



TIONG SENG HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Co. Reg. No: 200807295Z)

UNAUDITED FULL YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

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

	12 Months Ended 31 December 2018 S\$'000	12 Months Ended 31 December 2017 S\$'000 (Restated)	Change %
Revenue			
Revenue from construction contracts	313,483	705,335	-56
Revenue from sales of development properties	64,069	95,503	-33
Rental Income	1,548	1,933	-20
	<u>379,100</u>	<u>802,771</u>	-53
Other income	<u>4,756</u>	<u>6,221</u>	-24
Costs of construction contracts	(274,250)	(636,685)	-57
Costs of sales of development properties	(52,526)	(80,203)	-35
Depreciation and amortization	(7,919)	(5,103)	55
Selling expenses	(2,416)	(3,155)	-23
Staff costs	(20,857)	(20,187)	3
Other expenses	(10,992)	(11,469)	-4
	<u>(368,960)</u>	<u>(756,802)</u>	-51
Profit from operating activities	<u>14,896</u>	<u>52,190</u>	-71
Finance income	1,573	2,182	-28
Finance costs	(7,952)	(10,311)	-23
Net finance costs	<u>(6,379)</u>	<u>(8,129)</u>	-22
Share of profit of joint ventures, net of tax	<u>209</u>	<u>91</u>	>100
Profit before tax	<u>8,726</u>	<u>44,152</u>	-80
Tax expense	(305)	(9,943)	-97
Profit for the year	<u>8,421</u>	<u>34,209</u>	-75

N.M : Not Meaningful

	12 Months Ended 31 December 2018 S\$'000	12 Months Ended 31 December 2017 S\$'000 (Restated)	Change %
Other comprehensive income			
Items that are / may be reclassified subsequently to profit or loss:			
Translation differences relating to financial statements of foreign subsidiaries	(5,095)	(4,315)	18
Exchange differences on monetary items forming part of net investment in a foreign operation	(2,270)	(1,278)	78
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	299	175	71
Other comprehensive income for the year, net of tax	(7,066)	(5,418)	30
Total comprehensive income for the year	1,355	28,791	-95
Profit attributable to:			
Owners of the Company	8,808	34,023	-74
Non-controlling interests	(387)	186	N.M
Profit for the year	8,421	34,209	-75
Total comprehensive income attributable to:			
Owners of the Company	3,225	30,712	-89
Non-controlling interests	(1,870)	(1,921)	-3
Total comprehensive income for the year	1,355	28,791	-95
Earnings per share			
- Basic and diluted (cents) ¹	1.98	7.53	-74

¹ The earnings per share net of non-controlling interests has been calculated based on 445,517,545 (2017: 451,722,407) weighted average number of shares outstanding excluding treasury shares.

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

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

2a. Other income

	12 Months Ended 31 December 2018 S\$'000	12 Months Ended 31 December 2017 S\$'000 (Restated)	Change %
Included in other income:			
Fees from project and property management	(789)	(933)	-15
Gain from sales of car park lots	(313)	(361)	-13
Gain on disposal of scrap parts and materials	(678)	(686)	-1
Gain on disposal of investment properties	-	(1,357)	-100
Governments grants/ credit scheme	(635)	(312)	>100
Training and testing fee income	(313)	(96)	>100
Consultancy services fees	(514)	(326)	58
Gain on disposal of property, plant and equipment	(405)	(251)	61
Reversal of impairment of trade receivables	(3)	(4)	-25

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

2b. Selling expenses

	12 Months Ended 31 December 2018	12 Months Ended 31 December 2017	Change
	S\$'000	S\$'000 (Restated)	%
Included in selling expenses:			
Advertisement and commission expenses	1,925	2,673	-28

2c. Other expenses

	12 Months Ended 31 December 2018	12 Months Ended 31 December 2017	Change
	S\$'000	S\$'000 (Restated)	%
Included in other expenses:			
Entertainment	582	723	-20
Legal and Professional fees	1,473	1,357	9
Operating lease expenses	2,410	1,802	34
Property management expenses	839	834	1
Property tax	734	581	26
Repair and maintenance	1,079	1,223	-12
Travelling and transport	864	907	-5
Donation	99	608	-84
Impairment loss on intangible assets	-	463	-100

2d. Finance income

	12 Months Ended 31 December 2018	12 Months Ended 31 December 2017	Change
	S\$'000	S\$'000 (Restated)	%
Included in finance income:			
Interest income on:			
- cash and cash equivalents	(113)	(413)	-73
- loan to a joint venture	(228)	(471)	-52
- other investment	(12)	(174)	-93

2e. Finance expenses

	12 Months Ended 31 December 2018	12 Months Ended 31 December 2017	Change
	S\$'000	S\$'000 (Restated)	%
Included in finance expenses:			
Interest expense on:			
- bank loans	2,415	1,822	33
- finance lease	22	33	-33
- medium term notes	17	3,563	-100
Exchange loss (net)	748	845	-11

2f. Tax expenses

	12 Months Ended 31 December 2018	12 Months Ended 31 December 2017	Change
	S\$'000	S\$'000 (Restated)	%
Included in tax expenses:			
Overprovision in prior year	(3,317)	(1,210)	>100

