



# TIONG SENG HOLDINGS LIMITED

(Incorporated in the Republic of Singapore )

(Co. Reg. No: 200807295Z)

## UNAUDITED HALF-YEAR 2019 FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2019

### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

	3 Months Ended 30 September 2019 S\$'000	3 Months Ended 30 September 2018 S\$'000	Change %	9 Months Ended 30 September 2019 S\$'000	9 Months Ended 30 September 2018 S\$'000	Change %
<b>Revenue</b>						
Revenue from construction contracts	91,693	73,658	24	248,240	254,722	-3
Revenue from sales of development properties	3,022	3,799	-20	15,424	18,487	-17
Rental income	39	505	-92	902	1,436	-37
	<u>94,754</u>	<u>77,962</u>	22	<u>264,566</u>	<u>274,645</u>	-4
Other income	<u>5,716</u>	<u>1,051</u>	>100	<u>14,876</u>	<u>3,428</u>	>100
Costs of construction	(85,068)	(61,912)	37	(226,147)	(219,649)	3
Costs of sales of development properties	(2,172)	(3,629)	-40	(10,878)	(16,153)	-33
Depreciation and amortisation	(1,756)	(1,979)	-11	(5,348)	(6,025)	-11
Selling expenses	(314)	(432)	-27	(863)	(1,036)	-17
Staff costs	(4,997)	(5,395)	-7	(15,237)	(15,781)	-3
Other expenses	(2,269)	(2,861)	-21	(7,907)	(8,199)	-4
	<u>(96,576)</u>	<u>(76,208)</u>	27	<u>(266,380)</u>	<u>(266,843)</u>	-1
<b>Profit from operating activities</b>	<u>3,894</u>	<u>2,805</u>	39	<u>13,062</u>	<u>11,230</u>	16
Finance income	524	367	43	1,086	1,395	-22
Finance expenses	(2,193)	(2,100)	4	(5,435)	(4,672)	16
<b>Net finance expense</b>	<u>(1,669)</u>	<u>(1,733)</u>	-4	<u>(4,349)</u>	<u>(3,277)</u>	33
Share of profit of joint ventures, net of tax	(640)	(191)	>100	(605)	22	N.M
<b>Profit before tax</b>	<u>1,585</u>	<u>881</u>	80	<u>8,108</u>	<u>7,975</u>	2
Tax	(248)	(614)	-60	(4,422)	(2,427)	82
<b>Profit for the year</b>	<u>1,337</u>	<u>267</u>	>100	<u>3,686</u>	<u>5,548</u>	-34

N.M : Not meaningful

	3 Months Ended 30 September 2019 S\$'000	3 Months Ended 30 September 2018 S\$'000	Change %	9 Months Ended 30 September 2019 S\$'000	9 Months Ended 30 September 2018 S\$'000	Change %
<b>Other comprehensive income</b>						
<b>Items that may be reclassified subsequently to profit or loss:</b>						
Translation differences relating to financial statements of foreign subsidiaries	(2,048)	(5,053)	-59	(3,324)	(4,598)	-28
Exchange differences on monetary items forming part of net investment in a foreign operation	(997)	(2,574)	-61	(1,513)	(2,227)	-32
Realisation of translation difference from disposal of subsidiary companies	-	-	-	268	-	100
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	403	-	100	403	299	35
<b>Other comprehensive income for the period</b>	<b>(2,642)</b>	<b>(7,627)</b>	<b>-65</b>	<b>(4,166)</b>	<b>(6,526)</b>	<b>-36</b>
<b>Total comprehensive income for the period</b>	<b>(1,305)</b>	<b>(7,360)</b>	<b>-82</b>	<b>(480)</b>	<b>(978)</b>	<b>-51</b>
<b>Profit attributable to:</b>						
Owners of the Company	1,270	767	66	4,006	6,821	-41
Non-controlling interests	67	(500)	N.M	(320)	(1,273)	-75
<b>Profit for the period</b>	<b>1,337</b>	<b>267</b>	<b>&gt;100</b>	<b>3,686</b>	<b>5,548</b>	<b>-34</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	(607)	(5,159)	-88	863	1,648	-48
Non-controlling interests	(698)	(2,201)	-68	(1,343)	(2,626)	-49
<b>Total comprehensive income for the period</b>	<b>(1,305)</b>	<b>(7,360)</b>	<b>-82</b>	<b>(480)</b>	<b>(978)</b>	<b>-51</b>
<b>Earnings per share</b>						
- Basic and diluted (cents) <sup>1</sup>	0.29	0.17		0.90	1.53	

