TIONGSENG GROUP 长成控股

STEERING TO A BRIGHTER FUTURE

ANNUAL REPORT **2023**

OUR VISION

The Trusted Choice in the Real Estate and Built Environment

OUR MISSION

Create Stakeholders' Value, Deliver Excellence

CORE VALUES

- Collaboration
- Creative & Innovative
- Dedication
- Excellence
- Integrity
- Valuing People

CONTENTS

CORPORATE PROFILE

Established in 1959 and listed on the Mainboard of the Singapore Exchange since 2010, Tiong Seng is principally engaged in three core pillars of business: Building Construction & Civil Engineering, Engineering Solutions and Property Development.

Tiong Seng is one of the leading building and civil engineering contractors in Singapore, and holds the highest grading of A1 from the Building and Construction Authority (BCA) for both general building and civil engineering, qualifying the Group to undertake public sector projects with unlimited contract value. For over 60 years, Tiong Seng has built up a comprehensive track record of private and public sector projects of different complexity, uses and sizes.

As a technological frontrunner, Tiong Seng has developed a diverse portfolio of cutting-edge innovations which encompasses Engineering Solutions, the Group's second business segment.

This segment provides building solutions as a service and comprises a blend of engineering capabilities such as Prefabricated Prefinished Volumetric Construction ("PPVC"), Precast, Structural Steel, Mass Engineered Timber ("MET") and Tunnel Segment production. With this asset-light business model, the Group is positioned to capture rising industry demand for modern and efficient building solutions.

On the property development front, Tiong Seng has successfully developed both residential and commercial projects in various second and third-tier cities in China, including Tianjin, Suzhou and Yangzhou. The Group currently has two on-going projects in the Bohai Economic Rim, one of the main economic zones in China. The Group has also made headway in the Singapore property market in the prime districts 9 and 10.

COVER STORY

As we draw the curtain on 2023, the year unfolded within a dynamic macro environment marked by volatility – slower global economic growth, mounting inflation, elevated interest rates, and escalating geopolitical tensions. On the domestic front, the construction sector in Singapore faced heightened competition in the tendering segment, and a more stringent regulatory landscape.

Despite these challenges creating an uncertain business climate, Tiong Seng Holdings exhibited unwavering commitment and resilience, navigating these complexities with fortitude and tenacity. Consequently, the Group not only weathered the storm successfully, we also achieved commendable progress on our projects, and delivered an improvement in our financial performance for the year.

As we move forward, we remain cautiously upbeat about a brighter year ahead. Conditions in the broader built environment sector continue to normalise, helped by the gradual resolution of supply-chain disruptions and a reduction in costs. The tangible impacts of the COVID-19 pandemic on our workforce are also now predominantly in our past. Although operational risks and potential snags in global logistical networks remain key concerns, we expect 2024 to be a pivotal year, one in which we divest underperforming contracts affected by the pandemic and revitalise our project pipelines for the future.

Against this backdrop, Tiong Seng remains committed to maintaining agility and adaptability in navigating the evolving challenges within the dynamic built-environment sector. The Group continues to pursue its long-term objective of diversification, harnessing an array of growth catalysts and capitalising on numerous opportunities to expedite our growth momentum in the coming year.

In particular, we continue to implement strategic initiatives to cultivate distinct, independent growth trajectories for our construction segment, our engineering solutions unit, and our property development division. The goal is to guarantee the sustained diversity and resilience of each segment, which aligns with our overarching vision to transform into a versatile and dynamic organisation, capable of thriving across varying market cycles.

A myriad of opportunities exist in the current year: Our construction arm is set to strengthen collaborations with key stakeholders within the industry, strategically identifying opportunities and undertaking new projects to reinforce our position as a progressive contractor in the local built environment. This proactive approach will stand us in good stead to capitalise on the forthcoming industry upcycle.

The engineering solutions segment will undergo a transformation, gaining greater autonomy in marketing its innovative green solutions to external clients, which is a shift from its previous focus on internal projects. This strategic move is poised to further enhance the segment's order book and improve overall profit margins.

In response to heightened competition in the post-COVID-19 residential development landscape, our property development division is expanding its focus. It aims to explore unique market opportunities beyond residential development, recognising the challenges posed by the sector's thin margins. This strategic shift will position the segment for sustainable growth in the years to come.

As we journey into 2024, a year in which we celebrate 65 years of operating history, our focus remains steadfast in spurring the Group's recovery momentum and steering a sustained earnings turnaround. In recent years, the Group has encountered many obstacles, but navigated through them successfully with both diligence and perseverance. As a result, our organisation today is more resilient than before. Together, we embrace the challenges and opportunities that lie ahead, poised for another year filled with growth, achievements and triumph.

PROJECT LIST

COMPLETED PROJECTS

CIVIL ENGINEERING
Murname Pipeline Project Package 5
Water Transmission Pipeline Project
(Aye/Henderson Road to River Valley Road)
Client: Public Utilities Board

RESIDENTIAL
Sloane Residences
Client: TSky Balmoral Pte Ltd

HOTEL
Club Street Hotel
Client: Midtown Development Pte Ltd

Cairnhill 16
Client: TSky Cairnhill Pte Ltd

PROJECT LIST

ONGOING PROJECTS

RESIDENTIAL
One Pearl Bank
Client: ARECA Investment Pte Ltd

Hyll on Holland
Client: FEC Skypark Pte Ltd

RESIDENTIAL
Midtown Modern
Client: Midtown Modern Pte Ltd and Guoco Midtown II Pte Ltd

PROJECT LIST

ONGOING PROJECTS (CONTINUED)

INSTITUTIONS

Outward Bound Singapore Campus at Coney Island
Client: Ministry of Culture, Community and Youth

INDUSTRIAL

JTC Space @ Ang Mo Kio
Client: JTC Corporation

CIVIL ENGINEERING

Contract T220 - Great World Station
Client: Land Transport Authority

KEY ENGINEERING SOLUTIONS PROJECTS

PRECAST PROJECTS
Sembawang N2C1 & C2
BHCC Construction Pte Ltd

HDB Batch 1
Housing Development Board

Kallang Whampoa C43
Client: Kienta Engineering Construction Pte Ltd

JTC Space @ Ang Mo Kio
Client: Tiong Seng Contractors Pte Ltd

One Pearl Bank
Client: Tiong Seng Contractors Pte Ltd

PROJECT LIST

ONGOING PROPERTY DEVELOPMENT

PROJECTS IN CHINA

The Equinox, Dagang, Guangang Forest Park, Tianjin, by Tianjin Zizhulin Guangang Property Development

Residential comprising landed and low rise properties: 162,000 sqm, over a land area of 325,000 sqm

Phases of development, with the expected completion of the different phases ranging from 2014 to 2029

Tranquility Residences, Xushuguan Development Zone, Suzhou, by Suzhou ChangHe Investment and Development

Residential comprising terrace houses and apartments: 87,220 sqm, over a land area of 85,509 sqm

Two phases of development, which were completed in 2016 and 2017 respectively

Zizhulin, Tianjin, by Tianjin Zhizhulin Development
Commercial: 12,000 sqm, over a land area of 8,000 sqm

CHAIRMAN'S MESSAGE

DR TEO HO PIN
Non-Executive Chairman and
Independent Director

2023 featured a volatile macro environment, marked by a slowing global economy, persistently high inflation, rising interest rates, as well as escalating geopolitical tensions that include the Russia-Ukraine war, the Israel-Hamas conflict and attacks in the Red Sea.

As a result, global growth is forecast to decline to 3.0% in 2023 from 3.5% in 2022[1]. These negative developments also dented the overall performance of the Singapore economy, which expanded 1.2% in 2023, down from the 3.6% recorded in 2022[2]. While China remains on track to meet the government's 2023 growth target of around 5%, reflecting a post-COVID recovery, the economy remains constrained by continued weakness in its property market and subdued external demand.

Although these economic and geopolitical factors have created an uncertain business climate in 2023, Tiong Seng Holdings was able to deliver a creditable set of results, narrowing its net loss to $13.6 million in FY2023 from $85.0 million in FY2022. This was attributed to the rebound in the Singapore construction industry, as work volumes ramped up significantly and costs stabilised following the easing of supply-chain bottlenecks.

Nonetheless, the outlook for 2024 remains uncertain, with operational risks and potential disruptions to global supply chains remaining key concerns, in line with lingering geopolitical conflicts. Elevated interest rates in the US and Europe could still continue to weigh on external demand. China's economy is expected to register growth of 4.4% in 2024, helped by a stabilising real estate market and increased infrastructure investment[3]. Given the Group's substantial exposure to China, we continue to monitor and manage risks in that market carefully.

Against this backdrop, Tiong Seng continues to pursue its long term goal of diversification, tapping a variety of growth engines and leveraging multiple opportunities, so as accelerate its growth momentum in the year ahead.

Singapore's Built Environment is forecast to register steady expansion in 2024, underpinned by numerous public works contracts. The government continues to support the domestic Built Environment with public infrastructure projects as operations normalise further in the industry. Amidst this rebound in activity, the spotlight remains on productivity and sustainability as twin areas of concern, with a focus on adopting solutions that require less manpower.

PRODUCTIVITY

Design for Manufacturing and Assembly (DfMA) construction methodology is one such solution that can enhance productivity and efficiency. Recognizing the importance of sustainable development, Tiong Seng has progressively amassed extensive capabilities in DfMA through partnerships, collaborations, as well as it Engineering Solutions arm, which offers a suite of one-stop modular solution.

For many of our past and ongoing projects, Tiong Seng has pushed the frontiers of DfMA, incorporating and aligning all stakeholders from the onset. This has consistently allowed the Group to reap benefits of time-savings, manpower reductions, safer operations and higher quality deliverables.

Together with Building Information Modelling (BIM) and Virtual Design and Construction (VDC) Tiong Seng marries construction hardware with modern aged software solutions to offer clients with integrated digital delivery.

1 https://www.imf.org/en/Publications/WEO/Issues/2023/10/10/world-economic-outlook-october-2023
2 https://www.singstat.gov.sg/-/media/files/news/advgdp4q2023.ashx
3 https://www.livemint.com/economy/chinas-gdp-likely-to-grow-at-4-4-in-2024-predicts-ubs-economist-outlines-6-key-themes-11704361346166.html

CHAIRMAN'S MESSAGE

With the steady shift towards a more productivity centric industry, Tiong Seng's extensive experience in this area bodes well for the Group's Construction and Engineering Solutions growth strategy outlook.

SUSTAINABILITY

Sustainability, another core focus, has been embedded in Tiong Seng's operations since 2022. The Group continues to pivot towards sustainable construction, through the development in-house green solutions, competencies and capabilities for green construction, as well as creating an ecosystem of partners to boost our competitive edge in this area.

The Group's advanced expertise in green building technologies include constructing BCA Green Mark buildings, as well as the use of Prefabricated Prefinished Volumetric Construction (PPVC) and Mass-Engineered Timber (MET) solutions.

Our vision is to transform into Singapore's leader in sustainable construction, catering to forward-thinking property developers and owners who want rapid, cost-efficient, and eco-conscious construction. We strive to lead as innovators, providing integrated construction and engineering solutions that enable sustainable developments optimised for minimum wastage through use of digital technologies like Building Information Modelling (BIM).

LOOKING AHEAD

Although the broader macro environment continues to remain uncertain, we believe the worst of the challenges is behind us. Our commitment to adaptability and strategic foresight continues to prove instrumental in steering the Group through turbulent times.

Moving forward, our growth strategies remain firmly anchored in diversification. We are strategically pursuing multiple growth prongs to fortify our position in the industry. In this way, we will be able not only to weather economic fluctuations, but also to thrive in the ever-changing Built Environment landscape. We believe this focus will safeguard our operations against potential risks and unlock new opportunities for sustained success in the year ahead.

APPRECIATION

On behalf of the Board, I would like to extend our heartfelt gratitude to our dedicated management team and employees. I would also like to express our sincere thanks to our business partners, customers, and shareholders for their enduring trust and collaboration through the years – your unwavering commitment has been instrumental in our progress. We look forward to the continued support of all our stakeholders, as we embark on our journey of growth and achievement in the year ahead.

DR TEO HO PIN
Non-Executive Chairman and Independent Director

MR PAY SIM TEE
Chief Executive Officer
and Executive Director

DEAR SHAREHOLDERS

2023 was a year marked by slower global economic growth, rising inflation and higher interest rates. At the same time, Singapore's construction industry faced an increasingly competitive tendering landscape and a tighter regulatory environment.

Despite challenges on both the external and domestic front, Tiong Seng exhibited unwavering commitment and resilience, navigating these complexities with perseverance. Through the collective efforts from the team, not only was the Group able to successfully weather the storm, but we were able to achieve commendable progress on our projects, leading to an improvement in our financial performance for 2023.

In addition, operations industry-wide have begun to normalise, following the gradual unwinding of supply-chain disruptions and the easing of costs. The physical effects of the COVID-19 pandemic on our workforce are essentially now in the rear-view mirror. Consequently, we expect 2024 to be a year where we finally shed our COVID-affected contracts, freeing up capacity for us to pursue and renew our pipeline of projects for the future ahead.

Against this backdrop, we remain guardedly hopeful about our prospects in the year ahead and strive to remain agile and adaptable to overcome challenges in the ever-changing built environment sector.

BCA FORECASTS ROBUST OUTLOOK FOR THE LOCAL BUILT ENVIRONMENT

From 2024 to 2027, the Building and Construction Authority (BCA) has forecast Singapore's annual construction demand to range between S$25 billion and S$32 billion[1]. The public sector is expected to maintain its dominance, accounting for about 60% of the demand, spurred by significant projects such as the Cross Island MRT Line and several hospital developments. The private sector's contribution is expected to hold firm, with an estimated annual demand of S$11 billion to S$14 billion.

We continue to see a myriad of opportunities to secure new building projects in the current year, particularly from the public sector in the areas of institutional and residential developments. At the same time, multiple avenues for fresh collaboration are expected to arise from industry parties' interested in tapping on our experience and our deep rooted engineering expertise.

STABILISATION OF CHINA'S PROPERTY MARKET

In China, where the Group still has significant asset exposure, the domestic property market faces challenges that include significant debt and financing issues among developers, as well as an overall demand slowdown.

However, the light at the end of the tunnel has begun to emerge, where we see that the Chinese government has launched several supportive initiatives to stabilise and stimulate the industry, including increased infrastructure investment, the advancement of urban renewal projects, and the provision of enhanced financial support through policy loans and special bonds, with up to US$1 trillion earmarked for infrastructure megaprojects[2].

1 Building and Construction Authority: Singapore's Construction Demand to remain strong in 2023
2 China-Britain Business Focus: A Practical Guide to the Construction Industry in China

CEO'S MESSAGE

SEGMENT REVIEW FOR FY2023

For 2023, Tiong Seng delivered a creditable set of results as operating conditions improved, allowing it to narrow losses across its three key business segments of Construction, Engineering Solutions and Property Development.

Revenue rose from S$355.7 million in FY2022 to S$475.0 million in FY2023, and the Group swung from a gross loss of S$40.4 million in FY2022 to a gross profit of S$22.8 million for FY2023. It also narrowed its net loss from S$85 million in FY2022 to S$13.6 million in FY2023, following stronger performances in its Construction and Engineering Solutions segments, as well as a significant reduction of provision onerous contract which the Group made in FY2022.

Construction Segment

The Construction segment saw the biggest improvement in performance, with revenue increasing from S$299.5 million in FY2022 to S$413.1 million in FY2023. The segment also turned over a loss, with a net operating profit of $3.6 million, as opposed to a net operating loss of $55.2 million previously. This was attributed to the further tightening of cost controls, as well as significant progression made in clearing onerous pre-COVID projects. The Group also successfully navigated and circumvented lingering challenges in the industry's supply chain by leveraging on our strong relationships with our partners, working hand-in-hand.

Moving forward, the Group expects to clear up the remainder of its ongoing projects by 2024, and focusing anew on securing new post-COVID projects. These new orders would play a critical role in accelerating the Group's earnings turnaround in the year ahead.

Engineering Solutions Segment

Engineering Solutions also saw an improved performance, with revenue rising from S$50.2 million in FY2022 to S$88.7 million in FY2023, thanks to an increased number of external projects with higher margins and profitable new contracts. Net operating loss was also reduced from $21.0 million to $2.6 million as compared to the preceding year.

This strong momentum of securing profitable external projects, together with enhanced production volume is expected to continue, with the Group's precast solutions seen posting a steady performance in 2024.

Property Development Segment

Revenue in the Property Development segment amounted to S$24.9 million in FY2023, due to revenue recognition from the Equinox Project, compared to S$26.1 million in FY2022, which was contributed by the Tranquility and Equinox Project. Net operating loss was however extended from $5.5 million to $6.5 million, due to a provision of penalties of amounting to $3.9 million.

Closer to home, Cairnhill 16, our second high-end urban luxury residential property development achieved complete sell-out ahead of the Additional Buyer's Stamp Duty, underscoring the trust and confidence placed on us by our discerning buyers.

ENHANCING OUR TRANSFORMATION JOURNEY

In 2019, Tiong Seng Holdings undertook an organisation-wide restructuring, carving out a third business segment, Tiong Seng Engineering Solutions, to complement the existing construction and property development segments. The objective was to enhance operational efficiency and competitiveness through the integration of processes, resources and skillsets. By further leveraging on one other, we sought to harness greater synergies.

Although this approach had served us well, the external landscape has since undergone substantial transformation. In a bid to remain relevant and capture fresh market opportunities, Tiong Seng internally re-clarified its growth structure in 2023. The strategic exercise was aimed at fostering distinct growth trajectories for each of the three segments. The objective was to ensure each segment remains sufficiently diversified and robust enough to operate self-sufficiently. This initiative is aligned with our long-term vision to evolve into a dynamic, diversified Group at the Holdings level, one capable and resilient enough to thrive amidst fluctuating market cycles. With that:–

Our construction segment will continue collaborating closely with key internal and external industry stakeholders, to identify opportunities that will enhance our status as a forward-looking contractor in the local built environment. This will position us favourably to ride the next industry upcycle.

Our engineering solutions segment will be given greater autonomy and independence for marketing its innovative green solutions to third-party clients, as opposed to primarily supporting internal projects. This will benefit the segment both from an order book perspective as well as an improvement in margins.

Lastly, our property development segment will seek to expand its focus beyond local residential development where the business landscape has become increasingly competitive post-COVID-19, characterised by thin margins. The segment will also target to further explore commercial spaces with its greater investment yield and cost frameworks, and unique market opportunities outside of construction.

BUILDING OUR TALENT PIPELINE

To accelerate the Group's transformation journey, the Group unveiled several new appointments.

Dr Teo Ho Pin, who is currently an existing Independent Director of the Group, was re-designated as the Non-Executive Chairman, while Mr Ong Seet Joon, Chairman of the Chang De Investments Board was appointed as the Group's Independent Director. Ms Wun Yoke Lin also joins us as Chief Financial Officer of the Group.

The Group also continues its steadfast commitment to human capital development, as we seek to enhance our talent pipeline by attracting, developing and retaining high-calibre talent, through the creation of new empowering career pathways that enable staff to meet both their professional and personal aspirations.

LOOKING AHEAD

As we move to 2024, the year in which Tiong Seng will commemorate its 65th anniversary, the Group is at an inflection point, poised to return to steady growth after embarking on its transformation journey last year. The past five years have been undeniably challenging, requiring the Group to navigate through a myriad of obstacles. However, in the face of adversity, Tiong Seng has always exhibited fortitude and tenacity, emerging stronger than before. Today, we stand as a more robust and resilient organisation, ready to propel ourselves into a new era of growth and achievement.

APPRECIATION

On behalf of the Board of Directors, we wish to extend our heartfelt thanks to our valued business partners, customers, and shareholders, whose steadfast support have been a source of strength amidst the unpredictable business landscape. We would also like to convey our sincere gratitude to our employees for their unwavering dedication and efforts throughout the challenges faced.

As we embark on an exciting new chapter to reshape our future, we continue to set new standards in innovation and adaptability to maximise long-term value for all our stakeholders.

MR PAY SIM TEE
Chief Executive Officer and Executive Director

BOARD OF DIRECTORS

DR TEO HO PIN
Non-Executive Chairman and Independent Director

Dr Teo is a long-serving politician with a career in the public service spanning over 23 years. Formerly a Member of Parliament ("MP") for various constituencies including Sembawang GRC (1996-2001), Holland-Bukit Panjang GRC Bukit Panjang GRC (2001-2006) and Bukit Panjang SMC (2006-2020), Dr Teo was also the Mayor of the North West District in Singapore (2001-2020), responsible for implementing Community Development Programmes for approximately 906,000 residents. During his tenure as Mayor, the North West District had clinched notable awards including the ASEAN Environmentally Sustainable Cities Award in 2017 and the Singapore Environment Council-Lee Foundation Singapore Environmental Achievement Award (Public Sector) in the same year.

Dr Teo had also served as the Chairman of the Holland-Bukit Panjang Town Council (2001-2020), and as Coordinating Chairman of 15 People's Action Party ("PAP") Town Councils in Singapore taking charge of township management for about one million public housing flats. Over the course of his political career, Dr Teo has chaired various Government Parliamentary Committees in National Development, Environment and Water Resources, Home Affairs, and Law and Foreign Affairs.

From his prior experience, Dr Teo has developed a track record in implementing and spearheading Green & Smart City initiatives. With his strong background and network in the Built Environment sector, we are confident that Dr Teo will be able to help impart fresh industry insights and spur thought leadership, elevating the organisation to greater heights.

Dr Teo holds a Bachelor's Degree (Building) from the National University of Singapore, as well as a Master's Degree (Project Management) and Doctorate Degree (Building) from Heriot Watt University in the United Kingdom. Dr Teo was appointed to the Board of Directors on 15 October 2020 as an Independent Director, and was redesignated as Non-Executive Chairman on 30 June 2023.

MR PAY SIM TEE
Chief Executive Officer and Executive Director

Mr Pay Sim Tee first started his career in the construction industry at Tiong Seng Contractors in 1977. In 1989, he became a Director of Tiong Seng Contractors and was primarily in charge of our road construction projects in PNG. Mr Pay has more than 40 years of experience in earthwork, road and bridge construction, civil engineering and building work in Singapore, the People's Republic of China, Socialist Republic of Vietnam, PNG and Laos. He is also in charge of property development and human resource in Tiong Seng Holdings Limited.

Mr Pay Sim Tee has a Technician Diploma in Civil Engineering from Singapore Polytechnic. He was appointed to our Board of Directors on 24 February 2010, and was last re-elected on 22 April 2022.

Mr Pay was appointed as the Company's Chief Executive Officer on 1 August 2020.

MR PEK ZHI KAI
Executive Director

Mr Pek Zhi Kai joined the Tiong Seng Group in 2018, under the Group's subsidiary Steeltech Industries Pte Ltd as a Commercial Manager. During his tenure, Mr Pek led efforts in the development of new green construction capabilities, forming the Group's first Mass Engineered Timber unit. Following his success, at the Group's 60th Anniversary and strategic reorganisation in 2019, Mr Pek was appointed as Director of the Group's three business segments, Construction, Engineering Solutions, and Property Development.

Mr Pek currently holds the role of Executive Director for Tiong Seng Holdings, and is also the Deputy Managing Director for the Group's Construction Business. Mr Pek is currently a member of the Youth Business Affairs Committee of the Singapore Chinese Chambers of Commerce & Industry, and a member of the Built Environment Subcommittee under the Singapore Business Federation's Infrastructure Committee.

Mr Pek holds a Bachelor's Degree (Psychology) from University College London, and a Master's Degree (Organisational & Social Psychology) from London School of Economics and Political Science. He was appointed to our Board of Directors on 1 July 2021, and was last re-elected on 22 April 2022.

MR ANG PENG KOON, PATRICK
Independent Director

Mr Ang Peng Koon, Patrick is the Managing Partner of one of the largest law firms in Singapore, Rajah & Tann Singapore LLP. He is also the Vice-Chairman of Rajah & Tann Asia.

He has 3 decades of experience handling both contentious and non-contentious matter and one of his key areas of expertise is in corporate restructuring and insolvency, acting for financial institutions and companies in many major and publicised cases.

He has been consistently recognised internationally as a leading lawyer in his field in consecutive years by many international legal and professional publications. He is also a lecturer in Insolvency at the Postgraduate Practice Law Course and a regular speaker at conferences/seminars. He is also an independent director of Singapore Deposit Insurance Corporation Limited (a statutory company accountable to the Monetary Authority of Singapore), an independent director of Nanyang Girls' High School, Chairman of the School Advisory Committee of Princess Elizabeth Primary School and a Director of the Insolvency Practitioners Association of Singapore. He served as independent director on SMRT Corporation from 2013 to 2017. Mr Ang was appointed to our Board of Directors on 24 February 2010 and was last re-elected on 28 April 2023.

BOARD OF DIRECTORS

MR ONG SEET JOON
Independent Director

Mr Ong Seet Joon has three decades of commercial banking experience, spanning across areas such as strategy and budgeting, asset-liability management, business development, credit risk & marketing, client coverage and solutioning, as well as general management. Mr Ong was the Country Head of Maybank's Hong Kong Branch from 1999 to 2006, and the President and Chief Executive Officer of Maybank Philippines Inc from 2006 to 2012. He was also a part of Maybank Singapore's senior management team from 2012 to 2020, holding the appointment of Head-Global Banking for Client Coverage & Solutioning. In 2021, Mr Ong co-founded A3 Capital Pte Ltd, a privately held specialist real estate investment platform based in Singapore with origination and execution capabilities across Southeast Asia, and is a Partner there.

Since 2021, Mr Ong has been the Non-Executive Chairman to the Group's Property Development business.

Mr Ong holds a First Class Honours Bachelor's Degree from London Metropolitan University. He also has a Master's Degree (Economics) from Macquarie University. Mr Ong was appointed to our Board of Directors on 30 June 2023.

MR LEE IT HOE
Non-Executive Director

Mr Lee It Hoe had previously worked in Tiong Seng Contractors as a projects management executive back in the early 1960s; coupled with his extensive experience in the brokerage industry, his business acumen is an asset to our Group.

He holds a Diploma in Building Construction from Singapore Polytechnic. Mr Lee was appointed to the Board on 24 February 2010 and was last re-appointed on 22 April 2022.

SENIOR MANAGEMENT

MR PEK DIEN KEE
Head of Asset Management

Mr Pek Dien Kee joined Tiong Seng Contractors in 1975 and was appointed as Director of Tiong Seng Contractors in 1991. Currently, he heads our Procurement Department and his job scope includes approving the purchase of project work materials and services, selecting and conducting periodic evaluations of competent suppliers for our projects. In addition, he is also in charge of the Procurement Department of our subsidiary in Papua New Guinea, TSC (PNG), and our workshop at Fan Yoong Road which maintains and upkeeps the plant and equipment for TSC.

MR ANDREW KHNG
Head of Administration

Mr Andrew Khng has been with the company since 1981 and is in charge of corporate and Workplace Safety and Health matters for the Group. His experience spans across general, site management and coordination in managing of civil engineering and building construction projects in Singapore and India. He is also heading the BCA certified Overseas Training Centre in Myanmar. He currently sits on the board of various organisations outside our Group and is also the immediate past president of Singapore Contractors Association Limited.

Mr Khng has an Advance Diploma in Business Management from the University of Bradford (MDIS).

MS WUN YOKE LIN
Chief Financial Officer

Ms Wun Yoke Lin manages all financial, taxation, treasury and compliance matters for the Group. She has close to 20 years of working experience, and prior to joining Tiong Seng, she held a similar appointment, and was part of the management team at a local construction group.

Ms Wun, holds a Bachelor's Degree (Sociology and General Mathematics) from the National University of Singapore, and a Master's Degree (Business Administration) from the University of Birmingham. She is also a member of the Institute of Singapore Chartered Accountants.

SENIOR MANAGEMENT

MR LIM CHEE HWA

Executive Director, Tiong Seng Contractors

Mr Lim Chee Hwa joined Tiong Seng Contractors (Private) Limited in December 2022 as an Executive Director. He is a veteran in the sector, having worked and held senior positions through the entire chain of the Built Environment Industry, from development, construction and consultancy services. He also sat in numerous executive committees in the Singapore Contractors Association Limited (SCAL) and Building and Construction Authority (BCA), and was the Board member of BCA from 2020 to 2023. His most notable contributions has been in the areas of new construction methodologies and innovations. These included the pioneering of Concrete Pre-fabricated, Pre-finished Volumetric Construction for residential buildings, Modular Volumetric Multi-storey Carpark Construction and Advanced Hybrid system of Pre-cast Construction.

Mr Lim graduated with a Bachelors Degree (Architecture) from the National University of Singapore, School of Architecture in 1990, and obtained his registration with the Board of Architects in 1993, where he was also awarded the Board of Architects Prize in 1993.

MR DARIUS LIM

Executive Director, Tiong Seng Engineering Solutions

Mr Lim Jin Wui Darius joined Tiong Seng Group in January 2022 as Head of Group Strategy & Plans and also assumed the role of Executive Director of Tiong Seng Engineering Solutions Pte. Ltd. (TSES). Mr Lim was appointed as Managing Director of Robin Village Development Pte. Ltd. (RVD) in September 2022. He is responsible for TSES' Design for Manufacturing and Assembly (DfMA) capabilities and sustainable solutions, as well as securing strategic opportunities for TSES' businesses and products in the global markets. Prior to joining Tiong Seng, Mr Lim held leadership positions across the commercial and public sectors, bringing a wealth of experience in senior management and overseas business expansion.

Mr Lim has a Bachelor's Degree (Economics and International Relations) from the London School of Economics and Political Science, and a Master Degree (Business Administration) from the Nanyang Technological University, Singapore. He has also participated in the International Advanced Management Programme from Massachusetts Institute of Technology (Sloan School of Management), USA.

MR ONG CHUN TIONG

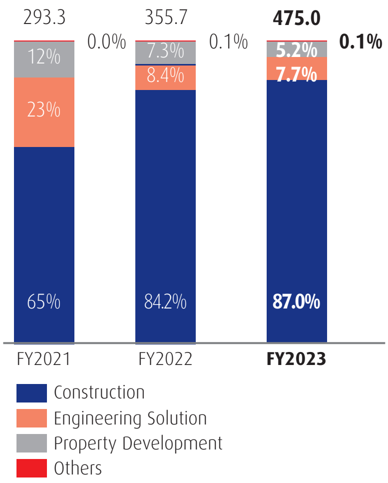
General Manager, Tianjin, PRC

Mr Ong Chun Tiong has been overseeing our subsidiaries in Tianjin, PRC, since 2004. He joined us in 1998 as an Information Systems and Business Process Manager and was responsible for our Group's expansion into new markets in the construction industry.

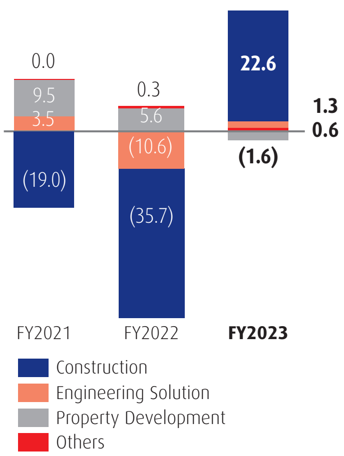
Mr Ong holds two Master's Degrees, one from the London School of Economics and Political Science, specialising in Analysis, Design and Management of Information Systems, the other from the National University of Singapore, majoring in Project Management.

FINANCIAL HIGHLIGHTS

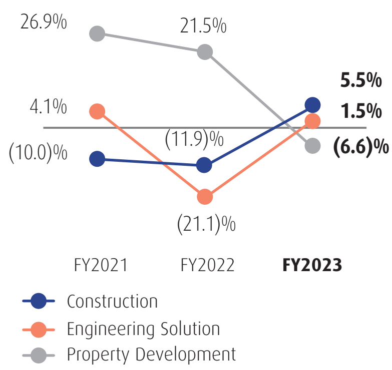
REVENUE ($'MIL)



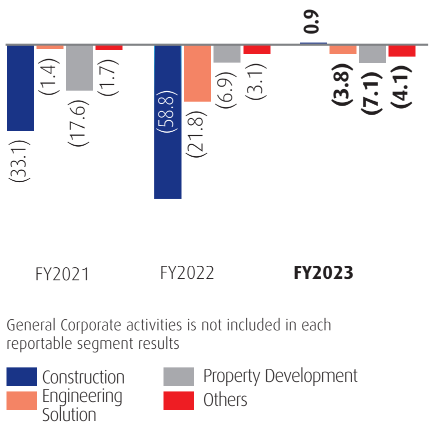
GROSS PROFIT/(LOSS) ($'MIL)



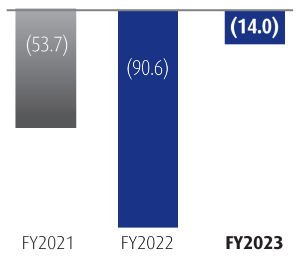
GROSS PROFIT MARGIN



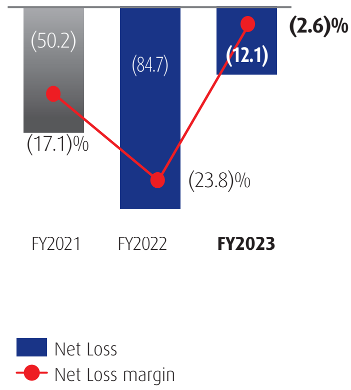
REPORTABLE SEGMENT LOSS BEFORE INCOME TAX ($'MIL)



LOSS FROM OPERATING ACTIVITIES BEFORE JOINT VENTURES, ASSOCIATE & TAX ($'MIL)



NET LOSS ATTRIBUTABLE TO SHAREHOLDERS ($'MIL)



LOSS PER SHARES (CENTS)

CASH AND CASH EQUIVALENTS ($'MIL)

NET ASSET VALUE PER SHARE (CENTS)

SHAREHOLDERS EQUITY ($'MIL)

SUSTAINABILITY REPORT

ABOUT THIS REPORT

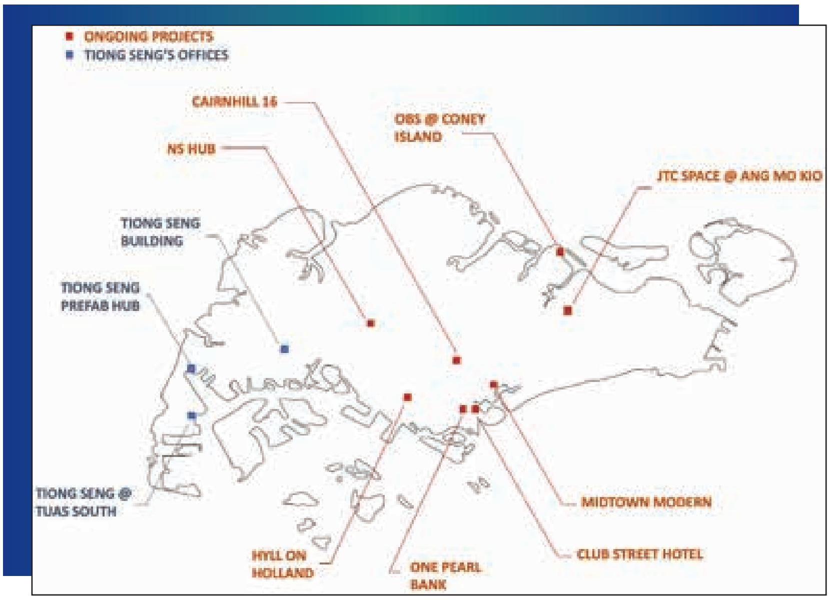
REPORTING SCOPE AND PERIOD

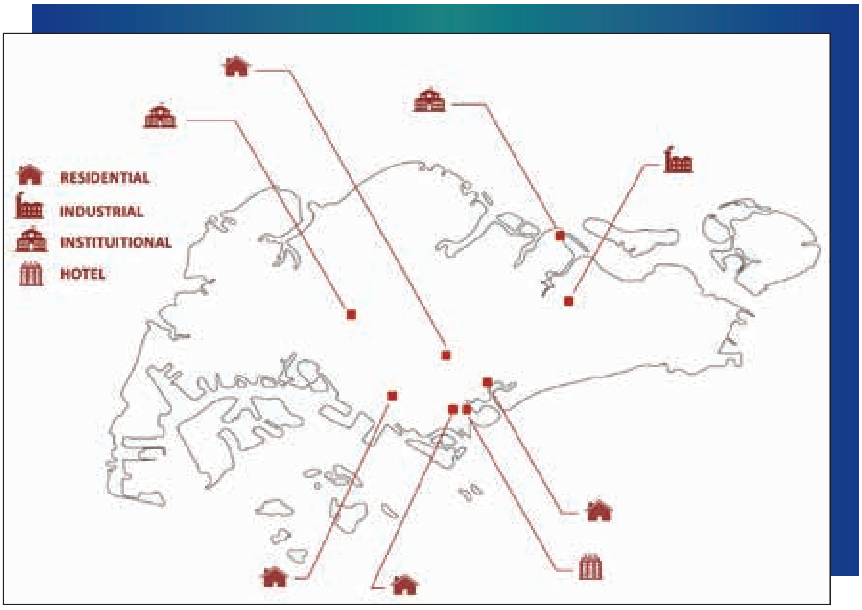
This report includes performance data for the period of 1 January 2023 to 31 December 2023 ("FY2023"), and details environmental, social and governance ("ESG") matters considered most material to Tiong Seng Group ("Group"). The scope includes all of the Group's Singapore offices, and main operating activities from our construction business, unless otherwise stated.

Projects listed within this report include:

Tiong Seng's Offices
- Tiong Seng Building
- Tiong Seng @ Tuas South
- Tiong Seng Prefab Hub

Ongoing Projects
- Cairnhill 16 ("CHT")
- Club Street Hotel ("CH19")
- Hyll on Holland ("HL20")
- JTC Space @ Ang Mo Kio ("JTCAMK")
- Midtown Modern Project ("TQL")
- NS Hub ("NSH")
- One Pearl Bank ("PB19")
- Outward Bound Singapore Campus at Coney Island ("OBS")





Since 2022, the Group has excluded reporting on:–

- Property Development in China due to the winding down of business and lack of data availability in the project sites
- Building and Civil Engineering projects from Tiong Seng Engineering Solutions ("TSES"), our green solutions arm are also omitted as key subsidiaries Robin Village Development Pte. Ltd. ("RVD") and Steeltech Industries Pte. Ltd. ("ST") are independently operated by them.

The Group continues to actively engage our subsidiaries to promote sustainable practices. Whilst anticipating upcoming reporting standards such as International Sustainability Standards Board (ISSB), we are looking internally to align with the reporting requirements and preparing to expand our sustainability reporting scope to include our subsidiaries by

REPORTING STANDARDS

The report was prepared using the following standards:

GRI Standards 2021
GHG Protocol Corporate Accounting and Reporting Standards
SGX Reporting and Listing Requirements
TCFD Recommendations
UN Sustainable Development Goals

GRI

With reference to the Global Reporting Initiative ("GRI") Standards of 2021. We continue to choose GRI framework as it is one of the most commonly adopted global sustainability standard, and also widely adopted by our industry peers. Its holistic scope provides relevant guidance on stakeholder engagement, materiality assessment and performance disclosures based on our selected material topics. Topic-specific disclosures have been mapped using a GRI content index at the end of this report.

GHG

In accordance with Greenhouse Gas ("GHG") Protocol reporting standards. GHG Protocol serves as the international standard for quantifying and reporting greenhouse emissions. We have reported our scope 1 and 2 emissions.

SGX

Complying with Singapore Exchange's ("SGX") sustainability report requirements and rules (Listing Rules 711A and 711B) with further reference from Practice Note 7.6 Sustainability Reporting Guide.

TCFD

Referenced the Financial Stability Board's Taskforce on Climate-Related Financial Disclosures ("TCFD") recommendations on identifying and addressing climate associated risks. A three-year phased approach roadmap was identified in FY2022's report. FY2023 builds upon our previous disclosures.

United Nations SDGs

United Nations Sustainable Development Goals ("SDG") were incorporated within the Group's material assessment to demonstrate alignment to national level goals.

REPORTING ACCURACY

We have disclosed the information contained in this report to the best of our knowledge. We have relied primarily on internal verification and monitoring processes to verify the accuracy of our disclosures. External assurance was not sought for this report, though it remains a consideration for future reports.

FEEDBACK

We welcome any feedback on this report. Your inputs are essential to the continuous improvement of our sustainable practices and policies. If you have any feedback please send them to enquiry@tiongseng.com.sg.

AWARDS AND ACCREDITATION

AWARDS

We are committed to creating a sustainable business and built environment. Our primary focus is the safety of our employees and the provision of high-quality projects and services to our customers.

We have been recognised for our contributions in the field of safety and product quality and have categorised our distinctions into two broad categories:–

- Institutional Safety
- Organisational Excellence

As a main contractor, Tiong Seng is responsible for the overall safety and well-being of those at our work sites. Hence, we continuously strive to provide a conducive and safe work environment. To achieve this, we have a specialised Environmental Health and Safety ("EHS") department that develops strategies, manages risk, and serves as a check and balance, so that our project site teams can perform their duties confidently.

A selection of our achievements in the area of Institutional Safety for 2022 and 2023 can be found below:

AWARDS

INSTITUTIONAL SAFETY

- bizSAFE (Partner) (Valid till Dec 2024) – Tiong Seng Contractors Pte Ltd
- bizSAFE (Partner) (Valid till Mar 2024) – Tiong Seng Civil Engineering Pte Ltd
- bizSAFE (Star) (Valid till Dec 2026) – Tiong Seng Civil Engineering Pte Ltd
- bizSAFE (Star) (Valid till Dec 2026) – Tiong Seng Contractors Pte Ltd
- RoSPA (Gold Award) – Tiong Seng Civil Engineering Pte Ltd (2022)
- RoSPA (Gold Award) – Tiong Seng Contractors Pte Ltd (2022 & 2023)
- RoSPA (Silver Award) – HL20
- RoSPA (Silver Award) – OBS
- RoSPA (Silver Award) – JTCAMK
- RoSPA (Silver Award) – PB19
- RoSPA (Silver Award) – TQL
- RoSPA (Silver Award) – CHT
- WSH SHARP Award – JTCAMK
- WSH SHARP Award – OBS
- WSH SHARP Award – HL20

"At Tiong Seng, safety is not an objective, it is a way of life, intertwined into all aspects of our business. The breadth of awards reflect the extent to which we have progressed as a team to institutionalise safety."