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

	Group			Company	
	31.12.2018	31.12.2017	01.01.2017	31.12.2018	31.12.2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	Restated	Restated			
Non-current assets					
Property, plant and equipment	121,016	129,349	123,164	-	-
Intangible assets	387	408	1,235	-	-
Investment properties	16,273	13,584	14,927	-	-
Investment in subsidiaries	-	-	-	59,624	59,624
Associates and joint ventures	42,579	34,162	30,535	-	-
Trade and other receivables	11,741	13,929	30,719	-	-
Amount due from related parties	3,500	2,715	1,653	-	-
Other investments	1,271	1,285	1,145	-	-
Deferred tax assets	431	202	204	-	-
	197,198	195,634	203,582	59,624	59,624
Current assets					
Inventories	1,045	1,074	1,467	-	-
Contract costs	877	1,628	1,579	-	-
Contract assets	73,969	77,641	60,001	-	-
Development properties	234,290	278,676	336,049	-	-
Trade and other receivables	79,444	95,104	111,978	7	7
Amounts due from related parties	38,220	48,516	49,365	104,436	104,436
Cash and cash equivalents	39,975	143,715	92,248	82	77,078
	467,820	646,354	652,687	104,525	181,521
Assets held for sale	215	-	-	-	-
	468,038	646,354	652,687	104,525	181,521
Total assets	665,233	841,988	856,269	164,149	241,145
Equity attributable to owners of the Company					
Share capital	181,947	181,947	181,947	181,947	181,947
Treasury shares	(4,452)	(3,033)	(1,310)	(4,452)	(3,033)
Reserves	(76,757)	(71,149)	(65,948)	(45,850)	(45,850)
Retained earnings / (Accumulated losses)	167,684	165,588	135,195	(25,771)	(27,641)
	268,422	273,353	249,884	105,874	105,423
Non-controlling interests	38,301	46,982	56,944	-	-
Total equity	306,723	320,335	306,828	105,874	105,423
Non-current liabilities					
Trade and other payables	7,588	23,296	24,348	-	-
Loans and borrowings	13,585	17,184	90,931	-	-
Deferred tax liabilities	3,509	3,779	5,810	-	-
	24,682	44,259	121,089	-	-
Current liabilities					
Contract liabilities	35,383	105,939	137,709	-	-
Trade and other payables	169,893	216,127	165,400	219	3,592
Amounts due to related parties	22,676	23,785	28,800	58,056	59,119
Loans and borrowings	96,325	114,882	85,449	-	72,996
Current tax payable	9,551	16,661	10,994	-	15
	333,828	477,394	428,352	58,275	135,722
Total liabilities	358,510	521,653	549,441	58,275	135,722
Total equity and liabilities	665,233	841,988	856,269	164,149	241,145

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

Amount repayable in one year or less, or on demand

As at 31.12.2018		As at 31.12.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
96,325	-	41,886	72,996

Amount repayable after one year

As at 31.12.2018		As at 31.12.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
13,585	-	17,184	-

Details of any collateral

1. Secured loan from a bank

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

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

	31 December 2018	31 December 2017
	\$'000	\$'000
Carrying amounts of assets:		
Leasehold land	11,303	11,820
Freehold land	3,899	3,962
Leasehold properties	52,681	37,624
Investment properties	4,296	438
Plant and machinery	167	5,006
Motor vehicles	661	866
Deposits pledged	605	580
Total	73,612	60,296

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

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

	12 Months Ended 31 December 2018 S\$'000	12 Months Ended 31 December 2017 S\$'000 (Restated)
Cash flow from operating activities		
Profit from operating activities	14,896	52,190
Adjustments for:		
Reversal of impairment of trade receivables	(3)	(4)
Depreciation and amortisation	18,902	16,915
Property, plant and equipment written off	8	-
Intangible assets written off	-	463
Gain on disposal of:		
- property, plant and equipment	(405)	(251)
- investment properties	-	(1,357)
Operating profit before working capital changes	33,398	67,956
Changes in working capital:		
Inventories	29	393
Contract assets	3,672	(17,640)
Contract liabilities	(70,556)	(31,770)
Contract costs	751	(49)
Development properties	35,689	53,201
Trade and other receivables	17,170	35,592
Balances with related parties (trade)	1,661	(11,425)
Trade and other payables	(63,644)	46,287
Cash (used in)/ generated from operations	(41,830)	142,545
Income taxes paid	(8,029)	(7,615)
Income taxes refunded	-	429
Net cash (used in)/ generated from operating activities	(49,859)	135,359
Cash flow from investing activities		
Balances with related parties (non-trade)	(3,798)	(3,578)
Distribution received from joint ventures	-	136
Loan repayment from joint ventures	7,755	12,135
Investment in a joint venture	(14,099)	(12,739)
Interest received	353	1,058
Proceeds from disposal of:		
- property, plant and equipment	2,632	519
- investment properties	-	1,891
Distribution from other investments	-	69
Purchase of property, plant and equipment	(15,952)	(22,078)
Purchase of intangible assets	(72)	(137)
Purchase of other investments	-	(190)
Net cash used in investing activities	(23,181)	(22,914)

	12 Months Ended 31 December 2018 S\$'000	12 Months Ended 31 December 2017 S\$'000 (Restated)
Cash flow from financing activities		
Balances with related parties (non-trade)	2,388	(881)
Decrease/(increase) in restricted cash	1,576	(2)
(Increase)/decrease in deposits pledged	(38)	2,205
Dividends paid to:		
- owners of the company	(6,675)	(3,630)
- non-controlling interests	-	(58)
Interest paid	(2,441)	(5,143)
Acquisition of non-controlling interest in a subsidiary	-	(4,457)
Purchase of treasury shares	(1,419)	(1,723)
Payments of finance lease liabilities	(351)	(706)
Proceeds from loans and borrowings	80,714	41,364
Repayment of loans and borrowings	(102,617)	(85,413)
Net cash used in financing activities	<u>(28,863)</u>	<u>(58,444)</u>
Net (decrease)/increase in cash and cash equivalents	(101,903)	54,001
Cash and cash equivalents at beginning of the year	141,334	87,602
Effect of exchange rate changes on balances held in foreign currencies	(284)	(269)
Cash and cash equivalents at end of the year	<u>39,147</u>	<u>141,334</u>