<sup>1</sup> Based on weighted average number of shares outstanding and excluding treasury shares of 444,785,349 (2018: 445,764,292)

## 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 period:

### i. Other income

	3 Months Ended 30 September 2019 S\$'000	3 Months Ended 30 September 2018 S\$'000	Change %	9 Months Ended 30 September 2019 S\$'000	9 Months Ended 30 September 2018 S\$'000	Change %
<b>Included in other income:</b>						
Fees from project and property management	(82)	(165)	-50	(443)	(486)	-9
Gain on disposal of spare parts and scrap materials	(163)	(153)	7	(508)	(242)	>100
Gain on disposal of property, plant and equipment	(4)	-	100	(21)	(393)	-95
Government grants/credit scheme	(11)	(80)	-86	(130)	(273)	-52
Training and testing fee income	(83)	(137)	-39	(157)	(263)	-40
Consultancy services fees	(60)	(74)	-19	(69)	(333)	-79
Gain on disposal of subsidiary companies	-	-	-	(7,383)	-	100
Bargain purchase on acquisition of subsidiary companies	(4,884)	-	100	(4,884)	-	100

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

## ii. Selling expenses

	3 Months Ended 30 September 2019	3 Months Ended 30 September 2018	Change	9 Months Ended 30 September 2019	9 Months Ended 30 September 2018	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Included in selling expenses:</u>						
Advertisement and commission expenses	305	416	-27	759	779	-3

## iii. Other expenses

	3 Months Ended 30 September 2019	3 Months Ended 30 September 2018	Change	9 Months Ended 30 September 2019	9 Months Ended 30 September 2018	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Included in other expenses:</u>						
Entertainment	168	138	22	355	402	-12
Legal and professional fees	319	391	-18	1,171	1,182	-1
Operating lease expenses	214	600	-64	755	1,898	-60
Property management expenses	176	216	-19	599	610	-2
Property tax	179	227	-21	534	507	5
Repair and maintenance	291	360	-19	1,418	787	80
Travelling and transport	213	197	8	571	605	-6

## iv. Finance income

	3 Months Ended 30 September 2019	3 Months Ended 30 September 2018	Change	9 Months Ended 30 September 2019	9 Months Ended 30 September 2018	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Included in finance income:</u>						
Interest income on:						
- cash and cash equivalents	(38)	(11)	>100	(178)	(86)	>100
- loan to a joint venture	(8)	(57)	-86	(73)	(182)	-60
- other investment	-	(3)	-100	(7)	(9)	-22

## v. Finance expenses

	3 Months Ended 30 September 2019	3 Months Ended 30 September 2018	Change	9 Months Ended 30 September 2019	9 Months Ended 30 September 2018	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Included in finance expenses:</u>						
Interest expense on:						
- bank loans	889	703	26	2,614	1,608	63
- lease	28	5	>100	83	15	>100
- medium term notes	-	-	-	-	17	-100
Exchange loss	754	867	-13	1,134	600	89