– Kevin Seet, Division Head (Corporate)

SUSTAINABILITY REPORT

Tiong Seng prides itself as a pioneer of possibilities, helping our clients realise their aspirations through rigour and innovation.

A selection of our achievements in the area of organisational excellence can be found below:

AWARDS

ORGANISATIONAL EXCELLENCE

- BCA BIM Award
- BCA Built Environment Leadership Award
- BCA Built Environment Leadership Award – Innovation Class Award
- BCA Construction Excellence Award
- BCA Construction Productivity Award (Advocates)
- BCA Construction Productivity Award
- BCA Design Engineering and Safety Excellence Award
- BCA Green and Gracious Builder (Merit) Award
- BCA Green and Gracious Builder (Star) Award
- BCA Green Mark Award
- BCA Quality Excellence Award
- BCA Universal Design Award
- BuildingSMART (Hong Kong) BIM Award
- BuildingSMART International Award
- Enterprise Singapore, Singapore Quality Award
- Enterprise Singapore, Singapore Quality Class Star Award
- FIABCI Prix D' Excellence Award
- Keppel Innovative and Best Practice Award
- NParks LEAF Award
- MINDEF NS Mark Gold Award
- SCAL Workplace Safety & Health Award for Supervisors
- SCAL Workplace Safety & Health Innovation Awards
- SCCI Most Scalable Collaboration Award
- SIA-NPark Skyrise Greenery Award
- SIAS Most Transparent Company Award (Construction Category)
- SPRING Singapore Eureka Award
- SPRING Singapore People Developer Award
- SG Mark Award
- WSH I-Care Award

"We continually strive for excellence in all that we do, so as to deliver greater value to our clients. These accomplishments are representative of the team's collective efforts."

– Johnny Lim, Executive Director

ACCREDITATIONS:

The Group adheres to national and international standards, in order to enhance governance and the quality of our core management systems.

By complying with them, we demonstrate our commitment to our clients to deliver on key metrics such as quality and safety.

A selection of our accreditations can be found below:

Certifications

- ISO 45001:2018 Occupational Health & Safety Management System
- ISO 9001:2015 Quality Management System
- ISO 14001:2015 Environmental Management System
- ISO 19650-1:2018 & ISO 19650-2:2018 Building Information Modelling
- SS506: Part 12004 Certificate of Occupational Safety & Health Management System – Building & Civil Engineering Works

Please refer to our website for the full list of awards and accreditations.

GREEN PROJECTS

OBS continues to be our flagship project for sustainable construction with the use of Design for Manufacturing and Assembly (DfMA) solutions, and technology to improve site operations. We have also preserved the biodiversity of the island through ecological conservation and protection of flora and fauna. We have introduced new measures to improve our sustainability performance this year.

DESIGN PHASE – DFMA ADOPTION

CONSTRUCTION PHASE – LEVERAGING TECHNOLOGY

CONSTRUCTION PHASE – GREEN SITE PRACTICES

CONSTRUCTION PHASE – BIODIVERSITY PROTECTION

Preserving the Ecological Habitat and its Biodiversity, while minimising the construction footprint

CONSTRUCTION PHASE – REGULATORY COMPLIANCE

EIS (MCCY)

Appointed by Ministry of Culture, Community and Youth (MCCY)

Conducted by EnviroSolutions & Consulting Pte Ltd

EMMP guideline set up to guide compliance

Contractor Environmental Monitoring an Management Plan ("EMMP") (Contractor)

EMMP submitted by Tiong Seng based on EMMP guideline

Set up EMMP process to manage the plan/change management

Full compliance to the EMMP/ regulations; whichever is of **higher standard**

Incidents

Incident reporting protocol; to report to client in the event of incident

Environmental incident report – within 24 hours

Wildlife incident report – within 24 hours

Monthly Report

Monthly environmental performance report

EMMP site implementation register

Audits/Inspections

Monthly Environmental Management audit

Weekly EHS inspections

Contractor daily inspections

Operations are governed by a rigorous **EIS & EMMP Program**, coupled with a thorough **Physical Environment Monitoring Program**

Purpose of EMMP

- Verify the accuracy of the predictions in the EIS study
- Detect any previously undetected ecological impacts arising from the project
- Monitor the effectiveness of the mitigation measures; and
- Propose action plans for execution in response to the previously unpredicted impacts and/or failed mitigation (i.e., the Contingency Plan)

CONSTRUCTION PHASE – EDUCATION

HUMAN RIGHTS

The Group places strong emphasis on upholding human rights for our workforce. We recognise the diverse backgrounds of our employees and workers and are dedicated to creating a conducive, inclusive and equitable workplace for all. As a part of our commitment to ethical business practices, our policies are governed by the various prevailing Acts and Standards set forth by the Ministry of Manpower Singapore, and other associated bodies. Our policies were developed using references from the Employment Act, CPF Act, Employment of Foreign Manpower Act, and Tripartite Guidelines on Fair Employment Practices which are based on the principles of fair treatment and non-discrimination.

By integrating human rights consideration into our operations, we affirm our dedication to creating a positive and safe workplace.

PARTNERSHIPS

Tiong Seng's partnership strategy is firmly anchored on the principles of knowledge management. Our partnerships place strong emphasis on mutual learning and the sharing of best practises in the areas of construction innovation, industry 4.0 solutions and more. A selection of 2023's highlights with key industry stakeholders can be found below:–

- **Ngee Ann Polytechnic's development of a 3D space cleaning robot**

  In our commitment to nurture the next generation of talent, and spearing construction research and development ("R&D"), Tiong Seng worked with Ngee Ann Polytechnic ("NP") to conceive a '3D Space Cleaning Robot'. The robot represents the latest development from Tiong Seng – NP Construction Robotics Lab that was first established in 2019, to research innovative robotics solutions for the Built Environment. We offered real-world practicality in the areas of autonomous navigation, intelligent sensing and the use of robotic arms, inputs that we had previously learnt from our past projects. This complemented the academic learning from the NP team.

- **Built Environment Accelerate to Market Programme ("BEAMP") Cycle 3 and 4**

  BEAMP, an initiative by BCA, Enterprise Singapore and JTC Corporation is a platform for innovators and Built Environment industry players to collaborate and solve key challenges through accelerated product and market development. Tiong Seng had previously been involved in Cycle 3 as one of the shortlisted firms to develop a Proof-of-Concept Robotic Additive Manufacturing Solution. In Cycle 4, Tiong Seng aims to continue tackling real world challenges in the key area of – autonomous visual analytics and its effective adoption in construction. As part of this partnership, we engaged with industry specialists and suppliers to strengthen our challenge statement and our proposal to reaffirm our position as a pioneer in construction innovation.

- **Pylon.AI proof-of-concept for Construction IoT**

  Tiong Seng continues to work closely with Pylon.AI ("Pylon") our Digital Start-up company, to transform operations via digitalisation at one of our projects. We explored how Internet of Things ("IoT") could be strategically embedded in construction. To achieve this, critical project resources in the form of manpower, materials and machinery were identified and tagged. The effort saw over 1,000 fit-for-purpose IoT devices sourced and deployed. This created synergy between Pylon's analytics and Tiong Seng's hardware, allowing project managers to have better control and visibility over all aspects of operations. This also further optimised decision making processes pertaining to crucial areas such as scheduling and work quality. Through this partnership, Tiong Seng has logged a 5% increase in productivity for our workforce, and a 10% reduction time in raw material turnaround, showcasing that effective digitalisation when done right can positively impact operations.

- **Knowledge sharing through industry engagements**

  Tiong Seng has been invited as an industry expert to share at numerous forums, with topics ranging from digital innovation to safety excellence and sustainability and construction quality. Notable dialogues that Tiong Seng participated in include – Enterprise Singapore's fireside chat on "Corporate Venture Learning", where Tiong Seng shared on its pragmatic approach to hand-holding partners, including start-ups, scale-ups and Institutes of Higher Learning ("IHL") to spur innovation; the Southeast Asia Iron & Steel Industry Dialogue hosted by NatSteel where Tiong Seng spoke on construction excellence; and the 2023 National Engineers Day Event with the topic on Sustainability in the Built Environment

These cross-industry partnerships have enabled us to stay up to date with the changes in the industry and foster knowledge among our employees and stakeholders.

OUR SUSTAINABILITY HIGHLIGHTS – 2023

	FY2023's targets	Status	Rationale
Environmental	Electricity intensity of less than 2.45 kWh/revenue ('000)	Target Achieved	Increased emphasis of renewable energy adoption, and the transition from manufacturing to site installation for projects adopting DfMA
	Diesel intensity of less than 4.79 litres/revenue ('000)	Target Not Achieved	Ramping up site operations at OBS. Majority of works exclusively used diesel generators for electrification
	Water intensity of less than 0.20 m^3/revenue ('000)	Target Not Achieved	Increased site operations necessitated higher water usage for housekeeping and dust management
	General construction waste of less than 14.35 Kg/revenue ('000)	N/A	Data unavailable due to Organizational Restructuring
	Wastage for timber to be less than 1.25 Kg/revenue ('000)	N/A	Data unavailable due to Organizational Restructuring
	Wastage for plywood to be less than 1.34 Kg/revenue ('000)	N/A	Data unavailable due to Organizational Restructuring
	Wastage for Rebar/Scrap metal to be less than 1.92 Kg/revenue ('000)	Target Not Achieved	Increased site operations as opposed to previous works in a controlled environment, resulting in material handling issues

	FY2023's targets	Status	Rationale
Social	Zero Fatalities	Target Achieved	Continued emphasis for safety throughout the Group
	Reduce Accident Frequency Rate ("AFR") to 0.25	Target Not Achieved	Subcontracted partner's safety performance and non-compliance impacted our overall targets
	Maintain workplace injury rate below construction industry rate	Target Achieved	Continued emphasis for safety throughout the Group
	Continue to engage sub-contractors with bizSAFE level 3	Target Achieved	Continue to build an ecosystem of like-minded partners who prioritise safety
	Employee training hours- Average of 40 hours per employee	Target Not Achieved	Stabilisation of workforce, with majority of the workforce having gone for their prerequisite the year before
	Limit monthly turnover to 2.50%	Target Not Achieved	Staff retention challenges
Governance	Maintain zero confirmed incidents of corruption	Target Achieved	Stringent policies and vigilant oversight

SUSTAINABILITY MANAGEMENT

SUSTAINABILITY APPROACH

We have updated our approach to sustainable management of our operations this year and structured it around 5 key steps detailed below:

Step 1: Plan and Scope

This step involves relooking at our company's 3 year sustainability roadmap to understand and assess the compliance gaps and areas that need to be improved year-on-year. Strategies are formulated based on our company's goals and the current operational state.

Step 2: Stakeholder Engagement

We recognise the value our stakeholders bring in ensuring the long-term viability and continuity of the business. In 2023, we reviewed our list of key stakeholders to ensure their relevance of how our business and its operations may materially affect them. This allows us to continue to stay as a socially responsible Group.

We strive to build and manage strong relationships with our stakeholders by regularly engaging with them to gather feedback and promptly address any concerns that they might have. With these valuable insights, we seek to identify opportunities to improve and refine our sustainability strategy and approach.

We have placed greater emphasis on environmentally sensitive projects i.e., OBS at Coney Island. We actively engage external nature groups on our efforts for environmental and biodiversity protection such as the relocation of entrapped wildlife and the provision of biodiversity training to raise awareness at the site.

An overview of our key stakeholders and our engagement approach can be found below:

Key Stakeholder	Engagement Method	Frequency	Key Concern (New)
Government Agencies/ Regulators	• Discussions with agencies on specific topics/Working group sharing • Industry representatives at best practice forums	• Whenever Required • Whenever Required	• Occupational health and Safety • Construction Quality Regulatory Compliance
Employees	• Performance appraisal • Open dialogues with the management • Staff orientation for new joiners • TS Junior Council welfare engagements • TS Junior Council Dialogues • Open door policy for C-Suite Management • Internal Corporate email channel • Training opportunities	• Annual • Annual • Quarterly • Monthly • Quarterly • Whenever Required • Whenever Required • Whenever Required	• Fair Remuneration • Job Security • Career Advancement • Training and Development • Work-life Balance • Job Recognition
Customers	• Customer surveys • Regular dialogues, project briefings and debriefings • Website	• Throughout the Year • Throughout the Year • Throughout the Year	• Project Quality • Project Schedule • Project Cost

Key Stakeholder	Engagement Method	Frequency	Frequency
Business Partners (Sub-contractors, Supplier)	• Project co-ordination meetings	• Weekly	• Project Quality • Project Schedule • Project Cost
Investors	• Annual General Meeting • Annual Reports (Financial results and announcements) • Business developments, press releases, circulars and other relevant disclosures via SGXNet and website	• Annual • Half Yearly • Throughout the Year	• Financial Results • Key Company Updates • Voting Rights
Community	• Public notices and updates of critical activities to the neighbourhood and community • Community outreach • Management Corporation Strata Title (MCST) engagement • Town council meetings	• Throughout the year • Throughout the year • Throughout the year • Throughout the year	• Project Schedule • Noise and Dust Pollution
Nature Group (Environmentally Sensitive Projects)	• Engage communities for the conservation of Singapore's natural heritage • Connect, educate, and inspire diverse communities to actively conserve and celebrate our natural heritage • Nurture and form partnerships to achieve better biodiversity and social outcomes	• Throughout the year • Throughout the year • Throughout the year	• Biodiversity Conservation • Education & Awareness Development • Partnerships

Step 3: Materiality Assessment

Material issues have the potential to directly or indirectly impact economic, environmental and social matters. This affects business, its stakeholders, as well as the economy, positively and negatively.

The Group addresses key ESG factors and accompanying Material Topics as they are vital to our sustainability strategy and reporting. We adhere to International Standards such as GRI 2021 and SGX Listing Rules to identify, prioritise and manage the material factors.

In 2021 and 2022, the Group identified key ESG factors through consultations with external stakeholders and an ESG Audit by Mercer.

An overview of our materiality assessment process can be found below:

Previously Done

1.) **Understand** Tiong Seng's Business (Operations/Relations/ Products/Values/ Activities/Stakeholders)
2.) **Identify** Potential Material ESG Factors
3.) **Engage** with Stakeholders & Experts to Gain Deeper Insights
4.) **Shortlist & Assess** their Likely Impacts
5.) **Approve** Material ESG Factors with Board, Determining the Most Relevant to the Business

FY2023

1.) **Review**
2.) **Revalidate**

Taking into consideration:-

- Emerging Sustainability Trends
- Emerging Industry Trends
- Sector Standards
- Industry Peers & Thought Leaders
- Insights Gained from Regular Interactions

An overview of our material topics (categories) and the supported United Nations SDGs can be found below:

Material ESG Factors	
Category	**United Nations SDGs**
• Environmental	
• Social	
• Governance	

An overview of our initiatives for our material ESG topics can be found below:

Material ESG Factors		
Category	**Material Topic**	**Group's Contribution**
• Environmental	• Energy, Emissions and Pollution • Water and Effluents • Waste	» Reduce the consumption of energy during the construction and operational phase. Tap on renewable/ greener sources of energy where possible. » Reduce the consumption of water, and the generation of effluents and waste during the construction and operational phase. Reuse and recycle materials.

Material ESG Factors		
Category	**Material Topic**	**Group's Contribution**
• Social	• Occupational Health and Safety • Human Capital Asset • Local Community	›› Zero Accidents, Zero Harm ›› Ensuring proper processes for the recruitment, engagement, empowerment and retention of staff ›› Positive perception and branding for the Group which involves implementing initiatives with social impact.
• Governance	• Anti -Corruption	›› Zero Tolerance for Corruption

Tiong Seng recognises the changing macro landscape and remains committed to ensuring that our reported material factors remain relevant. In 2023, we reviewed our ESG factors, taking into consideration both internal (business activities across our various business divisions) and external factors (Industry standards) and stakeholders.

The Senior Management and the Risk, Environment, Social, Governance ("RESG") Board conducted an assessment and agreed that business operations remain as usual with the Group focused on Construction, Property Development, and Engineering Solutions Services. Thus, our current material topics are still relevant for our business.

* More details on the RESG Board and its composition will be shared in the next section

Step 4: Data Collection and Management & Step 5: Performance Disclosure
Data collected by the Group can be separated into two distinct categories- Consumption Data, referring to how much utilities and materials are used and Organisational Data referring to social and governance related performance.

For Energy, Water & Waste consumption data from our ongoing projects, the Projects Division oversees the overall collection, documentation and management. This is decentralised across the various projects. The project manager for each specific project will be responsible for ensuring that relevant data is tabulated in a timely manner. This includes but is not limited to construction sites, prefabricated yards and storage facilities. For consumption data pertaining to the 3 properties owned by Tiong Seng, the TSC Facilities Management ("FM") team performs the data collection as they are involved in the management and upkeeping of the properties.

For organisational data, we provide data templates to the departments and conduct interviews with them to collect the data so that the data can be gathered in a standardised manner.

An overview of the data owners can be found below:–

	Group Data	
Category	**Material Topics**	**Data Owner (Collect & Manage)**
• Consumption Data	• Energy, Emissions and Pollution	• Projects Division
• Consumption Data	• Water and Effluents	• Projects Division
• Consumption Data	• Waste	• Projects Division
• Organisational Data	• Occupational Health and Safety	• EHS Department (Corporate Division)
• Organisational Data	• Human Capital Asset	• Human Resource Department (Corporate Division)
• Organisational Data	• Local Community	• Projects Division
• Organisational Data	• Anti-Corruption	• Finance, Corporate & Human Resource Department (Corporate Division)

Post data collection, the RESG Standing Committee will review the data with the data owners to understand the Group's annual performance. This introspective approach is necessary for:–

- Setting of meaningful future targets
- Reviewing our performance relative to the previous year

The setting of targets and Key Performance Indicators ("KPIs") are all validated and endorsed by the RESG Board. In doing so, the Group commits itself to sustainable business operations, and improving its performance year-on-year.

RESG COMMITTEE

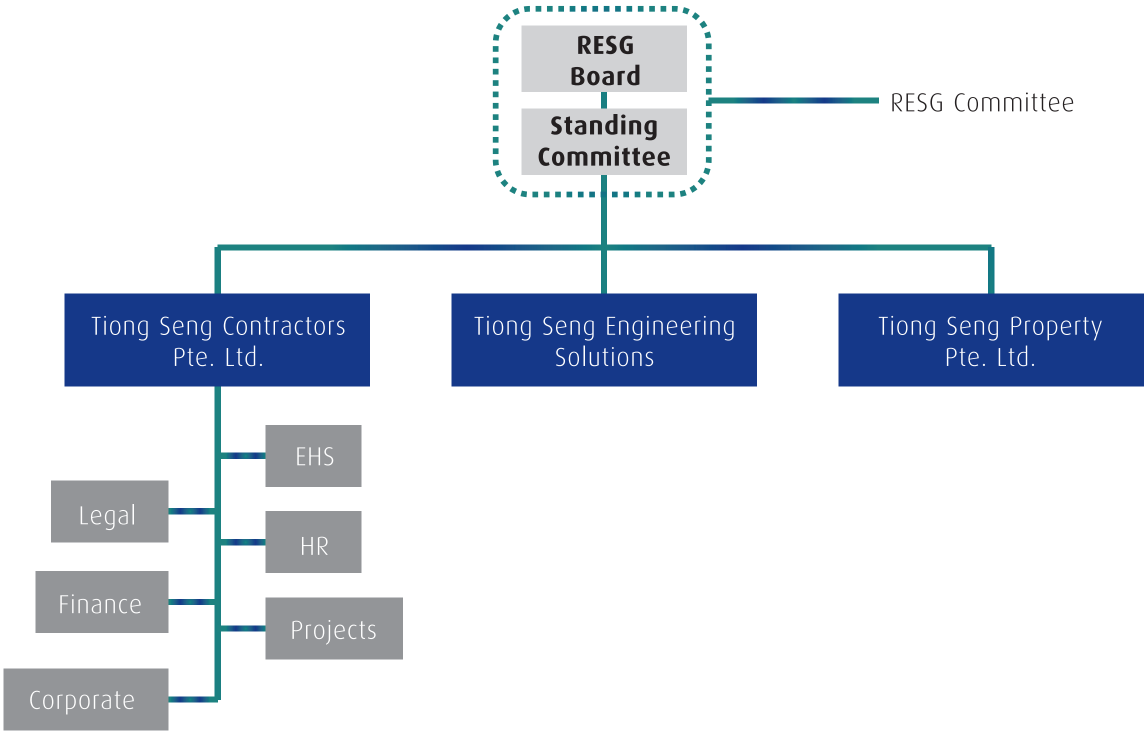
In October 2022, Tiong Seng set up a Group Level RESG Committee as a progressive step to capture strategic ESG-related opportunities and promote sustainable and viable growth for the company. The RESG Committee comprises of a RESG Board and a Standing Committee.

The RESG Board seeks to independently advise on matters relating to how the Group can operate in an environmentally and socially sustainable manner to generate long term value for its stakeholders. The Board also serves to review, approve and provide guidance on RESG initiatives.

The Standing Committee operates on a Management level, monitoring and ensuring the Group's RESG Strategy is up to date against the Group's business strategy. They also are responsible for the Group's compliance with regulatory requirements and work with the various data owners and departments to drive sustainability throughout the organisation.

The RESG Committee currently minimally convenes twice a year.

An overview of the RESG Committee in relation to the Group can be found below:



"In our pursuit to be the premier ESG Built Environment Partner, the RESG Committee plays a vital role in guiding the organisation towards a more resilient and responsible future."

– Teo Ho Pin, RESG Board Chairman

TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES

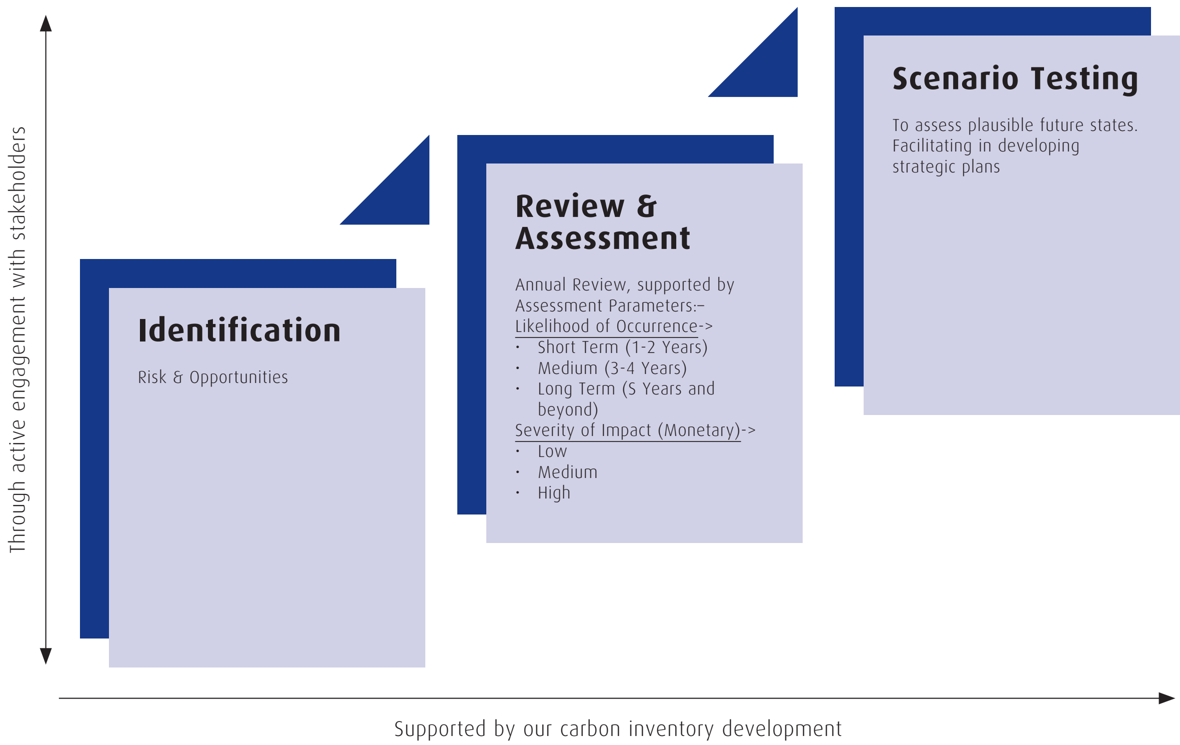
The Group identifies climate change as one of the key pressing global challenges of our time, posing a substantial risk to both the business and economy at large.

In FY2022, the Group began including climate-related disclosures consistent with the four pillars of the TCFD in our sustainability report. An internal workshop between the Projects and Contracts Departments was held to understand the potential physical and transitional climate risks and its cascading impacts to the business.

In FY2023, we remain committed to further integrating climate-related considerations into our business strategy. To build on our climate resilience, we will be taking a proactive approach to further engage our internal stakeholders to identify and address critical climate related risks relevant to our business operations. We will then review and expand on the risks identified to assess them and develop mitigative actions to reduce the risk.

The Group also recognises the value of measuring and benchmarking our ESG performance. We hope to achieve this through real-world scenario testing. We will continue to invest in ESG to create new business opportunities to stay competitive and sustainable. Our strategy to manage climate change is also supported by the development of our carbon inventory. In FY2023, we continue to develop our capabilities in Scope 1 and Scope 2, and we intend to expand to Scope 3 in the coming years. Additionally, we will progress to set more quantitative goals and targets, as part of our decarbonisation effort.

The overall phased approach to the management of climate-related risks can be found below:



However, we acknowledge the fluidity of the existing external landscape and expect our climate strategy to continually evolve, as we delve deeper into our analysis and sharpen our climate strategy.

An overview of the re-evaluated risks and opportunities that we may face, and how the Group perceives them can be found below:

Climate Change Related Risk and Opportunities				
Type of Physical Risks	***Potential Impact on Tiong Seng**	***Likelihood (S-M-L)**	****Severity (H-M-L)**	**Mitigative Action**
Flooding and Heavy Rainfall	1. **Safety Hazards** (i.e., Slipping of operatives due to wet surfaces) 2. **Operational Hazard** (i.e., Machinery Damage/Power Outage) 3. **Delays on Planned Work Schedules** (i.e., additional scope of work, such as need to remove ponding/need to revise workplan/inability to carry out work/existing delivery routes unavailable) 4. **Supply Chain Disruptions** 5. **Compliance Issues** (i.e., potential breeding of mosquitos)	S	H	• Fostering proactive EHS initiatives, by promoting awareness of slippage/electrocution risks, training, and striving for continuous improvements • Proactive and reactive maintenance schedules on equipment to ensure operability • Have contingency plans if schedule is delayed • Real-time project progress monitoring and action (Cost & Time) • Enhanced adoption of Design for Manufacturing and Assembly (DfMA), reducing the volume of on-site work • Adaptable resource management, to bolster workforce numbers and equipment to support change in programme • Increased vector control measures
Extreme Heat	1. **Safety Hazards** (i.e., Heat exhaustion and heat stroke on operatives) 2. **Operational Hazard** (i.e., Overheating of machinery) 3. **Delays on Planned Work Schedules** (i.e., Need to revise workplan or pushing back of schedule to incorporate mandatory rest time needed) 4. **Quality-Related Issues** (i.e., significant changes to temperature may impact curing of concrete and give rise to structural issues such as cracks in projects) Wear and Tear	S	M	• EHS Operational health initiatives with an added segment on heat stress • Revision of SOPs to comply with MOM Heat Stress Prescriptions and international ISOs • Scheduled extended rest breaks during periods of extreme heat • Provision of adequate ventilation • Real-time project progress monitoring and action (Cost & Time) • Training for the Defects and Operations team to swiftly address heat induced quality issues

* ***Likelihood ->*** *Short (1-2 years), Medium (3-4 years), or Long Term (5 or more years)*
** ***Severity ->*** *High, Medium, or Low Risk*

Type of Transition Risks	Potential Impact on Tiong Seng	*Likelihood (S-M-L)	**Severity (H-M-L)	Mitigative Action
Market Factors	1. **Raw Material Costs** (Steel/Concrete/Timber) 2. **Rising Utilities Cost** (Electricity, Water) These will result in tighter profitability margins. We may also incur additional product costs arising from disruption to supply chain logistics.	S	H	• Strategic procurement strategies for cost optimisation – Supply chain diversification/ Bulk purchase across projects/ Option for additional purchase at fixed rate • Early Contractor Involvement for Design-Bid-Build tenders, and value engineering services • Contractual protection against cost escalation • DfMA for increased quality, reducing wastage and abortive works • Explore economically viable alternatives for power generation (i.e. Solar PV) • Sustainable water management practices
Rapidly Shifting Consumer Preferences, Trends and Fads (Obsolescence)	1. **Changing of Operations to meet New Demand** (New Materials, Construction Methods, Technologies, Processes) 2. **New Cost Centres** (R&D, Purchase, Train, Operate, Maintain)	M	M	• De-risking strategies such as through test bedding • Due diligence on market demand prior to executing • Collaborations and networking with green firms to ensure relevance of the capabilities and to the market • Partnerships and alliances with IHLs for R&D • Exploration of strategic MoUs with other industry partners
Tightening of Requirements and Regulations	1. **Stricter Compliance for New Standards** (i.e., Short timeframe for building up of new capabilities, driving up compliance cost)	M	L	• Proactive engagement with stakeholders, consultants and agencies to stay up to date • Boards and Management to have monthly meetings to flag out trends and market developments • Be agile to re-adjust and re-align roadmap if required • Comprehensive training and skills enhancement for core staff to equip them
Technological Risk	1. **Inability to Adapt** (i.e., New software, new scope) 2. **Data Related Issues** (i.e., Data breaches, data loss, data manipulation and data exposure)	S	M	• Workforce development and continuous engagement • Establishing a robust IS core: Threat Identification, Mitigation and Counter Measures

* ***Likelihood ->*** *Short (1-2 years), Medium (3-4 years), or Long Term (5 or more years)*
** ***Severity ->*** *High, Medium, or Low Risk*

Type of Climate Related Opportunities	Potential Impact on Tiong Seng	*Likelihood (S-M-L)	**Severity
Green Branding	**1. Enhanced Reputation and Recognition** Tiong Seng has adopted sustainable practises on multiple fronts – Decarbonisation, renewable energy, green construction methodologies, conserving biodiversity, green construction materials. These efforts will contribute to our ESG rating and image as a green builder	M	H
Resource Conservation	**1. Cost Reduction** **2. Resource Management** Enhancing efficiency of fittings for both electrical and water will result in a reduction in overall consumption. This is supplemented by strategies such as the transitioning to natural and renewable sources. This approach conserves and supports the regeneration of natural resources for a circular economy, and also leads to cost savings for the Group	M	L
Sustainable Finance	**1. Cost Reduction** With demands for greener projects, we will strive to obtain green financing such as Sustainability-Linked Loans. This can lower the cost of borrowing for the Group	M	L

* ***Likelihood ->*** *Short (1-2 years), Medium (3-4 years), or Long Term (5 or more years)*
** ***Severity ->*** *High, Medium, or Low Risk*

ENERGY, EMISSIONS AND POLLUTION

WHY IS IT IMPORTANT?

Climate risks remain to be a key consideration for our operations. As per the Singapore Green Building Council ("SGBC"), the Built Environment contributes approximately 40% of all global carbon emissions[1]. With the global building stock expected to double in sync with the world's projected growing population, the sector's impact on climate change is only expected to worsen.

In alignment with SGBC, we note that the sector is in a prime position to address the reduction of its embodied carbon. By slowly but actively championing climate action, we seek to achieve so and reinforce ourselves as an environmentally conscious builder.

OUR APPROACH

Having previously committed to a decarbonisation pledge with SGBC, Tiong Seng looks to further promote climate leadership in the areas of decarbonisation by exploring the feasibility of going zero carbon and its accompanying implications to our operations.

While zero carbon is an aspiration, we are in the process of moving towards low carbon. We operate on the principles of prevention first, if not reduction. This applies to both embodied and operational carbon, in the way we deliver projects, as well as our own operations. By preventing, we tackle and mitigate the emission at its source, while not impacting the quality of life negatively. When that fails, carbon abatement takes precedence. Strategies come in the form of energy efficiency such as the adoption of renewables and the selection of low carbon materials that are sustainably sourced. Through a combination of these strategies, we contribute to a greener environment.

CONTRACT AND PROCUREMENT

We are continuously looking to improve our sustainability performance and are in the process of implementing a sustainable procurement policy where we focus on collaborating with subcontractors and vendors that are opting for low carbon and green alternatives. This complies with the government's mandate for responsible procurement and a push for green products and solutions such as Green Concrete. We have integrated this into our business by taking the following steps:

1. The integration of environmental issues into contractual clauses.
2. Awareness and training of employees in charge of procurement.
3. Raising awareness for suppliers to comply to specific green requirements and KPIs.
4. Non-compliance procedures for suppliers such as re-auditing, re-training and eventual cessation of contracts.
5. Implementation of an Early Contractor Involvement in Project Tender Stages. The intent, to allow our team to value engineer and propose greener alternatives for our clients based on our suite of solutions, knowhow and partners. Previously we have also successfully brought in our sub-contractors to demonstrate how work packages can be improved in the areas of sustainability, without negatively impacting the project cost or schedule.

This institutional knowledge is documented and institutionalised. The Commercial Division is trained to use the knowledge for sharing and awareness purposes.

1 https://www.sgbc.sg/about-green-building/sgbc-embodied-carbon-pledge

SUSTAINABLE INNOVATION AND INITIATIVES

We pride ourselves on being a pioneer of possibilities. This is largely achieved through our large suite of construction equipment and expertise in Design for Manufacturing and Assembly ("DfMA"). We have progressively accumulated expertise across solutions such as Prefabricated Prefinished Volumetric Construction ("PPVC"), Prefabricated Bathroom Units ("PBU"), Mass Engineered Timber ("MET"), Structural Steel and Light Gauge Steel ("LGS"). All these modular solutions are aligned towards BCA's move to make construction more productive and sustainable through reduction in waste generated and shorter project timelines.

SITE-BASED STRATEGIES

Our Project sites champion green solutions to optimise energy usage. We adopt a decentralised approach to reducing energy consumption and combating climate change and the project sites are encouraged to share best practices amongst one another. Some notable initiatives are listed below:–

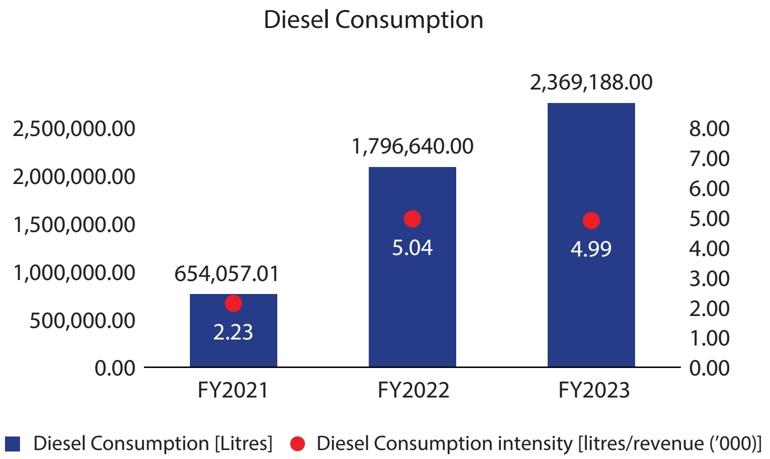
- Adoption of renewable energy sources such as photovoltaics to power noise monitoring systems, dust meters, TSS meters etc.
- Energy saving procurement, awareness campaigns, motion switches/sensors/timers
- Use of more efficient AC power source over diesel generators
- Use of Biodiesel over traditional hazardous diesel for equipment and machinery
- Transitioning of diesel generator to 'battery packs'

Our Performance[2]

We have collected data for our diesel consumption at our construction sites and for electricity consumption at our construction sites and offices which have been presented in the tables below. We are also tracking our Scope 1 and 2 GHG emissions.

Diesel Consumption

The table below shows our diesel consumption data for FY 2023.



1. FY 2021 diesel consumption data includes CH19, JTCAMK, PB19, TQL, HL20 and OBS.
2. FY 2022 diesel consumption data includes CH19, JTCAMK, PB19, TQL, HL20, OBS, SCT and NSH.
3. FY 2023 diesel consumption data includes CH19, JTCAMK, PB19, TQL, HL20, OBS, and NSH.

2 Starting from FY2022, we use revenue ('000) as the denominator for intensity ratios and target setting. We have assessed our performance this year using the same metric.

For overall consumption, we noted an approximate 30% increase year-on-year. This can be attributed to the deliberate decision to intensify construction activities across our ongoing projects following the relaxation of Covid pandemic controls. This escalation of construction efforts reflects our commitment to project delivery, and meeting the needs of our clients, amidst the evolving external landscape. However, our current Diesel Consumption intensity is 4.99 litres/revenue ('000) as compared to 5.04 litres/revenue ('000) last year, which is an improvement.

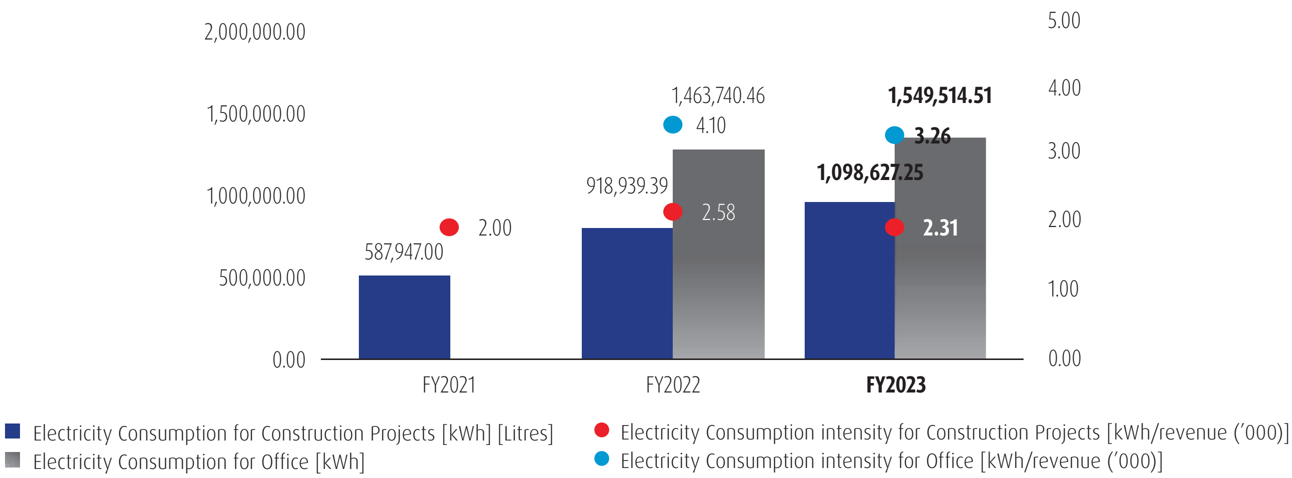
Diesel was primarily used to power heavy machinery and equipment for our sites, though a bulk of the consumption was for our operations at OBS. The project's remote location and the absence of sufficient connection to the power grid meant that most of the power source was through secondary diesel generators. However, we have made a concentrated effort to transition away from traditional diesel to 'greener alternatives' such as biodiesel to limit the carbon monoxide and particulate matter emissions.

Electricity Consumption

For FY2023, our electricity intensity for construction projects was recorded at 2.31 kWh/revenue ('000), compared to 2.58 kWh/revenue ('000) in FY2022. While we marginally increased our overall electricity consumption for projects, our revenue increased significantly year-on-year with the volume of work completed across all our projects. This reflects our commitment to our clients, and our focus on construction productivity. With this improvement, we were able to hit our targets of less than 2.45 kWh/revenue ('000) in FY 2023.

Our electricity intensity for offices was 3.26 kWh/revenue ('000) as compared to 4.10 kWh/revenue ('000) the previous year. This is despite an increase in overall consumption. The increase in consumption is attributed to two of our offices being mixed used factories that also support our construction operations. Our prefabrication hub does automated casting, while the Tuas South factory is used for the final phase of fitting out our PPVC modules. With FY2022 being the first year we disclosed our electricity consumption data for offices, we have noted a significant improvement in our electricity intensity performance.

Electricity Consumption



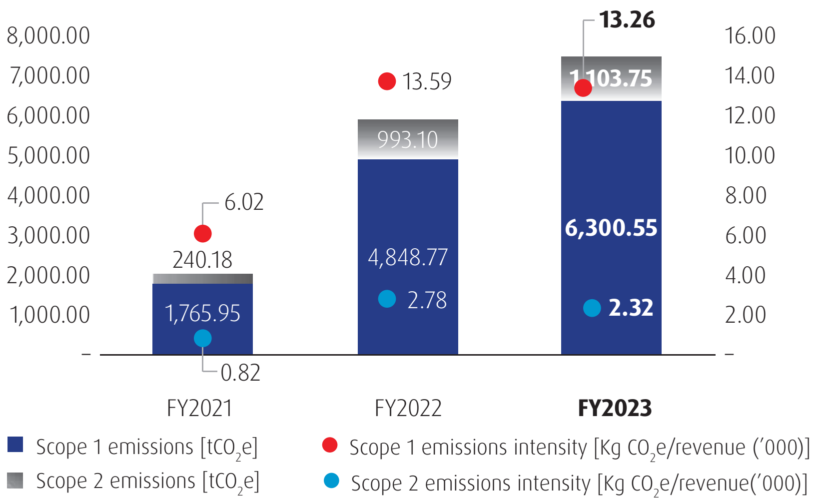
1. FY 2021 electricity consumption data for construction projects includes CH19, JTCAMK, PB19, TQL, HL20 and OBS.
2. FY 2022 electricity consumption data for construction projects includes CH19, JTCAMK, PB19, TQL, HL20, SCT and NSH. OBS had limited electricity due to its location away from the grid.
3. FY 2023 electricity consumption data for construction projects includes CH19, JTCAMK, PB19, TQL, HL20, OBS, and NSH.