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

Group	Share capital	Treasury shares	Merger reserve	Capital reserve	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2017	181,947	(3,033)	(77,720)	(2)	3,564	-	2,960	172,815	280,531	46,838	327,369
Adoption of SFRS(I) 15	-	-	-	-	-	-	49	(7,227)	(7,178)	144	(7,034)
As restated at 31 December 2017	181,947	(3,033)	(77,720)	(2)	3,564	-	3,009	165,588	273,353	46,982	320,335
Adoption of SFRS(I)9	-	-	-	-	-	-	-	(37)	(37)	-	(37)
As restated at 1 January 2018	181,947	(3,033)	(77,720)	(2)	3,564	-	3,009	165,551	273,316	46,982	320,298
Profit for the period	-	-	-	-	-	-	-	8,808	8,808	(387)	8,421
Other comprehensive income											
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	-	-	(3,612)	-	(3,612)	(1,483)	(5,095)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	-	-	-	(2,270)	-	(2,270)	-	(2,270)
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	-	-	-	-	-	-	299	-	299	-	299
Total other comprehensive income	-	-	-	-	-	-	(5,583)	-	(5,583)	(1,483)	(7,066)
<i>Total comprehensive income for the period</i>	-	-	-	-	-	-	(5,583)	8,808	3,225	(1,870)	1,355
Transaction with owners, recognised directly in equity											
Contributions by and distributions to owners											
Purchase of treasury shares	-	(1,419)	-	-	-	-	-	-	(1,419)	-	(1,419)
Dividend paid	-	-	-	-	-	-	-	(6,675)	(6,675)	(3,259)	(9,934)
Capital reduction in a subsidiary	-	-	-	-	-	-	-	-	-	(3,577)	(3,577)
Acquisition of non-controlling interest without a change in control	-	-	-	(25)	-	-	-	-	(25)	25	-
<i>Total transaction with owners of the Company</i>	-	(1,419)	-	(25)	-	-	-	(6,675)	(8,119)	(6,811)	(14,930)
At 31 December 2018	181,947	(4,452)	(77,720)	(27)	3,564	-	(2,574)	167,684	268,422	38,301	306,723

Group	Share capital	Treasury shares	Merger reserve	Capital reserve	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2017	181,947	(1,310)	(77,720)	1,888	3,564	-	6,320	145,517	260,206	57,641	317,847
Adoption of SFRS(I) 15	-	-	-	-	-	-	-	(10,322)	(10,322)	(697)	(11,019)
As restated at 1 January 2017	181,947	(1,310)	(77,720)	1,888	3,564	-	6,320	135,195	249,884	56,944	306,828
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	34,023	34,023	186	34,209
Other comprehensive income											
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	-	-	(2,208)	-	(2,208)	(2,107)	(4,315)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	-	-	-	(1,278)	-	(1,278)	-	(1,278)
Net change in the fair value of available-for-sale investments	-	-	-	-	-	-	175	-	175	-	175
Total other comprehensive income	-	-	-	-	-	-	(3,311)	-	(3,311)	(2,107)	(5,418)
<i>Total comprehensive income for the period</i>	-	-	-	-	-	-	(3,311)	34,023	30,712	(1,921)	28,791
Transaction with owners, recognised directly in equity											
Contributions by and distributions to owners											
Purchase of treasury shares	-	(1,723)	-	-	-	-	-	-	(1,723)	-	(1,723)
Dividend declared	-	-	-	-	-	-	-	(3,630)	(3,630)	(58)	(3,688)
Acquisition of non-controlling interest without a change in control	-	-	-	(1,890)	-	-	-	-	(1,890)	(7,983)	(9,873)
<i>Total transaction with owners of the Company</i>	-	(1,723)	-	(1,890)	-	-	-	(3,630)	(7,243)	(8,041)	(15,284)
At 31 December 2017	181,947	(3,033)	(77,720)	(2)	3,564	-	3,009	165,588	273,353	46,982	320,335

Company	Share capital	Treasury Shares	Merger Reserve	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2018	181,947	(3,033)	(45,850)	(27,641)	105,423
Total comprehensive income for the period	-	-	-	8,545	8,545
Dividend paid	-	-	-	(6,675)	(6,675)
Purchase of treasury shares	-	(1,419)	-	-	(1,419)
At 31 December 2018	181,947	(4,452)	(45,850)	(25,771)	105,874
At 1 January 2017	181,947	(1,310)	(45,850)	(22,622)	112,165
Total comprehensive income for the period	-	-	-	(1,389)	(1,389)
Dividend paid	-	-	-	(3,630)	(3,630)
Purchase of treasury shares	-	(1,723)	-	-	(1,723)
At 31 December 2017	181,947	(3,033)	(45,850)	(27,641)	105,423

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

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

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

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

As at 31 December 2018, the Company held 14,838,500 treasury shares (11,242,400 treasury shares as at 31 December 2017) which represents 3.34% (2.51% as at 31 December 2017) of the total number of issued shares of the Company (excluding treasury shares).

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

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

	No of shares	
	31 December 2018	31 December 2017
Total number of issued shares excluding treasury shares	444,785,349	448,381,449

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

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

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

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

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

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

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

Not applicable.

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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 31 December 2017.

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

The Group has adopted a new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS(I)s) on 1 January 2018. In adopting SFRS(I)s, the Group has applied the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International) in preparing the financial information included in this announcement.

The Group has also concurrently applied the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date.

- SFRS(I) 15 Revenue from Contracts with Customers which includes the clarifications to IFRS 15 Revenue from Contracts with Customers issued by the IASB in April 2016;
- SFRS(I) 9 Financial Instruments which includes the amendments to IFRS 4 Insurance Contracts – Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts issued by the IASB in September 2016;
- requirements in SFRS(I) 2 Share-based Payment arising from the amendments to IFRS 2 – Classification and Measurement of Share-based Payment Transactions issued by the IASB in June 2016;
- requirements in SFRS(I) 1-40 Investment Property arising from the amendments to IAS 40 – Transfer of Investment Property issued by the IASB in December 2016;
- requirement in SFRS(I) 1 arising from the amendments to IFRS 1 – Deletion of short-term exemptions for the first-time adopters issued by the IASB in December 2016;
- requirements in SFRS(I) 1-28 Investment in Associates and Joint Ventures arising from the amendments in IAS 28 – Measuring an associate or joint venture at fair value issued by the IASB in December 2016; and
- SFRS(I) INT 22 Foreign Transactions and Advance Consideration

The application of the above standards does not have any significant impact on the financial information except for SFRS(I) 15.