## vi. Tax expenses

	3 Months Ended 30 September 2019	3 Months Ended 30 September 2018	Change	9 Months Ended 30 September 2019	9 Months Ended 30 September 2018	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Included in tax expenses:</u>						
Underprovision in prior year	-	-	-	-	96	-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	
	30.09.2019	31.12.2018	30.09.2019	31.12.2018
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	112,069	121,016	-	-
Intangible assets	319	387	-	-
Investment properties	3,977	16,273	-	-
Right-of-use assets	2,822	-	-	-
Investment in subsidiaries	-	-	59,624	59,624
Associates and joint ventures	38,521	42,579	-	-
Trade and other receivables	9,094	11,741	-	-
Amount due from related parties	3,788	3,500	-	-
Other investments	1,272	1,271	-	-
Deferred tax assets	266	431	-	-
	172,128	197,198	59,624	59,624
<b>Current assets</b>				
Inventories	2,804	1,045	-	-
Contract costs	989	877	-	-
Contract assets	77,552	73,969	-	-
Development properties	228,291	234,290	-	-
Trade and other receivables	82,940	79,444	28	7
Amount due from related parties	28,387	38,220	104,436	104,436
Cash and cash equivalents	53,745	39,975	220	82
	474,708	467,820	104,684	104,525
Assets held for sale	215	215	-	-
	474,923	468,035	104,684	104,525
<b>Total assets</b>	<b>647,051</b>	<b>665,233</b>	<b>164,308</b>	<b>164,149</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	181,947	181,947	181,947	181,947
Treasury shares	(4,452)	(4,452)	(4,452)	(4,452)
Reserves	(89,311)	(76,757)	(45,850)	(45,850)
Retained earnings / (Accumulated losses)	171,299	167,684	(28,692)	(25,771)
	259,483	268,422	102,953	105,874
<b>Non-controlling interests</b>	19,805	38,301	-	-
<b>Total equity</b>	<b>279,288</b>	<b>306,723</b>	<b>102,953</b>	<b>105,874</b>
<b>Non-current liabilities</b>				
Trade and other payables	9,668	7,588	-	-
Loans and borrowings	11,517	13,585	-	-
Lease liabilities	3,058	-	-	-
Deferred tax liabilities	4,055	3,509	-	-
	28,298	24,682	-	-
<b>Current liabilities</b>				
Contract liabilities	70,183	35,383	-	-
Trade and other payables	157,629	169,893	239	219
Amount due to related parties	19,334	22,676	61,116	58,056
Loans and borrowings	84,521	96,325	-	-
Lease liabilities	106	-	-	-
Current tax payable	7,692	9,551	-	-
	339,465	333,828	61,355	58,275
<b>Total liabilities</b>	<b>367,763</b>	<b>358,510</b>	<b>61,355</b>	<b>58,275</b>
<b>Total equity and liabilities</b>	<b>647,051</b>	<b>665,233</b>	<b>164,308</b>	<b>164,149</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 30.09.2019		As at 31.12.2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
84,521	-	96,325	-

**Amount repayable after one year**

As at 30.09.2019		As at 31.12.2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
11,517	-	13,585	-

**Details of any collateral****1. Secured loan from a bank**

Pursuant to a loan facility arrangement with a bank, the Group pledges its shares in Chang De Investment Private Limited ("ChangDe"), Tiong Seng Properties (Private) Limited ("TSP"), Tianjin Zizhulin Development Co. Ltd. ("Zizhulin"), and Suzhou Changhe Investment and Development Co., Ltd ("Changhe") as well as the subordination of the group's share of existing and future shareholder's loan to those 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 and bank overdrafts are secured on the following assets:**

	30 September 2019 \$'000	31 December 2018 \$'000
<b>Carrying amounts of assets:</b>		
Leasehold land	10,916	11,305
Freehold land	3,907	3,959
Leasehold properties	50,791	52,681
Investment properties	4,179	4,296
Plant and machinery	213	167
Motor vehicles	640	661
Deposits pledged	608	603
<b>Total</b>	<b>71,254</b>	<b>73,672</b>

The secured bank loans and bank overdrafts are also secured by assignment of rights, interests and benefits in connection with the 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.**