GHG Emissions

We have been collecting emissions data for our construction projects and offices mentioned in the reporting scope. For FY 2023 the GHG organisational and operational boundaries remain the same as FY2022. We have included all our local construction projects for Scope 1 and Scope 2 GHG emissions. We have also included electricity consumption from all our offices in Scope 2 emissions.

For FY2023, consistent with our electricity and diesel metrics, we noted a slight improvement in Scope 1 and 2 emissions intensity. This is despite scaling up operations across all our project sites. This can be attributed to the mass efforts to employ renewable energy as well as to adopt energy saving appliances as part of our renewed plan to become green. Moving ahead, we will be setting targets to measure our performance for GHG emissions.

GHG Emissions



	FY2021	FY2022	FY2023
Scope 1 emissions [tCO_2e]	1,765.95	4,848.77	**6,300.55**
Scope 1 emissions intensity [Kg CO_2e/revenue ('000)]	6.02	13.59	**13.26**
Scope 2 emissions[3] (location-based) [tCO_2e]	240.18	993.10	**1,103.75**
Scope 2 emissions intensity [Kg CO_2e/revenue ('000)]	0.82	2.78	**2.32**

1. FY2021 emission data includes CH19, JTCAMK, PB19, TQL, HL20 and OBS.
2. FY2022 emission data includes CH19, JTCAMK, PB19, TQL, HL20, OBS, SCT and NSH.
3. FY2023 emission data includes CH19, JTCAMK, PB19, TQL, HL20, OBS, and NSH.

3 The energy Market Authority (EMA) of Singapore updated the emissions factor for Singapore's grid electricity to 0.4085 $kgCO_2e$/kwh in 2021 and to 0.4168 $kgCO_2e$/kwh in 2022. We have restated our Scope 2 emissions figures using the updated emissions factors. For FY 2023 we have used the 2022 emissions factor.

Surrounding Pollution

We note that despite the Group's extensive adoption of DfMA, dust, exhaust gas and fumes from our construction operations can be hazardous to the nearby workers and surrounding community. We have continued to implement measures to limit its impact. At all our sites, environmentally friendly products are used as much as possible. This includes products such as non-chemical anti-termite treatment systems to the choice of paints and NEA approved products to abate mosquito growth in stagnant water. Noting that housekeeping plays a big role in the accumulation of waste, we have a proper 5S (Sort-Set-Shine-Standardise-Sustain) Housekeeping system with accountability incorporated to ensure that our sites are both safe and well ordered, limiting the possibility of accidents and infestation.

For dust pollution, we have standardised automated water spraying system using run-off water collected to wet the road and reduce residual dust from moving site vehicles for all our sites. We also put-up dust barriers to limit the spread of dust outside the worksite and have soil erosion blankets and slab decking to limit the generation of dust. This is rounded off with dust meters monitoring the air quality at select sites.

For noise pollution, we comply with the National Environment Agency's ("NEA") regulations and industry standards to improve air quality and to protect the environment by using instrumentation devices to measure and monitor defined parameters of air quality and noise emission.

2024 Targets

The following are our targets for 2024:

- Overall: Diesel consumption intensity to be 3% better than 2023's performance [4.84 kWh/revenue ('000)]

- Construction Projects: Electricity consumption intensity to be 1% better than 2023's performance [2.29 kWh/revenue ('000)]

- Offices: Electricity consumption intensity to be minimally similar to 2023's performance [3.26 kWh/revenue ('000)]

- Overall: GHG Emission intensity to be 2% better than 2023's performance [Scope 1: 12.99 Kg CO_2e/revenue ('000), Scope 2: 2.27 Kg CO_2e/revenue ('000)]

- Air Quality: <50 PSI

- Noise/Vibration <75dB (Day) & 55 dB(Night)/<2mm/Sec

WATER & EFFLUENTS

WHY IS IT IMPORTANT?

According to the Singapore Public Utility Board ("PUB"), total national water demand is expected to double within the next 35 years, with the non-domestic sector accounting for over 70% of all local consumption[4]. Coupled with Singapore's limited access to natural resources, water scarcity poses a challenge for the nation. With the construction sector's significant consumption of water resources, concerted efforts must be taken to conserve this resource while minimising the effect of related pollutants in our local water bodies.

OUR APPROACH

At Tiong Seng, we take a comprehensive forward-thinking approach to water and effluent reduction, as part of our commitment to environmental sustainability. We have introduced multi-phased solutions which are based on our observations to improve our performance.

4 Source: https://www.pub.gov.sg/Documents/PUBOurWaterOurFuture.pdf

SITE-BASED STRATEGIES

Our Project departments are constantly engaging with industry professionals and IHLs to understand emerging trends and best practices that can be adopted on site. Some notable initiatives are listed below:

- Adoption of non-chemical-based water treatment plant membranes (Support Water Recycling)
- Auto-spraying systems
- Water cut off valve systems
- Water efficient fixtures
- Water recycling strategies for core work scopes i.e. concrete cube curing, and ancillary work i.e. housekeeping

In addition to reducing the consumption of water, effluents disposal is another focal point for Tiong Seng, especially where substantial quantities of organic compounds and heavy metals (principally nitrogen, phosphorous, or potassium) are present. This residual discharge can contaminate surrounding local water bodies, disrupting PH balance and posing a risk to the community, if not treated properly. We try to prevent such incidents by focusing on green procurement such as:

- NEA approved products e.g. Relief T for mosquito control, which generates less residual oil
- Green labelled cleaners that are plant based, bio-degradable

Additionally, we also ensure effluents released meet established local environmental standards prior to discharge. We have management checks and deterrents in place to ensure this, such as regular water testing and TSS Meters that have been installed at the water released points to monitor the quality of water discharged into public drains. The monitoring is conducted using closed-circuit television (CCTV) footage and readings obtained from TSS Meters.

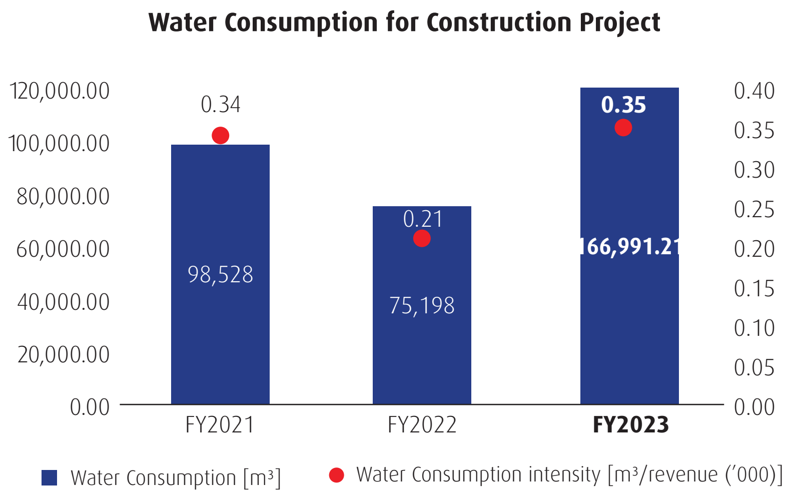
On a softer front, these strategies are supported by public awareness campaigns for our staff and other occupants of our sites, so that all parties are aligned on their responsibilities to safeguard the overall health of our ecosystem.

OUR PERFORMANCE[5]

For FY 2023, our water consumption intensity for our construction projects increased by 67% relative to FY 2022. This was expected as a majority of the projects transitioned from their manufacturing phase in controlled environments to installation and construction onsite which is a relatively more water intensive process. In addition to this and the typical wet trades, water was also heavily employed for housekeeping and dust suppression. The latter was especially important for us as many of our projects are in close proximity to densely populated areas.

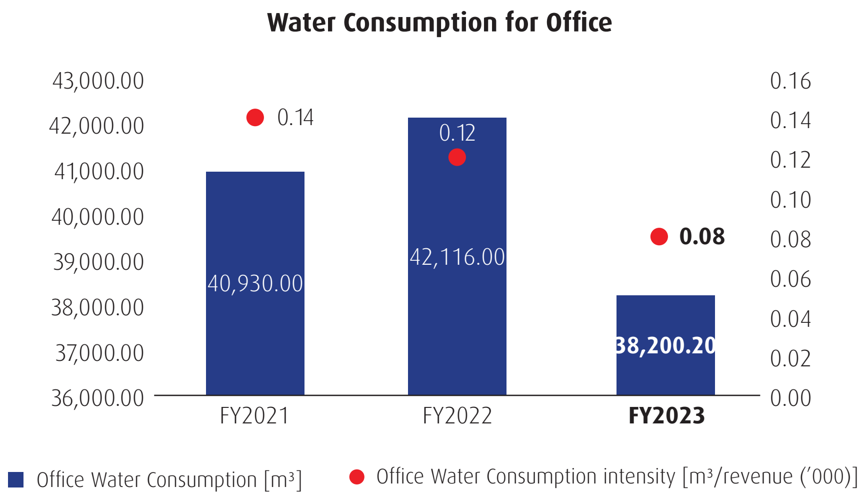
We do not expect water consumption intensity to increase going into 2024 as many of our ongoing projects will be closing out. This is however dependent on whether we secure new projects as we continue to practice the 3R's – reduce, reuse and recycle to ensure resource circularity in the long term.

5 Starting from FY2022, we use revenue ('000) as the denominator for intensity ratios and target setting. Our performance data this year has been calculated using that. However, we have compared our data using the targets set in previous years to check if we were able to meet them.



1. FY2021 water consumption data includes CH19, JTCAMK, PB19, TQL, HL20 and OBS.
2. FY2022 water consumption data includes CH19, JTCAMK, PB19, TQL, HL20, OBS, SCT and NSH.
3. FY2023 water consumption data includes CH19, JTCAMK, PB19, TQL, HL20, OBS, and NSH.

For FY 2023, our water consumption intensity for our offices decreased by 20% relative to FY 2022. This trend has been observed since FY2021. One of the primary reasons for this was the changing nature of our Jet-Scan equipment maintenance arm which operates at our HQ Building of 21 Fan Yoong Road. To align resources and efforts, the business has scaled down its cleaning, basic servicing and upkeeping of construction equipment. Post-COVID, the facilities management team have also periodically come up with campaigns on water management that seek to change behavioural patterns when it comes to water consumption.



1. FY2021 to FY2023 water consumption data includes our 3 offices.

2024 TARGETS

- Construction Projects: Water consumption intensity to be 10% better than 2023's performance [0.32 m^3/revenue ('000)]

- Offices: Water consumption intensity to minimally be similar to 2023's performance [0.08 m^3/revenue ('000)]

WASTE

WHY IS IT IMPORTANT?
The construction industry is widely considered to be the largest consumer of raw materials. As a by-product of this, it also generates copious amount of waste which, if not managed properly, can lead to air, water and land contamination. It also has the potential to further contribute to environmental degradation if there is resource overexploitation.

OUR APPROACH
The Group has actively adopted DfMA, modern materials and methods of construction leading to lower waste generation such as using precast at offsite factory over in-situ casting on site. Having identified concrete as a project requirement, precast allows more efficient use of material to limit waste production. Exact volume of materials in a controlled environment can be used to generate higher quality of workmanship leading to reduced reworks and lower spillage.

From a site perspective, Tiong Seng's waste management approach coincides with the waste management process prescribed by the Environmental Management System ISO 14001:2015 with the concept of Plan-Do-Check-Act (PDCA):

1. Plan: establish waste management objectives and processes necessary to deliver results in accordance with the organisation's management of waste policy

2. Do: implement the processes as planned

3. Check: monitor and measure processes against the waste management policy, including its commitments, objectives and operating criteria and report the results

4. Act: take actions to continually improve on performance

SITE-BASED STRATEGIES
Based on our robust framework to reduce, reuse and recycle the construction waste generated from our operations, we closely monitor the quantity and composition of the waste generated. Separate waste bins are placed at our construction sites for the collection of various waste types – general construction waste, timber, plywood, and scrap metal. Additionally, to monitor and improve our waste management performance, we also try to salvage the materials for recycling.

We continue to work with NEA-licenced waste collectors to ensure that the waste generated is properly disposed of. We also have an extensive recycling programme for components such as timber waste, paint cans and other metal waste.

The Group allows the different project sites to come up with their own recycling initiatives. For example, Outward Bound Singapore @ Coney Island has come up with meaningful initiatives such as using harvested logs from fallen trees for furniture and the use of recycled project concrete aggregates back in its precast construction. Other sites such as Club Street Hotel have upcycled aging precast slabs and steel plates as vehicular access and repurposed galvanised iron pipes into functional items such as bicycle racks.

HARDWARE AND SOFTWARE SOLUTIONING
Tiong Seng has invested heavily in DfMA solutions over the years as a productivity lever. With many of these solutions operating in an offsite controlled environment enabled with process automation, a higher level of workmanship and quality assurance is achieved.

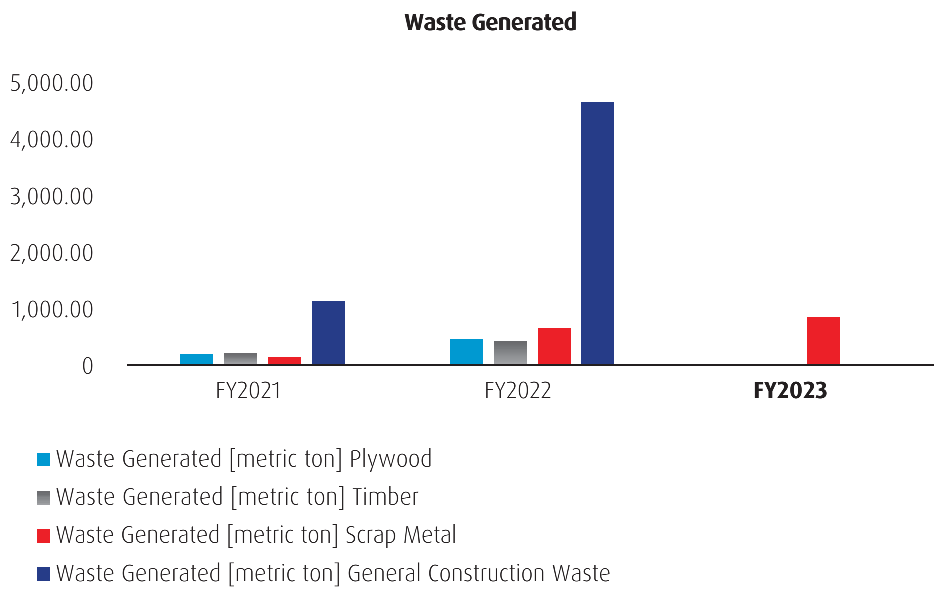
Furthermore, the Group extensively adopts Building Information Modelling ("BIM") and other digital software to optimise the entire construction process. Through locking in the design early and by utilising BIM, precise modelling of the building and its components can be achieved. This allows us to optimise our materials usage. Clear understanding of work packages and its interdependencies also aid in digital planning which allows for early identification and avoidance of errors. By integrating these two solutions seamlessly, we have been able to collaborate, achieve design accuracy, improve quality and planning which collectively lead to a reduction of waste generated in our operations.

SYSTEM FORMWORK (DUO, SKYDECK, PERI, ZULIN RING LOCK AND MORE)
We have incorporated advanced systems in our operations since 2010. With formwork solutions, the Group is able to limit the use of traditional single-use timber and wooded formwork, which generates significant site wastage. Depending on the use case, we have over 10 different variants of rubber and steel based reusable formworks ready to be employed, with an average expected lifespan of over 10 years and over 150 use repetitions for each. One notable example is the Skydeck System formwork system for slabs which has led to a reduction of timber waste generation by over 80% versus conventional methods for our OBS project.

In addition to limiting the waste generated on site, the system's modular nature, with its use of simple screws and tools allows for the system to be rapidly set up without the need for drilling. This limits the amount of dust and noise pollution generated on-site leading to socially conscious construction which is essential for a densely packed city like Singapore.

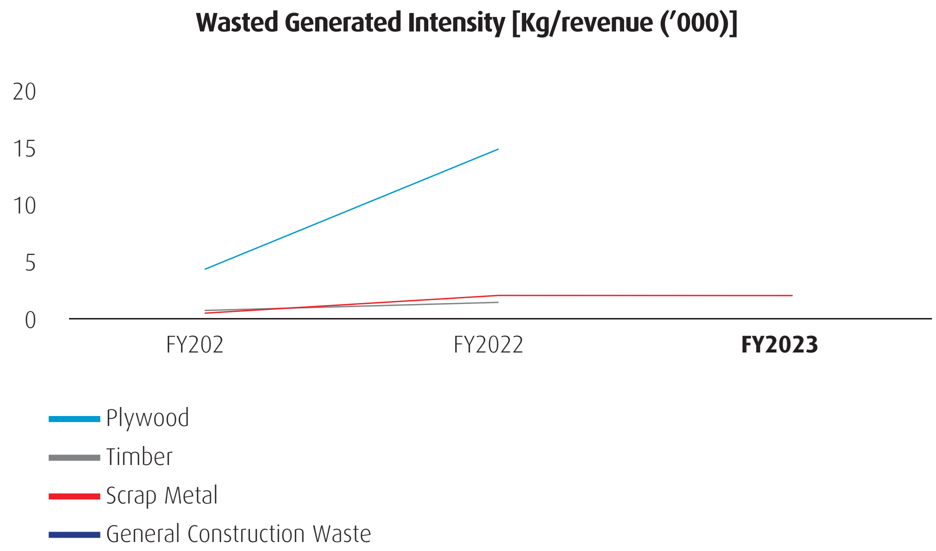
OUR PERFORMANCE[6]
With several departments undergoing internal restructuring in 2023, certain information like timber, plywood and construction waste are not readily available for reporting except for scrap metal data. Going forward, there are plans to put in place and institutionalise processes to ensure the necessary data is captured more timely.

We note that our scrap metal waste intensity was similar compared to the previous year. This is largely due to the team carrying out best practices that have been identified previously. However, there was an increase in the absolute amount of scrap metal generated this year as the construction team ramped up projects in FY2023. We will continue to focus on our waste management system to improve our performance.



1. FY2021 waste generated data includes CH19, JTCAMK, PB19, TQL, HL20 and OBS.
2. FY2022 waste generated data includes CH19, JTCAMK, PB19, TQL, HL20, OBS and NSH (SCT was excluded).
3. FY2023 waste generated data includes CH19, JTCAMK, PB19, TQL, HL20, OBS, and NSH.

6 Starting from FY2022, we use revenue ('000) as the denominator for intensity ratios and target setting. Our performance data this year has been calculated using that. However, we have compared our data using the targets set in previous years to check if we were able to meet them.



1. FY2021 waste generated data includes CH19, JTCAMK, PB19, TQL, HL20 and OBS.
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3. FY2023 waste generated data includes CH19, JTCAMK, PB19, TQL, HL20, OBS, and NSH.

2024 TARGETS

- General construction waste to be lower than 13Kg/revenue ('000)
- Wastage for timber and plywood to be lower than 1.31Kg/revenue ('000)
- Wastage for Rebar/Scrap metal to be lower than 2.02Kg/revenue ('000)

HEALTH AND SAFETY

WHY IS IT IMPORTANT?

According to the Ministry of Manpower's ("MOM") Workplace Safety and Health ("WSH") statistics, safety remains a paramount concern for the construction sector. In 2022, the Construction sector, which sits under the 'High-Risk segment', was noted to be the top contributor of all workplace incidents (both fatal and minor injuries). In 2023, despite seeing notable improvements, highlighting how a positive turn around in WSH performance is possible with sufficient resolve from all stakeholders, construction still remains the top contributor ahead of injury prone sectors like Manufacturing and Transportation.

OUR APPROACH

The Group is committed to fostering a safe and conducive working environment where all stakeholders can realise their full potential. This extends to our workforce, as well as for our partners, which includes sub-contractors, suppliers, and client teams. By valuing them as key management resource, we not only take steps to ensure that our practices and policies abide by key legal and regulatory requirements but we go above and beyond to create awareness, and cultivate a culture that prioritises safety, with the aim of promoting health and well-being of everyone who works with us.

OCCUPATIONAL HEALTH AND SAFETY ("OHS")

The Group's overall OHS strategy is governed under the ISO45001:2018 standard, that was recently reviewed and renewed in November 2023. By getting our procedures externally verified annually, it demonstrates our commitment to safety and conveys confidence to our stakeholders on the robustness of our practises.

As part of our target to achieve zero safety accidents, hazard identification, risk assessment and risk control serve as the basis to our safe work operations. The is possible by raising awareness and educating our employees and partners.

The Group's safety culture is embedded from the start.. As part of our induction programme, the OHS policy is provided during the Quality, Environmental, and Occupational Health & Safety ("QEHS") introductory segment. These standards are then reiterated, enforced and internally audited periodically so that our workforce adheres with the stringent standards developed. To further ensure the team are well informed on the risks and adequately trained to undertake the operations in a safe manner, our site workforce are supplemented with industry relevant safety trainings. The principles of Designing for Safe Construction ("DfSC") is one such example, where learning workshops and simulations are conducted for our team and partners to take a pre-emptive and proactive approach in mitigating risk occurrence in their course of work.

ENVIRONMENT HEALTH AND SAFETY ("EHS")

As part of our leadership renewal cycle, in late 2022, we performed a major reorganisation of the EHS Department. Following this renewal, the Group observed a sharp reduction in both the number of MOM demerit points accumulated and the average number of demerit points accumulated per visit.

The demerit points are given for breaching the WSH act, and its relevant legislations, and this reduction serves as a testament to our continuous strive for construction excellence.

To achieve that result, the Department implemented new initiatives in 3 key areas:–

1. Collaboration

2. Enforcement

3. Training

These new practices complemented many of the pre-existing initiatives. They include the proactive and extensive adoption of risk assessments, Construction Safety Audit Scoring System audits, and daily toolbox meetings.

Collaboration:

Recognising that construction safety is a collective responsibility that extends beyond individuals we have started a monthly EHS Management Meeting as a platform to bring together key project site stakeholders, alongside the EHS Team. The focus of the meeting is to discuss health and safety issues, risk incidents, as well as to evaluate and review performance periodically. Through open communication, and a shared commitment to identifying and mitigating potential safety issues, we have been successful in addressing issues prior to their escalation.

Another initiative was the update of Project Manager ("PM") cross audit, to include an element of safety. Here the PM's and EHS Managers conduct comprehensive assessments of each other's site operations. This identifies best practices and highlights inefficiencies that may not be apparent.

Overall, the integrated approach where everyone works together for safety has been critical in fostering a culture of shared responsibility, where safety and health is not just a set of rules followed by one, but an inherent part of the construction ethos.

Enforcement:

Enforcements are key in identifying compliance gaps. Leveraging on technology, our EHS team started a weekly CCTV inspection routine as a proactive approach to identifying, preventing and rectifying safety hazards at site. The real time virtual inspection extends beyond the site's general housekeeping to include assets, equipment and worker statuses to make sure that site complies with the prevailing safety regulations and standards. This CCTV inspection functions in tandem with the monthly Corporate EHS Inspection audit. Together, they serve as a deterrent for safety lapses, while also facilitating the overall high standards of safety at site.

Training:

A large-scale thematic exercise was initiated to document best practices and educate the workforce on the safety protocols to perform a task. The idea is that consistency is fundamental to ensuring safety across the various projects and sites. This exercise supplements the existing training programmes, which include a mixture of classroom-based, practical training sessions and app-based activities, covering topics such as working height safety/ scaffolding safety, electrical safety, lifting safety, excavation safety, hot-work safety, confined space safety, tunnel safety and good environmental practices.

To further facilitate knowledge sharing across the different sites, the EHS Department also created a channel on our internal social media platform dedicated to EHS matters. The channel has received substantial participation from both the projects and the EHS teams with discussion topics such as best practices, safety innovations trialled on site, methods to optimise workflows and astute observations. The platform has served as a powerful tool for institutionalising safety and for fostering employee engagement.

SUB-CONTRACTOR HEALTH AND SAFETY

We strive to create a conducive ecosystem where our partners can operate and thrive. In addition to our efforts of professionalising safety from within we also look outwards to our partners to ensure this.

We mandate that all our contractors hold a minimum bizSAFE Level 3 certification. We are pleased to report that we have achieved our 2023 target in this aspect. Additionally, they are also required to participate in briefings relating to risk assessment and safe work procedures as well as training relevant to their work scope. We will only engage new contractors who are not bizSAFE Level 3-certified on the condition that they obtain bizSAFE Level 3 certification within three months of the date of the new contract agreement.

All contractors (including our second and third tier suppliers) are encouraged to attain bizSAFE STAR status within two years of their Level 3 certification. Safety inspections and audits are carried out every six months to ensure that machines and equipment used by sub-contractors are in proper working condition.

OUR PERFORMANCE

The main types of work-related injuries suffered by employees as well as workers who are not employees but whose work/workplace is managed by the organisation were cuts and hand/finger injuries (both non-fatal). Some of the high-consequence injuries were caused by slips and trips or sharp protruding objects and pinch points. Again, we were able to ensure zero-fatalities at our workplace and maintain the workplace injury rate below 2023's H1 annualised workplace major injury rate[7], however, with the inherent complexities, challenges and nature of the industry we operate in, coupled with unforeseen external variables, we were unable to meet the AFR targets set. With the extensive implementation of proactive and corrective measures, together with the maturing of our EHS team, we are confident that we will improve going ahead.

For FY2023, in terms of managing safety for our own staff, we recorded the same number of incidents, however within the same timeframe we record almost 50% more hours of work. Resulting in the rate of injury based on man hours dropping by over 35%.

In terms of managing safety for occupants at the sites not belonging to Tiong Seng, we accumulated two additional injuries compared to the previous year. The rate is based on 6,940,223 man-hours, which also represents a 50% increase in the recorded equivalent man-hours in 2022.

We will continue engaging sub-contractors with a minimum of bizSAFE level 3 certification or those who intend to achieve this within three months of beginning work. Working together we hope to align all project stakeholders to deliver projects that meet the highest standards of safety.

With the revamped EHS department Tiong Seng was also able to exit the MOM Business Under Surveillance ('BUS') in 2023.

The tables below provide information on the number and rate of injury for all employees, employees whose work and/or workplace is controlled by the organisation and the Accident Frequency Rate.

Table 1. For all employees

	FY2021	FY2022	FY2023	Rate of injury based on man-hours		
				FY2021	FY2022	FY2023
Number of fatalities as a result of work-related injury	0	0	**0**	0	0	**0**
Number of high-consequence work-related injuries, excluding fatalities	0	0	**0**	0	0	**0**
Number of recordable work-related injuries	2	5	**5**	0.93	1.73	**1.12**
Number of hours worked	2,145,628	2,890,198	**4,448,218**			

7 https://www.mom.gov.sg/-/media/mom/documents/safety-health/reports-stats/wsh-national-statistics/wsh-national-stats-2023.pdf

Table 2. For all workers who are not employees but whose work and/or workplace is controlled by the organisation

	FY2021	FY2022	FY2023	Rate of injury based on man-hours		
				FY2020	FY2021	FY2022
Number of fatalities as a result of work-related injury	0	0	**0**	0	0	0
Number of high-consequence work-related injuries, excluding fatalities	0	0	**0**	0	0	0
Number of recordable work-related injuries	2	2	**4**	0.58	0.46	0.58
Number of hours worked	3,458,490	4,356,235	**6,940,223**			

Table 3. Accident Frequency Rate (No. of workplace Injuries/Total Man Hours worked)*1,000,000 hours worked

	FY2021	FY2022	FY2023
No. of workplace Injuries	4	7	**9**
No. of hours worked	5,604,118	7,246,433	**11,388,441**
Accident Frequency Rate	0.71	0.97	**0.79**

2024 TARGETS

- Accident Frequency Rate to be lower than 0.5
- Maintain the workplace injury rate to be below that of the year's MOM Construction Industry Rate
- Zero Fatalities

HUMAN CAPITAL ASSETS

WHY IS IT IMPORTANT?

Employees are the driving force behind successful companies and project deliverables. They are the custodians of skills, knowledge and experience, that ultimately contribute towards organisational excellence. This is particularly true for large scale specialised works such as construction operations. It is vital that we continually nurture, groom and retain our human capital assets.

OUR APPROACH

We employ a myriad of strategies to promote a conducive and sustainable work culture. This includes the provision of employee welfare, training and growth pathways, competitive remuneration, and being an equal opportunities employer.

TS JUNIOR COUNCIL – A CORPORATE INITIATIVE

The TS Junior Council was conceived and inaugurated in April 2023. Comprising of energetic and like-minded staff looking to make a positive impact at the workplace, the Council has since contributed much to Tiong Seng's positive and inclusive branding.

With over 24 activities conducted during the year, some notable events include:

1. 'Badminton Nights' – Recurring Recreational and Wellness Activity
2. 'Yoga Masterclass' – Recurring Recreational and Wellness Activity
3. 'Meat & Greet' – A Social Event for Staff
4. 'Ice Cream Day' – Social Event for Staff and Workers
5. 'TS National Day Celebration' – Social Event for Staff and Workers
6. 'A Dialogue in your Area' – A series of conversations between the Management and staff

The social events created opportunities for colleagues to interact with one another outside of a workplace setting, allowing them to forge positive interpersonal relationships. Through these team bonding sessions, we hope to create a more conducive workplace environment.

The events were supported by wellness initiatives aimed at enhancing employees' physical and mental well-being. Some activities that the staffs were interested in were badminton and yoga and we have provided them with resources to attend these together.

Finally, the Junior Council also serves as a medium between the Management and staff. The Council has organised a series of informal fireside chats to discuss delicate issues in an open and transparent manner. By providing a safe avenue for staff to have their voices heard and being the conduit for suggestions, concerns and expressions, the Junior Council hopes to inspire a sense of involvement and belonging for those in the Group.

SG CLEAN DAY COASTLINE CLEAN-UP

On 13 May, the Group along with numerous other like-minded corporate entities came together to participate in Singapore's largest clean up event. It was the first time that staff and workers came together for a good cause. Having done similar beach clean ups in the past, we will look to build on this meaningful initiative and expand the invitation to more staff and business partners moving forward.

OTHER EMPLOYEE WELL-BEING PROGRAMMES

Apart from the above-mentioned Corporate led activities, different departments in Tiong Seng have also contributed with their own well-being initiatives. For example, our in-house Facilities Management Department continues to take targeted measures to ensure high standards of Indoor Air Quality ("IAQ") through regular maintenance and prompt sanitisation when a flu outbreak occurs. Having ramped up such practices during the pandemic, we saw the value of a healthier and happier workforce. The Finance and Human Resource ("HR") Departments have set aside dedicated budgets for workplace celebrations. The Group acknowledges the significant value and contributions of individuals and of the team by celebrating team milestones, birthdays and other festivities.

TRAINING, EDUCATION & SCHOLARSHIP

The Group provides various learning opportunities throughout our employees' careers to ensure that they are well equipped to perform their duties and drive excellence throughout the organisation. For our workers, in addition to the compulsory courses (e.g. WSH - Construction Safety Orientation; BCA - Skills Evaluation Certificate) mandated by the Authorities and Ministries, we ensure that they are certified in the necessary core trades specific to their jobs. This complements the operational certificates required for work such as crane and metal scaffolding erectors, and licences that are issued by the Ministry of Manpower.

For our staff, there are opportunities for courses and upskilling. Annually, Tiong Seng sponsors its staff for external trainings to enhance their technical proficiency, promote innovation, and ensure that they up to date on the industry's best practises.

In addition to empowering our workforce, the Group also dedicates efforts to recruiting and grooming talent. Since 2007, Tiong Seng has partnered with the BCA to offer scholarships, sponsorships and internship opportunities with tertiary institutions. To date, the Group has nurtured over 65 Undergraduate, Diploma and ITE scholars, many of whom have progressed to take on management and senior roles within and outside the organisation. As part of our scholarship programme, not only do we offer candidates financial incentives for their studies, but upon onboarding they can expect On-Job-Training, mentorship, career support guidance and opportunities, for their holistic development.

TALENT MANAGEMENT SCHEME

Progression at both the personal and professional level ensures a skilled and motivated workforce, which is why regardless of whether our employee is a worker or a staff, new hire or long serving veteran, we have a talent management pathway available. This plan encompasses opportunities for growth, training, awards and recognition, as well as a competitive remuneration package to support our employees as they choose to grow with us.

For our earmarked high performing staff, we have also started a future leaders programme to further render assistance to groom and retain core talents.

15TH CHARGEHAND GROOMING CEREMONY – RECAP ON WORKPLACE SAFETY

The Chargehand Grooming Ceremony is an annual event in Tiong Seng's calendar to recognise our chargehands. 2023's event saw 50 outstanding individuals who have been the driving force behind the success of our ground operations being promoted. As we marked their well-deserved promotion, we also acknowledged their unwavering commitment to drive the Group's construction excellence.

These individuals have been the backbone of our operations, and have been essential in driving the right culture, practices and core values on site such as safety.

Aligning with 2023's focus on strengthening our construction safety, safeguarding the health and safety of all on site, the event also had a segment of fun and games dedicated to recapitulating best practises on site.

DIVERSITY AND EQUAL OPPORTUNITY

We are committed to creating a work environment free from discrimination of race, sex/gender, religion, national origin, age, disability, marital status, or any other classification protected by law. This enables us to access a diverse pool of talent for business growth.

Our recruitment and hiring practices is based on merit, skills, and experience through fair selection processes. Every year, we conduct employee performance reviews in a fair and transparent manner to ensure equal progression of all. We also encourage our employees to expand their knowledge and gain cross-domain expertise by moving across project sites and business units. We promote internal mobility and offer our employees the opportunity to horizontally transfer to different teams as well.

OUR PERFORMANCE

New Hires & Turnover:

Tiong Seng reported a lower year-on-year count for new hires in 2023. This was attributed largely to the overall stabilisation of our workforce this year. In 2022, the relatively higher hiring count was due to the introduction of new migrant workers post COVID-19. Across the different age groups, we noted a reduction in new hire count, outside from the demographic over 50 years old. We recognise the value of diverse perspectives, experiences, and inclusivity. With that, we intentionally hired more staff aged 50+, seeking to harness their wealth of knowledge and experience. Recognising fair employment practises, we hired more female staff compared to the year before. We also reported lower year-on-year turnover rate.

Training:

Tiong Seng saw a slight reduction in year-on-year training hours per employee from 20.80 hours to 18.27, and overall total training hours from 11,085.65 hours to 10,339.00 hours. This was attributed to the stabilisation of the workforce. With much of our workforce having undergone mandatory trainings in 2022, we focused on upskilling our teams in 2023. Despite the lower training hours logged, there has been positive takeaways for 2023, for example the total average training hours per female went up from 20.29 in 2022 to 32.00 in 2023, and the total training hours in the staff employee category also increased. By equipping both our workers and employees with training we aspire to bring about a more holistic and competent workforce.

Scholarships & Bursaries:

With the cessation of the BCA iBuildSG Scholarship Programme, Tiong Seng has actively been on the lookout for other programmes to support.

1. Total number of employees in 2023

Total No. of Employees in FY2023	Total
No. of employees	**1,394**

2. Total number of new hires – by gender

	FY2021	FY2022	FY2023	
	Number of new hires			Percentage
Male	445	944	**400**	**83%**
Female	61	53	**81**	**17%**
Total	506	997	**481**	**100%**
Total number of employees in the corresponding year	1,264	1,691	**1,394**	**34.51%**

3. **Total number of new hires – by age**

	FY2021	FY2022	FY2023	
	Number of new hires			Percentage
Under 30 years old	86	400	**207**	**43%**
30-50 years old	361	568	**234**	**49%**
Over 50 years old	59	29	**40**	**8%**
Total	506	997	**481**	**100%**
Total number of employees in the corresponding year	1,264	1,691	**1,394**	**34.51%**

4. **Total number of turnover – by gender**

	FY2021	FY2022	FY2023	
	Number of employees who left			Percentage
Male	294	513	**414**	**78%**
Female	57	57	**119**	**22%**
Total	351	570	**533**	**100%**
Total number of employees in the corresponding year	1,264	1,691	**1,394**	**38.24%**

5. **Total number of turnover – by age**

	FY2021	FY2022	FY2023	
	Number of employees who left			Percentage
Under 30 years old	61	102	**111**	**21%**
30-50 years old	240	418	**367**	**69%**
Over 50 years old	50	50	**55**	**10%**
Total	351	570	**533**	**100%**
Total number of employees in the corresponding year	1,264	1,691	**1,394**	**38.24%**

6. **Total Training hours – by gender**

Gender	FY2021	FY2022	FY2023	
	Number of hours			Percentage
Male	10,346.65	10,943.75	**10,243.00**	**99%**
Female	202.00	142.00	**96.00**	**1%**
Total	10,548.65	11,085.75	**10,339.00**	**100%**

7. Total Training hours – by employee category

Employee category	FY2021	FY2022	FY2023	
	Number of hours			Percentage
Staff	1,369.65	1,104.00	**1,268.00**	**13%**
Workers	9,179.00	9,981.75	**9,071.00**	**87%**
Total	10,548.65	11,085.75	**10,339.00**	**100%**

2024 TARGETS

- Limit monthly turnover rate to 2.50%
- Average Training Hour per Employee: To be 5% better than 2023's performance (18 hours)
- Offer at least 3 scholarships

LOCAL COMMUNITY

WHY IS IT IMPORTANT?

The Built Environment is multi-faceted and extends far beyond physical structures. It encompasses an intricate web of social, economic and environmental factors. The success of a project is dependent on the collaboration and communication among numerous stakeholders including the community.

OUR APPROACH

As part of our broader stakeholder strategy, we maintain an updated list of stakeholders. The local community has been identified as an important group that we seek to engage on a recurring basis to promote social inclusion, environmental stewardship and community development.

While local communities benefit from the provision of our upgraded facilities, we also note that they may be negatively affected by the process of construction. This is mainly in the areas of noise and other environmental pollution. Therefore, initiatives have been introduced to mitigate its occurrence and manage concerns.

PROACTIVE STAKEHOLDER ENGAGEMENT

We continue to schedule annual customer satisfaction surveys as the primary means to garner feedback and promptly address any pressing issues. The frequency of engagement varies across projects. For example, projects such as TQL, CH19 and HL20 that are closely situated to dense city centres or housing estates, where noise and dust pollution are the most pertinent issue, we will organize engagements more frequently with the surrounding community. For projects such as OBS, a project of environmentally sensitive nature, we adopt more stringent standards for preserving the natural flora and fauna. We also engage nature groups more frequently to tap on their expertise, as well as relevant agencies to promptly update them. The Group has also deepened collaboration and trainings with our partners on-site, to ensure that all site project stakeholders are aligned on the green initiatives in place.

We alternate our strategy based on the project's nature, to ensure that the differing needs of the surrounding community are addressed.

SAFETY EXCELLENCE

At Tiong Seng, safety is our top priority, and our commitment extends beyond that of the construction site, to include the well-being of the surrounding community. We understand the value of proactive measures, hence from the onset we implement stringent safety protocols and measures that include the prominent display of universally recognisable informative signages, as well as a 24-hour communication hotline.

SOCIAL OUTREACH
The Group embeds itself in the community through a variety of means. They include philanthropic efforts, through community sharing and more.

In the areas of philanthropic efforts, we have traditionally offered scholarships and bursaries to deserving students in local IHLs. It covers both the recipient's educational expenses as well as fees for educational activities organised by the relevant institute of learning. At the Group, we firmly believe in the transformative powers of education, and by providing such financial aid we seek to empower diverse talents regardless of economic background.

We also do roadshows directly at schools and IHL to not only inspire the next generation of leaders, builders and engineers, but to also cultivate talents from the root. This helps us to foster a pipeline of future talents, shaping the future of the construction industry and the firm.

OTHERS
We continue to work with a banking partner on the Value Chain Financing ('VCF') scheme for our strategic subcontractors and suppliers, which was first initiated in 2021. As part of this VCF scheme, the bank will do a holistic assessment of the financing needs of each partner firm within the projects' value chain and work out a financing program for them.

Finally, we seek to build good relationships within the real estate development community and the public by sharing our experiences at industry events, forums and learning initiatives. By sharing our expertise, we hope to do our part in developing and increasing the talent pool in the construction industry.

OUR PERFORMANCE
In 2023, we expanded our engagement efforts with the local BE community and IHLs. Tiong Seng and representatives of the firm were invited to share at numerous forums centred around construction sustainability, for example, the National Engineer's Day Dialogue, World X in conjunction with the Astronauts Collective, SkillsFuture, as well as others.

We also continue to actively work with IHLs to offer bursaries to students who otherwise may not have the financial means to attend university.

2024 TARGETS

- Participate in one IHL programme
- 2 Bursaries Awarded
- <10 recorded cases of community related complaints for our projects

ANTI-CORRUPTION

WHY IS IT IMPORTANT?
At the Group, we recognise that a corruption-free environment is crucial for stakeholder trust, morale and reputation. That is why we strive to create a foundation built on ethical business conduct, one that fosters a culture of transparency and accountability.

OUR APPROACH
Over the years, we have developed regulatory compliant anti-corruption policies that not only safeguard our business operations but aligns with our commitment to being socially responsible. Supplementing these policies are initiatives such as annual workshops, frequent engagement sessions with the applicable authorities and agencies to ensure alignment when it comes to regulatory compliances, as well as checks and balances of our operations.

POLICIES
Tiong Seng has the following policies in place to ensure that employees conduct business ethically:

- Whistle Blowing Policy
- Insider Trading Policy
- Gift Policy
- Conflict of Interests Policy
- Interested Parties Transaction Review & Reporting Policy

These policies are embedded within our HR Handbook which is readily accessible by all staff. During onboarding, staff are also briefed on key matters, and the location of depositories where they can readily access the policies for their own reference.