The impacts of the adoption of SFRS(I) 15 to the accounting of contracts of the Group are described below:

(i) Contract revenue and contract costs

Contract revenue and costs were recognized with reference to the stage of completion from independent certification performed prior to the adoption of SFRS(I) 15.

On adoption of SFRS(I) 15, the costs incurred to fulfill the satisfied performance obligation are recognized in profit or loss as control of goods or services to the customer is transferred over time while revenue are recognized using percentage of completion method computed based on actual costs incurred to date over the budgeted costs.

Where the control of goods and services to the customer is transferred at a future point in time, the costs incurred to fulfill the future performance obligation are capitalized as they are recoverable, and presented as “contract assets” within the balance sheet. The costs capitalised are recognized in profit or loss when the performance obligation is satisfied.

(ii) Sales commissions paid to sales or marketing agents on the sale of real estate units

Commissions paid or payable to property agents on the sale of property are capitalized as incremental costs to obtain a contract with customer if these costs are recoverable, and presented as “contract costs” within balance sheet. The costs capitalized are amortised to profit or loss when the Group recognizes the related revenue. Prior to the adoption of SFRS(I) 15, commissions are recognized as expense when incurred.

(iii) Significant financing components arising from payments from customers

The revenue of certain contracts, where the period between the transfer of promised goods or services to customer and payment by customer exceeds one year, is deemed to contain a financing component of which the transaction price is adjusted for the time value of money of the contracts.

The financial effect of adopting SFRS(I)s on the comparative figures for FY2018 Financial Statements are as follows:

Consolidated Income Statement	Full Year Ended 31 December 2017
	Increase/(decrease) profit
	S\$'000
Revenue from construction contracts	54,009
Revenue from sales of development properties	5,966
Cost of construction	(53,376)
Gross Profit	6,599
Selling expenses	1,047
Finance expenses	(3,561)
Profit before income tax	4,085
Income tax	(165)
Profit for the period	3,920
Non-controlling interests	(825)
Profit attributable to owners of the Company	3,095
Earnings per share – basic & diluted (cents)	0.68

Consolidated Financial Position	31 December 2017	1 January 2017
	Increase/(decrease)	Increase/(decrease)
	S\$'000	S\$'000
Associates and joint ventures*	9,499	7,582
Construction work-in-progress	(28,558)	(30,337)
Contract assets	77,641	60,001
Trade and other receivables	(70,514)	(144,925)

Contract costs	1,628	1,579
Amounts due from related parties*	(1,200)	(2,280)
Total assets	(11,504)	(108,380)
Foreign currency translation reserve	49	-
Retained earnings	(7,227)	(10,322)
Non-controlling interest	144	(697)
Total equity	(7,034)	(11,019)
Progress billings in excess of construction work-in-progress	-	(8,545)
Contract liabilities	105,939	137,709
Trade and other payables	(117,297)	(230,251)
Amounts due to related parties*	8,299	5,302
Current tax payables	(1,411)	(1,576)
Total liabilities	(4,470)	(97,361)
Total equity and liabilities	(11,504)	(108,380)

* This refer to reclassification of net payables arising from loss in investment in joint ventures to amount due from/ to related parties

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

	12 Months Ended 31 December 2018	12 Months Ended 31 December 2017
	(cents)	(cents)
		Restated
Earnings per ordinary share of the group, after deducting any provision for preference dividends (in cents):		
(a) Based on weighted average number of ordinary shares on issue; and	1.98	7.53
(b) On a fully diluted basis	1.98	7.53

The earning per ordinary share net of non-controlling interests has been calculated based on weighted average number of shares outstanding of 445,517,545 (2017: 451,722,407) excluding any treasury shares.

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

	Group		Company	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	(cents)	(cents)	(cents)	(cents)
		Restated		
Net asset value per ordinary share based on issued share capital at the end of:	60.35	60.96	23.80	23.51

The net asset value per ordinary share net of controlling interests and excluding treasury shares has been calculated based on 444,785,349 shares and 448,381,449 shares as at 31 December 2018 and as at 31 December 2017 respectively.

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

Review of Group Performance for FY2018 vs FY2017

Overview

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

	<u>Construction</u>	<u>Property Development</u>	<u>Rental</u>	<u>Others</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	313,483	64,069	1,548	-	379,100
Costs	(274,250)	(52,526)	-	-	(326,776)
Gross Profit	39,233	11,543	1,548	-	52,324
Other income	3,021	422	-	1,313	4,756
Depreciation	(7,135)	(59)	(702)	(23)	(7,919)
Selling expenses	(27)	(2,389)	-	-	(2,416)
Staff costs	(16,850)	(1,569)	-	(2,438)	(20,857)
Other operating expenses	(7,366)	(1,840)	-	(1,786)	(10,992)
Profit / (loss) from operating activities	10,876	6,108	846	(2,934)	14,896

	<u>Construction</u>	<u>Property Development</u>	<u>Rental</u>	<u>Others</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	705,335	95,503	1,933	-	802,771
Costs	(636,685)	(80,203)	-	-	(716,888)
Gross Profit	68,650	15,300	1,933	-	85,883
Other income	2,222	2,177	485	1,337	6,221
Depreciation	(4,444)	(50)	(577)	(32)	(5,103)
Selling expenses	(13)	(3,142)	-	-	(3,155)
Staff costs	(15,789)	(1,666)	-	(2,732)	(20,187)
Other operating expenses	(7,708)	(1,751)	-	(2,010)	(11,469)
Profit / (loss) from operating activities	42,918	10,868	1,841	(3,437)	52,190

As a whole, the Group's profit from operating activities decreased by S\$37.3 million or 71.5% year-on-year (yoy) from approximately S\$52.2 million in FY2017 to S\$14.9 million in FY2018. The decrease was mainly attributable to lower revenue recognized across the 2 key segments in construction and property development. Construction work performed decreased S\$391.9 million from S\$705.3 million in FY2017 to S\$313.5 million in FY2018 whereas revenue recognized in property development reduced S\$31.4 million from S\$95.5 million in FY2017 to S\$64.1 million in FY2018. The lower revenue reduced the Group's gross profit by approximately S\$33.6 million to S\$52.3 million in FY2018.