	3 Months Ended 30 September 2019 S\$'000	3 Months Ended 30 September 2018 S\$'000 Restated	9 Months Ended 30 September 2019 S\$'000	9 Months Ended 30 September 2018 S\$'000
<b>Cash flow from operating activities</b>				
Profit from operating activities	3,894	2,805	13,062	11,230
Adjustments for:				
Depreciation and amortisation	5,378	5,122	17,073	13,212
(Gain)/loss on disposal of property, plant and equipment	(4)	-	(21)	(393)
Bargain purchase on acquisition of subsidiary companies	(4,884)	-	(4,884)	-
Gain on disposal of subsidiary companies	(12)	-	(7,383)	-
<b>Operating profit before working capital changes</b>	<b>4,372</b>	<b>7,927</b>	<b>17,847</b>	<b>24,049</b>
Changes in working capital:				
Inventories	(681)	(235)	(810)	82
Contract costs	(85)	(230)	(112)	(2,069)
Contract assets / liabilities	10,807	(3,165)	31,407	(116,142)
Development properties	204	(1,430)	640	1,551
Trade and other receivables	(9,642)	8,553	811	127,533
Balances with related parties (trade)	(651)	(1,851)	(1,126)	(416)
Trade and other payables	(569)	4,238	(16,690)	(64,106)
Cash generated from/(used in) operations	3,755	13,807	31,967	(29,518)
Income taxes paid	(1,800)	(3,583)	(4,806)	(9,921)
<b>Net cash generated from/(used in) operating activities</b>	<b>1,955</b>	<b>10,224</b>	<b>27,161</b>	<b>(39,439)</b>
<b>Cash flow from investing activities</b>				
Interest received	69	75	274	277
Balances with related parties (non-trade)	1,963	(4,672)	(1,486)	(4,695)
Investment in associates and joint venture	25	(940)	(2,210)	(9,490)
Loan repayment from a joint venture	1,680	-	5,355	4,800
Net cash acquired from acquisition of subsidiary group	2,665	-	2,665	-
Proceeds from disposal of subsidiary companies, net of cash disposed#	7,084	-	12,996	-
Proceeds from disposal of property, plant and equipment	27	28	178	2,713
Purchase of property, plant and equipment	(765)	(10,436)	(2,695)	(12,863)
Purchase of intangible assets	-	(10)	(4)	(66)
<b>Net cash (used in) / from investing activities</b>	<b>12,748</b>	<b>(15,955)</b>	<b>15,073</b>	<b>(19,324)</b>

	3 Months Ended 30 September 2019 S\$'000	3 Months Ended 30 September 2018 S\$'000	9 Months Ended 30 September 2019 S\$'000	9 Months Ended 30 September 2018 S\$'000
<b>Cash flow from financing activities</b>				
Balances with related parties (non-trade)	660	220	(631)	3,249
Decrease/(Increase) in restricted cash	(3)	8	(5)	1,572
Increase in deposits pledged	-	-	(3)	(39)
Dividends paid to:				
- owners of the company	-	-	(2,224)	(6,675)
- non-controlling interests	-	-	(1,109)	(3,259)
Interest paid	(916)	(708)	(2,697)	(1,640)
Principal element of lease payments	(23)	-	(68)	-
Acquisition of non-controlling interest in a subsidiary	(6,211)	-	(7,809)	-
Purchase of treasury shares	-	(15)	-	(1,419)
Payments of finance lease liabilities	(44)	(115)	(149)	(317)
Proceeds from loans and borrowings	18,253	11,132	38,501	58,020
Repayment of loans and borrowings	(19,457)	(4,679)	(52,336)	(93,551)
<b>Net cash (used in) / from financing activities</b>	<b>(7,741)</b>	<b>5,843</b>	<b>(28,530)</b>	<b>(44,059)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>6,962</b>	<b>112</b>	<b>13,704</b>	<b>(102,822)</b>
Cash and cash equivalent at beginning of the period	45,316	38,300	39,146	141,334
Effect of exchange rate changes on balance held in foreign currencies	633	(568)	61	(668)
<b>Cash and cash equivalents at end of the period</b>	<b>52,911</b>	<b>37,844</b>	<b>52,911</b>	<b>37,844</b>

#Proceeds of Rmb30.0 million and RMB37 million were received in 2Q2019 and 3Q2019 respectively.

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

Group	Share capital	Treasury shares	Merger reserve	Capital reserve	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2019	181,947	(4,452)	(77,720)	(27)	3,564	-	(2,574)	167,684	268,422	38,301	306,723
Adjustment on initial application of SFRS(I)16	-	-	-	-	-	-	-	(236)	(236)	(83)	(319)
As restated at 1 January 2019	181,947	(4,452)	(77,720)	(27)	3,564	-	(2,574)	167,448	268,186	38,218	306,404
Profit for the period	-	-	-	-	-	-	-	4,006	4,006	(320)	3,686
<b>Other comprehensive income</b>											
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	-	-	(2,301)	-	(2,301)	(1,023)	(3,324)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	-	-	-	(1,513)	-	(1,513)	-	(1,513)
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	-	-	-	-	-	-	403	-	403	-	403
Realisation of translation difference from disposal of a subsidiary group	-	-	-	-	-	-	268	-	268	-	268
Total other comprehensive income	-	-	-	-	-	-	(3,143)	-	(3,143)	(1,023)	(4,166)
<i>Total comprehensive income for the period</i>	-	-	-	-	-	-	(3,143)	4,006	863	(1,343)	(480)
<b>Transaction with owners, recognised directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Dividend paid	-	-	-	-	-	-	-	(2,224)	(2,224)	(1,109)	(3,333)
Acquisition of non-controlling interest without a change in control	-	-	-	(7,342)	-	-	-	-	(7,342)	(11,425)	(18,767)
Disposal of a subsidiary group with non-controlling interest	-	-	-	-	(2,069)	-	-	2,069	-	(4,536)	(4,536)
<i>Total transaction with owners of the Company</i>	-	-	-	(7,342)	(2,069)	-	-	(155)	(9,566)	(17,070)	(26,636)
At 30 September 2019	181,947	(4,452)	(77,720)	(7,369)	1,495	-	(5,717)	171,299	259,483	19,805	279,288