To stay abreast with the dynamic business conditions and the ever changing laws and regulations, the Group has its policies reviewed annually. In doing so, we ensure its relevance reducing the risk of legal consequences.

2023 ANTI-BRIBERY ANTI-CORRUPTION TRAINING (“ABAC”)
As part of our unwavering commitment to foster a culture of ethical conduct, integrity and transparency on a corporate level, Tiong Seng continued its tradition of sending its Directors, Management and ‘at-risk’ staff for annual training.

2023 marks the 3rd iteration, where we have had Denton’s, an external agency, come down to conduct the training. As part of our 5-year series, 2023 focused on building on 2022’s theme of Anti Bribery and Compliance, with an added portion on internal policies. The session aimed at reinforcing ethical standards, and more importantly equipping attendees with the knowledge and tools to identify, mitigate and address corruption risks within the organisation. Topics covered include the powers of the CPIB, Legal Frameworks within Singapore, Defences to Corruption and Case Studies: Offences commonly connected to Corruption.

For the review of internal policies, Denton’s dissected the elements of our Code of Ethics and Conduct, ensuring that all participants understood its value in defining organisational ethical identity and setting behavioural excellence.

This year’s course was conducted over two separate physical sessions, with over 80 participants in attendance. Video recordings were also made for future references.

PRACTICES AND SYSTEMS

Proper systems for finance and tendering play an important role in combating corruption. That is why we strive to have a proper well-regulated and transparent system in place.

We have systems and standard operating procedures for tendering, contracting and procurement, with proper feedback loops for adequate checks and balances. For example, there are stringent control measures in place to conduct due diligence for suppliers and vendors. We also have a multi-layer approval system involving different parties, notably the Head of Contracts (Commercial Division) and Deputy Managing Director. The final approval is given by the CEO.

OUR PERFORMANCE

For FY 2023, there were zero instances of confirmed corruption cases.

Total Number of:	FY2023
Confirmed incidents of corruption (i.e., incidents of corruption that have been found to be substantiated)	**0**
Confirmed incidents in which employees were dismissed or disciplined for corruption	**0**
Confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	**0**
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such	**0**

2024 TARGETS

- Maintain zero incidents of non-compliance with socioeconomic and environmental laws and/or regulations resulting in significant fines and non-monetary sanctions

- Maintain zero confirmed incidence of corruption

GRI CONTENT INDEX

Tiong Seng has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

GRI Standards (2021)		Notes/Page no.(s)
General Disclosures		
Organisation and its Reporting Practices		
2-1	Organisational details	*1*
2-2	Entities included in the organization's sustainability reporting	*18-19*
2-3	Reporting period, frequency and contact point	*18, 21*
2-4	Restatements of information	*41*
2-5	External Assurance	We have not sought external assurance on this Report.
Activities and workers		
2-6	Activities, value chain and other business relationships	*1*
2-7	Employees	*56*
Governance		
2-9	Governance Structure	32-33, Corporate Goverance 66-92
2-10	Nomination and selection of highest governance body	Corporate Goverance 66-92
2-11	Chair of the highest governance body	Corporate Goverance 66-92
2-12	Role of the highest governance body in overseeing the management of impacts	*32-33*
2-13	Delegation of responsibility for managing impacts	*32-33*
2-14	Role of the highest governance body in sustainability reporting	*32-33*
2-15	Conflicts of interest	*Corporate Goverance 66-92*
2-16	Communication of critical concerns	*29, 30, 49, 58*
2-17	Collective knowledge of the highest governance body	*Corporate Goverance 66-92*
2-18	Evaluation of the performance of the highest governance body	*Corporate Goverance 66-92*
2-19	Remuneration policies	*Corporate Goverance 66-92*
2-20	Process to determine remuneration	*Corporate Goverance 66-92*
Strategy, policies and practices		
2-22	Statement of sustainable development strategy	*9-11, 28-33*
2-23	Policy commitments	*26, 60*
2-24	Embedding policy commitments	*33, 38, 45, 48, 60*
2-25	Processes to remediate negative impacts	*21, 29, 58*
2-26	Mechanisms for seeking advice and raising concerns	*21, 29, 58*
2-27	Compliance with laws and regulations	61, No instances of non-compliance this year.

Stakeholder engagement		
2-29	Approach to stakeholder engagement	*29-30*
2-30	Collective bargaining agreements	There are no employees covered under collective bargaining agreements.
Material Topics		
3-1	Process to determine material topics	*30-31*
3-2	List of material topics	*31-32*
3-3	Management of material topics	*32-33*
Energy, Emissions and Pollution		
3-3	Management of material topics	*38-39*
302-1	Energy consumption within the organisation	*39-40*
302-3	Energy intensity	*39-40*
305-1	Direct (Scope 1) GHG emissions	*41*
305-2	Energy indirect (Scope 2) GHG emissions	*41*
305-4	GHG emissions intensity	*41*
Water and Effluents		
3-3	Management of material topics	*42-43*
305-3	Water Consumption	*44-44*
Waste Management		
3-3	Management of material topics	*45-46*
306-1	Waste generation and significant waste-related impacts	*45-46*
306-2	Management of significant waste-related impacts	*45-46*
306-3	Waste generated	*46-47*
Health and Safety		
3-3	Management of material topics	*47-50*
403-1	Occupational health and safety management system	*48-49*
403-2	Hazard identification, risk assessment and incident investigation	*48-49*
403-3	Occupational health services	*48-50*
403-4a	Worker participation, consultation and communication on occupational health and safety	*48-50, 55*
403-5	Worker training on occupational health and safety	*50,55*
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	*48-50*
403-9	Work-related injuries	*51-52*

Human Capital Assets		
3-3	Management of material topics	*53-56*
401-1	New employee hires and employee turnover	*56-57*
404-1	Average training hours per year per employee	*57-58*
Local Communities		
3-3	Management of material topics	*58-59*
413-2	Operations with significant actual and potential negative impacts on local communities	*58-59*
Anti-Corruption		
3-3	Management of material topics	*60-61*
205-3	Confirmed incidents of corruption and actions taken	*60-61*

TCFD INDEX

TCFD Pillars and Recommended Disclosures	Notes/Page number(s)
Governance: Disclose the organisation's governance around climate-related risks and opportunities	
a) Describe the board's oversight of climate-related risks and opportunities	*33-34*
b) Describe management's role in assessing and managing climate-related risks and opportunities	*33-34*
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	*35-37*
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	*35-37*
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	To be disclosed in subsequent reports
Risk Management: Disclose how the organisation identifies, assesses and manages climate-related risks	
a) Describe the organisation's processes for identifying and assessing climate-related risks	*33-34*
b) Describe the organisation's processes for managing climate-related risks	*33-37*
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	*34*
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	*41, 44, 46*
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	*41*
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	*42, 44, 47*

The Board of Directors ("Board") of Tiong Seng Holdings Limited (the "Company" and together with its subsidiaries, the "Group") is committed to maintaining high standards of corporate governance with the aim to protect and enhance shareholders' value and the financial performance of the Group. The Company recognises that good corporate governance processes are essential for enhancing corporate sustainability.

This report describes the corporate governance framework and practices that the Group has adopted with reference to the 2018 Code of Corporate Governance (the "Code"), and where applicable, the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Board confirms that the Company has adhered to the principles and guidelines as set out in the Code, where applicable, and explanations are provided for any deviations from the Code.

(A) BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Provision 1.1: Principal Duties of the Board and Conflict of Interest

The Board is primarily responsible for overseeing and supervising the management of the business affairs of the Group by putting in place code of conduct and ethics, sets appropriate tone-from-the-top and desired organizational culture in order for management to act in good faith for the long term performance of the Group. Board members are expected to bring their diversified knowledge and experience to bear on issues of strategy, performance, and resources and exercise independent judgment in the best interests of the Group.

The Board as at the date of this report comprises six directors of whom three are independent directors:

Teo Ho Pin	Non-executive Chairman and Independent Director Member of Audit Committees
Pay Sim Tee	Executive Director and Chief Executive Officer Member of Nominating Committee
Lee It Hoe	Non-executive Director Member of Remuneration and Audit Committees
Ang Peng Koon, Patrick	Non-Executive Independent Director Chairman of the Nominating and Remuneration Committees Member of Audit Committee
Ong Seet Joon	Non-Executive Independent Director Chairman of Audit Committee
Pek Zhi Kai	Executive Director

Each director is required to promptly disclose any conflict or potentially conflict of interest, in relation to a transaction or proposed transaction with the Group as soon as is practicable after the relevant facts have come to his knowledge. On an annual basis, each director is also required to submit a director's interest declaration form for the purpose of monitoring interested persons transactions. Where a director has a conflict or potentially conflict of interest in relation to any matter, he should immediately declare his interest when the conflict-related matter is discussed and abstained himself from voting in relation to the conflict-related matters.

The function of the Board includes:

(i) providing effective leadership, setting corporate strategy and directions to ensure that the necessary financial and human resources are in place for the Group to achieve its objectives;

(ii) advising Management on major policy initiatives and significant issues;

(iii) approving the Group's annual budgets, major investment and divestment proposals, material acquisitions and disposal of assets, interested person transactions of a material nature and funding decisions;

(iv) establishing a framework of prudence and effective internal controls and risk management systems, including safeguarding of shareholders' interests and the company's assets and review the adequacy and effectiveness of the company's internal control systems and risk management systems at least annually;

(v) evaluating the performance and compensation of directors and senior management;

(vi) approving nominations and appointment of Board members and key management personnel;

(vii) identify the key stakeholder groups and recognise that their perceptions affect the company's reputation;

(viii) setting the Group's values and standards through the implementation of corporate governance and best practices; and

(ix) consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

The Group prides itself on being an innovator and champion of practices to shape a safe, high quality and sustainable built environment and is aware of the impacts that its activities may have on society and the environment and continually strive to mitigate any such repercussions. The Board considers sustainability issues as part of the business strategic formulation and decision-making processes. It believes strong sustainability governance is critical to the Group success. The Board plays an important role in the selection and review of ESG factors that are material to the Group and oversees the management of the performance relating to these factors. The sustainability report (the "Report") adheres to the Singapore Exchange (SGX-ST) Listing Rules 711A and 711B and references the internationally recognised Global Reporting Initiative (GRI) Standards.

Provision 1.2 Directors' Orientation and Training

A formal letter is provided to each director upon his appointment, setting out the Director's duties and obligations. Newly appointed Directors will receive an orientation that includes briefing by Management on the Group's structure, business activities, strategic direction and corporate governance practices. The Directors are provided updates on amendments in relevant laws and regulations, where appropriate, to enable them to make well-informed decisions and to discharge their duties responsibly. Mr Ong Seet Joon was newly appointed on 30 June 2023 and has prior experience as a director of a listed company.

Management will bring to Directors' attention, information on seminars that may be of relevance or of use to them. As part of their continuing education, the Directors, whether as a group or individually, are encouraged to attend relevant industry conferences, external courses and seminars to keep themselves apprised of and updated on the latest changes in areas pertaining to regulatory, legal and commercial risks, amongst others, at the Company's expenses. For FY2023, the Directors had been briefed on the key audit matters in the auditors' report and quarterly updates on the strategic development of the Group. All Directors have completed the training on Environmental, Social and Governance as required by the enhanced SGX sustainability reporting rules announced in December 2021. New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Directors are also circulated to the Board. For any first time director who has no prior experience of a director of a listed company in Singapore ("First time director"), orientation programmes would include mandatory training as prescribed by the Listing Manual.

As an ongoing exercise, the Directors are updated on amendments and requirements of the SGX-ST and other statutory and regulatory changes which have an important bearing on the Company and the Directors' obligations to the Company, from time to time.

Provision 1.3: Board Approval

The Board had considered and adopted a formal policy setting out specific matters that require the Board's decision/approval. Material transactions that require decision/approval of the Board are as follows:

(i) All announcements to be released to the SGX-ST;

(ii) Annual budget of the Group and corporate and strategic business directions;

(iii) Major transactions proposals which include, *inter alia*, merger, acquisition, disposal and funding transactions;

(iv) Setting up or change in Dividend Policy and declaration of dividends;

(v) Convening of shareholders' meetings;

(vi) Annual Report which includes the audited financial statements;

(vii) Review, recommendations, appointments and re-appointments of Directors;

(viii) Human resource matters which include remuneration of Directors and key management personnel; and

(ix) All other matters which required approval of the Board and corporate actions for which shareholders' approval is required.

Provision 1.4: Delegation by the Board

To facilitate effective management, certain functions of the Board have been delegated to Board Committees, namely, Audit, Nominating and Remuneration Committees. Each Board Committee has the authority to examine particular issue and report back to the Board with their recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the Board. Further information regarding the functions of the respective Board Committees is set out in the later part of this report.

Regular scheduled meetings are conducted to review and approve interim and annual results, strategic policies of the Group, significant business transactions and performance of the business. Ad-hoc meetings are held as and when required to address any significant issues that arise in between the scheduled meetings. The Company's Constitution provide for meetings to be held via telephone, electronic or other communication facilities which permits all persons participating in the meeting to communicate with each other simultaneously.

Provision 1.5: Board Meetings and Attendance

Details of the number of meetings of the Board and Board Committees held in the financial year ended 31 December 2023 ("FY2023"), as well as the Directors' attendance at these meetings are summarised in the table below:

Name of Directors	**Board Meetings**	**Audit Committee Meetings**	**Nominating Committee Meeting**	**Remuneration Committee Meetings**
	Attendance/Number of meetings held			
Dr. Teo Ho Pin	4/4	2/2	1/1	1/1
Pay Sim Tee	4/4	2/2*	1/1	1/1*
Lee It Hoe	3/4	2/2	1/1*	1/1
Ang Peng Koon, Patrick	4/4	2/2	1/1	1/1
Ong Seet Joon*	2/2	2/2	NA	NA
Pek Zhi Kai	4/4	2/2	1/1*	1/1*
Ong Lay Khiam**	2/2	1/1	1/1	1/1

* By Invitation

* Mr Ong Seet Joon has been appointed as Independent Non-Executive Director on 30 June 2023.

** Mr Ong Lay Khiam has resigned from the Board as Independent Director on 30 June 2023 so he attended the meetings on first half of the year (NC and RC meetings held in February 2023 and AC and Board meetings held in February and May 2023.

Provision 1.6: Access to Information

The Directors are from time to time furnished with detailed information concerning the Group to enable them to be fully aware of and understand the decisions and actions of Management. In addition, the Board receives from Management quarterly management reports which present a balanced and understandable assessment of the Group's financial performance, position and prospect.

Board papers are prepared by Management for each Board meeting and are circulated to the Directors before the scheduled meeting on a timely basis. Board papers prepared by Management include adequate information relating to financial, business and corporate issues to enable the Directors to be properly briefed on agenda issues to be reviewed and considered at Board meetings. Management staff are invited to attend Board Meetings, as and when appropriate, to provide additional insight to matters raised, and to respond to any queries that the Board members may have.

The Company Secretary and/or her representatives attends all Board and Board Committees meetings and takes the minutes of all key decisions taken and issues discussed. The Company Secretary also provides advice, secretarial support and assistance to the Board and ensures adherence to Board procedures (including but not limited to good information flows within the Board and its Committees and between senior management and Non-executive Directors) and the relevant rules and regulations applicable to the Company.

Provision 1.7: Access to Management, Company Secretary and Independent Professional Advice

Pursuant to the Company's Constitution, the appointment or removal of the Company Secretary is subject to approval by the Board.

All Directors have separate and independent access to the Group's Chairman, Chief Executive Officer, Key Executives, Senior Management, Company Secretary and internal and external auditors at all times. The Board can seek independent professional advice if deemed necessary at the Company's expense to ensure that adequate information and advice is available before important decisions are made.

Principle 2: Board Composition and Guidance

Provision 2.1: Board Independence

Provision 2.2 & 2.3: Proportion of non-executive and independent directors

The Board comprises 6 members, 3 of whom are independent. The independent directors made up at least one third of the directors. Non-executive directors make up a majority of the Board.

Under the Code, an independent director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporation, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company. In this aspect, every independent Board member is required to disclose any relationships or appointments which would impair their independence to the Board on a timely manner.

The independence of each Director is reviewed annually by the Nominating Committee ("NC"). Each independent director is required annually to complete a checklist to confirm his independence. The checklist is drawn up based on the guidelines provided in the Code and the Listing Manual. The NC adopts the Code's definition of what constitutes an "independent" Director in its review. Thereafter, the NC reviews the checklist completed by each Independent Director, assess the independence of the Independent Directors and recommends its assessment to the Board.

Provision 2.4: Board Composition and Diversity

The size and composition of the Board are reviewed by the NC on an annual basis to ensure that the Board has the appropriate diversification of expertise and experience and collectively possesses the necessary skills sets and core competencies for effective decision making. The Board is of the opinion that its current board size of six Directors is appropriate, taking into account the nature and scope of the Group's operations.

The Company recognises the benefits of having a Board with diverse backgrounds and experience. As a group, the Directors bring with them a broad range of expertise in areas, such as, legal, accounting, finance, management experience, industry knowledge, customer-based experience and knowledge as well as familiarity with regulatory requirements. The diversity of the Directors' experience allows for the useful exchange of ideas and views. It has adopted a Board Diversity Policy which recognise that a diverse Board will enhance decision-making capability and is more effective in dealing with organisational changes. Diversified views enhance Board discussions and ensure that the decisions made by the Board have been considered from all points of view.

The Board is of the view that, while it is important to promote boardroom diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. The current Board comprises six members who are corporate leaders, and are professionals with varied backgrounds, expertise and experience including in finance, banking, legal, civil engineering, business management and consultancy, building and estate management investment and knowledge of risk management, audit and internal controls. The Board noted that gender diversity on the Board of directors is also one of the recommendations under the Code to provide an appropriate balance and diversity. The Company does not set any specific target for female directors or boardroom age diversity but will work towards having female directors if there is a suitable candidate nominated for the Board's consideration or having appropriate age diversity in the Board, if the opportunity arises.

Information on each Director's academic and professional qualifications, industry knowledge, shareholdings, relationships (if any) and, directorship is presented in the sections entitled "Board of Directors" and "Directors' Statement" of this Annual Report.

Non-executive Directors contribute to the Board process by involving in the Group's strategic proposals and monitoring and reviewing Management's performance against agreed goals and objectives. Their views and opinions provide alternative perspectives to the Group's business. When challenging Management proposals or, decisions, they will bring independent judgment to bear on business activities and transactions involving conflicts of interest and other complexities.

Provision 2.5: Meeting of Independent Directors without presence of Management

All the Independent Directors meet at least annually without the presence of the other Executive and Non-independent Directors to discuss matters of significance which are thereon reported to the Board accordingly. Ad-hoc meetings will be held if there is a need to discuss any other matters without the presence of Management.

Principle 3: Chairman and Chief Executive Officer

There is balance in the Board because of the presence of Independent and Non-executive Directors which is particularly important in ensuring that the strategies proposed by Management are constructively challenged, fully discussed and examined, and take account of the long term interests, not only of the shareholders, but also employees, customers, suppliers and the many communities in which the Group conducts business.

Provision 3.1: Separation of the Role of Chairman and the Chief Executive Officer ("CEO")

To ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making such that no one individual represents a considerable concentration of authority, the roles of Non-executive Chairman and CEO are separate.

Mr Ong Lay Khiam has retired as Non-Executive Chairman on 30 June 2023. Dr Teo Ho Pin, one of the independent directors, has been re-designated as the Non-Executive Chairman on 30 June 2023. Mr Pay Sim Tee is the CEO of the Company. The Chairman and the CEO are not immediate family members.

Provision 3.2: Role of Non-Executive Chairman and CEO

The Chairman is responsible for the workings of the Board which includes:

i) lead the Board to ensure its effectiveness on all aspects of its role;

ii) set the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;

iii) promote a culture of openness and debate at the Board;

iv) ensure that the directors receive complete, adequate and timely information;

v) ensure effective communication with shareholders;

vi) encourage constructive communication within the Board and between the Board and Management;

vii) facilitate the effective contribution of non-executive directors in particular; and

viii) promote high standards of corporate governance.

Given that the Chairman is independent, no lead independent director was appointed as the Chairman is available to address concerns, if any, of the Company's shareholders. Shareholders with concerns may contact him directly, when contact through the normal channels via the CEO or Chief Financial Officer ("CFO") has failed to provide satisfactory resolution, or when such contact is inappropriate.

As CEO, Mr Pay Sim Tee is responsible for formulating the Group's business strategy, directions, corporate plans and policies and day-to-day management affairs of the Group. He ensures effective and comprehensive discussion of the Board on these matters and monitors the translation of Board's decisions into executive actions. He also ensures the quality, quantity and timeliness of information flow between the Board and Management and that the Board has sufficient opportunities for interaction and informal meetings with Management.

The Board is of the view that there are sufficient safeguards and checks to ensure that the decision making process of the Board is independent and based on collective decision of the Board without any individual exercising any considerable concentration of power or influence.

Principle 4: Board Membership

Provision 4.1 and 4.2: Nominating Committee Composition and Role

The NC comprises three members, a majority of the Directors, including the Chairman, are Independent Directors.

Ang Peng Koon, Patrick (Chairman)
Ong Seet Joon (appointed on 30 June 2023)
Pay Sim Tee

The principal functions of the NC in accordance with its written terms of reference are as follows:

i) to review the Board structure, size and composition and make recommendations to the Board with regard to any Board appointments and changes, where appropriate;

ii) to determine the process for search, nomination, selection and appointment of new Board members and assess nominees or candidates for appointment to the Board;

iii) to determine, on an annual basis, if a Director is independent;

iv) to recommend the nomination of Directors who are retiring by rotation to be put forward for re-election;

v) to review and determine whether or not a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly when he has multiple board representations;

vi) to assess the effectiveness of the Board as a whole;

vii) to review the succession plans for the CEO and key management personnel; and

viii) to review training and professional development programmes for the Board and its directors.

Provision 4.3: Process for selection, appointment and reappointment directors

The process for selection and appointment of new directors provides the procedure for identification of potential candidates, evaluation of candidate’s skills, knowledge and experience, gender, assessment of candidates’ suitability and recommendation for nomination to the Board. In the search, nomination and selection process for new directors, the NC identifies the key attributes that an incoming director should have such as integrity, ability to commit time and effort to the Board, taking into account the attributes of the existing Board, the requirements of the Group and the Board Diversity policy. After endorsement by the Board of the key attributes, the NC taps on the resources of Directors’ personal contacts and recommendations of potential candidates, and goes through a shortlisting process. If candidates identified from this process are not suitable, executive recruitment agencies will be appointed to assist in the search process. Interviews are set up with potential candidates for the NC members to assess them, before a decision is reached.

Provision 4.4: Continuous Review of Directors' Independence

The NC, which is responsible for reviewing the independence of each Director on an annual basis, has adopted the Code's definition of an independent director and guidelines as to relationships which would deem a director not to be independent (Principal 2). Under the Code, an independent director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporation, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company. In this aspect, every independent Board member is required to disclose any relationships or appointments which would impair their independence to the Board on a timely manner.

Based on the confirmation of independence submitted by the Independent Non-Executive Directors, the NC was of the view that each Independent Non-Executive Director namely Mr Ong Seet Joon, Mr Ang Peng Koon, Patrick and Dr Teo Ho Pin is independent in accordance with the Listing Rule 210(5)(d) as the Independent Directors: (i) are not employed by the Company or any of its related corporations for the current or any of the past three financial years; and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is or was determined by the Remuneration Committee. Each Independent Director is duly abstained from the NC/ Board's determination of his independence.

As Mr Ang Peng Koon, Patrick has served the Board as non-executive independent Director for more than nine years, the NC had performed a rigorous review of his continuing independence. During the review including a self-assessment checklist completed by him, the NC noted that, notwithstanding that he has served on the Board beyond nine years, he continues to demonstrate strong independence in character and judgement in engaging and challenging Management in the interests of the Group at the Board and Board Committee meetings. Neither he and nor his immediate family members have any relationship or business dealings with the Group and the Company's substantial shareholders in the current or immediate past financial year. Mr Ang Peng Koon, Patrick has, over the years, actively participated in the proceedings and decision-making process of Board meetings. He constructively challenged and reviewed the performance of Management in achieving agreed goals. The Board considers him to have made impartial advice and insights and have exercised independent judgement in doing so without dominating the Board discussions in these proceedings and/or meetings. The Board also recognises that Mr Ang Peng Koon, Patrick has developed substantial insight of the Group's business and operations. In considering the above factors and taking into account of his contribution in terms of experience, expertise, professionalism and integrity and having weighed on the need for progressive refreshing of the Board, the NC is of the view that Mr Ang Peng Koon, Patrick continue to be independent.

Singapore Exchange Regulation ("SGX RegCo") has announced on 11 January 2023 that it will limit to nine years the tenure of independent directors (IDs) serving on the boards of listed issuers. The Board has commenced its search for new independent directors and would take into account of the Group and Board's requirements and Board Diversity.

Following the review, the NC is satisfied that at least one-third of the Board comprises Independent Directors.

Provision 4.5: Directors' commitment to discharge their duties and obligations

Although the Non-executive Director and Independent Directors hold directorships in other listed companies and/or have other principal commitments, the NC is satisfied that sufficient time and attention was given by the Directors to the affairs of the Group and is of the view that such multiple board representations do not hinder their ability to carry out their duties as Directors of the Company. The Board affirms and supports this view. While there are no guidelines to address the competing time commitments faced by Directors serving on multiple boards, the Board has concurred with the NC's recommendation to fix the maximum number of board representations on listed company and other principal commitments for each Director at 5. Any appointment beyond the number of "5", the NC would review and determine if that particular Director is able to and has been adequately carrying out his duties as a Director of the Company.

Currently, no Director has appointed an Alternate Director.

Re-election of directors at the forthcoming Annual General Meeting

The NC oversees the re-appointment of Directors. In recommending a Director for re-election to the Board, the NC considers, amongst other things, his performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs).

In accordance with Regulation 89 of the Company's Constitution, one-third of the Directors for the time being shall retire from office by rotation at each Annual General Meeting ("AGM"); and each Director is required to retire at least once every three years and, shall be eligible for re-election. A newly appointed Director is also required to submit himself for retirement and re-election at the AGM immediately following his appointment in line with Regulation 88 of the Constitution.

The NC is satisfied that Mr Lee It Hoe, Mr Ong Seet Joon and Mr Pay Sim Tee who are retiring at the forthcoming AGM, are qualified for re-appointment by virtue of their skills, experience and contribution and after consideration, has recommended the nomination of Mr Lee It Hoe, Mr Ong Seet Joon and Mr Pay Sim Tee for re-election under Regulation 88 and 89 respectively at the forthcoming AGM. The Board has accepted this recommendation and being eligible, Mr Lee It Hoe, Mr Ong Seet Joon and Mr Pay Sim Tee will be offering themselves for re-election at the forthcoming AGM.

In accordance to Listing Rule 210(5)(d) (iii) that came into effect on 1 January 2022, Mr Ang Peng Koon, Patrick who has first been appointed as independent director on 24 February 2010, has sought for shareholders' approval in the annual general meeting held on 28 April 2022 for his continued appointment as independent directors of the Company in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the directors and the CEO of the issuer, and associates of such directors and CEO. SGX RegCo has announced on 11 January 2023 on the limitation of tenure of the independent directors to 9 years and has also removed the Two-Tier Voting Process at the same time. As transition, independent directors whose tenure exceeds the nine-year limit can continue to be deemed independent until the issuer's annual general meeting held for the financial year ending on or after 31 December 2023. Mr Ang Peng Koon, Patrick would be non-executive non-independent director after the conclusion of the Company's AGM held in April 2024.

Below table list down the information on the directors nominated for re-election, including the information required under Appendix 7.4.1 of the Listing Rules.

	Name of Director to be re-elected under Regulation 88 of the Company's Constitution
	Ong Seet Joon
Date of appointment	30 June 2023
Date of last re-appointment	N.A.
Age	57
Country of Principal Residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered the recommendation of the Nominating Committee and is of the view that, based on Mr Ong's performance and contributions to the Board during his tenure as the Non-Executive Independent Director of the Company, together with his qualification and work experience has accepted Nominating Committee's recommendation. The Board believes that Mr Ong's addition as an independent director will help to impart industry insights, spur thought leadership and lend his industry connections to elevate the company to greater heights. The Nominating Committee nominates Mr Ong to be re-elected as the Director of the Company in the coming Annual General Meeting.
Whether the appointment is executive, and if so, the area of responsibility	Executive, please refer to Board of Director section for area of responsibility

	Name of Director to be re-elected under Regulation 88 of the Company's Constitution **Ong Seet Joon**
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Audit Committee Chairman
Professional qualifications	Please refer to Board of Directors section for details
Working experience and occupation(s) during the past 10 years	i) Director of: • Tiong Seng Holdings Limited; • Koh Brothers Group Limited • Hiap Hoe Limited • Tiong Seng Chang De Investment (Pte.) Ltd. • A3 Capital Pte Ltd ii) 2012 – 2021: Head, Client Coverage & Solutioning, Global Banking, Maybank Singapore iii) 2006 – 2012: President & CEO, Maybank Philippines Inc
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family member relationships) with any existing director, existing executive officer, the Company and/or substantial shareholder of the Company or any of its principal subsidiaries	No
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 704(7) submitted to the Company?	Yes
Current directorships – Public Companies	i) Tiong Seng Holdings Limited ii) Koh Brothers Group Limited iii) Hiap Hoe Limited
– Private Companies	i) Tiong Seng Chang De Investment (Pte.) Ltd. ii) A3 Capital Pte Ltd
Past directorships (in the last 5 years) – Private Companies	N/A
Any prior experience as a director of an issuer listed on the Exchange?	Yes. Mr Ong has been the director of Koh Brothers Group Limited since 1 January 2022.

	Name of Director to be re-elected under Regulation 89 of the Company's Constitution	
	Lee It Hoe	**Pay Sim Tee**
Date of appointment	24 February 2010	24 February 2010
Date of last re-appointment	25 April 2018	22 April 2022
Age	82	73
Country of Principal Residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered the recommendation of the Nominating Committee and is of the view that, based on Mr Lee's performance and contributions to the Board during his tenure as an Non-Executive Director of the Company, his valuable experience in the construction and brokerage industries, as well as his business acumen has accepted Nominating Committee's recommendation and nominates Mr. Lee to be re-elected as the Director of the Company in the coming Annual General Meeting.	Mr Pay's extensive knowledge and work experiences in earthwork, road and bridge construction, civil engineering and building works in Singapore and other countries will continue to enhance the board deliberations and contribute towards the core competencies of the Board.
Whether the appointment is executive, and if so, the area of responsibility	Non-executive	Executive, please refer to provision 3.2 of Corporate Governance Report for area of responsibility
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	– Non-Executive Director; – Member of Audit Committee and Remuneration Committee	– Chief Executive Officer and Executive Director; – Member of Nominating Committee
Professional qualifications	Please refer to Board of Directors section for details	Please refer to Board of Directors section for details
Working experience and occupation(s) during the past 10 years	i) Non-Executive Chairman and Independent Director of Tiong Seng Holdings Limited; ii) Director of Wan Seng Enterprise (Private) limited	Director of the following companies: i) Tiong Seng Group; and ii) Peck Tiong Choon Group.
Shareholding interest in the listed issuer and its subsidiaries	Lee It Hoe is deemed interested in the shares held by his associate, namely, his brother, Lee Yew Sim (762,630 Shares). Lee It Hoe is also deemed interested in the Shares held by him on trust for the estate of his mother, Lim Kim Eng (1,582,350 Shares), and the 12,732,390 Shares held by Wan Seng Enterprises (Private) Limited ("Wan Seng")	No

	Name of Director to be re-elected under Regulation 89 of the Company's Constitution	
	Lee It Hoe	**Pay Sim Tee**
Any relationship (including immediate family member relationships) with any existing director, existing executive officer, the Company and/or substantial shareholder of the Company or any of its principal subsidiaries	Director of Tiong Seng Shareholdings Pte Ltd ("TSS"), ultimate holding company of Tiong Seng Holdings Limited. Mr. Lee and his associates are collectively entitled to exercise control of approximately 22.7% of the shares in TSS.	i) Uncle of Pek Zhi Kai (Executive Director); ii) Director of Peck Tiong Choon (Private) Limited (substantial shareholders); iii) Cousin of Pek Dien Kee (Head of Asset Management); and iv) Uncle of Ong Chun Tiong (General Manager for the Group's subsidiaries in Tianjin, PRC)
Conflict of Interest (including any competing business)	No	Mr Pay Sim Tee holds numerous directorships in other companies (as disclosed in "working experience and occupations) during the past 10 years" which may have transactions with the Group. There are guidelines and review procedures for transactions made where potential conflict of interest may arise, including the review procedures described in section 3.5 of Appendix to the notice of AGM in relation to interested person transaction mandate and guideline and review procedures enumerated in the Company's IPO prospectus dated 7 April 2010
Undertaking (in the format set out in Appendix 7.7) under Rule 704(7) submitted to the Company?	Yes	Yes
Current directorships – Public Companies	Tiong Seng Holdings Limited	Tiong Seng Holdings Limited

	Name of Director to be re-elected under Regulation 89 of the Company's Constitution	
	Lee It Hoe	**Pay Sim Tee**
– Private Companies	Wan Seng Enterprises (Private) Limited	Tiong Seng Holdings Limited Group 1. Tiong Seng Chang De Investment (Pte.) Ltd. 2. Tiong Seng Civil Engineering (Private) Limited 3. Tiong Seng Contractors (Private) Limited 4. Tiong Seng Properties (Private) Limited 5. Tiong Seng (Tianjin) Project Management and Consultancy Co., Ltd. 6. Tianjin Zizhulin Development Co., Ltd. 7. Tianjin Zizhulin Guangang Property Development Co., Ltd. 8. Suzhou Huisheng Construction Development Co., Ltd. 9. Suzhou Changhe Investment and Development Co., Ltd. 10. Tianjin Tianmen Jinwan Property Development Co., Ltd. 11. Tianjin Zizhulin Investment Co., Ltd. 12. Cangzhou Huashi Property Development Co., Ltd.

	Name of Director to be re-elected under Regulation 89 of the Company's Constitution	
	Lee It Hoe	**Pay Sim Tee**
		Peck Tiong Choon (Private) Limited Group 13. Peck Tiong Choon (Private) Limited 14. Peck Tiong Choon Leasing Pte. Ltd. 15. Peck Tiong Choon Logistic Pte. Ltd. 16. Peck Tiong Choon Transport Pte. Ltd. 17. Solid Resources (S) Holding Pte. Ltd. Others 18. Chang Chun Tang Pte. Ltd.
Past directorships (in the last 5 years) – Private Companies	Wan Seng Enterprises (Private) Limited	1. Jet-scan Private Limited 2. Robin Village Development Pte. Ltd. 3. TSC Innovative Builder Pte. Ltd.
Any prior experience as a director of an issuer listed on the Exchange?	Yes. Mr Lee has been the director of the Company since 2010.	Yes. Mr Pay has been the director of the Company since 2010.

Mr Lee It Hoe and Mr Pay Sim Tee standing for re-election at the forthcoming AGM have been appointed since the Company's listing in year 2010. Mr Ong Seet Joon standing for re-election was appointed on 30 June 2023 as announced on 23 June 2023. There are no changes to the disclosure required under items (a) to (k) to the Appendix 7.4.1 of the Listing Manual as provided in the Company's prospectus dated 7 April 2010 or the company's announcement of appointment dated 23 June 2023 in respect of their appointments to the Board.

The key information regarding the directors is presented in the section entitled "Board of Directors" of this Annual Report.

Principle 5: Board Performance

Provision 5.1 and 5.2: Board Evaluation Process

The NC has established a process for assessing the effectiveness of the Board as a whole for the long term performance of the Group. Board performance evaluation is carried out on an annual basis to assess and evaluate the Board's size, composition, and expertise, independence, the Board's access to information as well as Board accountability and processes. The board evaluation process involves having directors complete the performance evaluation forms. The results of the performance evaluation will be compiled by the Company Secretary into a summary report and reported to the NC Chairman before discussing at the NC meeting and reporting to the Board. The Board and the NC ensure that Directors appointed to the Board possess the relevant experience, knowledge and skills critical to the Group's business, so as to enhance the core competencies of the Board. No external facilitator had been engaged by the Board for this purpose. The NC and the Board were generally satisfied with the results of the Board performance evaluation for FY2023.

Despite the deviation from Provision 5.1 of the Code regarding the evaluation of effectiveness of the Board Committees namely, Audit Committee, NC and Remuneration Committee, that comprise members who are also Board members, the NC had reviewed and considered that separate assessment of the effectiveness of each Board Committee as well as individual Director evaluation were not deemed necessary and that the current annual assessment of the Board as a whole was sufficient for the time being and the practice is consistent with the intent of Principle 5 of the Code as the Board can effectively undertake a formal assessment of its effectiveness as a whole and that of its Board Committee and individual Directors.

(B) REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

Provision 6.2: Remuneration Committee Composition

The Remuneration Committee ("RC") comprises three members, a majority of whom, including the Chairman, are Independent Directors. All the members of the RC are non-executive directors.

Ang Peng Koon, Patrick (Chairman)
Ong Seet Joon (appointed as member on 30 June 2023)
Lee It Hoe

Provision 6.1, 6.3 and 6.4: Remuneration Framework

The principal functions of the RC in accordance with its written terms of reference are as follows:

1. to review and recommend to the Board a general framework of remuneration for the Board and key management personnel and to review and recommend for endorsement by the Board the specific remuneration packages and terms of employment for each Director, key management personnel of the Group and employees related to Directors or, controlling shareholders of the Group; and

2. to review the Group's obligation arising in the event of termination of the executive directors' and key management personnel's contract of service, to ensure that such contract of services contain fair and reasonable termination clauses which are not overly generous.

The scope of the RC's review covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, and benefits-in-kind. The remuneration packages take into consideration the long-term interests of the Group, industry standards, and ensure that the interests of the Executive Directors are aligned with that of shareholders.

If required, the RC will from time to time seek advice from external consultants, who are unrelated to the Directors or any organisation they are associated with, on remuneration matters and remuneration of the Directors' and key management personnel. The Company has not appointed any remuneration consultants for FY2023.

Principle 7: Level and Mix of Remuneration

Provision 7.1 and 7.3: Remuneration setting for Executive Directors and Key Management Personnel ("KMPs")

The RC takes into consideration the prevailing economic situation, skills, expertise and contribution to the Company's performance, the pay and employment conditions within the industry and in comparable companies in reviewing and determining the remuneration packages of the Executive Directors and KMPs.

The existing service agreement of Mr Pay Sim Tee, CEO and Executive Director of the Company, is for a period of 3 years, and may be terminated with 6 months' notice in writing served by either party.

The remuneration packages of Executive Directors and key executives consist of fixed, variable components and benefits. The fixed component comprises the basic salary and Central Provident Fund contribution. To ensure that key executives' remuneration is consistent and comparable with market practice, the RC regularly benchmarks remuneration components against those of comparable companies, giving due regard to the performance criteria as set out in the Key Performance Indicators (which are specific, measurable, result oriented and time-bound) and that linked to pre-agreed financial and non-financial performance targets for variable bonus and Incentive Plan, while continuing to be mindful that there is a general correlation between increased remuneration and performance improvements. The variable component comprises a variable bonus based on the Group's and the individual's performance, as well as the monthly variable component of the basic salary. Bonuses payable to key executives are reviewed by the RC and approved by the Board to ensure alignment of their interests with those of shareholders and promote the long-term success of the Group.

Benefits provided are consistent with market practice and include medical benefits, flexible benefits, car allowance and club benefits. Eligibility for these benefits will depend on factors inter-alia individual roles and responsibilities, salary grade and length of service.

Contracts with Executive Directors and key management personnel contain "claw back" termination clause to safeguard the Group's interests in the event of exceptional circumstances of misstatement of financial statements, misconduct resulting in financial loss or fraud by Executive Directors and KMPs.

Provision 7.2: Remuneration of Non-Executive Directors

The RC also reviews all matters concerning the remuneration of the Independent Directors and Non-Executive Directors to ensure that the remuneration commensurate with the effort, time spent and responsibilities of the Directors and not to be over-compensated to the extent that their independence may be compromised.

The RC had recommended to the Board an amount of S$310,000 as Directors' fee for the financial year ending 31 December 2024, to be paid in arrears.

The Directors' fees are payable to all the Directors except for the CEO. The Board will table this recommendation at the forthcoming AGM for shareholders' approval. No Director is involved in deciding his own remuneration.

Principle 8: Disclosure on Remuneration

Provision 8.1, 8.2 and 8.3: Disclosure of Remuneration of directors, KMPs, immediate family member of a director/CEO and share scheme

The annual remuneration level and mix of each individual Director for FY2023 is set out as follows:

	Basic Salary	Bonus, AWS and Profit Sharing	Other Benefits	Director's Fees	Total	
	%	%	%	%	%	S$'000
Executive Directors						
Pay Sim Tee	88	9	3	–	100	792
Pek Zhi Kai	70	8	8	15	100	342
Non-executive Directors						
Lee It Hoe	–	–	–	100	100	60
Ong Seet Joon	–	–	–	100	100	30
Ang Peng Koon, Patrick*	–	–	–	100	100	60
Teo Ho Pin	–	–	–	100	100	70
Ong Lay Khiam (resigned)**	–	–	–	100	100	60

* Mr Ong Seet Joon's fees are pro-rated as he was appointed on 30 June 2023.

** Mr Ong Lay Khiam has resigned as Non-Executive Independent Director on 30 June 2023.

Save as disclosed, there are no other employees who are immediate family members of a Director or the CEO and whose remuneration exceed S$100,000 for FY2023.

The aggregate remuneration paid to the top 5 KMPs (who are not Directors or the CEO) in FY2023 was S$1,737,000. However, the remuneration of the top 5 key management personnel (who are not Directors or the CEO) is not disclosed in the bands of S$250,000 and on a named basis as the Company believes in maintaining confidentiality of staff remuneration matters and that disclosure of the remuneration of the individual key management personnel is disadvantageous to its business interest, given the scarcity of talents and highly competitive industry conditions that it is operating in.