Revenue

Revenue decreased by approximately S\$423.7 million or 52.8% yoy from approximately S\$802.8 million in FY2017 to approximately S\$379.1 million in FY2018, attributable mainly to decrease in work performed in construction segment by S\$391.9 million and lower revenue recognized in property development segment by S\$31.4 million.

Revenue from construction contracts

Decrease in construction revenue was mainly due to differences in stages of various construction contracts and the net decrease in work done for various projects, as old ones got completed and contributions from new ones not being significant in contrast.

Revenue from sales of development properties

Revenue from sales of development properties in FY2018 amounted to S\$64.1 million contributed mainly from the sale recognition of 10 units (2,666 sqm) from Tranquility Project, 2 units (372 sqm) from Sunny International Project and 99 units (17,546 sqm) from Equinox Project. In FY2017, revenue amounted to S\$95.5 million was contributed mainly from the sale recognition of 70 units (22,363 sqm) from Tranquility Project and 2 units (265 sqm) from the Sunny International Project and 35 units (10,620 sqm) from Equinox Project.

As at 31 December 2018, approximately S\$31.2 million of gross development value were sold, but yet to be recognised as revenue in accordance to our revenue recognition policy, as follows:

Projects	Total units launched	Units sold and recognised	Units sold but yet to recognize	
			Units	Sqm
Equinox	434	264	51	8,701
Tranquility Residences	636	583	5	1,622

Rental Income

Rental income decreased by approximately S\$0.4 million from S\$1.9 million in FY2017 to S\$1.5 million in FY2018 was mainly due to rebate given to tenant amid difficult operating environment.

Other Income

Other income decreased by S\$1.5 million to S\$4.8 million in FY2018 mainly due to the absence of gain on disposal of investment properties in PRC in FY2017 amounted to S\$1.4 million.

Gross profit in construction segment

Increase in gross profit margin of approximately 2.8% from 9.7% in FY2017 to 12.5% in FY2018 due mainly to projects' profile and relative weighted average profitability in the projects recognized over the two periods.

Gross profit in property development segment

Gross profit margin increased approximately 2.0% from 16.0% in FY2017 to 18.0% in FY2018 due to the difference in projects' profile and relative weighted average profitability in the units recognized over the two years.

Depreciation and amortization

Increase in depreciation and amortization expenses of approximately S\$2.8 million to S\$7.9 million in FY2018 mainly due to depreciation of its newly built up leasehold property at 21 Fan Yoong Road and lower utilization of plant and equipment in the construction projects.

Selling expenses

Decrease in selling expenses of approximately S\$0.7 million to S\$2.4 million in FY2018 mainly due to lower marketing expenses for properties in the People's Republic of China ("PRC").

Net finance costs

Net finance expense decreased by approximately S\$1.8 million to S\$6.4 million in FY2018 due mainly to lower interest expense of approximately S\$3.0 million following the redemption of S\$75 million multi-currency medium term notes in January 2018, partially offset by lower interest income and higher net financing expense on discounting of long term retention receivables and payables.

Share of profit of joint ventures, net of tax

The Group registered a net share of profit from joint ventures of approximately S\$0.2 million in FY2018 due mainly to net profit from the joint venture in construction projects partially offset by loss in joint venture in property development as a results of borrowing cost incurred in development properties projects, while the projects have yet to reach the revenue recognition stage.

Tax expense

Income tax expense decreased by approximately S\$9.6 million to S\$0.3 million due mainly to lower current year taxable profit, tax credit arose from the utilisation of tax losses and capital allowances not previously taken in and lower prior year tax expense for property development in PRC.

Profit for the year

FY2018 reported a profit after tax of S\$8.4 million as a result of the factors mentioned in the preceding paragraphs.

Review of Group Financial Position

Non-Current Assets

As at 31 December 2018, non-current assets stood at S\$197.2 million or approximately 29.6% of total assets, an increase of approximately S\$1.6 million as compared to 31 December 2017.

Decrease in property, plant and equipment ("PPE") of approximately S\$8.3 million to S\$121.0 million as at 31 December 2018 was mainly due to reclassification of a property of approximately S\$4.0 million from PPE to investment properties following a change in use from self-occupied to leasing out for rental income and depreciation incurred partially offset by acquisition mostly of plant and equipment for the period.

Increase in investment properties by S\$2.7 million to S\$16.3 million as at 31 December 2018 was due mainly to reclassification of property from PPE to investment property of S\$4.0 million as described in previous paragraph partially offset by depreciation during the period.

Increase in investment in associates and joint ventures of approximately S\$8.4 million to S\$42.6 million as at 31 December 2018 was mostly due to increase investment in joint venture for property development in Singapore.

Decrease in non-current trade and other receivables by S\$2.2 million to S\$11.7 million as at 31 December 2018 was mainly due to reclassification of retention sums receivable within 12 months to current assets.

Increase in amount due from related parties by S\$0.8 million to S\$3.5 million as at 31 December 2018 due to increase in retention sum receivable from a joint venture project.

Current Assets

As at 31 December 2018, current assets stood at S\$468.0 million or approximately 70.4% of total assets, a decrease of approximately S\$178.3 million as compared to 31 December 2017.