Group	Share capital	Treasury shares	Merger reserve	Capital reserve	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2018	181,947	(3,033)	(77,720)	(2)	3,564	-	3,009	165,588	273,353	46,982	320,335
Adjustment on initial application of SFRS(1)9 (net of tax)	-	-	-	-	-	-	-	(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	-	-	-	-	-	-	-	6,821	6,821	(1,273)	5,548
<b>Other comprehensive income</b>											
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	-	-	(3,245)	-	(3,245)	(1,353)	(4,598)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	-	-	-	(2,227)	-	(2,227)	-	(2,227)
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	-	-	-	-	-	-	(5,173)	-	(5,173)	(1,353)	(6,526)
<i>Total comprehensive income for the period</i>	-	-	-	-	-	-	(5,173)	6,821	1,648	(2,626)	(978)
<b>Transaction with owners, recognised directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Purchase of treasury shares	-	(1,419)	-	-	-	-	-	-	(1,419)	-	(1,419)
Dividend paid	-	-	-	-	-	-	-	(6,675)	(6,675)	(3,259)	(9,934)
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)	(3,234)	(11,353)
At 30 June 2018	181,947	(4,452)	(77,720)	(27)	3,564	-	(2,164)	165,697	266,845	41,122	307,967

Company	Share capital	Treasury Shares	Merger Reserve	Accumulated profits	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2019</b>	181,947	(4,452)	(45,850)	(25,771)	105,874
Total comprehensive income for the period	-	-	-	(697)	(697)
Dividend paid	-	-	-	(2,224)	(2,224)
<b>At 30 September 2019</b>	181,947	(4,452)	(45,850)	(28,692)	102,953
<b>At 1 January 2018</b>	181,947	(3,033)	(45,850)	(27,641)	105,423
Total comprehensive income for the period	-	-	-	7,552	7,552
Purchase of treasury shares	-	(1,419)	-	-	(1,419)
Dividend paid	-	-	-	(6,675)	(6,675)
<b>At 30 September 2018</b>	181,947	(4,452)	(45,850)	(26,764)	104,881

**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.

The Company held 14,838,500 treasury shares which represents 3.34% of the total number of issued shares of the Company (excluding treasury shares) as at 30 September 2019 and 30 September 2018.

The Company did not have any outstanding options or convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate 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	
	30 September 2019	31 December 2018
Total number of issued shares excluding treasury shares	444,785,349	444,785,349

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

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

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

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

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

Not applicable

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

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

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

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

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

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

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

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

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

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

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

Consolidated Financial Position	1 January 2019
	Increase/(decrease)
	S\$'000

Right-of-use	2,914
<b>Total assets</b>	<b>2,914</b>
Retained earnings	(236)
Non-controlling interest	(83)
<b>Total equity</b>	<b>(319)</b>
Lease liabilities	3,233
<b>Total liabilities</b>	<b>3,233</b>
<b>Total equity and liabilities</b>	<b>2,914</b>

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

	3 Months Ended 30 September 2019	3 Months Ended 30 September 2018	9 Months Ended 30 September 2019	9 Months Ended 30 September 2018
	(cents)	(cents)	(cents)	(cents)
Earnings per ordinary share of the group, after deducting any provision for preference dividends (in cents):				
(a) Based on weighted average number of ordinary shares on issue; and	0.29	0.17	0.90	1.53
(b) On a fully diluted basis	0.29	0.17	0.90	1.53

The earning per ordinary share net of non-controlling interests has been calculated based on weighted average number of shares outstanding (excluding treasury shares) of 444,785,349 (2018: 445,764,292) 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	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	(cents)	(cents)	(cents)	(cents)
Net asset value per ordinary share based on issued share capital at the end of:	58.34	60.35	23.15	23.80

The net asset value per ordinary share, net of non-controlling interests and excluding treasury shares, has been calculated based on 444,785,349 shares as at 30 September 2019 and 31 December 2018.