The Company does not provide any termination, retirement and post-employment benefits to Directors, CEO and the top 5 KMPs, who are not Directors or the CEO.

The Board is of the view that in light of the above and despite its deviation from Provision 8.1 of the Code, the Company has provided a high level of transparency on remuneration matters, as information on its remuneration policies, level and mix of remuneration, the relationships between remuneration, performance and value creation has been disclosed in detail in Principles 7 & 8. Accordingly, the Board is of the view that the non-disclosure of the exact quantum of the remuneration of key Management personnel will not be prejudicial to the interest of shareholders and complies with Principle 8 of the Code.

The Company has no employee share or stock options scheme nor long-term incentive scheme in place.

While the Company currently does not have any employee share option scheme, the RC recognises the benefits of long-term incentive schemes and will evaluate the costs vs benefits arising therefrom prior to implementation of such schemes in future.

(C) ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

Provision 9.1: Nature and Extent of Risks

The Board is responsible for the governance of risks and sets the tone and direction for the Group in the way risks are being managed. The Board has the responsibility to approve the strategy of the Group in a manner which addresses stakeholders' expectations without subjecting to an unacceptable level of risks.

The Company, with the assistance of PricewaterhouseCoopers Risk Services Pte. Ltd. ("PwC"), the internal auditor, had implemented an Enterprise Risk Management ("ERM") framework incorporating the establishment of risk strategy, policies, identification and management processes. Action plans to manage the risks are continually being monitored and refined by Management and the Board.

Given the level of operations of the Group, the Board has decided to incorporate the oversight of the ERM framework and policies into the function of the Audit Committee. No separate Risk Committee was established for FY2023.

In order to be assured that the Group's risks are managed adequately and effectively, the Board had reviewed the risks overview identified counter measures to manage the risks at an acceptable level as well as reviewing the adequacy and effectiveness of the internal controls and risk management systems put in place to mitigate the risks.

The Group's material risks can be broadly classified as follows:

Business/Operational Risks

This relates to operations and includes health of property market, security threats, product quality, employee attribution and increased competition. Owners of such risks such as the business unit and departmental heads would monitor such risks through identification of key risks at respective business units and department level and on-going meetings within and across business units and departments to monitor, measures with follow up actions to manage the risks.

Compliance Risks

Compliance with local laws and regulations in various geographical locations are monitored by respective process owners and including respective business units, finance and human resource departments, and when needed, with consultation to legal advisors, auditors and company secretary. Corporate, finance, human resource and other related department will constantly share latest regulatory update that have implications to the Group's operations and come out with measures for compliance.

Financial Risks

These risks are set out in the notes to the financial statements. Generally, the Group is conservative in its financial dealings and does not engage in speculative instruments that would expose the Group to unnecessary financial risks.

Provision 9.2 Assurance from the CEO, CFO and KMPs

The Board has obtained a written confirmation from:–

a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and

b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, the ERM framework maintained, assurance received from the CEO, CFO and other key management personnel, and reviews performed by the Board, Management and various Board Committees, the Board, with the concurrence of the Audit Committee, is of the opinion that the Group's risk management and internal controls systems addressing the financial, operational, compliance and information technology risks were adequate and effective as at 31 December 2023.

There was no material weakness in risk management and internal controls noted as at 31 December 2023.

Principle 10: Audit Committee

Provision 10.1, 10.2 and 10.3: Audit Committee Composition and Role

The Audit Committee ("AC") comprises four members, a majority of whom, including the Chairman, are Independent Directors. All the members of the AC are non-executive directors:

Ong Seet Joon (Chairman) – appointed on 30 June 2023
Ang Peng Koon, Patrick
Lee It Hoe
Teo Ho Pin

The AC is responsible for assisting the Board in discharging its responsibilities relating to internal controls and risk management systems, financial and other accounting matters as well as matters pertaining to regulatory compliance. The Board believes that the AC members are appropriately qualified to discharge their duties and responsibilities. Two members of the AC, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience. None of the members nor the Chairman of the AC are former partners or directors of the Group's auditing firm within the previous two years or hold any financial interest in the auditing firm.

The AC met at least 2 times in respect of FY2023 and, as and when deemed appropriate to carry out its function, AC members are kept abreast of any changes to accounting standards and issues affecting the financials by the external auditors and Management at the AC meetings, where appropriate.

The principal functions of the AC in accordance with its written terms of reference are as follows:

1. to review with the internal and external auditors their audit plans, their evaluation of the system of internal controls, their audit reports and the management letter and Management's responses;

2. to review significant financial reporting issues and judgments so as to ensure the integrity of the half yearly and full-year financial statements of the Group and any formal announcements relating to the Group's financial performance before submission to the Board for approval;

3. to review and report to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management policies;

4. to review the assurance from the CEO and the CFO on the financial records and financial statements;

5. to oversee the ERM framework and policies and review the internal control procedures and ensure co-ordination between the external and internal auditors and Management, review the assistance given by Management to the auditors, and discuss problems and concerns, if any, arising from the interim and/or full-year audits;

6. to make recommendations to the Board on proposals to shareholders on the appointment, re-appointment, resignation and removal of the external auditors, and approving the remuneration and terms of the engagement;

7. to review the adequacy, effectiveness, independence, scope and results of the Company's external audit and internal audit function;

8. to review interested person transactions falling within the scope of Chapter 9 of the SGX-ST Listing Manual;

9. to review the Group's hedging policies, procedures and activities (if any) and monitor the implementation of the hedging procedure/policies, including reviewing the instruments, processes and practices in accordance with any hedging policies approved by the Board;

10. to review potential conflict of interest, if any, including review of annual confirmations from the relevant parties to determine if the terms of the non-compete undertakings remain valid;

11. to undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

12. to review and discuss with the external auditors any suspected frauds or irregularity, or suspected infringement of any applicable law, rules or regulations which has or is likely to have material impact on the Group's operating results or financial position, and Management's response; and

13. to review the policy and arrangements by which staff of the Company or the Group and any other persons may, in confidence, raise concerns about possible improprieties in financial reporting or any other matters; and conduct an independent investigation of such matters for appropriate follow-up action pursuant to the Company's whistle-blowing programme.

The AC is authorised by the Board to investigate any matter within its terms of reference and has full access to, and cooperation of Management, with full discretion to invite any director or executive officer to attend its meetings. The AC has adequate resources to enable it to discharge its functions properly.

Provision 10.5: Meeting Auditors without Management presence

Annually, the AC meets with the external auditors and internal auditor separately, without the presence of Management. This is to review the adequacy of audit arrangements, with particular emphasis on the observations of the external and internal auditors, the scope and quality of their audits and the independence and objectivity of the external and internal auditors.

In the review of the financial statements, the AC has discussed with management and external auditors with regards to the significant matters in relation to the financial statements, the accounting principles applied therein and judgement involved that might have an implication to the integrity of the financial statements. The AC has discussed and concurs with the basis and conclusions in the auditors report with respect to the following key audit matters identified by the external auditors for FY2023.

i) Accounting for construction contracts

The Group applies estimates in accounting for construction contracts, which includes determination of the stage of completion of the construction contracts to-date, assessment of total construction costs of delivering the entire construction contracts and of work performed to-date, provision for onerous contracts and liquidated damages (if any). The AC assessed the reliability of the management's estimates by considering bases used by the management in the estimates of total construction costs of delivering the entire construction contracts and of work performed to-date, approaches applied in determining stage of completion of the construction contracts to-date, judgement made as to provision for onerous contracts and liquidated damages (if any). The AC also considered the communication from the external auditors on this matter.

ii) Valuation of development properties

The AC considered the approach and methodology applied to the valuation model in determining the recoverable amounts of development properties and reviewed the reasonableness of assumptions adopted and judgement made by management in the assessment of any potential allowance for impairment and the provision therefrom (if any). The AC also considered the external auditors' communication on this matter.

iii) Impairment assessment on non-financial assets

The AC considered the approach and methodology applied to the valuation model in non-financial assets impairment assessment. It reviewed the reasonableness of the estimation of fair value less cost to sale and considered the external auditors' communication on this matter.

iv) Going concern

The AC considered the approach and methodology applied to the assessment of going concern. It reviewed the reasonableness of assumptions adopted and assessment made by management. The AC also considered the external auditors' communication on this matter.

Following the review and discussion, the AC recommended to the Board to approve the full year financial statements.

External Auditors

The accounts of the Company's significant subsidiaries and associated companies are audited by KPMG LLP, an auditing firm registered with the ACRA, and overseas member firms of KPMG. For subsidiaries and/or significant associated companies which are not audited by KPMG LLP or overseas member firms of KPMG, the AC and Board are satisfied that the appointment of different auditing firms would not compromise the standard and effectiveness of the audit of the Group. Accordingly, the Company has complied with the Rules 712, 715 and 716 of the Listing Manual of the SGX-ST.

The AC review adequacy, effectiveness, independence, scope and results of the external auditors throughout:

i) the audit planning level in respect on qualification and experience of engagement team involved, key audit areas identified and audit scope covered;

ii) overall audit report presented, together with the discussion with the auditors with regards to significant matters in relation to the financial statements, accounting principles applied and judgement involved in the preparation of the financial statements, the audit quality indicator of the engagement team level and at firm level taking into consideration of the Audit Quality Indicators Disclosure Framework published by the ACRA involved in carrying out the audit;

iii) assesses the independence of the external auditors annually based on factors such as performance, skills and independence and is satisfied that the non-audit services provided by the external auditors in FY2023 did not affect the independence or objectivity of the external auditors. The amount of non-audit fees paid to the external auditors in respect of FY2023 was S$100,000.

Based on the above review, the AC is satisfied as to the adequacy, effectiveness, independence, scope and results of the external audit.

On the above basis, and with the concurrence of the Board, the AC had recommended the re-appointment of KPMG LLP as auditors at the forthcoming AGM.

Details of the fees of the external auditors of the Company for FY2023 are as follows:

	FY2023 $'000	**FY2022 $'000**
Fees paid/payable to external auditors for:		
Audit services		
– Auditors of the Company and other firms affiliated with KPMG International Limited	454	490
– Other auditors	44	47
Non-audit services		
– Auditors of the Company and other firms affiliated with KPMG International Limited	100	158

Whistle Blowing Programme

The Audit Committee is responsible for the oversight and monitoring of whistleblowing. The Group has in place a Whistle-Blowing Programme that has been clearly communicated with employees. This programme provides well-defined and accessible channels in the Group through which employees and external parties may, in confidence, raise concern about possible fraudulent activities, malpractices or misconduct or wrongdoing conduct on financial reporting or other matters within the Group, in a responsible and effective manner. The Group undertakes to independently investigate such complaints made in good faith and in an objective manner with appropriate follow up actions being taken thereafter. The identity of the whistle-blower is kept confidential and the Group will ensure he/she will not be victimized and will be protected against detrimental or unfair treatment. To facilitate participation by the external parties, the Whistle-Blowing Programme is also available on the Company's website at www.tiongseng.com.sg.

Once a whistle-blowing issue is initiated, the Chairman of the AC and/or the HR manager, with a copy to the CEO will conduct an initial assessment to determine how the investigation should proceed. An investigation report will then be put up by the investigation committee for review and recommended actions would be initiated. The investigation results are confidential. The AC and Board of Directors are to review actions taken and ensure that fraudulent practices are reviewed without prejudice or biasness, and executed with professional integrity in compliance with the Company's Programme.

New employees are briefed on the policy when they join the company's orientation programme. The Whistle-Blowing Policy, amongst other policies, are uploaded onto human resource portal accessible by all employees.

No whistle-blowing concerns were reported for FY2023.

Provision 10.4: Internal Audit

The AC with the assistance of the internal and external auditors, reviews the adequacy and effectiveness of the Company's internal controls and risk management policies and systems established by Management on an annual basis. Any material non-compliance or weakness in internal controls and recommendations for improvements is reported to the AC. The AC also reviews the effectiveness of the actions taken by Management on the recommendations made by the internal and external auditors in this respect.

The Company's internal audit function is independent of the external audit. PwC has been appointed as internal auditor and is staffed with professionals with relevant qualifications and experience to carry out the internal audit function.

The PwC engagement team led by Mr Ng Siew Quan who has over 30 years experiences in auditing and led internal audit and risk management engagements for corporate entities from the private and public sectors. Mr Ng Siew Quan is supported by Ms Teoh Ka Yee, a Senior Manager from the Risk Assurance practice of PwC who directly oversees the engagement team and has over 10 years of experiences in providing risk management services.

The internal auditor reports directly to the AC Chairman and has full access to all documents, records, properties and personnel of the Group. The role of the internal auditor is to support the AC in ensuring that the Group maintains a sound system of internal controls by monitoring and assessing the effectiveness of key controls and procedures, conducting in-depth audits of high risk areas and undertaking investigations as directed by the AC.

During the financial year, the internal auditor conducted its audit reviews based on the internal audit plan approved by the AC. Upon the completion of their internal audit reviews, the internal auditor reports to the AC on the status of the audit plan and on audit findings and responses from/actions taken by Management on the findings.

The AC assesses the adequacy, effectiveness, independence, scope and results of the internal audit function on an annual basis and are satisfied that the Company's internal audit function is independent, effective and adequately resourced. The internal auditor is guided by the PwC Global Internal Audit Services Methodology which is aligned to the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the Institute of Internal Auditors.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Engagement Shareholder Rights and Conduct of General Meetings

The Company recognizes and is committed to protect shareholders rights under the Constitution and the relevant laws and regulations. All shareholders are treated fairly and equitably. The Company continues to keep all stakeholders informed of its corporate activities on a timely and consistent basis. The Company is mindful of the need for regular, effective and fair communication with its shareholders. The Company disseminates all material price- sensitive information and half-yearly results to its shareholders via SGXNET and Company's website www.tiongseng.com.sg on a non-selective basis, and through press releases on a timely basis.

The Board aims to provide a balanced and understandable assessment of the Group's financial performance, position and prospect when presenting interim and other price sensitive public reports, and reports to regulators (if required).

All the financial information presented in the results announcement or Annual Report have been prepared in accordance with the Singapore Financial Reporting Standards (International) and approved by the Board before release to the SGX-ST and the investing public through SGXNET. Negative assurance statements were issued by the board to accompany the company's half-yearly results announcements in FY2023, confirming that to the best of its knowledge, nothing had come to its attention which would render the company's half-yearly results false or misleading. The releases of the half-yearly and annual financial information are accompanied by news releases issued to the media and which are also posted on the SGXNet. Management provides the Board with information on the Group's performance, financial position and prospects on a quarterly basis and as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the company's performance, position and prospect. This is supplemented by regular updates on matters affecting the financial performance, business of the Group, if any.

Provision 11.1, 11.2 and 11.4: Conduct of General Meetings

Information is communicated to shareholders on a timely basis.

Communication may be made through:

(a) annual reports, sustainability report or circulars that are prepared and announced through SGXNET and Company's corporate website at https://www.tiongseng.com.sg;

(b) half yearly and full year results announcements;

(c) notices and explanatory notes of the AGM and any Extraordinary General Meeting ("EGM"); and

(d) other announcements and press releases that are announced via SGXNET.

The Company welcomes the views of the shareholders on matters concerning the Company and Group and encourages shareholders' participation at AGMs. Each item of special business included in the notice of the meeting will be accompanied by a statement regarding the effect of a proposed resolution. Issues seeking approval of shareholders, if any, are usually tabled as separate resolutions.

Shareholders (who are not relevant intermediaries) have the opportunity to participate effectively and to vote in the AGMs/General Meetings by appointing chairman of the meeting as proxy. Shareholders should specifically indicate how they wish to vote for or against (or abstain from voting on) the resolutions. The detailed results showing the number of votes cast for and against each resolution and the respective percentages would be disclosed in the general meetings and announced via SGXNET after the conclusion of the general meetings.

The Company will appoint an independent external party as scrutineer for the poll voting process for the purpose of directing and supervising the count of the votes cast through proxy and in person. Prior to the commencement of the general meetings, the scrutineer will review the proxies and proxy process and also ensure that satisfactory procedures of the voting process are in place. Shareholders are informed of the voting process at each general meeting.

The Company will organise the forthcoming AGM on 30 April 2024 with physical attendance. There will be no option for shareholders to participate virtually or by electronic means. Please refer to the notice of AGM for more information.

Provision 11.3: Interaction with Shareholders

Shareholders are given the opportunity to proactively engage with the Board and Management regarding the Group's business activities and operations, financial performance and other business related matters. Shareholders are now allowed at least 7 calendar days after the publication of the notice of general meeting to submit their questions. Shareholders are informed of any cut-off time within which questions must be submitted and when their questions would be responded to. All substantial and relevant questions received from shareholders prior to a general meeting will be publicly addressed by the Company at least 48 hours prior to the closing date and time for the lodgment of the proxy forms through publication on SGXNET and the Company's corporate website at www.tiongseng.com.sg. Shareholders are allowed to contemporaneously observe the proceedings of the meeting by audio and video means or by audio only means. Details on the arrangements are provided to shareholders in the notices of general meetings.

All Directors, in particular, the Chairman of the Board and Chairpersons of the AC, NC and RC, together with the external auditors are usually present at the AGMs/General Meetings.

At the Company's last AGM held on 28 April 2023, all the directors, the company secretary and external auditors have attended the AGM. The Company held an Extraordinary General Meeting (EGM) on 15 December 2023 to approve the disposal of several properties. Majority of the directors comprising Dr Teo Ho Pin, Mr Pay Sim Tee, Mr Pek Zhi Kai and Mr Lee It Hoe together with the Company secretary, external auditors and legal advisors were present at the EGM. The Chairman of the meeting with the assistance of the Company Secretary and service provider briefed the shareholders on the rules of the meeting including the voting procedures.

Provision 11.5: Minutes of the General Meetings

Company secretary will prepare minutes of general meetings that include substantial and relevant comments or queries from shareholders relating the agenda of the meeting, and responses from the Board and Management. The company publishes minutes of the general meetings of shareholders on SGXNET and its corporate website within one month from the date of AGM.

Provision 11.6: Dividend Policy

The Company currently does not have a fixed dividend policy. Any declaration and payment of dividends will depend on, inter alia, the Group's earnings, operating results, financial conditions, development/investment plans, capital requirements, capital expenditure, gearings and any other factors deemed relevant by the Board.

The details of dividend payment would be disclosed via the release of financial results announcements through SGXNET.

No final dividend has been recommended for FY2023 in order to preserve the Group's working capital.

Principle 12: Engagement with Shareholders

Provision 12.1, 12.2 and 12.3: Communication with Shareholders and Investor Relations Practices

The Group keeps its stakeholders and public informed on information that would be likely to materially affect the price, value and/or trade volumes of the Group's securities on a timely and consistent basis.

The Company has engaged an external professional investor relation ("IR") firm, with the aim to better communicate with its shareholders and analyst on a regular basis and to gather views or inputs, and take any of their queries or concerns. The IR firm also manages the dissemination of information to the media, public, institutional investors and public shareholders, and act as liaison with these parties. Shareholders can contact or provide their views directly to the IR firm.

(V) MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Managing Stakeholders Relationships Engagement with Stakeholders

Provision 13.1 and 13.2: Stakeholders' Engagement

The Group engages with all its material stakeholder groups via various medium and channel, which including project management meetings, numerous business interactions and other corporate events, and through external professional investor relation. The material stakeholders of the Group identified include directors, suppliers and subcontractors, customers, employees, investors and financial institutions, community and regulators.

The Group constantly shares its growth strategy and core value system with its stake holders and strive to work together to have continuous improvement on productivity and efficiency in a responsible and sustainable manner.

The sustainability report released to the SGX-ST provides more details about the strategy and key areas of focus in relation to the management of stakeholder relationships which include:

– Adoption of environmentally practices such as reducing water consumption and general construction waste

– Delivering long term sustainable construction works and housing development

– Safeguarding the health and safety of employees and sub-contractors

– Providing learning opportunities for employees and invest in human capital and support employee development to meet changing business needs

Provision 13.3: Corporate Website

The Company disseminates all its key business updates and half-yearly results to its stakeholders via SGXNET and Company's website www.tiongseng.com.sg on a non-selective basis, and through press releases on a timely basis.

The corporate website keeps the investment community up to date, providing company profile with the Board Diversity policy, financial information such as results announcements and annual reports, stock information which shows stock fundamentals and historical stock price. The whistle-blowing policy is also published under the "Corporate Governance" link. There is an email alert option under "Shareholder Tools" for shareholders to receive financial information such as calendar events, announcements and/or press release by email automatically.

Dealings in Securities

The Company had adopted a policy governing dealings in securities of the Company by the Directors and the Officers of the Group. The Company and its Officers are prohibited from dealing in securities of the Company for the periods commencing one month before the release of the half-yearly results and full-year results and at all times whilst in possession of unpublished price and/or trade-sensitive information.

The Directors and key officers are also expected to observe insider-trading laws at all times even when dealing in securities within permitted trading period. Where a potential conflict of interest arises, the Director concerned does not participate in discussion and refrains from exercising any influence over other members of the Board.

Directors and key officers are also encouraged not to deal in the Company's securities on short-term considerations.

The guidelines on share buyback under the Share Buyback Mandate, to be renewed at the Company's forthcoming AGM also provides that the Company will not affect any purchases of shares on the SGX-ST during the period of one month immediately preceding the announcement of the Company's half year and full year results.

The Company has complied with Rule 1207(19) of the Listing Manual of the SGX-ST.

CORPORATE GOVERNANCE

Interested Person Transactions

The Company has adopted an internal policy governing the procedures for the identification, approval and monitoring of interested person transactions ("IPTs"). All IPTs are subject to review by the AC to ensure that they are carried out on normal commercial terms or entered into on arm's length basis and are not prejudicial to the interests of the Group and its minority shareholders.

Considering that the Group will, in the ordinary course of business, continue to have transactions with Peck Tiong Choon (Private) Limited and its subsidiaries, the Interested Persons, from time to time; and the time-sensitive and recurrent nature of the transactions, Shareholders' mandate for the IPTs ("IPT Mandate") was first obtained at the Extraordinary General Meeting ("EGM") held on 28 April 2014. The methods or procedures for determining the transaction prices have not changed since the last EGM and are sufficient to ensure that the transactions have been and will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. In view of the above, an independent financial adviser's opinion is not required for the renewal of the IPT Mandate at the forthcoming AGM.

The aggregate value of IPTs entered into during FY2023 is as follows:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $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 $100,000)
Hiring Charges			
Peck Tiong Choon Transport (Pte) Ltd	Subsidiary of Controlling Shareholder, Peck Tiong Choon (Private) Limited	–	$4,835,000
Peck Tiong Choon Logistic (Pte) Ltd	Subsidiary of Controlling Shareholder, Peck Tiong Choon (Private) Limited	–	$5,000
Total		–	$4,840,000
Lease of Storage Space			
Peck Tiong Choon Logistic (Pte) Ltd	Subsidiary of Controlling Shareholder, Peck Tiong Choon (Private) Limited	$859,000	–
Consultancy fees			
G&T Multitask (Private Limited)	Associate of Director, Pek Zhi Kai	$1,000,000	–
Total		$1,859,000	–

The Company appointed Mr Pek Lian Guan ("**Mr Pek**"), a former employee of the Company, as a consultant of the Group in May 2022. The intent is to avail the Group of Mr Pek's knowledge in three main areas: strategic growth advisory, executive coaching for senior management, and digital transformation advisory services.

The Board considered the appointment of Mr Pek as consultant, having taken independent advice from relevant third-party advisors regarding the suitability of Mr Pek for the roles, the quantum of the consultancy fees payable, and the methodology and governance framework of implementing such an agreement. The Audit Committee and the Board were satisfied from the findings and advice of the third-party advisors that the consultancy agreement with Mr Pek was entered into on an arm's length basis and is not prejudicial to the interests of the Company and its minority shareholders. Accordingly, the Audit Committee and the Board approved the proposal for Mr Pek to provide consultancy services to the Group. Mr Pay Sim Tee (who is a cousin of Mr Pek) and Mr Pek Zhi Kai (who is the son of Mr Pek) abstained from voting in the process of making this decision.

Mr Pek renders the consultancy services through G&T Multitask (Private Limited) which is 100% owned by Mdm Ong Geok Toe (who is the spouse of Mr Pek and the mother of Executive Director Mr Pek Zhi Kai). Accordingly, the consultancy agreement constitutes an interested person transaction.

Material Contracts

Saved for item as disclosed under Interested Person Transactions as disclosed above, and the Service Agreement entered with the CEO, there were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the CEO, Directors or controlling shareholders during or at the end of FY2023.

FINANCIAL CONTENTS

We present this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2023.

In our opinion:

(a) the financial statements set out on pages 105 to 195 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Teo Ho Pin	
Pay Sim Tee	
Pei Zhi Kai	
Lee It Hoe	
Ang Peng Koon, Patrick	
Ong Seet Joon	(Appointed on 23 June 2023)
Ong Lay Khiam	(Resigned on 30 June 2023)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ("the Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Lee It Hoe		
Tiong Seng Holdings Limited		
– ordinary shares		
– interests held	286,275,330	286,275,330
Ang Peng Koon, Patrick		
Tiong Seng Holdings Limited		
– ordinary shares		
– interests held	265,000	265,000

By virtue of Section 7 of the Act, Lee It Hoe is deemed to have interests in the other subsidiaries of the Company, all of which are wholly-owned, at the beginning and at the end of the financial year.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

There were no changes in any of the above mentioned interests in the Company between the end of the financial year and 21 January 2024.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Share options

During the financial year, there were:

(i) no options granted by the Company to any person to take up unissued shares in the Company or its subsidiaries; and

(ii) no shares issued by virtue of any exercise of options to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

Audit Committee

The members of the Audit Committee during the year and at the date of this statement are:

Ong Seet Joon	Independent director
Lee It Hoe	Non-executive director
Teo Ho Pin	Independent director
Ang Peng Koon, Patrick	Independent director

The Audit Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit Committee has held two meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the internal and external auditors;
- half-yearly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company and its Singapore-incorporated subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Pay Sim Tee
Director

Pek Zhi Kai
Director

3 April 2024

INDEPENDENT AUDITORS' REPORT

Members of the Company Tiong Seng Holdings Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tiong Seng Holdings Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 105 to 195.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">Accounting for construction contracts</th></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>The Group uses estimates in accounting for its construction contracts. Revenues from construction contracts are recognised progressively over time. Stage of completion is determined based on input method, which is based on construction costs incurred to-date as compared to the estimated total construction costs.

Determining the stage of completion, the recoverability of contract assets and the provision for onerous contract involve judgement and are subject to estimation uncertainties. Such estimates include:

• Total costs of delivering the entire contract;

• Total costs of work performed to-date; and

• Possible reduction in contract sums due to late completion of projects, if any.

Changes in the above estimates may have an impact on the Group's revenue from construction contracts, costs of construction contracts and profit.</td><td>Our response

We tested controls over the Group's processes for budgeting contract costs and determining costs of work performed to-date. We also assessed the reliability of management's estimation of contract costs by comparing the final outcomes of projects completed during the year to previous estimates made on those projects.

We selected samples of contract and assessed the reasonableness of calculation of stage of completion by:

• Assessing the adequacy of budgeted contract costs by comparing them with the actual costs incurred to-date and the reasonableness of the remaining costs to be incurred taking into consideration the latest market factors;

• Where applicable, identifying any changes in assumptions and estimates applied in the budget from previous years and evaluated the reasons provided by management for the changes;

• Enquiring with management on the progress of the construction to identify potential delays or cost overruns that may require revision in budgeted contract costs or a provision for onerous contracts; and

• Ascertaining the reasonableness of costs of work performed to-date by checking to the latest claims from the subcontractors/suppliers and testing the post year end payments.

We selected samples of contract and assessed the recoverability of the carrying amounts of contract assets by checking to post year end receipts, enquiring with management and reviewing correspondences to identify potential dispute on the work done.

In respect of the risks of reduction in contract sums due to late completion of projects arising from contracts, if any, we enquired with management to understand their assessment of the progress of claims. We inspected correspondences with the customers. We also considered the Group's prior experience on final settlement of claims and compared resolutions of claims to settlements after year end, where applicable, to ascertain the reasonableness of management's assessment.</td></tr>
</table>

Accounting for construction contracts	
The key audit matter	***How the matter was addressed in our audit***
	We considered the adequacy of the Group's disclosure made around contract accounting in the financial statements. **Our finding** We found that the Group's estimates of budgeted contract costs, costs for work performed to-date, stage of completion and provision for onerous contracts to be balanced. We found that the Group's disclosure of contract accounting in Note 3.17 and 24 to the financial statements complies with relevant accounting standards.

Valuation of development properties	
The key audit matter	***How the matter was addressed in our audit***
The Group has significant development properties in China. There is a risk that net realisable values of these properties may be lower than their carrying amounts. Development costs may also escalate when the progress of any development is delayed and this could result in the carrying amounts of the affected development properties exceeding their net realisable values. Delay in completing the development within the time specified by the authority will be subject to penalty. The Group determined net realisable values of its development properties by reference to the recent transacted prices of units within the same development or comparable properties in the vicinity or the selling price estimated by external independent valuers who have the relevant qualification and industry experience.	**Our response** For external independent valuation reports, we reviewed the Group's process of appointing independent valuers; and evaluated the competence, capabilities and objectivity of these valuers. We held discussions with the valuers to understand their valuation methods and basis of valuation by comparing them with methodologies applied by other valuers for similar properties. We evaluated the reasonableness of the estimated selling prices indicated in valuation reports by comparing them with recent asking prices of comparable properties in the vicinity. For the assessment done by management, we assessed the reasonableness of management's estimated selling prices by comparing these with recently transacted prices of the units within the same development or recent asking prices of comparable properties in the vicinity. Where applicable, we assessed the reasonableness of the estimated development costs to complete a project by comparing the progress of the construction with the initial plan and considering whether there is any significant delay or deviation in plan which may require revision in estimated costs to complete. We reviewed management assessment of the likelihood of penalty being imposed due to delay in completing the development and the adequacy of the penalty provided for. We also considered the adequacy of the Group's disclosures made in respect of the allowance for diminution in value in the financial statements.

Valuation of development properties	
The key audit matter	***How the matter was addressed in our audit***
	Our finding We found no matters of concern regarding the competence, capabilities and objectivity of the external valuers and the methodologies and assumptions used by the valuers. We found the management's assessment of estimated selling prices, estimated costs and amount of penalty provided for late completion of the development to be balanced. We found that the Group's disclosure of allowances made for development properties in Note 16 to the financial statements complies with relevant accounting standards.

Impairment of non-financial assets	
The key audit matter	***How the matter was addressed in our audit***
The Group's net asset value exceeded its market capitalisation by $46,482,000 (2022: $46,100,000) as at 31 December 2023. This indicates that non-financial assets may be impaired. Impairment assessment involves estimating the recoverable amounts of the cash generating unit ("CGU") to which the non-financial assets belongs. The determination of recoverable amounts involves judgement and is subject to estimation uncertainties. The recoverable amount of each CGU is its fair value less costs to sell with reference to recent market transactions.	**Our response** Our audit procedures included, among others, testing the control designed and applied by the Group to ensure that its impairment analysis is appropriately undertaken and reviewed. We evaluated the identification of CGUs by the Group based on our understanding of the business. When recoverable amounts were based on a CGU's fair value less costs to sell supported by external valuations, we reviewed the Group's process of appointing the independent valuers; and evaluated the competence, capabilities and objectivity of these valuers. We evaluated the reasonableness of the estimated selling prices indicated in valuation reports by comparing them with recent asking prices of comparable properties in the vicinity. When recoverable amounts were based on management own estimate of a CGU's fair value less costs to sell, we assessed the reasonableness of management's estimated selling prices by comparing them with recent selling prices of similar plant and machinery adjusted for age, recent asking prices of comparable properties in the vicinity and considered the market supply and demand of properties projected by valuers. **Our finding** We found no matters of concern regarding the competence, capabilities and objectivity of the external valuers and the assumptions used by the valuers. We found that the Group had assessed based on a balanced set of assumptions and estimates.

Going concern	
The key audit matter	***How the matter was addressed in our audit***
During the financial year end, the Group reported a loss for the year of $13,599,000 (2022: $85,044,000). Total equity has decreased from $96,645,000 as at 31 December 2022 to $75,152,000 as at 31 December 2023. Management has performed an assessment of the Group's ability to continue its operation as a going concern. The assessment involves management projection of future cash flow of the Group covering period of at least 12 months from the date of financial statements. The assessment and projection is judgemental in nature.	We evaluated management' assessment of the Group's ability to continue to adopt the going concern basis of accounting. Our evaluation included: – Reviewing the cash flow projection prepared by the management covering period at least 12 months from the date of financial statement and assessed whether the assumptions used in the cash flow projection are in line with the business practice and in accordance with the contractual arrangements, if any, with customers, suppliers or subcontractors. – Considering the ability of the Group to generate sufficient cash flows from its construction segment including assessing the status of ongoing projects, and likelihood of claiming Cotma related claims, variation orders and prolongation costs from the customers. – Understanding the Group's available credit facilities, the securities charged for these credit facilities and assessed the Group's ability to roll over the facilities. – Considering the actions taken by management to reduce costs and assessed whether these were within the control of management. – Considering the management's plan of generating cash flow through disposing properties. **Our finding** We found that management's use of the going concern basis of accounting is appropriate.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Low Gin Cheng, Gerald.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
3 April 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Non-current assets					
Property, plant and equipment	4	**44,730**	67,934	**–**	–
Intangible assets	5	**983**	296	**–**	–
Investment properties	6	**1,219**	386	**–**	–
Right-of-use assets	7	**7,540**	2,874	**–**	–
Subsidiaries	8	**–**	–	**53,986**	53,986
Joint ventures	9	**14,609**	23,429	**–**	–
Trade and other receivables	10	**31,482**	20,049	**–**	–
Amount due from related parties	17	**4,930**	4,807	**–**	–
Other investments	11	**673**	902	**–**	–
Deferred tax assets	12	**2,259**	2,271	**–**	–
		108,425	122,948	**53,986**	53,986
Current assets					
Inventories	13	**4,291**	3,647	**–**	–
Contract costs	14	**900**	710	**–**	–
Contract assets	15	**56,724**	75,646	**–**	–
Development properties	16	**128,402**	149,517	**–**	–
Trade and other receivables	10	**46,969**	51,745	**2,226**	1,233
Amounts due from related parties	17	**14,376**	30,848	**31,310**	47,317
Cash and cash equivalents	18	**112,578**	47,632	**328**	88
		364,240	359,745	**33,864**	48,638
Assets held for sale	19	**41,384**	25,089	**–**	–
		405,624	384,834	**33,864**	48,638
Total assets		**514,049**	507,782	**87,850**	102,624
Equity attributable to owners of the Company					
Share capital	20	**181,947**	181,947	**181,947**	181,947
Treasury shares	21	**(4,906)**	(4,906)	**(4,906)**	(4,906)
Reserves	21	**(93,508)**	(88,914)	**(45,850)**	(45,850)
Retained earnings/(Accumulated losses)		**(10,455)**	4,026	**(112,300)**	(93,738)
		73,078	92,153	**18,891**	37,453
Non-controlling interests	35	**2,074**	4,492	**–**	–
Total equity		**75,152**	96,645	**18,891**	37,453
Non-current liabilities					
Trade and other payables	22	**21,973**	12,267	**–**	–
Loans and borrowings	23	**12,131**	19,031	**–**	–
Deferred tax liabilities	12	**674**	580	**–**	–
		34,778	31,878	**–**	–
Current liabilities					
Contract liabilities	15	**114,986**	74,300	**–**	–
Trade and other payables	22	**169,472**	198,704	**366**	207
Amounts due to related parties	17	**6,720**	10,449	**68,593**	64,964
Loans and borrowings	23	**109,929**	92,782	**–**	–
Current tax payable		**3,012**	3,024	**–**	–
		404,119	379,259	**68,959**	65,171
Total liabilities		**438,897**	411,137	**68,959**	65,171
Total equity and liabilities		**514,049**	507,782	**87,850**	102,624

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2023

	Note	2023 $'000	2022 $'000
Revenue			
Revenue from construction contracts and engineering solutions		**449,645**	329,318
Revenue from sales of development properties		**24,852**	26,076
Rental income		**551**	346
	24	**475,048**	355,740
Other income	25(a)	**5,130**	5,639
Cost of construction contracts and engineering solutions		**(425,709)**	(375,638)
Cost of sales of development properties		**(26,496)**	(20,507)
Net impairment loss on/arising from:			
– property development business	25(b)	**–**	(3,084)
– contract assets	25(b)	**(244)**	(5,067)
– investment in a joint venture	25(b)	**–**	(2,618)
– trade receivables	25(b)	**–**	(130)
– trade amount due from related parties	25(b)	**(294)**	–
		(538)	(10,899)
Depreciation and amortisation		**(4,381)**	(6,709)
Selling expenses		**(918)**	(1,136)
Staff costs	25(c)	**(17,892)**	(19,382)
Other expenses		**(13,657)**	(11,934)
		(489,591)	(446,205)
Loss from operating activities		**(9,413)**	(84,826)
Finance income	26	**2,966**	911
Finance costs	26	**(7,564)**	(6,681)
Net finance costs		**(4,598)**	(5,770)
Share of profit of joint ventures, net of tax		**857**	4,853
Loss before tax		**(13,154)**	(85,743)
Tax (expense)/credit	27	**(445)**	699
Loss for the year		**(13,599)**	(85,044)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Translation differences relating to financial statements of foreign subsidiaries		**(6,495)**	(9,824)
Exchange differences on monetary items forming part of net investment in a foreign operation		**(1,154)**	(4,390)
Net change in fair value of equity investment at fair value through other comprehensive income		**(245)**	(67)
Other comprehensive income for the year, net of tax		**(7,894)**	(14,281)
Total comprehensive income for the year		**(21,493)**	(99,325)
Loss attributable to:			
Owners of the Company		**(12,122)**	(84,700)
Non-controlling interests		**(1,477)**	(344)
Loss for the year		**(13,599)**	(85,044)
Total comprehensive income attributable to:			
Owners of the Company		**(19,075)**	(97,913)
Non-controlling interests		**(2,418)**	(1,412)
Total comprehensive income for the year		**(21,493)**	(99,325)
Earnings per share			
– Basic and diluted (cents)[1]	28	**(2.75)**	(19.19)

1 The earnings per share net of non-controlling interests has been calculated based on 441,076,649 (2022: 441,355,673) weighted average number of shares excluding treasury shares.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2023

	Note	Attributable to owners of the Company										
		Share capital $'000	Treasury shares $'000	Merger reserve $'000	Capital reserve $'000	Statutory reserve $'000	Fair value reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
At 1 January 2022		181,947	(4,873)	(77,720)	(9,345)	3,746	209	7,110	90,129	191,203	2,967	194,170
Total comprehensive income for the year												
Loss for the year		–	–	–	–	–	–	–	(84,700)	(84,700)	(344)	(85,044)
Other comprehensive income												
Translation differences relating to financial statements of foreign subsidiaries		–	–	–	–	–	–	(8,756)	–	(8,756)	(1,068)	(9,824)
Exchange differences on monetary items forming part of net investment in foreign operations		–	–	–	–	–	–	(4,390)	–	(4,390)	–	(4,390)
Net change in fair value of equity investment of fair value through other comprehensive income		–	–	–	–	–	(67)	–	–	(67)	–	(67)
Total other comprehensive income		–	–	–	–	–	(67)	(13,146)	–	(13,213)	(1,068)	(14,281)
Total comprehensive income for the year		–	–	–	–	–	(67)	(13,146)	(84,700)	(97,913)	(1,412)	(99,325)
Transfer to statutory reserve		–	–	–	–	299	–	–	(299)	–	–	–
Transaction with owners, recognised directly in equity												
Contributions by and distributions to owners												
Purchase of treasury shares		–	(33)	–	–	–	–	–	–	(33)	–	(33)
Dividends paid	20	–	–	–	–	–	–	–	(1,104)	(1,104)	(51)	(1,155)
Total contributions by and distributions to owners		–	(33)	–	–	–	–	–	(1,104)	(1,137)	(51)	(1,188)
Changes in ownership interests in subsidiaries												
Acquisition of subsidiary with non-controlling interest		–	–	–	–	–	–	–	–	–	2,988	2,988
Total changes in ownership interests in subsidiaries		–	–	–	–	–	–	–	–	–	2,988	2,988
Total transactions with owners of the Company		–	(33)	–	–	–	–	–	(1,104)	(1,137)	2,937	1,800
At 31 December 2022		181,947	(4,906)	(77,720)	(9,345)	4,045	142	(6,036)	4,026	92,153	4,492	96,645

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2023

	Note	Attributable to owners of the Company										
		Share capital $'000	Treasury shares $'000	Merger reserve $'000	Capital reserve $'000	Statutory reserve $'000	Fair value reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
At 1 January 2023		**181,947**	**(4,906)**	**(77,720)**	**(9,345)**	**4,045**	**142**	**(6,036)**	**4,026**	**92,153**	**4,492**	**96,645**
Total comprehensive income for the year												
Loss for the year		–	–	–	–	–	–	–	(12,122)	(12,122)	(1,477)	(13,599)
Other comprehensive income												
Translation differences relating to financial statements of foreign subsidiaries		–	–	–	–	–	–	(5,554)	–	(5,554)	(941)	(6,495)
Exchange differences on monetary items forming part of net investment in foreign operations		–	–	–	–	–	–	(1,154)	–	(1,154)	–	(1,154)
Net change in fair value of equity investment of fair value through other comprehensive income		–	–	–	–	–	(245)	–	–	(245)	–	(245)
Total other comprehensive income		–	–	–	–	–	(245)	(6,708)	–	(6,953)	(941)	(7,894)
Total comprehensive income for the year		–	–	–	–	–	(245)	(6,708)	(12,122)	(19,075)	(2,418)	(21,493)
Transfer to statutory reserve		–	–	–	–	2,359	–	–	(2,359)	–	–	–
At 31 December 2023		**181,947**	**(4,906)**	**(77,720)**	**(9,345)**	**6,404**	**(103)**	**(12,744)**	**(10,455)**	**73,078**	**2,074**	**75,152**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2023

	2023 $'000	2022 $'000
Cash flows from operating activities		
Loss from operating activities	**(9,413)**	(84,826)
Adjustments for:		
Depreciation and amortisation	**11,536**	13,916
Gain on disposal of:		
– investment properties	**–**	(757)
– property, plant and equipment	**(280)**	(158)
Impairment arising from property development business		
– allowance for diminution in value of development properties	**–**	3,084
Impairment loss on:		
– contract assets	**244**	5,067
– investment in a joint venture	**–**	2,618
– trade receivables	**–**	142
– trade amount due from related parties	**294**	–
Reversal of impairment loss on:		
– contract assets	**(455)**	–
– trade receivables	**–**	(12)
Provisions	**10,097**	49,000
Written down of inventories	**317**	–
Written off:		
– goodwill	**756**	221
– property, plant and equipment	**30**	6
– bad debts	**126**	395
Operating cash flows before working capital changes	**13,252**	(11,304)
Inventories	**(964)**	1,914
Contract costs	**(190)**	283
Contract assets/liabilities	**59,819**	(23,881)
Development properties	**8,395**	6,971
Trade and other receivables	**(6,235)**	(5,510)
Trade and other payables	**(28,041)**	21,907
Balances with related parties (trade)	**2,909**	(1,450)
Cash generated from/(used in) operations	**48,945**	(11,070)
Tax paid	**(275)**	(3,332)
Net cash generated from/(used in) operating activities	**48,670**	(14,402)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2023

	Note	2023 $'000	2022 $'000
Cash flows from investing activities			
Interest received		**1,538**	484
Investment in a joint venture		**–**	(2,299)
Loan to a joint venture		**(600)**	–
Loan repayment from joint ventures		**19,998**	–
Other investment		**229**	57
Payment for capital expenditure on intangible assets		**(737)**	–
Proceeds from disposal of:			
– property, plant and equipment		**1,567**	244
– investment property		**–**	943
Purchase of:			
– subsidiaries, net of cash acquired	36	**–**	1,957
– property, plant and equipment		**(4,523)**	(8,312)
– intangible assets		**(806)**	(146)
Net cash generated from/(used in) investing activities		**16,666**	(7,072)
Cash flows from financing activities			
Increase/(decrease) in deposits pledged		**557**	(18)
Decrease in restricted cash		**–**	165
Dividends paid to:			
– owners of the Company		**–**	(1,104)
– non-controlling interest		**–**	(51)
Interest paid		**(5,825)**	(3,235)
Purchase of treasury shares		**–**	(33)
Payments of lease liabilities		**(833)**	(1,465)
Proceeds from loans and borrowings		**91,908**	49,422
Repayment of loans and borrowings		**(87,674)**	(28,214)
Net cash (used in)/generated from financing activities		**(1,867)**	15,467
Net increase/(decrease) in cash and cash equivalents		**63,469**	(6,007)
Cash and cash equivalents at beginning of the year		**47,075**	55,746
Effect of exchange rate changes on balances held in foreign currencies		**2,034**	(2,664)
Cash and cash equivalents at end of the year	18	**112,578**	47,075

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 3 April 2024.