Decrease in contract cost by S\$0.8 million to S\$0.9 million as at 31 December 2018 was due to lower commission prepaid for the sale of development properties yet to be recognized.

Decrease in contract assets by S\$3.7 million to S\$74.0 million as at 31 December 2018 was mostly due to decreased in accrued receivables arising from revenue recognized based on work performed amid lower construction volume.

Decrease in development properties by S\$44.4 million to S\$234.3 million as at 31 December 2018 was due mainly to revenue recognition and translation difference as a result of weakened Renminbi vis-à-vis Singapore Dollar, partially offset by development costs incurred for the same period.

Decrease in trade and other receivables by approximately S\$15.7 million to S\$79.4 million as at 31 December 2018 due mainly to decrease in retention receivables and prepayments of approximately S\$11.6 million and S\$8.8 million, partially offset by increase in other and trade receivables of S\$2.1 million and S\$2.0 million respectively.

Decrease in amount due from related parties by S\$10.3 million to S\$38.2 million as at 31 December 2018 mainly due to settlement of account with a minority shareholder amounted to S\$9.2 million and translation difference as a result of weakened Renminbi vis-à-vis Singapore Dollar.

Decrease in cash and cash equivalents by S\$103.7 million to S\$40.0 million as at 31 December 2018 due mainly to net repayment of loans and borrowings during the period reported on, lower construction volume and settlement of accounts with various subcontractors for those projects completed during the period. Net repayment of loans and borrowings include S\$75 million multi-currency medium term note.

Assets held for sale of S\$0.2 million refer to an investment property being a unit under an enbloc sales arrangement reclassified as asset held for sale.

Non-Current Liabilities

As at 31 December 2018, non-current liabilities amounted to S\$24.7 million or approximately 6.9% of total liabilities, a decrease of approximately S\$19.6 million as compared to 31 December 2017.

Non-current trade and other payables decreased by approximately S\$15.7 million to S\$7.6 million as at 31 December 2018 mainly due to reclassification of retention sum payable within 12 months to current liabilities.

Loan and borrowings decreased by approximately S\$3.6 million to S\$13.6 million as at 31 December 2018 due mainly to reclassification of borrowings due within 12 months to current liabilities.

Current Liabilities

As at 31 December 2018, current liabilities stood at S\$333.8 million or approximately 93.1% of total liabilities, a decrease of S\$143.6 million as compared to 31 December 2017.

Contract liabilities decreased by approximately S\$70.6 million to S\$35.4 million as at 31 December 2018 mainly due to decrease in the excess of progress billing over construction revenue recognised and decrease in advance receipt from development properties. Decrease in the excess of progress billing over construction revenue recognised was mainly due to completion of a few major projects. Drop in advance receipt from development properties was mainly due to the recognition of revenue from various property development projects was higher than advance receipt collected from the sale of development properties for the period under review.

Trade and other payables decreased by approximately S\$46.2 million to S\$169.9 million as at 31 December 2018 due mainly to lower construction activities and settlement of accounts with various subcontractors of those completed projects.

Loans and borrowings decreased by S\$18.6 million to S\$96.3 million as at 31 December 2018 mainly due to redemption of S\$75.0 million multi-currency medium term note in January 2018 partially offset by net increase in borrowings during the period.

Current tax payable decreased by S\$7.1 million to S\$9.6 million mainly due to tax paid partially offset by provision of tax expenses during the period.

Review of Statement of Cash Flows

Net cash from operating activities

For the year ended 31 December 2018, the Group recorded a net cash outflow from operating activities of approximately S\$49.9 million, as compared to S\$135.4 million net cash inflow in the previous corresponding year. This was mainly due to lower construction volume, following the completion of a few major projects coupled with lower contribution from the new projects. At the same time, this period saw the settlement of accounts with various subcontractors of those completed projects.

Net cash from investing activities

For the year ended 31 December 2018, the Group recorded a net cash outflow from investing activities of S\$23.2 million, increased by S\$0.3 million as compared to previous corresponding year. This was mainly due to increased investment in joint venture, lower loan repayment from joint venture and lower PPE investment in FY2018.

Net cash from financing activities

For the year ended 31 December 2018, the Group recorded a net cash outflow from financing activities of S\$28.9 million, as compared to net cash outflow of S\$58.4 million in previous corresponding year. This was due mainly to lower net repayment of loans and borrowings in FY2018 of S\$21.9 million as compared to net repayment of loans and borrowings of S\$44.0 million and acquisition of non-controlling interest in subsidiaries of S\$4.5 million in FY2017.

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

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

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

Construction Outlook

Construction demand in 2019 is expected to lie within the range of S\$27.0 to S\$32.0 billion, as compared to approximately S\$30.5 billion worth of contracts awarded during 2018¹. This outlook is expected to be fueled by sustained demand from the public sector, whereby a pipeline of major industrial building and infrastructure projects such as the Thomson-East Coast Line, Changi Terminal 5 and Tuas Mega Port are due to roll out².

Furthermore, construction demand from the private sector is expected to remain steady at between S\$10.5 billion and S\$12.5 billion in 2019, driven mainly from the spate of en-bloc sales concluded prior to the second half of 2018.

In spite of the ramp up in construction activities expected, industry observers believe local construction firms will continue to face heightening competitive pressures as a result of the influx of overseas construction companies from countries such as the People's Republic of China, South Korea and Japan.

The Group's order book as at 31 December 2018 stood at approximately S\$545.1 million which is expected to extend till year 2020.

Property Development Outlook

Singapore

In July 2018, the Government imposed a new set of regulations such as higher stamp duties and tougher loan-to-value rules to curb aggressive land bids by developers and an explosion in collective sales efforts by private apartment owners which first began in the second half of 2017. As a result, private home prices posted their first decline in six quarters in the last three months of 2018³.