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

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review of Group Performance for 9M2019 vs 9M2018**

**Overview**

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

	<u>Construction</u>	<u>Property Development</u>	<u>Rental</u>	<u>Others</u>	<u>Total</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b>9 Months Ended 30 September 2019</b>					
Revenue	248,240	15,424	902	-	264,566
Costs	(226,147)	(10,878)	-	-	(237,025)
Gross profit	22,093	4,546	902	-	27,541
Other income	6,754	240	7,383	499	14,876
Depreciation and amortisation	(4,914)	(34)	(386)	(14)	(5,348)
Selling expenses	-	(863)	-	-	(863)
Staff costs	(13,024)	(1,125)	-	(1,088)	(15,237)
Other operating expenses	(5,177)	(1,394)	-	(1,336)	(7,907)
Profit / (loss) from operating activities	5,732	1,370	7,899	(1,939)	13,062

	<u>Construction</u>	<u>Property Development</u>	<u>Rental</u>	<u>Others</u>	<u>Total</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b>9 Months Ended 30 September 2018</b>					
Revenue	254,722	18,487	1,436	-	274,645
Costs	(219,649)	(16,153)	-	-	(235,802)
Gross profit	35,073	2,334	1,436	-	38,843
Other income	2,273	369	-	786	3,428
Depreciation and amortisation	(5,431) <sup>^</sup>	(44)	(531) <sup>^</sup>	(19)	(6,025)
Selling expenses	(12)	(1,024)	-	-	(1,036)
Staff costs	(12,551)	(1,191)	-	(2,039)	(15,781)
Other operating expenses	(5,647)	(1,189)	-	(1,363)	(8,199)
Profit / (loss) from operating activities	13,705	(745)	905	(2,635)	11,230

<sup>^</sup> S\$379,000 depreciation expense related to a construction facility was reclassified from rental segment to construction segment to better reflect the expense according to its business nature.

As a whole, the Group's profit from operating activities increased by S\$1.9 million or 16.3% year-on-year (yoy) from approximately S\$11.2 million in 9M2018 to S\$13.1 million in 9M2019. The increase in operating profit was attributable to a gain from disposal of subsidiary companies and bargain purchase from increase shareholdings in a joint venture to become wholly-owned subsidiary companies amounted to S\$12.2 million and higher profit in property development segment partially offset by lower profits in construction segment. The decrease in profits in construction segment was due to lower revenue recognized and decline in gross profit margin. Construction work performed decreased by S\$6.5 million from S\$254.7 million in 9M2018 to S\$248.2 million in 9M2019 whereas gross profit margin reduced by 4.9% from 13.8% in 9M2018 to 8.9% in 9M2019.

**Revenue**

Revenue decreased by approximately S\$10.0 million or 3.7% from approximately S\$274.6 million in 9M2018 to approximately S\$264.6 million in 9M2019, attributable mainly to

decrease in work performed in construction segment by S\$6.5 million and lower revenue recognized in property development by S\$3.1 million.

#### **Revenue from construction contract**

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 9M2019 amounted to approximately S\$15.4 million contributed mainly from the sale recognition of 7 units (1,415 sqm) in Equinox Project, 1 unit (204 sqm) in Sunny International Project and 11 units (3,408 sqm) in Tranquility Project. In 9M2018, revenue amounted to S\$18.5 million was contributed mainly from the sale recognition of 14 units (3,938 sqm) in Equinox Project, 2 units (372 sqm) in Sunny International Project and 7 unit (1,877 sqm) in Tranquility Project.