1 DOMICILE AND ACTIVITIES

Tiong Seng Holdings Limited (the "Company") is a company incorporated in Singapore. The address of the Company's registered office is 30A Kallang Place, #04-01 to #04-11, Singapore 339213.

Tiong Seng Shareholdings Pte. Ltd., a company incorporated in Singapore, is the immediate and ultimate holding company of the Company.

The financial statements of the Group as at and for the year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in equity-accounted investees.

The Group is primarily involved in building construction and civil engineering, provision of engineering solutions and property development.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). The changes to material accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

There are no critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

Note 16 – Measurement of realisable amounts of development properties

Note 24 – Revenue and costs recognition from construction contracts

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

Information about other judgements made and estimates applied are included in the following notes:

Note 4	–	Measurement of recoverable amounts of property, plant and equipment
Note 8	–	Measurement of recoverable amounts of investment in subsidiaries
Note 9	–	Measurement of recoverable amounts of investment in joint ventures
Note 22	–	Recognition and measurement of provisions
Note 34	–	Measurement of expected credit loss ("ECL") allowance for trade and other receivables and contract assets

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group periodically reviews significant fair value measurements, including Level 3 fair values, significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Group assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1* : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2* : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3* : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 6	–	Investment properties
Note 34	–	Financial instruments

2 BASIS OF PREPARATION (CONTINUED)

2.5 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2023:

- SFRS(I) 17: *Insurance Contracts*
- Amendments to SFRS(I) 1-12: *Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to SFRS(I) 1-12: *International Tax Reform – Pillar Two Model Rules*
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*

Other than the below, the application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

Material accounting policy information

The Group adopted Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies* for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of "material", rather than "significant", accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

Business combinations

The Group accounts for business combinations under the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see note below on subsidiaries). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

Business combinations (Continued)

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

NCI are measured at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the consolidated financial statements of the Group's controlling shareholder. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognised directly in equity.

Loss of control

When the Group loses control over a subsidiary, it derecognised the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit and loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments in joint ventures (equity-accounted investees)

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries and joint ventures in the separate financial statements

Investments in subsidiaries and joint ventures are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss and presented within finance cost/income. However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an equity investment designated as at fair value through other comprehensive income ("FVOCI");
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

Foreign operations

The assets and liabilities of foreign operations, excluding goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in a joint venture that includes a foreign operation while retaining joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.3 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

The estimated useful lives for the material property, plant and equipment for the current and comparative years are as follows:

- Leasehold land — Over the term of the lease of 60 years
- Leasehold properties — Over the terms of the leases of between 20 to 45 years
- Plant and machinery — 10 years
- Tools and moulds — 10 years
- Furniture, equipment and fittings — 10 years
- Motor vehicles — 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4 Intangible assets and goodwill

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the joint ventures.

Software development cost

Software development cost comprises manpower and related overhead incurred directly in the development of computer software. Software development expenditures are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete and use or sell the asset;
- the ability to use or sell the intangible asset generated;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Following initial recognition of the software development cost as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit of 5 years. During the period of development, the asset is tested for impairment annually. Software development cost which is not or has ceased to be commercially viable are written off.

Patented technology

Patented technology was acquired in a business combination. The cost of patented technology is its fair value at acquisition date. Patented technology has finite useful life and is stated at cost less accumulated amortisation and accumulated impairment losses.

Licence fee

Licence fee represents consideration paid for the rights to install and manufacture construction materials for use in the operations. Licence fee is stated at cost less accumulated amortisation and accumulated impairment losses.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4 Intangible assets and goodwill (Continued)

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring the use of the specific software. Direct expenditure, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining the computer software are recognised in profit or loss as incurred.

Computer software licences are stated at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

• Patented technology	5 years
• Licence fee	Over the respective life of the licences of 1 to 10 years
• Computer software	3 years
• Software development costs	5 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.5 Investment property

Investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.5 Investment property (Continued)

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of investment properties.

The estimated useful lives for the current and comparative years are as follows:

Leasehold properties	50 years

Depreciation methods and useful lives are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Non-current assets held for sale

Non-current assets that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter, the assets, classified as held for sale are generally measured at the lower of their carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit and loss. Gains are not recognised in excess of any cumulative impairment loss.

Property, plant and equipment once classified as held for sale are not depreciated.

3.7 Financial instruments

Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost and FVOCI – equity investment.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.7 Financial instruments (Continued)

Classification and subsequent measurement (Continued)

Non-derivative financial assets (Continued)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of certain equity investments that are not held-for-trading, the Group has made an irrevocably election to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.7 Financial instruments (Continued)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (Continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.7 Financial instruments (Continued)

Derecognition (Continued)

Financial assets (Continued)

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss is recognised. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and

- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that was required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.7 Financial instruments (Continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, pledged deposits and restricted cash are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

Intra-group financial guarantees in the separate financial statements

Financial guarantees are financial instruments issued by the Company that require the issuer to make specific payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

Liabilities arising from financial guarantees are included within "loans and borrowings".

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment

Non-derivative financial assets and contract assets

The Group recognises loss allowances for ECL on financial assets measured at amortised costs, contract assets, lease receivables and intra-group financial guarantee contracts.

Lease receivables are disclosed a part of trade and other receivables.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for shorter period if the expected life of the instrument is less than 12 months); or

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract assets.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables (including lease receivables) and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments and intra-group financial guarantee contracts. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment (Continued)

Non-derivative financial assets and contract assets **(Continued)**

General approach (Continued)

The Company considers an intra-group financial guarantee contract to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Loss allowances for intra-group financial guarantee contract are recognised as a financial liability to the extent that they exceed the initial carrying amount of the intra-group financial guarantee contract less the cumulated income recognised.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment (Continued)

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories, development properties, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss in respect of joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in a joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in a joint venture is tested for impairment as a single asset when there is objective evidence that the investment in a joint venture may be impaired.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.9 Club memberships

Club memberships are measured at cost less accumulated impairment loss.

3.10 Contract costs

Incremental costs of obtaining a contract for the sale of a development property are capitalised if these costs are recoverable. Costs incurred to fulfil a contract are capitalised only if the costs relate directly to the contract, generate or enhance resources used in satisfying future performance obligations, and are expected to be recovered. These costs are amortised consistently with the pattern of revenue for the related contract. Other costs are expensed as incurred.

3.11 Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 3.17) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in Note 3.8 and are reclassified to receivables when the right to the consideration has become unconditional.

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see Note 3.17). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 3.19).

3.12 Development properties

Development properties are those properties which are held with the intention of development and sale in the ordinary course of business.

Properties under development for sale

Properties under development for sale are stated at lower of cost and estimated net realisable value. Net realisable value takes into account the price ultimately expected to be realised and the anticipated costs to completion. Cost of properties under development comprise specifically identified costs, including land acquisition costs, development expenditure, capitalised borrowing costs and other related expenditure, less any allowance for diminution in value of property considered necessary by the management. Borrowing costs payable on loans funding a development property are capitalised (applicable to construction of a development for which revenue is to be recognised at a point in time), on a specific identification basis, as cost of the development property until the date of its practical completion.

When it is probable that total development costs will exceed total revenue, an allowance is recognised as an expense immediately.

When completed, the units held for sale are classified as completed properties for sale.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.12 Development properties (Continued)

Completed properties for sale

Completed properties for sale but remain unsold at year end are stated at lower of cost and net realisable value. Cost is determined by apportionment of the total development costs for that development project attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

Development properties are classified as current assets in the statement of financial position. Payments received from purchasers arising from pre-sales of the property units prior to the completion or physical handover to the purchasers are included as contract liabilities under current liabilities in the statement of financial position.

3.13 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out allocation method. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

3.14 Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.15 Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Onerous contracts

The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental costs necessary to fulfil the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.16 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease terms of right-of-use assets are as follows:

Leasehold land	20 to 60 years
Office and storage space	1 to 6 years
Motor vehicle	1 to 2 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.16 Leases (Continued)

(i) As a lessee (Continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

The Group presents right-of-use assets that do not meet the definition of investment property separately in the statement of financial position and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including worker dormitory and office equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease (see Note 3.7). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.17 Revenue

Revenue from sale of services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. The Group accounts for a contract modification as a separate contract if both the following conditions are present: (i) the scope of the contract increase because of the addition of promised goods or services that are distinct; and (ii) the price of the contract increases by an amount of consideration that reflects the Group's stand-alone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract.

If the contract modification is not accounted for as a separate contract, the Group will account for the contract modifications as if it were a part of the existing contract if the remaining goods or services are not distinct and, therefore, form part of a single performance obligation that is partially satisfied at the date of the contract modification. The effect that the contract modification has on the transaction price, and on the Group's measure of progress towards complete satisfaction of the performance obligation, is recognised as an adjustment to revenue (either as an increase in or a reduction of revenue) at the date of the contract modification.

Revenue from construction contract and provision of engineering solutions

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on real estate assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control. Revenue from provision of engineering solutions include revenue from sale of precast and prefabricated components and revenue from steel and mass engineering timber work.

Revenue may be recognised over time or at a point in time following the timing of satisfaction of the PO. For construction contracts and steel and mass engineered time work contracts, each PO in the contract is considered satisfied over time when the Group has an enforceable right to payment for performance completed to date and the outcome of the PO can be reasonably measured. The progress towards the completed satisfaction of each PO is measured using the input method based on construction cost incurred to-date as compared to the estimated total construction costs. For precast and prefabricated contracts, each PO in the contract is considered satisfied at a point in time when criteria for acceptance have been satisfied.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.17 Revenue (Continued)

Revenue from construction contract and provision of engineering solutions (Continued)

When the outcome of the contract cannot be reasonable measured but the Group expects to recover the costs incurred in satisfying the PO, revenue is recognised only to the extent of contract costs incurred that are expected to recovered until such time that it can reasonably measure the outcome of the PO.

The likelihood of the Group suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then provision is recognised in accordance with the policy set out in Note 3.15.

Sales of development properties

Revenue is recognised when the control over a development property has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the development property over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

Where a development property has no alternative use for the Group due to contractual restriction, and the Group has enforceable rights to payment for performance completed to date arising from the contractual terms, revenue is recognised over time by reference to the Group's progress towards completing the construction of the development property. The measure of progress is determined based on the stage of completion of construction certified by quantity surveyors. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

In respect of contracts where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised only when:

(a) receipt of completion certificate;

(b) financial contracts are signed and registered with housing authorities in the relevant province in the People's Republic of China;

(c) receipt of 100% of the sales amount under contract; and

(d) keys are handed over to purchasers of the unit.

Under certain payment schemes, the time when payments are made by the buyer and the transfer of control of the property to the buyer do not coincide and where the difference between the timing of receipt of the payments and the satisfaction of a performance obligation is 12 months or more, the Group adjusts the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the Group uses a discount rate that would reflect that of a separate financing transaction between the Group and its customer at contract inception. A finance income or finance expense will be recognised depending on the arrangement. The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of goods or services to a customer and the payment date is 12 months or less.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.17 Revenue (Continued)

Sales of development properties (Continued)

Revenue is measured at the transaction price agreed under the contract entered into with customers. Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The customer is invoiced based on a payment schedule which is typically triggered upon achievement of specified construction milestones. If the value of the goods transferred by the Group exceeds the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised. The accounting policy for contract assets and contract liabilities is set out in Note 3.11.

Rental income

Rental income from investment property is recognised as 'revenue' on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

3.18 Government grants

An unconditional government grant to encourage city re-development is recognised in profit or loss as other income upon receipt.

Other government grants related to assets are recognised as a deduction in arriving at the carrying amount of the asset when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other income' on a systematic basis in the same periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3.19 Finance income and finance costs

Finance income comprises interest income on funds invested, dividend income, accretion of discount implicit in retention sum receivables and implicit interest in retention sum payables.

Finance costs comprise interest expense on borrowings, amortisation of borrowings related costs, accretion of implicit interest in retention sum payables and discount implicit in retention sum receivables.

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on which the Group's right to receive payment is established. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.19 Finance income and finance costs (Continued)

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.20 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provision, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
  - is not a business combination and
  - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries and joint ventures to the extent that the Group is able to control the timing of the reversal of temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.20 Tax (Continued)

Deferred tax asset are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

3.21 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.22 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO (the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

3.23 New accounting standards and interpretations not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. However, the Group has not early adopted the new or amended accounting standards in preparing these financial statements.

- Amendments to SFRS(I) 1-1: *Classification of liabilities as Current or Non-current and Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

The Group is in the process of assessing the impact of these standards, interpretations and amendments to standards on its financial statements.

4 PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold land $'000	Freehold land $'000	Leasehold properties $'000	Plant and machinery $'000	Tools and moulds $'000	Furniture, equipment and fittings $'000	Motor vehicles $'000	Total $'000
Cost								
At 1 January 2022	13,992	14,025	67,910	82,316	69,477	9,006	3,860	260,586
Acquisition of subsidiary	–	–	313	–	–	12	45	370
Additions	–	–	45	1,814	6,202	251	–	8,312
Disposals	–	–	–	(1,165)	–	(181)	(128)	(1,474)
Write-off	–	–	–	(2)	(173)	(12)	–	(187)
Transfer to assets held for sale	(8,435)	(9,493)	(10,054)	–	–	–	–	(27,982)
Effects of movements in exchange rates	–	(891)	(462)	(324)	(67)	(91)	(30)	(1,865)
At 31 December 2022	5,557	3,641	57,752	82,639	75,439	8,985	3,747	237,760
Additions	–	–	82	908	2,764	686	83	4,523
Disposals	–	–	(112)	(3,406)	(283)	(521)	(463)	(4,785)
Write-off	–	–	–	(245)	–	(243)	–	(488)
Transfer to assets held for sale	–	–	(24,964)	–	–	–	–	(24,964)
Effects of movements in exchange rates	–	(203)	(365)	(199)	(43)	46	(36)	(800)
At 31 December 2023	**5,557**	**3,438**	**32,393**	**79,697**	**77,877**	**8,953**	**3,331**	**211,246**
Accumulated depreciation								
At 1 January 2022	4,235	–	19,989	65,794	65,647	8,320	2,056	166,041
Depreciation for the year	516	–	2,670	4,325	3,937	302	466	12,216
Disposals	–	–	–	(1,131)	–	(177)	(80)	(1,388)
Write-off	–	–	–	(2)	(168)	(11)	–	(181)
Transfer to assets held for sales	(3,154)	–	(3,220)	–	–	–	–	(6,374)
Effects of movements in exchange rates	–	–	(123)	(193)	(64)	(83)	(25)	(488)
At 31 December 2022	1,597	–	19,316	68,793	69,352	8,351	2,417	169,826
Depreciation for the year	105	–	1,670	3,743	4,022	325	390	10,255
Disposals	–	–	(100)	(2,207)	(278)	(495)	(418)	(3,498)
Write-off	–	–	–	(229)	–	(229)	–	(458)
Transfer to assets held for sales	–	–	(9,330)	–	–	–	–	(9,330)
Effects of movements in exchange rates	–	–	(129)	(123)	(43)	44	(28)	(279)
At 31 December 2023	**1,702**	**–**	**11,427**	**69,977**	**73,053**	**7,996**	**2,361**	**166,516**
Carrying amounts								
At 1 January 2022	9,757	14,025	47,921	16,522	3,830	686	1,804	94,545
At 31 December 2022	3,960	3,641	38,436	13,846	6,087	634	1,330	67,934
At 31 December 2023	**3,855**	**3,438**	**20,966**	**9,720**	**4,824**	**957**	**970**	**44,730**

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The depreciation for the year is analysed as follows:

	Group	
	2023	**2022**
	$'000	**$'000**
Depreciation for the year	**10,255**	12,216
Depreciation included in cost of construction contracts and engineering solutions	**(6,788)**	(6,357)
Depreciation charged to profit or loss	**3,467**	5,859

Impairment test

The Group reviews the carrying amounts of property, plant and equipment as at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. Determining the recoverable amount requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of the assets. This requires the Group to make estimates and assumptions that can materially affect the financial statements.

The Group estimated recoverable amount of property, plant and equipment based on fair value less cost to sell method. The critical assumptions used for assessing the fair value of leasehold land, freehold land and leasehold properties included selling price per square feet based on recent market transactions for comparable properties and adjusted for property size. The critical assumptions used for assessing the fair value of plant and machinery included the selling price for similar items, adjusted for machine age. The Group determined that the estimated recoverable amount of property, plant and equipment exceeded its carrying amount and no impairment losses were recognised.

Security

Certain property, plant and equipment are mortgaged to the banks as collateral for credit facilities provided to the Group as disclosed in Note 23.

5 INTANGIBLE ASSETS

	Patented technology $'000	Licence fee $'000	Computer software $'000	Software development cost $'000	Total $'000
Group					
Cost					
At 1 January 2022	1,767	264	960	–	2,991
Additions	–	–	146	–	146
Effect of movements in exchange rates	–	–	(6)	–	(6)
At 31 December 2022	1,767	264	1,100	–	3,131
Additions	–	15	54	737	806
Effect of movements in exchange rates	–	–	(35)	–	(35)
At 31 December 2023	**1,767**	**279**	**1,119**	**737**	**3,902**
Accumulated amortisation					
At 1 January 2022	1,767	263	760	–	2,790
Amortisation for the year	–	–	50	–	50
Effect of movements in exchange rates	–	–	(5)	–	(5)
At 31 December 2022	1,767	263	805	–	2,835
Amortisation for the year	–	9	94	–	103
Effect of movements in exchange rates	–	–	(19)	–	(19)
At 31 December 2023	**1,767**	**272**	**880**	**–**	**2,919**
Carrying amounts					
At 1 January 2022	–	1	200	–	201
At 31 December 2022	–	1	295	–	296
At 31 December 2023	**–**	**7**	**239**	**737**	**983**

The amortisation of intangible assets is included in depreciation and amortisation in the consolidated statement of comprehensive income.

Amortisation of software development cost has not begun yet as the development of the software is still on-going as at 31 December 2023 and is available for use subsequent to year end.

The Group capitalised costs relating to the development of its new software for precast and prefabrication business upon meeting the criteria for capitalisation as disclosed in Note 3.4. Amortisation of the software begins when development is complete and the software is available for use over the period of expected future benefit. The Group reviews the economic useful lives of the software on an annual basis.

5 INTANGIBLE ASSETS (CONTINUED)

Determining the useful lives of the software involves judgment which includes estimating the period over which the asset is expected to generate economic benefits for the Group, taking in consideration the factors such as technological obsolescence, market conditions and competitive landscape in which the developed asset will operate, changing customer preferences, emerging substitutes, or disruptive innovations, legal and regulatory considerations if there are restrictions or licenses associated with the asset, internal factors whether the asset aligns with the Group's long-term objectives and whether the Group has the capacity to maintain and support the asset over its expected useful life. Changes in these factors could impact the economic useful lives and the residual values of the software, therefore future amortisation charges could be revised.

6 INVESTMENT PROPERTIES

	Group $'000
Cost	
At 1 January 2022	4,585
Disposal	(290)
Acquisition of a subsidiary	382
Transfer to assets held for sale	(4,021)
Effect of movements in exchange rates	1
At 31 December 2022	657
Transfer from development properties	865
Effect of movements in exchange rates	(17)
At 31 December 2023	**1,505**
Accumulated depreciation	
At 1 January 2022	825
Depreciation for the year	91
Disposal	(104)
Transfer to assets held for sale	(540)
Effect of movements in exchange rates	(1)
At 31 December 2022	271
Depreciation for the year	18
Effect of movements in exchange rates	(3)
At 31 December 2023	**286**
Carrying amounts	
At 1 January 2022	3,760
At 31 December 2022	386
At 31 December 2023	**1,219**

6 INVESTMENT PROPERTIES (CONTINUED)

The details of the Group's investment properties as at 31 December 2023 (2022: investment property) were:

Location	Description	Existing use	Tenure of land	Lease term
9 Kaki Bukit Road 2, #03-03	1 warehouse unit	Warehouse	Leasehold	99 years (expiring on 24 July 2080)
Guangang Jiayuan Zone 2, Gangtang Road, Binhai New Area, Tianjin*	3-story standalone building	Residential	Leasehold	28 years (expiring on 31 May 2051)

* Reclassification from development properties to investment properties in 2023

Investment properties comprise warehouse and residential building leased to third parties and held for capital appreciation.

The fair value of the investment properties as at 31 December 2023 was $1,219,000 (2022: $386,000).

Determination of fair value

The fair value of investment properties is based on market comparison approach being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction. The market comparison approach involves an analysis of comparable sales of similar properties and adjusting the transacted prices to those reflective of the investment properties of the Group.

Investment properties leased out under operating leases

The Group leases out investment properties under operating lease. The leases is generally for a period within one year, and subsequent renewals are negotiated at prevailing market rate and terms.

7 RIGHT-OF-USE ASSETS

The Group leases assets including leasehold land, office and storage space. Information about leases for which the Group is a lessee is presented below.

	Leasehold land $'000	Office and storage space $'000	Total $'000
Group			
Balance at 1 January 2022	2,548	1,352	3,900
Additions	–	525	525
Depreciation charge for the year	(122)	(1,437)	(1,559)
Effect of movements in exchange rates	–	8	8
Balance at 31 December 2022	2,426	448	2,874
Balance at 1 January 2023	**2,426**	**448**	**2,874**
Additions	**–**	**7,005**	**7,005**
Reclassification to assets held for sale	**(1,166)**	**–**	**(1,166)**
Depreciation charge for the year	**(34)**	**(1,126)**	**(1,160)**
Effect of movements in exchange rates	**–**	**(13)**	**(13)**
Balance at 31 December 2023	**1,226**	**6,314**	**7,540**

The depreciation for the year is analysed as follows:

	Group	
	2023 $'000	**2022 $'000**
Depreciation for the year	**1,160**	1,559
Depreciation included in cost of construction contracts and engineering solutions	**(367)**	(850)
Depreciation charged to profit or loss	**793**	709

8 SUBSIDIARIES

	Company	
	2023 $'000	**2022 $'000**
Unquoted shares in subsidiaries, at cost	**59,624**	59,624
Less: Allowance for impairment loss	**(5,638)**	(5,638)
	53,986	53,986

8 SUBSIDIARIES (CONTINUED)

Details of the significant subsidiaries are as follows:

Name of subsidiary	Principal activities	Principal places of business/ Country of incorporation	Ownership interest 2023	2022
			%	%
(i) Direct subsidiary				
Tiong Seng Contractors (Private) Limited ("Tiong Seng Contractors")[1]	Construction works	Singapore	**100**	100
(ii) Indirect subsidiaries				
Robin Village Development Pte. Ltd.[1]	Precast and prefabrication	Singapore	**100**	100
Tiong Seng Civil Engineering (Private) Limited[1]	Construction works	Singapore	**100**	100
Tianjin Zizhulin Guangang Property Development Co., Ltd. ("Guangang")[2]	Property development	People's Republic of China ("PRC")	**83**	83

1 Audited by KPMG LLP, Singapore

2 Audited by Tianjin Grant Thornton Certified Public Accountants Co., Ltd., PRC

Impairment of investment in subsidiaries

The Company assesses at each reporting date whether there is any objective evidence that the investment in subsidiaries is impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the industry performance, technology changes, operational and financing cash flow. Management also considers the financial conditions and business prospects of the investment.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on the forecasted performance of the subsidiary.

During the year, the Company carried out a review on the recoverable amount of its investment in subsidiaries. The estimated recoverable amounts of its subsidiaries were determined based on the fair value less cost to sell of the underlying assets and liabilities of the companies.

Based on the assessment, the Company determined that impairment of $5,638,000 that was provided in prior year still remains this year as the fair value less cost to sell of the underlying net assets of the subsidiary is lower than the carrying amount.

There was no movement in the allowance for impairment in respect of investment in subsidiaries during year 2023 and 2022.

9 JOINT VENTURES

	Group 2023 $'000	Group 2022 $'000
Interests in joint ventures	**10,901**	11,210
Loans to joint ventures	**3,708**	12,219
	14,609	23,429

The loans to joint ventures are unsecured, interest-free and repayable on demand. As the Group does not expect the loan to be repaid within the next twelve months from 31 December 2023, it is classified as non-current.

Joint ventures

Details of the significant joint ventures are as follows:

Name of joint venture	Principal activities	Principal places of Business/ Country of incorporation	Ownership interest 2023 %	Ownership interest 2022 %
Incorporated joint ventures				
TSky Development Pte. Ltd.[1]	Property development	Singapore	**60***	60*
TSky Balmoral Pte. Ltd.[1]	Property development	Singapore	**42**	42
TSky Cairnhill Pte. Ltd.[1]	Property development	Singapore	**31**	31
Unincorporated joint ventures				
GS E&C – TSC JV (partnership)[1]	Construction works	Singapore	**30**	30
Tiong Seng-Dongah Joint Venture (partnership)[1]	Construction works	Singapore	**66***	66*

1 Audited by KPMG LLP, Singapore

* Although the Group holds more than 50% ownership interest in these entities, pursuant to contractual agreements between the Group and its joint venture partners in these companies, joint control is exercised by both parties over the key activities of these entities. Accordingly, TSky Development Pte. Ltd. and Tiong Seng-Dongah Joint Venture (partnership) are classified as joint ventures of the Group.

All joint ventures are unlisted joint arrangements in which the Group has joint control via investors' agreements, and are the Group's strategic partners, principally engaged in construction, precast and prefabrication and property development.

Joint ventures are structured as separate vehicle and the Group has residual interests in its net assets. Accordingly, the Group has classified its interests as joint ventures, which is equity accounted.

9 JOINT VENTURES (CONTINUED)

Joint ventures (Continued)

The following summarises the financial information of each of the Group's material joint ventures based on their respective financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also includes summarised financial information for the Group's interests in immaterial joint ventures, based on the amounts reported in the Group's consolidated financial statements.

	GS E&C – TSC JV (partnership) $'000	Tiong Seng Dongah Joint Venture (partnership) $'000	TSky Development Pte. Ltd. and its joint ventures $'000	Individually immaterial joint ventures $'000	Total $'000
31 December 2023					
Revenue	–	5,876	–		
(Loss)/profit after tax/ Total comprehensive income[a]	–	(254)	1,943		
Non-current assets	–	6,687	18,066		
Current assets[b]	6,071	13,133	1,048		
Non-current liabilities[c]	–	(6,678)	(23,694)		
Current liabilities[d]	(21,395)	(2,151)	(132)		
Net (liabilities)/assets	(15,324)	10,991	(4,712)		
Group's interest in net (liabilities)/assets of investee at beginning of the year (before the reclassification of losses to amounts due to joint ventures)	(4,597)	7,422	(3,993)	3,788	2,620
Share of profit of joint venture, net of tax	–	(168)	1,166	(141)	857
Offsetting losses against loan to joint ventures	–	–	2,827	–	2,827
Reclassification of losses to amount due to joint ventures	4,597	–	–	–	4,597
Carrying amount of interest in investee at end of the year	–	7,254	–	3,647	10,901

9 JOINT VENTURES (CONTINUED)

Joint ventures (Continued)

	GS E&C – TSC JV (partnership) $'000	Tiong Seng Dongah Joint Venture (partnership) $'000	TSky Development Pte. Ltd. and its joint ventures $'000	Individually immaterial joint ventures $'000	Total $'000
31 December 2022					
Revenue	–	9,341	–		
Profit after tax/Total comprehensive income[a]	–	365	1,850		
Non-current assets	–	6,418	48,258		
Current assets[b]	6,071	12,122	60		
Non-current liabilities[c]	–	(6,400)	(54,858)		
Current liabilities[d]	(21,395)	(895)	(110)		
Net (liabilities)/assets	(15,324)	11,245	(6,650)		
Group's interest in net (liabilities)/assets of investee at beginning of the year (before the reclassification of losses to amounts due to joint ventures)	(4,597)	7,181	(5,103)	2,904	385
Share of profit of joint venture, net of tax	–	241	3,728	884	4,853
Impairment on joint venture	–	–	(2,618)	–	(2,618)
Reclassification of losses to amount due to joint ventures	4,597	–	3,993	–	8,590
Carrying amount of interest in investee at end of the year	–	7,422	–	3,788	11,210

(a) includes:
- depreciation expense of $Nil (2022: $4,000).
- interest expense of $4,000 (2022: $45,000).
- interest income of $1,058,000 (2022: $894,000).

(b) includes cash and cash equivalents of $4,386,000 (2022: 3,588,000).

(c) includes non-current financial liabilities (excluding trade and other payables and provisions) of $30,372,000 (2022: $61,258,000).

(d) includes current financial liabilities (excluding trade and other payables and provisions) of $Nil (2022: $93,000).

The Group's share of commitment has been included in Note 31.

Details of significant judgement relating to revenue and cost recognition of construction contract undertaken by the joint ventures are set out in Note 24.

9 JOINT VENTURES (CONTINUED)

Impairment of investment in joint ventures

The Group assesses at each reporting date whether there is any objective evidence that the investment in joint ventures is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the industry performance, technology changes, operational and financing cash flow. Management also considers the financial conditions and business prospects of the investment.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on the forecasted performance of the joint venture.

During the year, the Group carried out a review on the recoverable amount of its investment in joint ventures. The estimated recoverable amounts of its investment in joint ventures were determined based on the fair value less cost to sell of the underlying assets and liabilities of the companies.

Based on the assessment, the Group determined that impairment of $2,618,000 that was provided in prior year still remains this year as the fair value less cost to sell of the underlying development properties are lower than the carrying amounts.

The movement in the allowance for impairment in respect of investment in joint ventures during the year was as follows:

	Group	
	2023	**2022**
	$'000	**$'000**
At 1 January	**2,618**	–
Allowance for impairment loss	**–**	2,618
At 31 December	**2,618**	2,618

10 TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	**2023**	**2022**	**2023**	**2022**
		$'000	**$'000**	**$'000**	**$'000**
Non-current					
Retention monies on construction contracts		**31,482**	20,049	**–**	–
Current					
Trade receivables		**27,505**	29,442	**–**	–
Less: Allowance for impairment loss	34(b)	**(946)**	(902)	**–**	–
		26,559	28,540	**–**	–
Advances to suppliers, trade		**1,048**	42	**–**	–
Retention monies on construction contracts		**3,962**	11,133	**–**	–
Deposits and prepayments		**2,163**	3,095	**209**	37
Tax prepayments		**1,322**	1,681	**–**	–
Value-added tax receivables		**1,664**	2,570	**–**	–
Building and Construction Authority ("BCA") grant receivables		**1,384**	–	**–**	–
Other receivables		**8,867**	4,684	**2,017**	1,196
		46,969	51,745	**2,226**	1,233
Total		**78,451**	71,794	**2,226**	1,233

11 OTHER INVESTMENTS

	Group 2023 $'000	Group 2022 $'000
Club membership	**406**	390
Equity investments designated as at FVOCI		
Quoted equity investments	**22**	22
Unquoted equity investments	**245**	490
	673	902

Equity investments designated as at FVOCI

The Group designated equity investments as at FVOCI because these equity investments represent investments that the Group intends to hold for the long-term for strategic purposes.

No strategic investments were disposed of during 2023, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

12 DEFERRED TAX ASSETS/(LIABILITIES)

Movements in deferred tax assets and liabilities of the Group (prior to offsetting of balances) during the year were as follows:

	At 1 January 2022 $'000	Recognised in profit or loss (Note 27) $'000	At 31 December 2022 $'000	Recognised in profit or loss (Note 27) $'000	At 31 December 2023 $'000
Group					
Deferred tax assets					
Investment properties	93	–	93	–	**93**
Trade and other payables	1,110	9,808	10,918	(6,494)	**4,424**
Trade and other receivables	–	–	–	37	**37**
Estimated benefit on loss carry forward	3,005	4,833	7,838	(5,775)	**2,063**
Lease liabilities	87	–	87	711	**798**
	4,295	14,641	18,936	(11,521)	**7,415**
Deferred tax liabilities					
Property, plant and equipment	(2,637)	(14,568)	(17,205)	12,909	**(4,296)**
Trade and other payables	(214)	174	(40)	(1,494)	**(1,534)**
	(2,851)	(14,394)	(17,245)	11,415	**(5,830)**

12 DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the statement of financial position as follows:

	Group	
	2023	**2022**
	$'000	**$'000**
Deferred tax assets	**2,259**	2,271
Deferred tax liabilities	**(674)**	(580)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2023	**2022**
	$'000	**$'000**
Deductible temporary differences	**36,346**	36,346
Tax losses	**166,614**	157,109
	202,960	193,455

The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which certain subsidiaries operate. Except for tax losses of $30,181,000 (2022: $20,871,000) which expire in 5 to 7 years from the tax losses arise, the remaining amounts do not expire under their respective current tax legislation. Deferred tax assets have not been recognised in respect of these items because it may not be probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

Deferred tax liabilities have not been recognised for withholding and other taxes that would be payable on the unremitted earnings of $3,023,000 (2022: $17,470,000) of certain overseas subsidiaries for the year ended 31 December 2023 as the timing of the reversal of the temporary difference arising from such amounts can be controlled and it is probable that such temporary differences will not reverse in the foreseeable future.

13 INVENTORIES

	Group	
	2023	**2022**
	$'000	**$'000**
Raw materials and consumables	**3,936**	1,111
Finished goods	**355**	2,536
	4,291	3,647

During the year, inventories of $32,144,000 (2022: $16,986,000) were recognised as an expense and included in "Cost of construction contracts and engineering solutions".

Management carried out an inventory review at the end of each reporting period and write down the obsolete items. The net realisable value for inventories is estimated based on the current market condition and the historical experience of the sales of the inventories. It could change significantly as a result of changes in market conditions. During the year, based on management review, inventories have been reduced by $317,000 (2022: $Nil) as a result of the write-down to net realisable value. The write down was included in cost of sales.

14 CONTRACT COSTS

Contract costs relates to commission fees paid to property agents for securing sale contracts and direct cost incurred on the construction projects that will be used in satisfying future performance obligations which were capitalised during the year. The capitalised costs are amortised when the related revenue is recognised. During the year, $684,000 (2022: $340,000) was amortised to profit or loss. There was no impairment loss in relation to the costs capitalised.

15 CONTRACT ASSETS AND CONTRACT LIABILITIES

The following table provides information about contract assets and contract liabilities from contracts with customers.

	Group	
	2023	**2022**
	$'000	**$'000**
Contract assets	**56,724**	75,646
Contract liabilities	**(114,986)**	(74,300)

The contract assets relate to the Group's right to consideration for work completed but not billed at the reporting date in respect of its construction and engineering solutions businesses. The contract assets are transferred to trade receivables when the rights become unconditional, this usually occurs when the customer certifies the progress claims.

The contract liabilities relate to:

- advanced consideration received from customers from sale of development properties; and
- progress billings issued in excess of the Group's rights to the consideration in respect of its construction and engineering solutions businesses.

Significant changes in the contract assets and the contract liabilities balances during the year were as follows:

	Contract assets		Contract liabilities	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	**–**	–	**74,300**	74,801
Increases due to cash received, excluding amounts recognised as revenue during the year	**–**	–	**(98,953)**	(74,523)
Contract assets recognised at the beginning of the year reclassified to trade receivables	**(61,345)**	(46,274)	**–**	–
Recognition of revenue, net of reclassification to trade receivables during the year	**42,212**	67,988	**–**	–
Impairment loss on contract assets	**(244)**	(5,067)	**–**	–
Reversal of impairment loss on contract assets	**455**	–	**–**	–
Cumulative catch-up as a result of contract modifications	**–**	1,400	**(16,033)**	223

16 DEVELOPMENT PROPERTIES

		Group	
		2023	2022
		$'000	$'000
(a)	Properties under development, for which revenue is to be recognised at a point in time		
	Land and land related costs	**57,160**	72,379
	Development costs	**23,133**	65,586
	Total	**80,293**	137,965
	Allowance for diminution in value	**(24,166)**	(25,180)
	Properties under development	**56,127**	112,785
(b)	Completed development properties, at cost	**80,010**	45,371
	Allowance for diminution in value	**(7,735)**	(8,639)
	Completed development properties	**72,275**	36,732
	Total development properties	**128,402**	149,517

Allowance for diminution in value

Movement in allowance for diminution in value was as follows:

	Group	
	2023	2022
	$'000	$'000
At 1 January	**33,819**	34,442
Allowance for diminution in value made during the year	**–**	3,084
Utilisation during the year	**(603)**	(678)
Translation differences on consolidation	**(1,315)**	(3,029)
At 31 December	**31,901**	33,819

The Group's properties under development and completed development properties are stated at the lower of cost and net realisable value. Taking into consideration the expected selling prices for the project based on external independent professional valuations undertaken or recent selling prices for the development projects, the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion in case for properties under development and the costs to be incurred in selling the properties based on prevailing market conditions. If there is a decrease in net sales value, the net realisable value will decrease. Changes in the estimates of the costs to completion and the estimated selling price would also have an effect on the determination of diminution in value for each project. Such allowance requires the use of judgement and estimates.

During the year, the Group engaged an independent professional valuer to value one of its development properties in PRC. The valuation was undertaken by the independent professional valuer who has appropriate recognised professional qualifications and recent experience in the location and category of the development properties being valued. The valuation was based on the comparable sales method, taking into consideration of the recent selling price per square meter for comparable properties and prevailing property market conditions. The key assumption used in the valuation is estimated selling price per square feet of the subject properties. Based on the valuation, the Group determined that impairment of $3,084,000 that was provided in prior year still remains.

16 DEVELOPMENT PROPERTIES (CONTINUED)

Allowance for diminution in value (Continued)

Where the expectation is different from the original estimate, the carrying value and allowance for diminution in value on properties in the period in which such estimate is changed will be adjusted accordingly. In addition, given the volatility of the PRC property market and the unique nature of individual properties, the actual outcome in terms of costs and revenue may be higher or lower than estimated at the reporting date. Any increase or decrease in the allowance would affect profit or loss in future years.

During the year, completed development properties of $26,496,000 (2022: $20,507,000) were recognised as an expense and included in "Cost of sales of development properties".