Contrary to popular opinion however, industry observers believe the Singapore housing market is not oversupplied. Unsold units in the pipeline originating from the previous spate of en-bloc sales are likely to be short-lived, as new en-bloc sales of condos have fallen from an average of more than S\$1.0 billion a month to virtually zero since July 2018⁴. In addition, fewer land banks released from Government Land Sales (GLS) sites should stifle inflows of saleable inventory, meaning unsold inventory levels are likely to get tighter in the near future.

From early 2019, the maximum number of units allowed in certain new private flat and condominium developments will be reduced, as the URA has revised guidelines to manage potential strains and stresses on infrastructure. Under the new rules, the maximum number of housing units allowed in a development outside the central area will be arrived at by dividing the proposed building gross floor area (GFA) by 85 sqm. The current formula divides GFA by 70 sqm⁵. The new guidelines are poised to further curb the proliferation of shoebox units and will apply to new development applications for projects submitted on or after 17 January 2019.

The aforementioned guidelines will likely have minimal impact on the Group's operations as it has been granted Provisional Permission and will therefore not be subjected to the revised rules.

¹ "Singapore's Total Construction Demand to Remain Strong This Year", BCA, 14 January 2019

² "Construction industry to grow 3.3% in 2019-2028 amidst transport megaproject boom", Singapore Business Review, 6 February 2019

³ "Singapore private home prices not set for 'big bump,' says CapitaLand", The Straits Times, 20 February 2019

⁴ "Outlook for Singapore property expected to improve in 2019" The Business Times, 30 January 2019

⁵ "URA cuts number of units allowed to be built in condos, private flats", The Straits Times, 18 October 2018

In 2017, the Group's 60:40 joint venture, TSky Development Pte Ltd ("TSky"), entered into a 70%:20%:10% joint venture with Progen Industrial Pte Ltd and Seacare Property Development Pte Ltd ("Seacare") to acquire 2 sites at Balmoral Road for S\$80.5 million. Located at prime district 10, Balmoral Road, the sites are intended for residential development and measure approximately 38,943 square feet with a gross plot ratio of 1.6.

In 2018, TSky entered into a 51%:30%:10%:9% joint venture with Ocean City Global Limited, Seacare and Min Ghee Investment (2018) Pte Ltd to acquire a site at Cairnhill Rise for approximately S\$72.6 million. Located at prime district 9, Cairnhill Rise, the site is intended for residential development and measures approximately 15,408 square feet with a gross plot ratio of 2.8. The acquisition of the sites is completed in October 2018.

China

As a result of years of strict regulatory controls put in place by the Chinese government, the property market in China has shown signs of slowing, and growth could potentially be at an inflexion point. Property prices had skyrocketed until the middle of the 2018, when cooling measures at the national and local level began to kick in, causing prices to rise less quickly in big cities like Beijing, and even in medium-sized cities like Hangzhou, Xiamen and Tianjin⁶. Some cities have already begun taking incremental steps to lessen the impact of prior cooling measures, such as lifting price caps and removing re-sale restrictions.

As at 31 December 2018, approximately S\$31.2 million of gross development value comprises 51 units (8,701 sqm) of the Equinox and 5 units (1,622 sqm) of Tranquility Residences were sold, but yet to be recognized as revenue in accordance to the Group's revenue recognition policy.

As at 31 December 2018, approximately 72.6% of the total 434 units launched for Equinox have been sold. The Group has completed its phase B3 construction and started revenue recognition in Q4 of 2018. Based on current existing phase development plan and schedule, the Group is currently carrying out construction for its E2 phase with expected completion and handover in 2020.

For Tranquility Residences project in Suzhou New District Development zone, development of the project is fully completed with approximately 92.5% of the total 636 units being sold.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

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

⁶ "Will China take out the axe to fix the slowing property market?", South China Morning Post, 24 January 2019

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

Name of Dividend: First and Final
Dividend Type: Cash
Dividend rate: 1.5 cent per ordinary share
Tax rate: 1-tier tax-exempt

(c) Date payable

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

(d) Books closure date

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

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

Not applicable.

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

Pursuant to Rule 920(1)(a)(ii), the following interested person transactions were entered into during the financial year ended 31 December 2018.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	4Q2018 S\$'000	FY2018 S\$'000	4Q2018 S\$'000	FY2018 S\$'000
Hiring charges				
Peck Tiong Choon Transport (Pte) Ltd	-	-	1,787	6,251
Peck Tiong Choon Logistic (Pte) Ltd	-	-	45	166
Total	-	-	1,832	6,417
Construction revenue				
Peck Tiong Choon (Pte) Ltd*	-	3,813	-	-
Total	-	3,813	-	-

*The transaction was approved by shareholders in an extraordinary general meeting held on 16 December 2016 under Rule 906(1)(a) of the listing manual.

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

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

a) Business segments

31 December 2018	Construction S\$'000	Property Development S\$'000	Rental S\$'000	Segments total S\$'000	Others* S\$'000	Total S\$'000
External revenue	313,483	64,069	1,548	379,100	-	379,100
Interest income	45	279	-	324	29	353
Interest expenses	(2,408)	-	-	(2,408)	(46)	(2,454)
Depreciation and amortization	(18,241)	(93)	(545)	(18,879)	(23)	(18,902)
Reportable segment profit / (loss) before income tax	8,193	3,008	846	12,047	(3,530)	8,517
Share of profit of associates and joint ventures, net of tax	1,348	(1,139)	-	209	-	209
Profit before income tax						8,726
Income tax expense						(305)
Profit for the year						8,421
Reportable segment assets	308,469	281,338	16,488	606,295	16,359	622,654
Investment in associates and joint ventures	11,660	30,005	-	41,665	914	42,579
Total assets						665,233
Reportable segment liabilities	304,430	52,496	-	356,926	1,584	358,510
Capital expenditure	16,629	82	-	16,711	13	16,724