As at 30 September 2019, approximately S\$42.1 million of gross development value were sold, but yet to be recognised as revenue in accordance to our revenue recognition policy, as follows:

Projects		Total	Total Launch	Sold and recognised	Sold but yet to be recognised	Unsold Inventories	Future Launch	ASP <sup>^</sup> psm for units sold but yet to be recognized (RMB)
Equinox	Units	Note 1	434	271	57	106	Note 1	15,035
	Area ('000 sqm)	172	88	56	9	23	84	
Tranquility	Units	636	636	594	13	29	-	17,437
	Area ('000 sqm)	100	100	86	4	10	-	

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

<sup>^</sup> Average selling price

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

Decrease in gross profit margin of approximately 4.9% from 13.8% in 9M2018 to 8.9% in 9M2019 as a result of the competitive tender landscape combined with differences in projects' profile and relative weighted average profitability in the projects recognized over the two periods.

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

Gross profit margin increased approximately 16.9% from 12.6% in 9M2018 to 29.5% in 9M2019 mainly due to the difference in projects' profile and relative profitability in the units recognized over the two periods.

### **Rental income**

Rental income decreased by S\$0.5 million from S\$1.4 million to S\$0.9 million mainly due to the loss of rentable investment property following the disposal of our subsidiary, Jiangsu Huiyang Construction Development Co., Ltd (“Huiyang”). In addition, following the acquisition of another subsidiary, GRV Pte Ltd (“GRV”), rental income previously derived from lease to GRV was no longer recognized.

### **Other Income**

Other income increased by S\$11.5 million from S\$3.4 million in 9M2018 to S\$14.9 million in 9M2019 mainly due to a gain from disposal of subsidiary companies and bargain purchase from increase shareholdings in a joint venture to become a wholly owned subsidiary company.

### **Depreciation and amortization**

Decrease in depreciation and amortization expenses of approximately S\$0.7 million to S\$5.3 million in 9M2019 mainly due to higher utilization of plant and equipment in the construction projects, was charged under costs of construction, and lower amortization of investment property following the disposal of subsidiary companies.

### **Selling expenses**

Decrease in selling expenses of approximately S\$0.2 million to S\$0.9 million in 9M2019 mainly due to lower sales and marketing activities for the properties in the People’s Republic of China.

### **Net finance expenses**

Net finance expenses increased by approximately S\$1.1 million from S\$3.3 million in 9M2018 to S\$4.4 million in 9M2019 due mainly to higher borrowing costs as a result of increase in interest rate, higher borrowing level for the periods under review and higher exchange loss reported in 9M2019 as compared to 9M2018, following the depreciation in Renmimbi vis-à-vis Singapore Dollar.

### **Share of (loss)/ profit of joint ventures, net of tax**

The Group registered a share of loss from joint ventures by approximately S\$0.6 million in 9M2019 due mainly to losses arising from expenses incurred prior to property sales recognition.

### **Income tax expense**

Income tax expense increased by approximately S\$2.0 million to S\$4.4 million in 9M2019 due mainly to increase in taxable profit in rental segment at a higher tax rate.

### **Profit for the period**

Profit in 9M2019 decreased by approximately S\$1.9 million to S\$3.7 million as a result of the factors mentioned in the preceding paragraphs.

## **Review of Financial Position**

### **Non-Current Assets**

As at 30 September 2019, non-current assets stood at S\$172.1 million or approximately 26.6% of total assets, a decrease of approximately S\$25.1 million as compared to 31 December 2018.

Decrease in property, plant & equipment (“PPE”) of approximately S\$8.9 million to S\$112.1 million as at 30 September 2019 was mainly due to depreciation incurred for the period partially offset by PPE acquired from the acquisition of subsidiary companies.

Decrease in investment properties by S\$12.3 million to S\$4.0 million as at 30 September 2019 was due to disposal of subsidiary companies with an investment property of S\$11.8 million as well as depreciation incurred for the period.

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

Decrease in investment in associates and joint ventures by S\$4.1 million to S\$38.5 million as at 30 September 2019 was mainly due to repayment of loan from joint venture and consolidation of investment in GRV, previously a joint venture into the Group following its acquisition.

Decrease in non-current trade and other receivables by S\$2.6 million to S\$9.1 million as at 30 September 2019 was mainly due to reclassification of retention sums receivable within 12 months to current assets.

### **Current Assets**

As at 30 September 2019, current assets stood at S\$474.9 million or approximately 73.4% of total assets, an increase of approximately S\$6.9 million as compared to 31 December 2018.