The details of the Group's development properties as at 31 December 2023 and 2022 were:

Location	Description	Intended use	Stage of completion	Expected date of completion	Land area	Gross floor area	Group's effective interest
The Equinox, Dagang, Guangang Forest Park, Tianjin, PRC	Residential development	Residential	Phase developments with expected full completion around 2029		325,000 sqm	Residential: 162,000 sqm	83%
Tranquility Residences, Xushuguan Development Zone, Suzhou, PRC	Residential development	Residential	Completed	Completed	85,509 sqm	Residential: 87,220 sqm	100%
Zizhulin, Tianjin, PRC	Commercial land	Commercial	Planning stage	Planning stage	8,000 sqm	Commercial: 12,000 sqm	80%

17 AMOUNTS DUE FROM/(TO) RELATED PARTIES

Amounts due from related parties

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Non-current				
Trade amount due from:				
– joint ventures	**4,930**	4,807	**–**	–
Current				
Trade amounts due from:				
– joint ventures	**596**	1,056	**–**	–
– affiliated corporation	**526**	510	**–**	–
less: allowance for impairment loss	**(294)**	–	**–**	–
	828	1,566	**–**	–
Non-trade amounts due from:				
– affiliated corporations	**3**	3	**–**	–
– joint ventures	**9,100**	24,430	**–**	–
– non-controlling interests	**4,673**	4,871	**–**	–
less: allowance for impairment loss	**(3,548)**	(3,548)	**–**	–
	1,125	1,323	**–**	–
– subsidiaries	**–**	–	**104,286**	104,286
less: allowance for impairment loss	**–**	–	**(72,976)**	(56,969)
	–	–	**31,310**	47,317
	10,228	25,756	**31,310**	47,317
Loans to non-controlling interests	**3,320**	3,526	**–**	–
	14,376	30,848	**31,310**	47,317
Total amounts due from related parties	**19,306**	35,655	**31,310**	47,317

An affiliated corporation is defined as one:

(a) in which a director of the Group has substantial financial interests or who is in a position to exercise significant influence; and/or

(b) which directly or indirectly, through one or more intermediaries, are under the control of a common shareholder.

The non-trade amounts due from affiliated corporations, joint ventures, non-controlling interests and subsidiaries are unsecured, interest-free and repayable on demand.

The loans to non-controlling interests comprise:

(i) an amount of $3,319,000 (2022: $3,407,000) which bears interest at 12% (2022: 12%) per annum and is secured by the non-controlling interests' shares in a subsidiary, Guangang. The amount is repayable on demand; and

(ii) an amount of $1,678 (2022: $119,000) which is secured, interest-free and repayable on demand.

17 AMOUNTS DUE FROM/(TO) RELATED PARTIES (CONTINUED)

Amounts due to related parties

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Trade amounts due to:				
– joint ventures	**(229)**	(30)	**–**	–
– corporate shareholder	**(40)**	(40)	**–**	–
– affiliated corporation	**(2,211)**	(2,123)	**–**	–
	(2,480)	(2,193)	**–**	–
Non-trade amounts due to:				
– subsidiary	**–**	–	**(68,593)**	(64,964)
– joint ventures	**(2,264)**	(6,208)	**–**	–
	(2,264)	(6,208)	**(68,593)**	(64,964)
Loans from non-controlling interests	**(1,976)**	(2,048)	**–**	–
Total amounts due to related parties	**(6,720)**	(10,449)	**(68,593)**	(64,964)

The non-trade amounts due to subsidiary and joint ventures and loans from non-controlling interests are unsecured, interest-free and repayable on demand.

18 CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Cash at banks and in hand	**96,370**	43,735	**328**	88
Fixed deposits	**16,208**	3,897	**–**	–
Cash and bank balances	**112,578**	47,632	**328**	88
Deposits pledged	**–**	(557)		
Cash and cash equivalents in the statement of cash flows	**112,578**	47,075		

Cash and bank balances totalling $9,688,000 (2022: $11,369,000) are held in a country which operates foreign exchange controls.

Interest rates are repriceable as and when notified by the banks. The weighted average effective interest rates relating to cash and cash equivalents as at the reporting date for the Group was 1.31% (2022: 0.80%) per annum.

The deposits are pledged as security to obtain bank loans as disclosed in Note 23.

19 ASSETS HELD FOR SALE

The Group has committed to sell one of its investment properties and certain properties classified under property, plant and equipment. The sales are expected to be completed in the next 12 months and accordingly, these properties are presented as assets held for sale.

The details of the properties classified as assets held for sale as at 31 December 2023 and 2022 were:

Description	Category
SLF building	Investment properties
6 Tuas South Street 11	Leasehold land and leasehold properties under property, plant and equipment
Pontian land	Freehold land under property, plant and equipment
Fan Yoong Property	Leasehold land and leasehold properties under property, plant and equipment

	Group	
	2023	**2022**
	$'000	**$'000**
SLF building	**3,481**	3,481
6 Tuas South Street 11	**12,115**	12,115
Pontian land	**8,988**	9,493
Fan Yoong Property	**16,800**	–
	41,384	25,089

20 SHARE CAPITAL

	2023	**2022**
	No of shares	**No of shares**
Issued and fully paid ordinary shares, with no par value		
At 1 January, including treasury shares	**459,623,849**	459,623,849
Treasury shares	**(18,547,200)**	(18,547,200)
At 31 December, excluding treasury shares	**441,076,649**	441,076,649

The holders of all ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Capital management

The Group defines capital as total shareholders' equity attributable to owners of the Company excluding non-controlling interests. The primary objective of the management of the Company's capital structure is to maintain efficient mix of debt and equity in order to achieve an optimal cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. The Board of Directors monitors the return of capital which the Group defines as loss attributable to equity holders of the Company divided by total shareholders' equity excluding non-controlling interests. The return on capital in 2023 was a loss of 16.6% (2022: loss of 91.9%). The Board also monitors the level of dividends paid to ordinary shareholders.

20 SHARE CAPITAL (CONTINUED)

Capital management (Continued)

The Board regularly reviews the Company's capital structure and makes adjustments to reflect economic conditions, business strategies and future commitments.

No significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure during the year.

The Company and its subsidiaries are not subject to externally imposed capital requirements.

Dividends

The following exempt (one-tier) dividends were declared and paid by the Group.

	Group and Company	
	2023	**2022**
	$'000	**$'000**
Paid by the Company to owners of the Company		
Nil cent (2022: 0.25 cent) per qualifying ordinary share	–	1,104

	Group	
	2023	**2022**
	$'000	**$'000**
Paid by a subsidiary to non-controlling interest		
Nil cent (2022: 0.25 cent) per qualifying ordinary share	–	51

21 RESERVES

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Treasury shares	**(4,906)**	(4,906)	**(4,906)**	(4,906)
Merger reserve	**(77,720)**	(77,720)	**(45,850)**	(45,850)
Capital reserve	**(9,345)**	(9,345)	**–**	–
Statutory reserve	**6,404**	4,045	**–**	–
Foreign currency translation reserve	**(12,744)**	(6,036)	**–**	–
Fair value reserve	**(103)**	142	**–**	–
	(98,414)	(93,820)	**(50,756)**	(50,756)

Treasury shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

21 RESERVES (CONTINUED)

Merger reserve

Group

The merger reserve represents the difference between the cost of the acquisition for the restructuring and the value of share capital of the entities acquired.

Company

The merger reserve represents the difference between the cost of acquisition of the Tiong Seng Contractors combined group, recorded in accordance with paragraph 13 of SFRS(I) 27 *Separate Financial Statements*, and the paid up capital of the Company issued for the acquisition.

Capital reserve

The Group's capital reserve arises mainly from acquisition of additional interest in subsidiaries.

Statutory reserve

The statutory reserve relates to the reserves set aside by certain subsidiaries in compliance with the relevant regulations in the PRC.

Foreign currency translation reserve

The foreign currency translation reserve comprises:

(a) foreign exchange differences arising from the translation of the financial statements of foreign corporations; and

(b) exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

Fair value reserve

The fair value reserve comprises the cumulative net change in fair value of equity investments designated at FVOCI.

22 TRADE AND OTHER PAYABLES

	Group		Company	
	2023 **$'000**	2022 $'000	**2023** **$'000**	2022 $'000
Non-current				
Retention sums payable	**21,973**	12,267	**–**	–
Current				
Trade payables	**75,226**	56,416	**–**	–
Accrued trade payables	**32,247**	34,778	**–**	–
Accrued operating expenses and other payables	**16,705**	13,166	**366**	207
GST payables	**4,044**	1,345	**–**	–
Retention sums payable	**5,747**	13,177	**–**	–
Provisions	**35,503**	79,822	**–**	–
	169,472	198,704	**366**	207
Total	**191,445**	210,971	**366**	207

22 TRADE AND OTHER PAYABLES (CONTINUED)

Provisions

	Provision for penalties $'000	Provision for onerous contracts $'000	Total $'000
Group			
At 1 January 2022	5,334	41,396	46,730
Provision made during the year	1,336	47,664	49,000
Utilisation during the year	(2,108)	(13,800)	(15,908)
At 31 December 2022	4,562	75,260	79,822
At 1 January 2023	**4,562**	**75,260**	**79,822**
Provision made during the year	**3,938**	**7,745**	**11,683**
Reversal of provision during the year	**–**	**(1,586)**	**(1,586)**
Utilisation during the year	**–**	**(54,416)**	**(54,416)**
At 31 December 2023	**8,500**	**27,003**	**35,503**

The provisions for penalties and onerous contracts made during the year have been included in "Cost of sales of development properties" and "Cost of construction contracts and engineering solutions" respectively.

Provision for penalties were made for late completion of development and administrative fine in connection to one of the PRC development projects.

Provisions for onerous contracts relate to expected losses arising from non-cancellable construction contracts where the expected total contract costs exceed the total contract sums and are expected to be materialised as these contracts progress towards completion. The Group conducts critical review of all its contracts regularly. The Group monitors and reviews the progress of all the contracts, taking into consideration inputs from internal project managers and external customers in estimating these total contract costs to complete as well as in the evaluation of any potential risks and factors which may affect contract price, cost and timely completion of these contracts. The review also encompasses the cost analysis process whereby both actual costs incurred and future costs to complete are critically examined.

23 LOANS AND BORROWINGS

	Group	
	2023	**2022**
	$'000	**$'000**
Non-current		
Secured bank loans	**5,459**	15,802
Lease liabilities	**6,672**	3,229
	12,131	19,031
Current		
Secured bank loans	**93,783**	81,617
Lease liabilities	**1,592**	1,040
Secured bank loans associated with assets held for sale	**13,286**	10,125
Lease liabilities associated with assets held for sale	**1,268**	–
	109,929	92,782
Total loans and borrowings	**122,060**	111,813

Maturities of liabilities (excluding lease liabilities)

	Group	
	2023	**2022**
	$'000	**$'000**
Within one year	**107,069**	91,742
Between one and five years	**4,228**	14,311
More than five years	**1,231**	1,491
	112,528	107,544

Security

The secured bank loans are secured on the following assets:

	Group	
	2023	**2022**
	$'000	**$'000**
Carrying amounts of assets:		
Leasehold land	**3,855**	3,961
Freehold land	**3,438**	3,641
Leasehold properties	**18,640**	36,102
Plant and machinery	**783**	1,352
Fixed deposits	**–**	557
Assets held for sale	**41,384**	25,089
Total	**68,100**	70,702

The secured bank loans are also secured by assignment of rights, interests and benefits in connection with construction contracts and engineering solutions.

23 LOANS AND BORROWINGS (CONTINUED)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate per annum %	Year of maturity	Carrying amount $'000
Group				
At 31 December 2023				
Secured bank loans	**SGD**	**1.71 – 5.90**	**2024 – 2032**	**99,242**
Lease liabilities	**SGD**	**2.15 – 5.40**	**2024 – 2055**	**8,264**
Secured bank loans associated with assets held for sale	**SGD**	**2.55 – 5.90**	**2024**	**13,286**
Lease liabilities associated with assets held for sale	**SGD**	**5.40**	**2024**	**1,268**
Total loans and borrowings				**122,060**
At 31 December 2022				
Secured bank loans	SGD	1.71 – 5.88	2023 – 2032	97,419
Lease liabilities	SGD	2.15 – 3.80	2023 – 2055	4,269
Secured bank loans associated with assets held for sale	SGD	2.55 – 5.49	2024 – 2026	10,125
Total loans and borrowings				111,813

The Group has a secured revolving credit facility with a carrying amount of $1,000,000 (2022: $1,000,000) as at 31 December 2023. This revolving credit contains a covenant stating that the Group's tangible net worth has to be at least $180,000,000 (2022: $200,000,000). As at 31 December 2023, the Group's tangible net worth was below the threshold. Subsequent to year end, the bank has indicated to the Group that the covenant to comply with tangible net worth of $180,000,000 (2022: $200,000,000) for the financial year ended 31 December 2023 has been waived.

23 LOANS AND BORROWINGS (CONTINUED)

Reconciliation of movements of liabilities and equity to cash flows arising from financing activities

	Liabilities			Equity					
Group	**Amounts due to related parties $'000**	**Secured bank loans $'000**	**Lease liabilities $'000**	**Share capital $'000**	**Treasury shares $'000**	**Reserves $'000**	**Retained earnings $'000**	**Non-controlling interests $'000**	**Total $'000**
Balance at 1 January 2022	12,646	86,009	4,904	181,947	(4,873)	(76,000)	90,129	2,967	297,729
Changes from financing cash flows									
Dividends paid to									
– owners of the Company	–	–	–	–	–	–	(1,104)	–	(1,104)
– non-controlling interest	–	–	–	–	–	–	–	(51)	(51)
Interest paid	–	(3,018)	(217)	–	–	–	–	–	(3,235)
Purchase of treasury shares	–	–	–	–	(33)	–	–	–	(33)
Payments of lease liabilities	–	–	(1,465)	–	–	–	–	–	(1,465)
Proceeds from loans and borrowings	–	48,705	717	–	–	–	–	–	49,422
Repayment of loans and borrowings	–	(27,756)	(458)	–	–	–	–	–	(28,214)
Transfer statutory reserve	–	–	–	–	–	299	(299)	–	–
Total changes from financing cash flows	–	17,931	(1,423)	–	(33)	299	(1,403)	(51)	15,320
The effect of changes in foreign exchange rates	–	–	–	–	–	(13,213)	–	(1,068)	(14,281)
Other changes									
Liability-related									
New leases	–	–	525	–	–	–	–	–	525
Interest expense	–	3,018	217	–	–	–	–	–	3,235
Others	(2,197)	586	46	–	–	–	–	–	(1,565)
Total liability-related other changes	(2,197)	3,604	788	–	–	–	–	–	2,195
Total equity-related other changes	–	–	–	–	–	–	(84,700)	2,644	(82,056)
Balance at 31 December 2022	10,449	107,544	4,269	181,947	(4,906)	(88,914)	4,026	4,492	218,907

23 LOANS AND BORROWINGS (CONTINUED)

Reconciliation of movements of liabilities and equity to cash flows arising from financing activities (Continued)

	Liabilities			Equity					
Group	Amounts due to related parties $'000	Secured bank loans $'000	Lease liabilities $'000	Share capital $'000	Treasury shares $'000	Reserves $'000	Retained earnings $'000	Non-controlling interests $'000	Total $'000
Balance at 1 January 2023	**10,449**	**107,544**	**4,269**	**181,947**	**(4,906)**	**(88,914)**	**4,026**	**4,492**	**218,907**
Changes from financing cash flows									
Interest paid	–	(4,953)	(872)	–	–	–	–	–	(5,825)
Payments of lease liabilities	–	–	(833)	–	–	–	–	–	(833)
Proceeds from loans and borrowings	–	91,908	–	–	–	–	–	–	91,908
Repayment of loans and borrowings	–	(86,923)	(751)	–	–	–	–	–	(87,674)
Transfer statutory reverse	–	–	–	–	–	2,359	(2,359)	–	–
Total changes from financing cash flows	–	32	(2,456)	–	–	2,359	(2,359)	–	(2,424)
The effect of changes in foreign exchange rates	–	–	–	–	–	(6,953)	–	(941)	(7,894)
Other changes									
Liability-related									
New leases	–	–	6,847	–	–	–	–	–	6,847
Interest expense	–	4,953	872	–	–	–	–	–	5,825
Others	(3,729)	–	–	–	–	–	–	–	(3,729)
Total liability-related other changes	(3,729)	4,953	7,719	–	–	–	–	–	8,943
Total equity-related other changes	–	–	–	–	–	–	(12,122)	(1,477)	(13,599)
Balance at 31 December 2023	6,720	112,529	9,532	181,947	(4,906)	(93,508)	(10,455)	2,074	203,933

24 REVENUE

	Group	
	2023	**2022**
	$'000	**$'000**
Revenue from construction contracts and engineering solutions	**449,645**	329,318
Revenue from sales of development properties	**24,852**	26,076
Rental income	**551**	346
	475,048	355,740

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Construction contracts and engineering solutions

Nature of services	Construction and provision of engineering solution
When revenue is recognised	Revenue from construction contract is recognised progressively over time using input method based on construction costs incurred to-date as compared to the estimated total construction costs.
Significant payment terms	Progress billings are issued monthly based on the amount of work certified for the month. The progress billings are payable within credit terms granted by the Group to the customers.

Nature of services	Manufacturing and supply of precast and prefabricated components
When revenue is recognised	Revenue from precast and prefabricated components is recognised when criteria for acceptance have been satisfied.
Significant payment terms	Invoices are issued to the customers in accordance with agreed billing milestones and are payable within credit terms granted by the Group to the customers.

Nature of services	Provision of steel and mass engineered work.
When revenue is recognised	Revenue from provision of steel and mass engineered timber work is recognised progressively over time using input method based on contract costs incurred to-date as compared to the estimated total contract costs.
Significant payment terms	For steel and mass engineered timber work, progress billings are issued monthly based on the amount of work certified for the month. The progress billings are payable within credit terms granted by the Group to the customers.

24 REVENUE (CONTINUED)

Sales of development properties

Nature of services	Sales of development properties
When revenue is recognised	Revenue is recognised when control over the property is transferred to the customer which is at the point when the key of the property is handed over to the purchaser. Upon the handover of the key, the completion certificate of the development of the property have been received, financial contracts have been signed and registered with housing authorities in the relevant province in the People's Republic of China and 100% of the sale amount under the contract have been received.
Significant payment terms	Customers are required to make payment upon signing of sale and purchase agreement.

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

	2023 **$'000**	**2022** **$'000**
Construction contracts and engineering solutions	**644,082**	1,192,522
Sales of development properties	**9,696**	22,445
	653,778	1,214,967

The Group expects the above amounts to be recognised as revenue over the next one to three years. Variable consideration that is constrained and therefore not included in the transaction price is excluded in the amount presented above.

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if:

- The performance obligation is part of a contract that has an original expected duration of one year or less; or
- The Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

Revenue and costs recognition from construction contracts

The Group recognises revenue from construction contracts progressively over time. Significant judgement is required in determining the stage of completion, the estimated total contract revenue and estimated total construction cost, as well as the recoverability of the contract assets.

Estimation of total contract revenue also includes an estimation of the variation works that are recoverable from the customers. In making the judgement, the Group relies on past experience and/or the work of relevant professionals.

24 REVENUE (CONTINUED)

Revenue and costs recognition from construction contracts (Continued)

Estimated total construction cost comprises direct costs attributable to the construction of works. In estimating the total budgeted costs for construction contracts, the Group makes reference to information such as the level of work content sub-contracted, fluctuations in the prices of raw materials, size, design and material specifications of the projects, cost overruns and savings, variation works requested by customers, current offers from contractors and suppliers, recent offers agreed with contractors and suppliers, and professional estimation on construction and material costs as well as its past experience.

Given the contractual nature of the business, variation orders, additional works and prolongation costs are expected on a continual basis. As some of these items could be subjective and hence contentious in nature, the Group may from time to time be involved in arbitration or legal processes. As any such processes could be lengthy and outcome inherently uncertain where estimates, assumptions and significant judgement involved, the carrying amount of the contract assets and retention sum receivables at the reporting date may invariably be affected by these outcome.

25 LOSS BEFORE TAX

The following items have been included in arriving at loss before tax:

	Group	
	2023	**2022**
	$'000	**$'000**
(a) Other income		
Fees from project and property management	**197**	153
Gain on disposal of:		
– investment properties	**–**	757
– property, plant and equipment	**280**	158
Sale of scrap parts and materials	**568**	1,060
Government grants:		
– levy rebates	**–**	1,491
– BCA grant	**1,384**	–
– jobs credit scheme	**323**	517
– others	**48**	40
Training and testing fee income	**233**	461
Management fees	**1,160**	301
Others	**937**	701
	5,130	5,639

25 LOSS BEFORE TAX (CONTINUED)

	Group 2023 $'000	Group 2022 $'000
(b) Other expenses include		
Direct operating expenses arising from:		
– rental of investment properties	**–**	5
– investment property that did not generate rental income	**106**	101
Impairment loss arising from property development business	**–**	3,084
Impairment loss on:		
– contract assets	**244**	5,067
– investment in a joint venture	**–**	2,618
– trade receivables	**–**	142
– trade amount due from related parties	**294**	–
Audit fees paid to:		
– auditors of the Company and other firms affiliated with KPMG International Limited	**454**	490
– other auditors	**44**	47
Non-audit fees paid to auditors of the Company and other firms affiliated with KPMG International Limited	**100**	158
Reversal of impairment loss on:		
– contract assets	**(455)**	–
– trade receivables	**–**	(12)
Fine and penalty	**17**	1
Written down of inventories	**317**	–
Written off:		
– goodwill	**756**	221
– property, plant and equipment	**30**	6
– bad debts	**126**	395
(c) Staff costs		
Wages and salaries for staff	**58,453**	57,339
Contribution to defined contribution plans	**3,147**	3,176
(Decrease)/increase in liability for short-term accumulating compensated absence	**(91)**	1,345
Others	**845**	808
Staff costs for the year	**62,354**	62,668

The staff costs charged to profit or loss are arrived at as follows:

	Group 2023 $'000	Group 2022 $'000
Staff costs for the year	**62,354**	62,668
Staff costs included in cost of construction contracts	**(44,462)**	(43,286)
Staff costs charged to profit or loss	**17,892**	19,382

26 FINANCE INCOME AND COSTS

	Group 2023 $'000	Group 2022 $'000
Implicit interest in retention sum payables	**1,428**	427
Interest income on:		
– cash and cash equivalents	**1,538**	484
Finance income	**2,966**	911
Interest expense on:		
– bank loans	**(4,953)**	(3,018)
– lease liabilities	**(872)**	(217)
Accretion of implicit interest on:		
– advanced consideration received	**(550)**	(1,047)
Discount implicit in retention sum receivables	**(481)**	(2,247)
Exchange loss (net)	**(708)**	(152)
Finance costs	**(7,564)**	(6,681)
Net finance costs recognised in profit or loss	**(4,598)**	(5,770)
The above finance income and finance costs include the following interest income and expenses in respect of assets/(liabilities) not at fair value through profit or loss:		
– Total interest income on financial assets	**1,538**	484
– Total interest expenses on financial liabilities	**(5,825)**	(3,235)

27 TAX EXPENSE/(CREDIT)

	Group 2023 $'000	Group 2022 $'000
Tax recognised in profit or loss		
Current tax		
Current year	**403**	1,044
Changes in estimate related to prior years	**(64)**	(3,472)
	339	(2,428)
Deferred tax		
Changes in estimate related to prior years	**106**	(247)
Land appreciation tax		
Current year	**–**	1,957
Changes in estimate related to prior years	**–**	19
	–	1,976
Total tax expense/(credit)	**445**	(699)

27 TAX EXPENSE/(CREDIT) (CONTINUED)

Tax recognised in other comprehensive income

	2023 Before tax $'000	2023 Tax expense $'000	2023 Net of tax $'000	2022 Before tax $'000	2022 Tax expense $'000	2022 Net of tax $'000
Group						
Translation differences relating to financial statements of foreign subsidiaries	**(6,495)**	**–**	**(6,495)**	(9,824)	–	(9,824)
Exchange differences on monetary items forming part of net investment in a foreign operation	**(1,154)**	**–**	**(1,154)**	(4,390)	–	(4,390)
Net change in fair value of equity investment at fair value through other comprehensive income	**(245)**	**–**	**(245)**	(67)	–	(67)
	(7,894)	**–**	**(7,894)**	(14,281)	–	(14,281)

	Group 2023 $'000	Group 2022 $'000
Reconciliation of effective tax rate		
Loss before tax	**(13,154)**	(85,743)
Less: Share of profit of joint ventures, net of tax	**(857)**	(4,853)
Loss before tax excluding share of results of joint ventures	**(14,011)**	(90,596)
Tax expenses using domestic rates applicable to different jurisdictions	**(3,039)**	(15,348)
Expenses not deductible for tax purposes	**2,450**	2,480
Income not subject to tax	**(1,164)**	(795)
Deferred tax benefits not recognised	**1,929**	14,780
Effect of land appreciation tax	**–**	1,957
Changes in estimates related to prior years:		
– Current tax	**(64)**	(3,472)
– Deferred tax	**106**	(247)
– Land appreciation tax	**–**	19
Others	**227**	(73)
	445	(699)

Land appreciation tax

Land appreciation tax in China relates to the tax on gains arising from the transfer of land use right and the buildings that are constructed on the land. Land appreciation tax is levied at 30% to 60% on gain from sale of landed properties with reference to the percentage of appreciated value over the deductible expenditure.

27 TAX EXPENSE/(CREDIT) (CONTINUED)

Income and revenue taxes

The Group is subject to income, revenue and withholding taxes in a few jurisdictions. Significant judgement is required in determining the capital allowances, the types and rates of taxes payable, deductibility of certain expenses, and taxability of certain income during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the revenue, provision for income tax and deferred income tax provisions in the period in which such determination is made.

28 Earnings per share

The calculation of the basic and diluted earnings per share was based on the loss attributable to the ordinary shareholders of $12,122,000 (2022: $84,700,000) and a weighted average number of ordinary shares outstanding of 441,076,649 (2022: 441,355,673), calculated as follows:

Loss attributable to ordinary shareholders

	Group	
	2023	**2022**
	$'000	**$'000**
Loss attributable to ordinary shareholders	**(12,122)**	(84,700)

Weighted average number of ordinary shares

	Number of shares	
	2023	**2022**
	'000	**'000**
Weighted average number of ordinary shares during the year	**441,077**	441,356

There are no potential dilutive ordinary shares in existence for the years presented.

29 OPERATING SEGMENTS

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they are located in different geographical areas and require different marketing strategies. For each of the strategic business unit, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

- Construction: Relates to acting as main contractors in construction and civil engineering projects and provision of construction and civil engineering services mainly to property developers and government in both private and public sectors.
- Engineering solutions: Relates to manufactures and supplies precast and prefabricated components as well as provision of steel and mass engineered timber works to main contractors in construction and civil engineering projects.
- Property development: Relates to development and sales of properties.

29 OPERATING SEGMENTS (CONTINUED)

Other operations include rental and general corporate activities.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

	Construction $'000	Engineering solutions $'000	Property development $'000	Segments total $'000	Others* $'000	Elimination $'000	Total $'000
31 December 2023							
External revenues	413,147	36,498	24,852	474,497	551	–	475,048
Inter-segment revenue	–	52,171	–	52,171	–	(52,171)	–
Interest income	1,281	1	374	1,656	298	(416)	1,538
Interest expenses	(4,713)	(1,170)	(347)	(6,230)	(11)	416	(5,825)
Gain on disposal of:							
– property, plant and equipment	188	88	4	280	–	–	280
Impairment loss on trade amount due from related parties	(294)	–	–	(294)	–	–	(294)
Impairment loss on contract assets	–	(244)	–	(244)	–	–	(244)
Reversal of impairment loss on contract assets	–	455	–	455	–	–	455
Provision	(7,143)	(602)	(3,938)	(11,683)	–	–	(11,683)
Reversal of provision	1,485	–	–	1,485	–	–	1,485
Depreciation and amortisation	(7,081)	(4,362)	(43)	(11,486)	(50)	–	(11,536)
Reportable segment profit/(loss) before tax	879	(3,760)	(7,076)	(9,957)	(4,054)	–	(14,011)
Share of profit of joint ventures, net of tax							857
Loss before tax							(13,154)
Tax expense							(445)
Loss for the year							(13,599)
Reportable segment assets	272,828	63,674	148,849	485,351	14,089	–	499,440
Investment in joint ventures	10,296	606	3,707	14,609	–	–	14,609
Total assets							514,049
Reportable segment liabilities	351,623	62,139	24,560	438,322	575	–	438,897
Capital expenditure	7,455	4,098	890	12,443	756	–	13,199

29 OPERATING SEGMENTS (CONTINUED)

Information about reportable segments (Continued)

	Construction $'000	Engineering solutions $'000	Property development $'000	Segments total $'000	Others* $'000	Elimination $'000	Total $'000
31 December 2022							
External revenues	299,481	29,837	26,076	355,394	346	–	355,740
Inter-segment revenue	–	20,315	–	20,315	–	(20,315)	–
Interest income	824	2	423	1,249	393	(1,158)	484
Interest expenses	(2,294)	(974)	(352)	(3,620)	(773)	1,158	(3,235)
Gain on disposal of:							
– property, plant and equipment	158	–	–	158	–	–	158
– investment property	757	–	–	757	–	–	757
Impairment loss arising from property development business: allowance for diminution in value of development properties	–	–	(3,084)	(3,084)	–	–	(3,084)
Impairment loss on trade receivables	(142)	–	–	(142)	–	–	(142)
Reversal of impairment loss on trade receivables	12	–	–	12	–	–	12
Impairment loss on contract assets	–	(5,067)	–	(5,067)	–	–	(5,067)
Provision	(46,366)	(1,298)	(1,336)	(49,000)	–	–	(49,000)
Depreciation and amortisation	(8,824)	(5,017)	(30)	(13,871)	(45)	–	(13,916)
Reportable segment profit/(loss) before tax	(58,838)	(21,835)	(6,855)	(87,528)	(3,068)	–	(90,596)
Share of profit of joint ventures, net of tax							4,853
Loss before tax							(85,743)
Tax credit							699
Loss for the year							(85,044)
Reportable segment assets	229,986	55,391	184,814	470,191	14,162	–	484,353
Investment in joint ventures	10,584	626	12,219	23,429	–	–	23,429
Total assets							507,782
Reportable segment liabilities	323,403	48,108	39,340	410,851	286	–	411,137
Capital expenditure	4,252	5,100	10	9,362	3	–	9,365

29 OPERATING SEGMENTS (CONTINUED)

Geographical segments

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, engineering solutions and property development segments are mainly domiciled in Singapore and the PRC respectively.

	Revenue from external customers		Non-current assets*	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Group				
Singapore	**450,071**	**329,664**	61,738	87,447
PRC	**24,852**	**26,076**	932	182
PNG	**4**	–	5	3
Europe	–	–	94	87
Malaysia	**121**	–	6,312	7,200
	475,048	**355,740**	69,081	94,919

* The non-current assets consist of property, plant and equipment, intangible assets, investment properties, investment in joint ventures and right-of-use assets.

Major customers

During the financial year ended 31 December 2023, revenue from major customers of the Group's construction segment amounted to approximately $288,361,000 (2022: $162,366,000). The details of these customers which individually contributed 10 percent or more of the Group's revenue in the year were as follows:

	2023		2022	
	$'000	%	$'000	%
Customer A	**106,366**	**22**	45,219	13
Customer B	**72,811**	**15**	41,531	12
Customer C	**61,752**	**13**	40,157	11
Customer D	**47,432**	**10**	35,459	10

30 LEASES

Leases as lessee

The Group leases leasehold land, office and storage space. The leases run for a period of 1 to 3 years, with an option to renew the lease after that date. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The Group leases worker dormitory, machinery, storage space, motor vehicles and office equipment with contract terms of up to five years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

30 LEASES (CONTINUED)

Leases as lessee (Continued)

Information about leases for which the Group is a lessee is presented below.

(i) Amounts recognised in profit or loss

	2023 $'000	2022 $'000
Interest on lease liabilities	**872**	217
Expenses relating to short-term leases	**207**	382
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**31**	36

(ii) Amounts recognised in statement of cash flows

	2023 $'000	2022 $'000
Total cash outflow for leases		
– Interest paid	**872**	217
– Payment of lease liabilities	**833**	1,465
	1,705	1,682

(iii) Commitment relating to short-term leases and leases of low-value assets

The Group applied practical expedients, therefore the Group did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application and leases of low value assets. Non-cancellable operating leases rentals for these leases are as follows:

	2023 $'000	2022 $'000
Less than one year	**29**	72
Between one and five years	**6**	34
	35	106

31 COMMITMENTS

Commitments of the Group not reflected in the financial statements at the respective reporting dates are as follows:

	Group	
	2023 $'000	2022 $'000
Developmental costs contracted but not provided for:		
– subsidiaries	**1,210**	6,842
– joint ventures	**–**	8,893
	1,210	15,735

32 FINANCIAL GUARANTEE CONTRACTS

(a) Guaranteed performance bonds

Certain subsidiaries have obtained guarantee from the banks to provide performance bonds to the customers amounting to $78,246,000 (2022: $93,225,000).

(b) Financial guarantees by the Company in respect of banking facilities provided to subsidiaries

The Company accounts for its financial guarantees as insurance contracts. There are no terms and conditions attached to the financial guarantee contracts that would have a material effect on the amount, timing and uncertainty of the Company's future cash flows. At reporting date, the Company does not consider that it is probable that a claim will be made against the Company under the financial guarantee contracts. Accordingly, the Company does not expect any net cash outflows resulting from the financial guarantee contracts.

The Company issued financial guarantees to certain financial institutions in respect of banking facilities (inclusive of guaranteed performance bonds) for their wholly-owned subsidiaries amounting to $523,790,000 (2022: $547,633,000). As at 31 December 2023, $188,064,000 (2022: $185,226,000) of the banking facilities was utilised. At the reporting date, the Company does not consider it probable that the claims will be made against the Company under the guarantee.

33 RELATED PARTIES

(a) Key management personnel compensation

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The amounts stated below for key management compensation are for all the executive directors and other key management personnel. The amounts do not include compensation, if any, of certain key management personnel and directors of the Group who received compensation from related corporations outside the Group in their capacity as directors and, or executives of those related corporations.

Compensation payable to key management personnel, included in staff costs, comprise:

	Group	
	2023	**2022**
	$'000	**$'000**
Short-term employee benefits	**4,355**	3,714
Employer's contribution to Central Provident Fund	**136**	119
	4,491	3,833
Directors' fees payable by the Company	**330**	350

33 RELATED PARTIES (CONTINUED)

(b) Other related party transactions

Other than disclosed elsewhere in the financial statements, transactions with related parties are as follows:

	Group	
	2023	**2022**
	$'000	**$'000**
Affiliated corporations		
Lease of storage space	**(859)**	(1,445)
Hiring charges	**(4,840)**	(3,930)
Consultancy fees	**(1,000)**	(500)
Joint venture		
Recharge of staff costs	**–**	66
Construction revenue	**5,876**	10,152

34 FINANCIAL INSTRUMENTS

Financial risk management

(a) Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- insurance risk

In addition, the Group has identified climate risk as an emerging risk arising from financial instruments that has a growing impact on the Group's activities. This note represents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk considering climate, and the Group's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

34 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from the Group's receivables from customers.

The carrying amount of financial assets in the statement of financial position represents the Group and the Company's respective maximum exposure to credit risk, before taking into account any collateral held. The Group and the Company does not hold any collateral in respect of its financial assets.

Trade receivables and contract assets

Risk management policy

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk associated with the industry and country in which customers operate, as these factors may have an influence on credit risk. Over 99% (2022: 99%) of the Group's revenue is attributable to transactions in Singapore and the PRC. Consequently, the risk of non-payment from the Group's trade receivables is affected by any unfavourable economic changes to the Singapore construction and engineering solutions industry and the PRC property development market.

The Group has established a credit policy and the exposures to credit risk are monitored on an ongoing basis. The contracting parties with the Group for the construction, precast, prefabrication, steel and mass engineered timber projects are either companies with good reputation in the market, listed on the Singapore Stock Exchange or government agencies. As for sales of properties, sales proceeds are fully settled before delivery of properties.

Monies due from customers are followed up, reviewed on a regular basis to understand the reasons of non-payment or delay in payment, if any, so that appropriate actions can be implemented promptly. The resultant effects of these measures have kept the Group's exposure to bad debts at an insignificant level.

The Group does not require collateral in respect of trade receivables and contract assets. The Group does not have trade and other receivables and contract assets for which no loss allowance is recognised because of collateral.

Exposure to credit risk

The exposure to credit risk for trade receivables and contract assets at the reporting date by geographic region was as follows:

	Group			
	31 December 2023		31 December 2022	
	$'000	%	$'000	%
Singapore	**81,527**	**97.9**	103,553	99.4
Europe	**178**	**0.2**	175	0.2
Malaysia	**1,578**	**1.9**	458	0.4
Total	**83,283**	**100.0**	104,186	100.0

34 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Risk management policy (Continued)

Exposure to credit risk (Continued)

The exposure to credit risk for trade receivables and contract assets at the reporting date by industry sectors was:

	Group			
	31 December 2023		31 December 2022	
	$'000	%	$'000	%
Construction	**69,749**	**83.7**	94,175	90.4
Engineering solutions	**13,534**	**16.3**	10,011	9.6
Total	**83,283**	**100.0**	104,186	100.0

As at 31 December 2023, approximately 82% (2022: 66%) of the Group's trade receivables were due from 5 (2022: 5) major customers.

Expected credit loss assessment for customers as at 31 December 2023

The Group uses an allowance matrix to measure the ECLs of trade receivables and contract assets from customers, which comprise a large number of small balances.

The allowance matrix is based on loss rates determined based on actual credit loss experience over the past three years, current economic conditions and the Group's view of economic conditions over the expected lives of the recoverables. These scalar factors are calculated using statistical models that determine numeric co-relation of loss rates with relevant economic variables.

Scalar factors are based on actual and forecasted gross domestic product and is in the range of -4.1% to 7.6% (2022: -4.1% to 7.6%) for overall market condition.

34 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Risk management policy (Continued)

Expected credit loss assessment for customers as at 31 December 2023 (Continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets for individual customers.

	Group			
	Weighted average loss rate %	Gross carrying amount $'000	Impairment loss allowance $'000	Credit impaired
2023				
Current (not past due)	**7.29**	**66,628**	**(4,856)**	**Yes**
Past due 1 – 30 days	**0.00**	**18,345**	**–**	**No**
Past due 31 – 60 days	**0.00**	**321**	**–**	**No**
More than 60 days	**24.95**	**3,791**	**(946)**	**Yes**
		89,085	**(5,802)**	
2022				
Current (not past due)	5.99	84,658	(5,067)	Yes
Past due 1 – 30 days	0.00	15,275	–	No
Past due 31 – 60 days	0.00	6,547	–	No
More than 60 days	24.55	3,675	(902)	Yes
		110,155	(5,969)	

Movement in allowance for impairment in respect of trade receivables and contract assets

The movement in allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

	Group	
	2023 $'000	2022 $'000
At 1 January	**5,969**	782
Impairment loss recognised	**244**	5,209
Reversal of impairment loss	**(455)**	(12)
Effect of movement in exchange rate	**44**	(10)
At 31 December	**5,802**	5,969

34 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk (Continued)

Amount due from related parties

The Group and Company held receivables from its related parties of $19,306,000 (2022: $35,655,000) and $31,310,000 (2022: $47,317,000) respectively (refer to Note 17). Based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to audited financial statements, management accounts and cash flow projections, and applying experienced credit judgement), the Group made an allowance for impairment loss of $294,000 (2022: $Nil) on the trade amounts due from affiliated corporation and $3,548,000 (2022: $3,548,000) on the non-trade amounts due from non-controlling interests taking into consideration the continued operating losses of its underlying investment made with the receivables amounts.

Movement in allowance for impairment in respect of amounts due from related parties

The movement in allowance for impairment in respect of amounts due from related parties during the year was as follows:

	Group	
	2023 $'000	2022 $'000
At 1 January	**3,548**	3,548
Impairment loss recognised	**294**	–
At 31 December	**3,842**	3,548

Other receivables and loans to joint ventures

Impairment on these balances have been measured on the 12-month expected loss basis which reflects the low credit risk of exposures. The amount of the allowance on these balances is insignificant.

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of $112,578,000 (2022: $47,632,000) and $328,000 (2022: $88,000) respectively at 31 December 2023 respectively. The cash and cash equivalents are held with banks, which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is insignificant.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

34 FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity risk (Continued)

Management of liquidity risk

Individual subsidiaries within the Group are responsible for their own cash management, including raising loans to cover the expected cash demands, subject to approval by the Company's board of directors. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants by reviewing each operating entity's cash flow forecast, to ensure that the Group maintains sufficient reserves of cash and adequate committed lines of funding from banks to meet its liquidity requirements in the short and longer term. The Board confirmed that there is no breach of financial covenants for all the major outstanding loans balances as at 31 December 2023 except for the breach that is disclosed in Note 23 and on this basis, banks will continue providing support to the Group.

At 31 December 2023, the Group maintains the following lines of credit:

- $5,500,000 (2022: $3,600,000) of secured overdraft facilities, of which $Nil (2022: $Nil) has been drawn down. Interest would be payable at rates ranging from prime rate to prime rate plus 125 basis points (bp); and

- $271,071,000 (2022: $244,071,000) that can be drawn down to meet short-term financing needs. An amount of $109,818,000 (2022: $92,003,000) has been drawn down at the reporting date.

The above lines of credit exclude term loan facilities that have been drawn down as they are no longer available for further utilisation.

Other than actively engaging banks to securing sufficient committed lines of funding, management has also taken the following measures to improve the Group's cash flows position:

- Completing the existing projects in a timely manner and to free up the Group's capacity to take on new and profitable projects.

- Actively tendering for new contracts with good pricing.

- Continuously working with the customers to claim for prolongation costs incurred during the COVID-19 period.

- Continuously seek improvements in the construction and production efficiencies through technological enhancements and innovative solutions and digitalisation in order to further reduce labour and materials cost pressure.

- Identifying non-core properties that can be realised to capture the rising property prices and to enhance the Group's cash flows position.

