\$'000</b>	2018 S\$'000	<b>2019</b> <b>S\$'000</b>	2018 S\$'000
Singapore	<b>382,326</b>	313,584	<b>140,539</b>	158,600
PRC	<b>22,952</b>	65,330	<b>296</b>	13,512
PNG	<b>71</b>	101	<b>340</b>	324
Europe	-	-	<b>85</b>	86
Malaysia	<b>201</b>	85	<b>7,861</b>	7,733
	<b>405,550</b>	<b>379,100</b>	<b>149,121</b>	<b>180,255</b>

\* The non-current asset consists of property, plant and equipment, intangible assets, investment properties, investment in associates and joint ventures and ROU assets.

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to section 8.

**16. A breakdown of sales and profit before tax.**

	<b>2019</b> <b>S\$'000</b>	<b>2018</b> <b>S\$'000</b>	<b>Increase / (Decrease)</b> <b>%</b>
Sales reported for first half year	169,812	196,683	(14)
Operating profit after tax before deducting non-controlling interests reported for first half year	2,349	5,281	(56)
Sales reported for second half year	235,738	182,417	29
Operating profit after tax before deducting non-controlling interests reported for second half year	7,688	3,140	>100

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total annual dividend (Refer to note 11 for the details).

	<b>Latest full year (S\$'000)</b> <b>(Recommended)</b>	<b>Previous full year (S\$'000)</b>
Ordinary	2,224	2,224
Preference	-	-
Total:	2,224	2,224

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

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Pek Lian Guan	55	<p>Brother of Pek Dien Kee (Head of Asset Management).</p> <p>Cousin of Pay Sim Tee (Executive Director) and Pay Teow Heng (Project Director).</p> <p>Uncle of Ong Chun Tiong (General Manager for the Group's subsidiaries in Tianjin, PRC), Pek Chik Lay (General Manager of Cobiax Technologies (Asia) Pte Ltd and Robin Village International Pte Ltd), Peh Geok Soon (Deputy General Manager of Suzhou Huisheng Construction Development Co., Ltd &amp; Deputy General Manager of Suzhou Chang He Investment &amp; Development Co. Ltd), and Pay Simin Jasmine (Contracts Manager) of Tiong Seng Contractors (Private) Limited).</p> <p>Father of Pek Zhi Kai (Business Development &amp; Special Project Manager of Tiong Seng Contractors Pte. Ltd. and Manager Business Development of Tiong Seng Chang De Investment (Pte.) Ltd.)</p>	Executive Director & CEO since 15 April 2008 and 2010 respectively	Not Applicable
Pay Sim Tee	69	<p>Cousin of Pek Dien Kee (Head of Asset Management) and Pay Teow Heng (Project Director).</p> <p>Uncle of Ong Chun Tiong (General Manager for the Group's subsidiaries in Tianjin, PRC), Pek Chik Lay (General Manager of Cobiax Technologies (Asia) Pte Ltd and Robin Village International Pte Ltd), Peh Geok Soon (Deputy General Manager of Suzhou Huisheng Construction Development Co., Ltd &amp; Deputy General Manager of Suzhou Chang He Investment &amp; Development Co. Ltd), Pay Simin Jasmine (Contracts Manager of Tiong Seng Contractors (Private) Limited) and Pek Zhi Kai (Manager, Business Development, Tiong Seng Chang De Investment (Pte.) Ltd.).</p>	Executive Director since 2010	Not Applicable

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Pek Dien Kee	66	Brother of Pek Lian Guan (Executive Director and CEO). Cousin of Pay Sim Tee (Executive Director).	Head of Asset Management since 2010	Not Applicable
Pay Teow Heng	53	Cousin of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	Project Director since 2010	Not Applicable
Ong Chun Tiong	47	Nephew of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	General Manager for the Group's subsidiaries in Tianjin, PRC since 2004	Not Applicable
Pek Chik Lay	43	Nephew of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	General Manager of Cobiax Technologies (Asia) Pte Ltd since 2012 and Robin Village International Pte Ltd since 2016	Not Applicable
Peh Geok Soon	65	Nephew of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	Deputy General Manager of Suzhou Huisheng Construction Development Co., Ltd since 2003 & Deputy General Manager of Suzhou Chang He Investment & Development Co. Ltd since 2011	Not Applicable
Pay Simin Jasmine	38	Niece of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director)	Contracts Manager of Tiong Seng Contractors Pte Ltd since 2015	Not applicable
Pek Zhi Kai	30	Eldest son of Pek Lian Guan (Executive Director and CEO) and nephew of Pay Sim Tee (Executive Director)	Manager (Business Development) of Tiong Seng Chang De Investment (Pte.) Ltd. since December 2019.	Pek Zhi Kai was transferred from Steeltech Industrial Pte Ltd as Commercial & Risk Manager to Tiong Seng Contractors Pte Ltd as Business Development & Special Project Manager and Manager (Business Development) of Tiong Seng Chang De Investment (Pte.) Ltd.



**19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.**

The Company confirms that the undertakings required under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

On behalf of the Board of Directors

BY ORDER OF THE BOARD

Pek Lian Guan  
Executive Director and CEO  
25 February 2020