31 December 2017	Construction S\$'000 Restated	Property Development S\$'000 Restated	Rental S\$'000	Segments total S\$'000	Others* S\$'000	Total S\$'000 Restated
External revenue	705,335	95,503	1,933	802,771	-	802,771
Interest income	166	757	-	923	135	1,058
Interest expenses	(1,456)	(204)	-	(1,660)	(3,758)	(5,418)
Depreciation and amortization	(16,256)	(50)	(577)	(16,883)	(32)	(16,915)
Reportable segment profit / (loss) before income tax	41,128	8,037	1,841	51,006	(6,945)	44,061
Share of profit of associates and joint ventures, net of tax	(986)	1,077	-	91	-	91
Profit before income tax						44,152
Income tax expense						(9,943)
Profit for the year						34,209
Reportable segment assets	353,007	344,601	13,584	711,192	96,634	807,826
Investment in associates and joint ventures	9,499	24,663	-	34,162	-	34,162
Total assets						841,988
Reportable segment liabilities	350,796	93,231	-	444,027	77,626	521,653
Capital expenditure	31,520	86	-	31,606	6	31,612

*General Corporate activities

(b) Geographical segment

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

	<u>Revenue from external customers</u>		<u>Non-current assets*</u>	
	2018 S\$'000	2017 S\$'000 Restated	2018 S\$'000	2017 S\$'000 Restated
Singapore	313,584	705,460	158,600	155,576
PRC	65,330	96,789	13,512	13,604
PNG	101	103	324	403
Europe	-	-	86	85
Malaysia	85	419	7,733	7,835
	379,100	802,771	180,255	177,503

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

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

Please refer to section 8.

16. A breakdown of sales and profit before tax.

	2018 S\$'000	2017 S\$'000 Restated	Increase / (Decrease) %
Sales reported for first half year	196,683	345,183	(43)
Operating profit after tax before deducting non-controlling interests reported for first half year	5,281	9,885	(47)
Sales reported for second half year	182,417	457,588	(60)
Operating profit after tax before deducting non-controlling interests reported for second half year	3,140	24,324	(87)

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

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

	Latest full year (S\$'000) (Recommended)	Previous full year (S\$'000)
Ordinary	2,224	6,675
Preference	-	-
Total:	2,224	6,675

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

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Pek Lian Guan	54	<p>Brother of Pek Dien Kee (Head of Asset Management).</p> <p>Cousin of Pay Sim Tee (Executive Director) and Pay Teow Heng (Project Director).</p> <p>Uncle of Ong Chun Tiong (General Manager for the Group's subsidiaries in Tianjin, PRC), Pek Chik Lay (General Manager of Cobiax Technologies (Asia) Pte Ltd and Robin Village International Pte Ltd), Peh Geok Soon (Deputy General Manager of Suzhou Huisheng Construction Development Co., Ltd & Deputy General Manager of Suzhou Chang He Investment & Development Co. Ltd), Pek Chee Keong (General Manager of Jet-Scan Private Limited) and Pay Simin Jasmine (Deputy Contracts Manager) of Tiong Seng Contractors (Private) Limited).</p> <p>Father of Pek Zhi Kai (Business Development & Special Project Manager of Tiong Seng Contractors Pte Ltd).</p>	Executive Director & CEO since 15 April 2008 and 2010 respectively	Not Applicable
Pay Sim Tee	68	<p>Cousin of Pek Dien Kee (Head of Asset Management) and Pay Teow Heng (Project Director).</p> <p>Uncle of Ong Chun Tiong (General Manager for the Group's subsidiaries in Tianjin, PRC), Pek Chik Lay (General Manager of Cobiax Technologies (Asia) Pte Ltd and</p>	Executive Director since 2010	Not Applicable

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
		Robin Village International Pte Ltd), Peh Geok Soon (Deputy General Manager of Suzhou Huisheng Construction Development Co., Ltd & Deputy General Manager of Suzhou Chang He Investment & Development Co. Ltd), Pek Chee Keong (General Manager of Jet-Scan Private Limited), Pay Simin Jasmine (Deputy Contracts Manager of Tiong Seng Contractors (Private) Limited) and Pek Zhi Kai (Commercial & Risk Manager of Steeltech Pte Ltd).		
Pek Dien Kee	65	Brother of Pek Lian Guan (Executive Director and CEO). Cousin of Pay Sim Tee (Executive Director).	Head of Asset Management since 2010	Not Applicable
Pay Teow Heng	52	Cousin of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	Project Director since 2010	Not Applicable
Ong Chun Tiong	46	Nephew of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	General Manager for the Group's subsidiaries in Tianjin, PRC since 2004	Not Applicable
Pek Chik Lay	42	Nephew of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	General Manager of Cobiax Technologies (Asia) Pte Ltd since 2012 and Robin Village International Pte Ltd since 2016	Not Applicable
Peh Geok Soon	64	Nephew of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	Deputy General Manager of Suzhou Huisheng Construction Development Co., Ltd since 2003 & Deputy General Manager of Suzhou Chang He Investment & Development Co. Ltd since 2011	Not Applicable
Pek Chee Keong	37	Nephew of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director).	General Manager of Jet-Scan Private Limited since 2014	Not applicable
Pay Simin Jasmine	37	Niece of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director)	Contracts Manager of Tiong Seng Contractors Pte Ltd since 2015	Jasmine was promoted from Deputy Contracts Manager to Contracts

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
				Manager in July 2018
Pek Zhi Kai	29	Eldest son of Pek Lian Guan (Executive Director and CEO) and nephew of Pay Sim Tee (Executive Director)	Pek Zhi Kai was transferred from Steeltech Industrial Pte Ltd as Commercial & Risk Manager to Tiong Seng Contractors Pte Ltd as Business Development & Special Project Manager with effect from February 2019	Not applicable

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

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

On behalf of the Board of Directors

BY ORDER OF THE BOARD

Pek Lian Guan
Executive Director and CEO
26 February 2019