34 FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity risk (Continued)

Management of liquidity risk (Continued)

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	Cash flows Between 1 and 5 years $'000	More than 5 years $'000
Group					
At 31 December 2023					
*Trade and other payables**					
Trade payables	**75,226**	**75,226**	**75,226**	**–**	**–**
Accrued trade payables	**32,247**	**32,247**	**32,247**	**–**	**–**
Accrued operating expenses and other payables	**16,705**	**16,705**	**16,705**	**–**	**–**
Retention sums payable	**27,720**	**28,610**	**5,747**	**22,863**	**–**
	151,898	**152,788**	**129,925**	**22,863**	**–**
Loans and borrowings					
Secured bank loans	**99,242**	**100,619**	**94,657**	**4,622**	**1,340**
Lease liabilities	**8,264**	**9,786**	**1,982**	**5,112**	**2,692**
Liabilities directly associated with assets held for sale	**14,554**	**14,968**	**14,968**	**–**	**–**
	122,060	**125,373**	**111,607**	**9,734**	**4,032**
Amounts due to related parties	**6,720**	**6,720**	**6,720**	**–**	**–**
Recognised financial liabilities	**280,678**	**284,881**	**248,252**	**32,597**	**4,032**
At 31 December 2022					
*Trade and other payables**					
Trade payables	56,416	56,416	56,416	–	–
Accrued trade payables	34,778	34,778	34,778	–	–
Accrued operating expenses and other payables	13,166	13,166	13,166	–	–
Retention sums payable	25,444	26,267	13,177	13,090	–
	129,804	130,627	117,537	13,090	–
Loans and borrowings					
Secured bank loans	107,544	108,452	92,304	14,589	1,559
Lease liabilities	4,269	5,326	1,160	1,246	2,920
	111,813	113,778	93,464	15,835	4,479
Amounts due to related parties	10,449	10,449	10,449	–	–
Recognised financial liabilities	252,066	254,854	221,450	28,925	4,479

* Excluded GST payables and provisions

34 FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity risk (Continued)

Management of liquidity risk (Continued)

Exposure to liquidity risk (Continued)

	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	Cash flows Between 1 and 5 years $'000	More than 5 years $'000
Company					
At 31 December 2023					
Trade and other payables					
Accrued operating expenses and other payables	**366**	**366**	**366**	**–**	**–**
Amounts due to related parties	**68,593**	**68,593**	**68,593**	**–**	**–**
Recognised financial liabilities	**68,959**	**68,959**	**68,959**	**–**	**–**
At 31 December 2022					
Trade and other payables					
Accrued operating expenses and other payables	207	207	207	–	–
Amounts due to related parties	64,964	64,964	64,964	–	–
Recognised financial liabilities	65,171	65,171	65,171	–	–

Guarantees

The Company provides financial guarantees only for their wholly-owned subsidiaries.

The maximum exposure of the financial guarantee at the end of the reporting period is disclosed in Note 32. At the reporting date, the Company does not consider that it probable that the claims will be made against the Company under the financial guarantee.

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	Within 1 year $'000
Company	
31 December 2023	
Financial guarantees	**188,064**
31 December 2022	
Financial guarantees	185,226

34 FINANCIAL INSTRUMENTS (CONTINUED)

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rate and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group's exposure to interest rate risks arises primarily from their debt obligations. The interest charge for debt obligations are made up of a mixture of fixed and floating rates. The floating rate loans are contractually repriced at intervals of one to twelve months, or when notified by banks. The Group does not use derivative financial instruments to hedge interest rate risk.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management, was as follows:

	Group	
	2023	**2022**
	$'000	**$'000**
Fixed rate instruments		
Lease liabilities	**9,532**	4,269
Variable rate instruments		
Secured bank loans	**112,528**	107,544

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting dates would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 bp in interest rates at the reporting dates would have decreased/increased loss before tax by the amounts shown below. There is no effect to the equity. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2022.

	Group	
	2023	**2022**
	$'000	**$'000**
100 bp increase		
Increase in loss before tax	**1,125**	1,075

A 100 bp decrease in interest rates at the reporting date would have had an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

The sensitivity analysis is illustrative only and is based on simplified scenarios. The table shows interest rate risk exposures arising in interest-bearing liabilities. These particular exposures form only part of the Group's overall interest rate exposures.

34 FINANCIAL INSTRUMENTS (CONTINUED)

(d) Market risk (Continued)

Currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between currencies in which sales, purchases and borrowings, including intercompany sales, purchases and inter-company balances, that are denominated in a currency other than the respective functional currencies of Group entities. The currencies in which these transactions primarily are denominated are the Renminbi ("RMB"), Singapore dollar ("SGD"), Euro ("EURO") and United States dollar ("USD").

Exposure to currency risk

The summary quantitative data about the exposure to currency risk as reported to the management of the Group is as follows:

	RMB $'000	SGD $'000	EURO $'000	USD $'000
Group				
At 31 December 2023				
Amounts due from related parties	**3,265**	**5,862**	**3,486**	**13,435**
Cash and cash equivalents	**3,889**	**–**	**–**	**1,681**
Trade and other payables	**–**	**–**	**(1,069)**	**–**
Amounts due to related parties	**–**	**–**	**–**	**(13,435)**
	7,154	**5,862**	**2,417**	**1,681**
At 31 December 2022				
Amounts due from related parties	4,539	2,680	3,222	13,624
Cash and cash equivalents	3,889	–	–	1,675
Trade and other payables	–	–	(988)	–
Amounts due to related parties	–	–	–	(13,634)
	8,428	2,680	2,234	1,665

Sensitivity analysis

A 10% strengthening of the following major currencies against the functional currency of each of the Group's entities at the reporting date held by the Group would increase/decrease loss before tax by the amounts shown below. Similarly, a 10% weakening would have the equal but opposite effect. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Loss before tax 2023 $'000	Loss before tax 2022 $'000
Group		
RMB	**715**	843
SGD	**586**	268
EURO	**242**	223
USD	**168**	166

34 FINANCIAL INSTRUMENTS (CONTINUED)

(e) Insurance risk

The Company issued financial guarantees to certain banks in respect of banking facilities (inclusive of guaranteed performance bonds) granted to subsidiaries of the Group. Please refer to Note 32 and Note 34(c) for details.

(f) Climate-related risks

The Group recognised that climate change has impact on their operations and aims to enhance their understanding of risks and opportunities. With better awareness, the Group can place more emphasis on climate change by responding to climate risks and taking climate action. The Group has set up a Risk and Environmental, Social, Governance Committee, which is responsible for setting the strategic direction of the Group, monitoring the sustainability performance and the oversight of sustainability-related matters (including climate-related) within the Group.

The Group has adopted the Climate-related Financial Disclosure ("TCFD") developed by the Task Force set up by The Financial Stability Board. TCFD is line with SGX's Reporting Guide Practice Note 7.6 which deal with sustainability reporting disclosure. Based on TCFD, the Group has categorised climate-related risks into physical risks and transition risks.

The physical climate related risks include acute physical risks (such as floods and hurricanes, wildfires and droughts) and chronic physical risks (extreme heat and changes to precipitation patterns). These physical risks may cause disruptions on site and result in delays on planned work schedules and led to additional operational costs incurred. These risks may also result in more wear and tears on the equipment and lead to more maintenance and repairs.

The transition climate related risks include increase in raw material costs, consumers' preference for greener products and services and increase in digitalisation and technology. These may result in tighter profitability margin or a loss-making position from older contracts, additional product costs from the supply chain logistics, additional cost to be incurred on capital expenditures, training costs to operate the equipment as well as opportunity costs, additional data risks such as data breaches, data loss, data manipulation and data exposure.

The Group has considered the above physical and transition climate related risks in its estimation of total contract costs for construction contracts and completion date of the contracts.

The Group remains committed to integrating climate-related considerations into its business strategy and proactively involve its internal stakeholders to identify and address critical climate related risks relevant to its business operations. Subsequently, the Group will review and expand on the risks identified to assess them and develop mitigative actions to reduce the risk.

The Group will continue to monitor these climate-related risks and opportunities on an annual basis and try to mitigate the risk exposure while tapping on potential opportunities.

34 FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. The fair value disclosure of lease liabilities is also not required.

	Carrying amount			Fair value			
	FVOCI – equity instruments $'000	Amortised cost $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group							
31 December 2023							
Financial assets measured at fair value							
Quoted equity investments – at FVOCI	22	–	22	22	–	–	22
Unquoted equity investments – at FVOCI	245	–	245	–	–	245	245
	267	–	267				
Financial assets not measured at fair value							
Trade and other receivables*	–	70,870	70,870				
Amounts due from related parties	–	19,306	19,306				
Cash and cash equivalents	–	112,578	112,578				
	–	202,754	202,754				
Financial liabilities not measured at fair value							
Amounts due to related parties	–	(6,720)	(6,720)				
Trade and other payables**	–	(151,898)	(151,898)				
Loans and borrowings	–	(112,528)	(112,528)	–	(106,743)	–	(106,743)
	–	(271,146)	(271,146)				

* Excluded tax prepayments, value-added tax receivables, deposits and prepayments, advances to suppliers and government grant receivables

** Excluded employee benefits, GST payables and provisions

34 FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classifications and fair values (Continued)

	Carrying amount			Fair value			
	FVOCI – equity instruments $'000	Amortised cost $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group							
31 December 2022							
Financial assets measured at fair value							
Quoted equity investments – at FVOCI	22	–	22	22	–	–	22
Unquoted equity investments – at FVOCI	490	–	490	–	–	490	490
	512	–	512				
Financial assets not measured at fair value							
Trade and other receivables*	–	64,406	64,406				
Amounts due from related parties	–	35,655	35,655				
Cash and cash equivalents	–	47,632	47,632				
	–	147,693	147,693				
Financial liabilities not measured at fair value							
Amounts due to related parties	–	(10,449)	(10,449)				
Trade and other payables**	–	(127,643)	(127,643)				
Loans and borrowings	–	(107,544)	(107,544)	–	(102,014)	–	(102,014)
	–	(245,636)	(245,636)				

* Excluded tax prepayments, value-added tax receivables, deposits and prepayments, advances to suppliers and government grant receivables

** Excluded employee benefits, GST payables and provisions

34 FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classifications and fair values (Continued)

	Carrying amount	
	Amortised cost $'000	Total $'000
Company		
31 December 2023		
Financial assets not measured at fair value		
Trade and other receivables*	**2,017**	**2,017**
Amount due from related parties	**31,310**	**31,310**
Cash and cash equivalents	**328**	**328**
	33,655	**33,655**
Financial liabilities not measured at fair value		
Trade and other payables	**(366)**	**(366)**
Amounts due to related parties	**(68,593)**	**(68,593)**
	(68,959)	**(68,959)**
31 December 2022		
Financial assets not measured at fair value		
Trade and other receivables*	1,196	1,196
Amount due from related parties	47,317	47,317
Cash and cash equivalents	88	88
	48,601	48,601
Financial liabilities not measured at fair value		
Trade and other payables	(207)	(207)
Amounts due to related parties	(64,964)	(64,964)
	(65,171)	(65,171)

* Excluded deposits and prepayments.

34 FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classifications and fair values (Continued)

Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Financial instruments measured at fair value – Group			
Unquoted equity investments – at FVOCI	The fair value of the equity investments is the net asset value of the investee entity adjusted for the fair value of the underlying properties, where applicable	Net asset value*	The estimated fair value varies directly with the net asset value of the entity.
Loan and borrowings	Discounted cash flows	Not applicable	Not applicable

* Where the underlying investment is in equity shares of an entity, management relies on yearly unaudited financial statements for the determination of fair value. The underlying assets and liabilities are mainly short-term in nature, hence management has determined that the carrying value approximates fair value.

(ii) Transfers between Level 1 and 2

There were no transfers between Level 1 and 2 in 2023 and 2022.

34 FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classifications and fair values (Continued)

Measurement of fair values (Continued)

(iii) Level 3 fair value

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values:

	Group Unquoted equity investments – at FVOCI $'000
At 1 January 2022	557
Net change in fair value	(67)
At 31 December 2022	490
At 1 January 2023	**490**
Net change in fair value	**(245)**
At 31 December 2023	**245**

Sensitivity analysis

There is no sensitivity analysis prepared as the Group's exposure to the effect on fair value changes for 2023 and 2022 are insignificant.

35 NON-CONTROLLING INTERESTS

The following subsidiaries have material NCI.

Name	Operating segment	Principal places of business/ Country of incorporation	Ownership interest 2023 %	Ownership interest 2022 %
Steeltech Industries Pte. Ltd. (“Steeltech”)	Engineering solutions	Singapore	**29**	29
AMP Systems Pte. Ltd. (“AMP”)	Provision of electrical and mechanical engineering works	Singapore	**49**	49
Tianjin Tianmen Jinwan Property Development Co., Ltd. (“Jinwan”)	Property development	PRC	**50**	50
Tianjin Zizhulin Investment Co., Ltd (“Chuang Zhan”)	Property development	PRC	**34**	34
Cangzhou Huashi Property Development Co., Ltd (“Cangzhou Huashi”)*	Property development	PRC	**–**	59
Tianjin Zizhulin Guangang Property Development Co., Ltd. (“Guangang”)	Property development	PRC	**17**	17
Tianjin Zizhulin Development Co., Ltd.	Property development	PRC	**20**	20

* Liquidated in 2023

35 NON-CONTROLLING INTERESTS (CONTINUED)

The following summarises the financial information of each of the Group's subsidiaries with material NCI, based on their respective financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Steeltech $'000	AMP $'000	Jinwan $'000	Chuang Zhan $'000	Cangzhou Huashi $'000	Guangang $'000	Tianjin Zizhulin Development Co., Ltd. $'000	Other individually immaterial subsidiaries $'000	Intra-group elimination $'000	Total $'000
31 December 2023										
Revenue	24,748	6,679	–	–	–	24,852	–			
Profit/(loss)	213	(1,003)	(250)	(53)	(345)	(5,096)	(1,041)			
OCI	–	–	(137)	(1,639)	(10)	(1,234)	(1,410)			
Total comprehensive income	213	(1,003)	(387)	(1,692)	(355)	(6,330)	(2,451)			
Attributable to NCI:										
– Profit/(loss)	62	(492)	(125)	(18)	(204)	(866)	(208)	(31)	405	(1,477)
– OCI	–	–	(68)	(557)	(6)	(210)	(282)	(122)	304	(941)
– Total comprehensive income	62	(492)	(193)	(575)	(210)	(1,076)	(490)	(153)	709	(2,418)
Non-current assets	8,879	496	–	37,761	–	4,886	32,161			
Current assets	9,971	6,464	4,448	9,980	–	119,947	27,488			
Non-current liabilities	(3,862)	–	–	–	–	–	–			
Current liabilities	(7,330)	(3,671)	(1,369)	(15,807)	–	(98,817)	(24,873)			
Net assets	7,658	3,289	3,079	31,934	–	26,016	34,776			
Net assets attributable to NCI	2,221	1,612	1,539	10,858	–	4,423	6,955	(591)	(24,943)	2,074
Cash flows from operating activities	2,336	1,731	(357)	60	(207)	1,214	(295)			
Cash flows from investing activities	(5)	(96)	190	(90)	311	11,242	(148)			
Cash flows from financing activities	(1,258)	(357)	133	–	–	(12,902)	189			
Net increase/(decrease) in cash and cash equivalents	1,073	1,278	(34)	(30)	104	(446)	(254)			

35 NON-CONTROLLING INTERESTS (CONTINUED)

	Steeltech $'000	AMP $'000	Jinwan $'000	Chuang Zhan $'000	Cangzhou Huashi $'000	Guangang $'000	Tianjin Zizhulin Development Co., Ltd. $'000	Other individually immaterial subsidiaries $'000	Intra-group elimination $'000	Total $'000
31 December 2022										
Revenue	12,194	2,601	–	–	–	11,608	–			
(Loss)/Profit	(1,712)	(103)	3,084	(31)	(12)	(7,466)	(1,041)			
OCI	–	–	(200)	(3,721)	(51)	(3,277)	(3,251)			
Total comprehensive income	(1,712)	(103)	2,884	(3,752)	(63)	(10,743)	(4,292)			
Attributable to NCI:										
– (Loss)/Profit	(497)	(50)	1,542	(11)	(7)	(1,269)	(208)	(22)	178	(344)
– OCI	–	–	(100)	(1,265)	(30)	(557)	(650)	72	1,462	(1,068)
– Total comprehensive income	(497)	(50)	1,442	(1,276)	(37)	(1,826)	(858)	50	1,640	(1,412)
Non-current assets	7,565	721	–	46,367	–	3,939	32,161			
Current assets	11,454	7,285	4,867	10,337	597	138,684	27,488			
Non-current liabilities	(3,393)	–	–	–	–	–	–			
Current liabilities	(7,881)	(2,010)	(1,401)	(16,402)	(225)	(110,277)	(24,873)			
Net assets	7,745	5,996	3,466	40,302	372	32,346	34,776			
Net assets attributable to NCI	2,249	2,938	1,733	13,703	219	5,499	6,955	(559)	(28,245)	4,492
Cash flows from operating activities	1,361	(308)	(421)	(86)	(123)	(3,776)	(318)			
Cash flows from investing activities	(19)	(1)	(232)	(73)	(183)	(151)	(159)			
Cash flows from financing activities	(1,018)	(179)	552	–	–	1,800	204			
Net increase/(decrease) in cash and cash equivalents	324	(488)	(101)	(159)	(306)	(2,127)	(273)			

36 ACQUISITION OF SUBSIDIARY

On 1 August 2022, the Group acquired 51% shares in AMP Systems Pte. Ltd. ("AMP") for a consideration of $3,331,000. AMP's principal activities are in provision of electrical & mechanical engineering works.

The acquisition was accounted for as an acquisition of business.

For the five months ended 31 December 2022, AMP contributed revenue of $2,601,000 and loss of $102,000 to the Group's results. If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have increased by $700,000, and consolidated loss for the year would have increased by $523,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

The fair value of assets acquired and liabilities assumed at the date of acquisition and the cash flow effect of the acquisition is as follow:

	2022 $'000
Identifiable assets acquired and liabilities assumed at the date of acquisition	
Property, plant and equipment	370
Investment property	382
Trade and other receivables	1,768
Subscription shares	2,531
Cash and cash equivalents	2,757
Trade and other payables	(1,025)
Loan and borrowings	(632)
Income tax payables	(53)
Total identifiable net assets at fair value	6,098
Effect of the acquisition on cash flows	
Cash paid	(800)
Less: cash at bank of subsidiary acquired	2,757
Net cash inflow on acquisition	1,957

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	2022 $'000
Consideration paid to vendor	800
Consideration for subscription of shares	2,531
Total consideration	3,331
Non-controlling interest, based on their proportionate interest in the recognised amounts of the assets and liabilities of acquiree	2,988
Fair value of identifiable net assets	(6,098)
Goodwill	221

The acquisition resulted in a goodwill of $221,000 because the consideration transferred exceeded the fair value of assets acquired and liabilities assumed. The goodwill has been written off in the 'other expenses' in the consolidated statement of comprehensive income for the year ended 31 December 2022 considering that AMP was operating at loss and the building and construction industry was facing challenges.

36 ACQUISITION OF SUBSIDIARY (CONTINUED)

Goodwill (Continued)

In 2023, the Group further assessed and recognised adjustment to the fair value of the assets and liabilities of the subsidiary at date of acquisition to $4,616,000. As a result, an additional goodwill of $756,000 was recognised in the financial year ended 31 December 2023. The additional goodwill has been written off in the 'other expenses' in the consolidated statement of comprehensive income for the year ended 31 December 2023 considering that AMP was operating at loss and the building and construction industry was facing challenges.

37 SUBSEQUENT EVENT

On 8 February 2024, the Group completed the disposal of a leasehold property, namely SLF Building for an aggregate consideration of $10,000,000. As a result, a gain of disposal (after deducting the related selling expenses) of approximately $6,519,000 will be recognised in the financial year ending 31 December 2024.

STATISTICS OF SHAREHOLDINGS

As at 18 March 2024

Issued and fully paid capital	:	$181,946,796
Class of shares	:	Ordinary shares
Number of issued shares (excluding treasury shares and subsidiary holdings)	:	441,076,649
Number of treasury shares held	:	18,547,200
Number of subsidiary holdings held	:	Nil
Voting rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	20	1.47	373	0.00
100 – 1,000	81	5.96	51,981	0.01
1,001 – 10,000	414	30.44	2,498,402	0.57
10,001 – 1,000,000	823	60.51	67,306,741	15.26
1,000,001 AND ABOVE	22	1.62	371,219,152	84.16
TOTAL	**1,360**	**100.00**	**441,076,649**	**100.00**

The Company holds 18,547,200 treasury shares as at 18 March 2024, which representing approximately 4.20% of the total number of issued ordinary shares excluding treasury shares and subsidiary holdings

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	TIONG SENG SHAREHOLDINGS PTE. LTD.	271,197,960	61.49
2	PECK TIONG CHOON (PRIVATE) LIMITED	32,279,520	7.32
3	WAN SENG ENTERPRISES (PRIVATE) LIMITED	12,732,390	2.89
4	OCBC SECURITIES PRIVATE LIMITED	10,293,600	2.33
5	SHINGDA CONSTRUCTION PTE. LTD.	6,696,950	1.52
6	DBS NOMINEES (PRIVATE) LIMITED	6,631,485	1.50
7	ESTATE OF PEK AH TUAN, DECEASED	3,604,920	0.82
8	PAY KIAN MENG GILBERT	2,702,000	0.61
9	LEE KENG LAN	2,654,000	0.60
10	LEE KHAR HOON	2,650,000	0.60
11	RAFFLES NOMINEES (PTE.) LIMITED	2,600,034	0.59
12	ANG JUI KHOON	2,546,400	0.58
13	PHILLIP SECURITIES PTE LTD	2,221,963	0.50
14	LEE HONG CHUAN	1,650,000	0.37
15	ANDREW KHNG	1,585,080	0.36
16	ESTATE OF LIM KIM ENG, DECEASED	1,582,350	0.36
17	ONG GEOK TOE	1,504,900	0.34
18	HENG SIEW ENG	1,374,500	0.31
19	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,267,000	0.29
20	LEE KAI HENG	1,250,000	0.28
	TOTAL	**369,025,052**	**83.66**

SUBSTANTIAL SHAREHOLDERS
As at 18 March 2024

Name of Substantial Shareholders	Direct Interest No. of Shares	Direct Interest %	Deemed Interest No. of Shares	Deemed Interest %
Tiong Seng Shareholdings Pte Ltd	271,197,960	61.49	–	–
Peck Tiong Choon (Private) Limited(1)	32,279,520	7.32	271,197,960	61.49
Pek Ah Tuan(2)	3,604,920	0.82	32,279,520	7.32
Lee It Hoe(3)	–	–	286,275,330	0.82

Notes:

(1) Peck Tiong Choon (Private) Limited ("PTC") holds approximately 47.8% of the shares in TSS and is therefore deemed interested in the shares held by TSS pursuant to Section 7 of the Companies Act and Section 4 of the Securities and Futures Act ("SFA").

(2) The estate of Pek Ah Tuan, together with the associates of the late Pek Ah Tuan, collectively hold approximately 33.6% of the shares in PTC and is therefore deemed interested in the shares held by PTC pursuant to Section 7 of the Companies Act and Section 4 of the SFA.

(3) Lee It Hoe is deemed interested in the shares held by his associate, namely, his brother, Lee Yew Sim (762,630 Shares). Lee It Hoe is also deemed interested in the Shares held by him on trust for the estate of his mother, Lim Kim Eng (1,582,350 Shares), and the 12,732,390 Shares held by Wan Seng Enterprises (Private) Limited ("Wan Seng") as Wan Seng's shareholders are accustomed or under an obligation whether formal or informal to act in accordance with his directions, instructions and wishes in relation to their shares in Wan Seng. In addition, Lee It Hoe is deemed interested in the shares held by TSS as his associates are collectively entitled to exercise control of approximately 22.7% of the Shares in TSS.

SHAREHOLDINGS HELD BY PUBLIC

Based on the information available to the Company as at 18 March 2024, approximately 26.38% of the issued ordinary share of the Company is held by the public, and therefore the Company has complied with Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited.

TIONG SENG HOLDINGS LIMITED

(Incorporated in Singapore on 15 April 2008)
(Company Registration Number: 200807295Z)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **TIONG SENG HOLDINGS LIMITED** (the "**Company**") will be held physically at Bridge Room, level 2, Raffles Marina Ltd, 10 Tuas West Drive, Singapore 638404 on Tuesday, 30 April 2024 at 2.00 p.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2023 together with the Independent Auditors' Report thereon.
(Resolution 1)

2. To re-elect Mr. Pay Sim Tee retiring by rotation pursuant to Regulation 89 of the Company's Constitution.
(Resolution 2)

Mr. Pay Sim Tee will, upon re-election as a Director of the Company, remain as an Executive Director, the Chief Executive Officer, and a member of the Nominating Committee, and will be considered as non-independent.

3. To re-elect Mr. Lee It Hoe retiring by rotation pursuant to Regulation 89 of the Company's Constitution.
(Resolution 3)

Mr. Lee it Hoe will, upon re-election as a Director of the Company, remain as a Non-Executive Director and a member of the Audit Committee and the Remuneration Committee respectively, and will be considered as non-independent.

4. To re-elect Mr. Ong Seet Joon retiring by rotation pursuant to Regulation 88 of the Company's Constitution.
(Resolution 4)

*Mr. Ong Seet Joon will, upon re-election as a Director of the Company, remain as an Independent Director, the Chairman of the Audit Committee and a member of the Nominating Committee and the Remuneration Committee respectively. Mr. Ong Seet Joon is considered independent by the board of directors of the Company for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**"). There are no relationships including family relationships between Mr. Ong Seet Joon and the other Directors, the Chief Executive Officer, the Company, its related corporations, its substantial shareholders or its officers.*

5. To approve the payment of Directors' fees amounting to S$310,000/- for the financial year ending 31 December 2024, payable quarterly in arrears (2023: S$350,000/-).
(Resolution 5)

6. To re-appoint KPMG LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.
(Resolution 6)

7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. **AUTHORITY TO ISSUE SHARES**

That pursuant to Section 161 of the Companies Act 1967 of Singapore, and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Directors of the Company be authorised and empowered to:

(a) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(I) new shares arising from the conversion or exercise of any convertible securities;

(II) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(III) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (i)] **(Resolution 7)**

9. **PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**

That:

(a) for the purposes of Sections 76C and 76E of the Companies Act 1967 of Singapore (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to but not exceeding the Maximum Price (as hereinafter defined), whether by way of:

(i) on-market purchases transacted on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") through the SGX-ST's ready market trading system or, as the case may be, any other stock exchange on which the Shares may, for the time being, be listed and quoted ("**Other Exchange**"), through one or more duly licensed stockbrokers appointed by the Company for such purpose ("**On-Market Share Buy-Back**") and/or

(ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual of the SGX-ST (the "**Listing Manual**") ("**Off-Market Share Buy-Back**"),

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, Other Exchange, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-Back Mandate**");

(b) the authority conferred on the Directors of the Company pursuant to the Share Buy-Back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held (whereupon it will lapse, unless renewed at such meeting);

(ii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Company in general meeting (if so varied or revoked prior to the next Annual General Meeting);

(c) in this resolution:

"**Average Closing Market Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded on the SGX-ST, immediately preceding the date of making the On-Market Share Buy-Back by the Company or, as the case may be, the day of making the offer pursuant to the Off-Market Share Buy-Back, and deemed to be adjusted in accordance with the Listing Manual for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases are made;

"**closing market price**" means the last dealt price for a Share transacted through the SGX-ST's trading system as shown in any publication of the SGX-ST or other sources;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for an Off-Market Share Buy-Back, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Share Buy-Back calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Buy-Back;

"**Market Day**" means a day on which the SGX-ST is open for trading of securities;

"**Maximum Limit**" means the number of Shares representing ten per cent (10%) of the total issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) ascertained as at the date of the passing of this resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act at any time during the Relevant Period (as defined hereinafter), in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time);

"**Maximum Price**" in relation to a Share to be purchased, means the purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of an On-Market Share Buy-Back, 105% of the Average Closing Market Price of the Shares; and

(ii) in the case of an Off-Market Share Buy-Back, 120% of the Average Closing Market Price of the Shares; and

"**Relevant Period**" means the period commencing from the date of the Annual General Meeting at which the proposed renewal of the Share Buy-Back Mandate is approved, and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held (whereupon it will lapse, unless renewed at such meeting);

(ii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Company in general meeting (if so varied or revoked prior to the next Annual General Meeting); and

(d) the Directors of the Company be and are hereby authorised to deal with the Shares purchased or acquired by the Company, pursuant to the Share Buy-Back Mandate, in any manner as they think fit, which is permitted under the Companies Act; and

the Directors and/or any of them be and are and/or is hereby authorised and empowered to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution.
[See Explanatory Note (ii)] **(Resolution 8)**

10. **PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS**

That:

(a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), for the Company, its subsidiaries and associated companies that are considered to be entities at risk under Chapter 9 of the Listing Manual, or any of them to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to this Notice of Annual General Meeting (the "**Appendix**") with any party who is of the class of Mandated Interested Persons described in the Appendix, provided that such transactions are made on normal commercial terms and in accordance with review procedures for such interested person transactions and are not prejudicial to the interests of the Company and its minority shareholders (the "**IPT Mandate**");

(b) the IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and

(c) the Directors of the Company and/or any of them be and are and/or is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.
[See Explanatory Note (iii)] **(Resolution 9)**

11. **PROPOSED RENEWAL OF THE DISPOSAL MANDATE**

(a) for the purposes of Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Company and/or its respective subsidiaries for the disposal of (i) a leasehold property located at 21 Fan Yoong Road, Singapore 629796 (the "**Fan Yoong Property**"), (ii) a leasehold property located at 6 Tuas South Street 11, Tiong Seng @ Tuas South, Singapore 637094 (the "**Tuas Property**") and (iii) two (2) contiguous plots of vacant freehold medium industrial land of Lot Nos. Lot 15759 and Lot 15760, both located at Mukim of Rimba Terjun, District of Pontian, State of Johor, Malaysia to the extent mandated and according to the terms under the Disposal Mandate as described in the Appendix to this Notice of Annual General Meeting (the "**Pontian Land Parcels**") (the "**Disposal Mandate**");

(b) the Disposal Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the next Annual General Meeting of the Company is held or is required by law to be held (whereupon at the end of the period it will lapse, unless renewed); and

(c) the Directors of the Company and any one of them be and are hereby authorised and empowered to approve, complete and do all such acts and things (including, without limitation, to approve, modify, ratify, sign, seal, execute and deliver all such documents as may be required) as he or they may consider expedient, desirable or necessary or in the interests of the Company to give effect to the proposed disposals of the Fan Yoong Property, the Tuas Property and the Pontian Land Parcels pursuant to the Disposal Mandate and this resolution, and the transactions contemplated by the Disposal Mandate and/or authorised by this resolution, or for all the foregoing purposes.
[See Explanatory Note (iv)] **(Resolution 10)**

By Order of the Board

Lai Foon Kuen
Company Secretary

Singapore, 15 April 2024

Explanatory Notes on Resolutions to be passed:

(i) Ordinary Resolution 7, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a pro rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed, and any subsequent bonus issue, consolidation or subdivision of shares.

(ii) Ordinary Resolution 8, if passed, will empower the Directors, from the date of the above Meeting until the next Annual General Meeting is held or is required by law to be held, or until it is varied or revoked by the Company in general meeting, whichever is earlier, to purchase or otherwise acquire issued ordinary Shares of the Company by way of On-Market Share Buy-Backs or Off-Market Share Buy-Backs of up to the Maximum Limit at the Maximum Price in accordance with the terms and conditions set out in the Appendix to this Notice of Annual General Meeting, the Companies Act and the Listing Manual of the SGX-ST. Please refer to the Appendix to this Notice of Annual General Meeting for more details.

(iii) Ordinary Resolution 9, if passed, will authorise the interested person transactions as described in the Appendix to this Notice of Annual General Meeting and recurring in the year, and will empower the Directors to do all acts necessary to give effect to the IPT Mandate. This authority will, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier. Please refer to the Appendix to this Notice of Annual General Meeting for more details.

(iv) Ordinary Resolution 10, if passed, will renew the mandate granted by the members of the Company on 15 December 2023 to enable the Company and/or its respective subsidiaries to dispose of the Fan Yoong Property, the Tuas Property, and the Pontian Land Parcels to the extent mandated and according to the terms under such mandate. The renewed authority will, unless revoked or varied by the Company at a general meeting, continue in force until the next Annual General Meeting of the Company is held or is required by law to be held (whereupon at the end of the period it will lapse, unless renewed). Please refer to the Appendix to this Notice of Annual General Meeting for more details.

Notes:

General

1. The members of the Company are invited to **attend physically** at the Annual General Meeting (the "**Meeting**" or "**AGM**"). **There will be no option for shareholders to participate virtually**. Printed copies of this Notice and Proxy Form will be sent to members and the Notice and Proxy Form are also available to members on the SGX website at https://www.sgx.com/securities/company-announcements.

2. Pre-registration is not required. Members, please bring along your NRIC/passport to enable the Company to verify your identity. Members and other attendees who are feeling unwell on the date of AGM are strongly encouraged not to attend the physical meeting.

3. Live voting by poll will be conducted during the AGM for shareholders and proxy(ies) attending the AGM.

Voting by Proxy

4. Arrangements for participation in the AGM physically

   Members (including CPFIS and SRS investors) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) submitting questions to the Chairman of the Meeting in advance of, or at, the AGM; and/or

   (c) voting at the AGM

      (i) themselves personally; or (ii) through their duly appointed proxy(ies).

   CPFIS and SRS investors who wish to appoint the Chairman of the Meeting (and not third party prox(ies)) as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes. Please see item 8 below for details.

5. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

6. A proxy or attorney need not be a member of the Company.

7. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

   If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the Chairman of the Meeting will vote or abstain from voting at his discretion.

8. CPFIS/SRS investors who hold SGX shares through CPF Agent Banks/SRS Operators:

   (a) may vote at the Meeting if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or

   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Meeting, in which case they should approach their CPF Agent Banks/SRS Operation to submit their votes at least 7 working days prior to the date of AGM ie by **5.00 p.m. on 18 April 2024**.

9. The Proxy Form must be submitted through any one of the following means:

   (a) if sent personally or by post a physical copy at the registered office of the Company at 30A Kallang Place, #04-01, Singapore 339213; or

   (b) by sending a scanned PDF copy by email to agm@tiongseng.com.sg,

   in either case, not less than 48 hours before the time appointed for holding the Meeting i.e. by 2.00 p.m. on 28 April 2024, and failing which, the Proxy Form will not be treated as valid.

10. A depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time appointed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.

11. The Company shall be entitled to, and will, treat any valid Proxy Form which was delivered by a member to the Company **before 2.00 p.m. on 28 April 2024** as a valid instrument as the member's proxy to attend, speak and vote at the Meeting if (a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on each resolution; and (b) the member has not withdrawn the appointment by 2.00 p.m. on 28 April 2024.

12. If the member is a corporation, the Proxy Form must be under seal or the hand of an officer or attorney duly authorised.

13. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the Meeting if he/she so wishes. The appointment of the proxy(ies) for the Meeting will be deemed to be revoked if the member attends the Meeting in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the Meeting.

Submission of questions in advance of the Meeting

14. Members may also submit questions related to the resolutions to be tabled for approval at the Meeting. All questions, together with the members' full names, identification numbers, contact numbers and email addresses and manner in which they hold shares in the Company ("**Shares**"), must be submitted no later than **2.00 p.m. on 22 April 2024** or by post to the registered office of the Company at 30A Kallang Place, #04-01, Singapore 339213.

15. (a) Please note that the Company will address substantial and relevant questions relating to the resolutions to be tabled for approval by 25 April 2024. ("**Responses to Q&A**").

    (b) The Company endeavours to address (i) subsequent clarifications sought (ii) follow-up questions or (iii) subsequent substantial and relevant questions which are received after its Responses to Q&A at the Meeting itself. Where substantially similar questions are received, we will consolidate such questions and consequently not all questions may be individually addressed.

    (c) Minutes of AGM – The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET, and the minutes will include the responses to the questions which are addressed during the AGM, if any.

Personal data privacy:

By attending the AGM, submitting questions in advance of the AGM and/or submitting an instrument appointing the proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Depositor or a member of the Company (i) consents to the collection, use and disclosure of his personal data, as contained in any communication from or on behalf of the Depositor or member in relation to the AGM (including but not limited to questions sent in advance of the AGM and proxy forms), by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes, questions submitted and the answers thereto for disclosure and publication before, at or after (as the case may be) the AGM and/or on SGXNET and the Company's website (including publication of the names of the Shareholders/proxies/representatives asking questions) and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules including the Code of Corporate Governance 2018, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that all information submitted is true and accurate, and where the Depositor or the member discloses the personal data of the Depositor's or the member's proxy(ies) and/or representative(s) and/or any other party to the Company (or its agents or service providers), the Depositor or the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Depositor or the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Depositor's or the member's breach of warranty.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Meeting. Accordingly, the personal data of a Depositor or a member (such as his name) may be recorded by the Company for such purpose.

TIONG SENG HOLDINGS LIMITED
(Incorporated In the Republic of Singapore)
(Co. Reg. No: 200807295Z)

PROXY FORM
(Please see notes overleaf before completing this Form)

IMPORTANT:
1. The Annual General Meeting ("AGM") will be held by physically with no option to attend virtually.
2. For investors who have used their CPF monies to buy the Shares, this report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Company's Notice of Annual General Meeting.

*I/We, ____________________

NRIC/Passport/Company Registration Number ____________________

Of ____________________

being a member/members of **Tiong Seng Holdings Limited** (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing *him/her, the Chairman of the Meeting as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Annual General Meeting (the "**Meeting**") of the Company to be **held physically** at Bridge Room, level 2, Raffles Marina Ltd, 10 Tuas West Drive Singapore 638404 **on Tuesday, 30 April 2024 at 2.00 p.m.** and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her discretion.

No.	Resolutions relating to:	For	Against	Abstain
1	Directors' Statement and audited financial statements for the year ended 31 December 2023			
2	Re-election of Mr. Pay Sim Tee as Director			
3	Re-election of Mr. Lee It Hoe as Director			
4	Re-election of Mr. Ong Seet Joon as Director			
5	Approval of Directors' fees amounting to S$310,000/- for the year ending 31 December 2024			
6	Re-appointment of KPMG LLP as Auditors			
7	Authority to Issue Shares			
8	Renewal of the Share Buy-Back Mandate			
9	Renewal of the General Mandate for Interested Person Transactions			
10	Renewal of the Disposal Mandate for the proposed disposal of the Fan Yoong Property, the Tuas Property and the Pontian Land Parcels			

* *If you wish to exercise all your votes, please indicate your vote "For" or "Against" or "Abstain" with a "√" within the boxes provided. Alternatively, if you wish to exercise some and not all of your votes "For" and Against" the resolution and/or to abstain from voting in respect of the resolutions, please indicate the number of votes "For", the number of votes "Against" and/or the number 'Abstain" in the boxes provided for the resolutions.*

* *Delete where inapplicable.*

Dated this ______ day of ____________ 2024

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)/
and, Common Seal of Corporate Shareholder

Notes:

1. Each of the resolutions to be put to the vote of members at the AGM (and at any adjournment thereof) will be voted on by way of a poll.

2. Please insert the total number of Shares you hold. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the register of Shareholders of our Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the register of Shareholders, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the register of Shareholders. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares in the capital of the Company held by you.

3. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the Company.

4. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any subsequent named proxy as an alternate to the earlier named. The proxy form may be accessed on the SGX website.

5. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "Relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

   A member can appoint the Chairman of the Meeting as his/her/its proxy, <u>but</u> this is <u>not mandatory</u>.

6. A proxy or attorney need not be a member of the Company.

7. The instrument appointing a proxy(ies) ("**Proxy Form**") must be submitted to the Company in the following manner:

   (a) if submitted personally or by post, be lodged at the registered office of the Company at 30A Kallang Place. #04-01, Singapore 339213; or

   (b) if submitted electronically, be submitted via email to agm@tiongseng.com.sg

   in either case, **by not later 28 April 2024, 2.00 p.m., being at least forty-eight (48) hours before the time appointed for holding the AGM**, failing which the Proxy Form shall not be treated as valid.

8. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing or where it is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the proxy/proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof shall if required by law, be duly stamped must be lodged with the instrument.

9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967.

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CORPORATE INFORMATION

REGISTERED OFFICE
30A Kallang Place,
#04-01 to 04-11,
Singapore 339213
Tel: (65) 6356 0822
Fax: (65) 6356 0688
Company Registration Number:
200807295Z
Website: www.tiongseng.com.sg

BOARD OF DIRECTORS
Dr Teo Ho Pin
Non-Executive Chairman and
Independent Director

Mr Pay Sim Tee
CEO and Executive Director

Mr Pek Zhi Kai
Executive Director

Mr Lee It Hoe
Non-Executive Director

Mr Ang Peng Koon, Patrick
Independent Director

Mr Ong Seet Joon
Independent Director

COMPANY SECRETARY
Ms Lai Foon Kuen

AUDIT COMMITTEE
Mr Ong Seet Joon
Chairman
Mr Lee It Hoe
Dr Teo Ho Pin
Mr Ang Peng Koon, Patrick

NOMINATING COMMITTEE
Mr Ang Peng Koon, Patrick
Chairman
Mr Pay Sim Tee
Mr Ong Seet Joon

REMUNERATION COMMITTEE
Mr Ang Peng Koon, Patrick
Chairman
Mr Lee It Hoe
Mr Ong Seet Joon

SHARE REGISTRAR
Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue #14-
07 Keppel Bay Tower Singapore
098623
Tel: (65) 6536 5355
Fax: (65) 6536 1360

PRINCIPAL BANKERS
CIMB Bank
DBS Bank Ltd
Malayan Banking Berhad
Oversea-Chinese Banking
Corporation Limited
The Hong Kong and Shanghai
Banking Corporation
United Overseas Bank Limited

INDEPENDENT AUDITORS
KPMG LLP
Public Accountants and Chartered Accountants
12 Marina View
#15-01 Asia Square Tower 2
Singapore 018961

Partner-in-charge
Mr Low Gin Cheng, Gerald
Appointed in the financial year
ended 31 December 2023

INVESTOR RELATIONS
Gem Comm Pte. Ltd.
Email: connect@gem-comm.com

TIONG SENG HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 15 April 2008)
(Company Registration No. 200807295Z)

30A Kallang Place,
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Singapore 339213
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