Inventories increased by S\$1.8 million to S\$2.8 million mainly due to inventories of precast tunnel acquired following the acquisition GRV.

Amount due from related parties decreased by S\$9.8 million to S\$28.4 million as at 30 September 2019 mainly due to the settlement of outstanding account with non-controlling interest following the acquisition of their interests in a subsidiary, Tianjin Zizhulin Guangang Property Co., Ltd. (“Guangang”).

Increase in cash and cash equivalents by S\$13.8 million to S\$53.7 million as at 30 September 2019 underpinned by cash generated from operating activities and proceeds from disposal of Huiyang, partially offset by net repayment of borrowings and acquisition of non-controlling interest in a subsidiary.

### **Non-Current Liabilities**

As at 30 September 2019, non-current liabilities amounted to S\$28.3 million or approximately 7.7% of total liabilities, an increase of approximately S\$3.6 million as compared to 31 December 2018.



Non-current trade and other payables increased by S\$2.1 million to S\$9.7 million as at 30 September 2019 due mainly to increase in retention sum payable arising from the construction projects.

Loan and borrowings decreased by S\$2.1 million to S\$11.5 million as at 30 September 2019 mainly due to reclassification of borrowings due within 12 months to current liabilities.

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

### **Current Liabilities**

As at 30 September 2019, current liabilities stood at S\$339.5 million or approximately 92.3% of total liabilities, an increase of approximately S\$5.6 million as compared to 31 December 2018.

Contract liabilities increased by S\$34.8 million to S\$70.2 million as at 30 September 2019 mainly due to increase in the excess of progress billing over construction revenue recognized arising from timing difference between actual billing and revenue recognition over the period under review and increase in advance receipt from sale of development properties in PRC.

Trade and other payables decreased by approximately S\$12.3 million to S\$157.6 million as at 30 September 2019 due mainly to overall decrease in accrued trade payables.

Amount due to related parties decreased by approximately S\$3.3 million to S\$19.3 million as at 30 September 2019 due mainly to settlement of account with a joint venture following the finalization of the project.

Loans and borrowings decreased by S\$11.8 million to S\$84.5 million as at 30 September 2019 due mainly to net repayment made for the period reported on.

Current tax payables decreased by S\$1.9 million to S\$7.7 million as at 30 September 2019 mainly due to net repayment of tax expenses and derecognition of tax payables following the disposal of Huiyang.

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

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

For the 9 months ended 30 September 2019, the Group recorded a net cash inflow from operating activities of approximately S\$27.2 million, as compared to S\$39.4 million net cash outflow in the previous corresponding period ended 30 September 2018. This was mainly due to differences in timing of collection and payment of construction revenue billing and costs respectively for both financial periods.

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

For the 9 months ended 30 September 2019, the Group recorded a net cash inflow from investing activities of approximately S\$15.1 million, as compared to S\$19.3 million net cash outflow in the previous corresponding period ended 30 September 2018. The net cash inflow from investing activities in 9M2019 improved mainly due to the collection of proceeds from

disposal of subsidiary companies in 9M2019 and lower net investment in joint ventures and PPE.

### Net cash from financing activities

For the 9 months ended 30 September 2019, the Group recorded a net cash outflow from financing activities of S\$28.5 million, decreased by S\$15.5 million as compared to previous corresponding period ended 30 September 2018. Net cash used in financing activities in both periods are mainly attributed to dividend distribution and net payment of loans and borrowings, including the redemption of S\$75.0 million multi-currency term note in 1Q2018. In addition, S\$7.8 million was used for the acquisition of non-controlling interest in a subsidiary.

**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

While Singapore's construction sector has swung back into growth mode in 2019 following two-and-a-half-years of contraction, heightened competitive pressures for projects and a shrinking foreign labour pool have kept industry margins slim. According to the Building & Construction Authority (BCA), tender prices in the second quarter of 2019 declined by 0.4 per cent quarter-on-quarter ("qoq")<sup>1</sup>. Singapore's weak demographic outlook, with population growth set to fall below 1 per cent per annum over the next five years, will also act as a drag on construction in the long-run<sup>2</sup>.

Nonetheless, increased investment in health and education buildings is expected to have a positive impact on the sector, with government expenditure increasing in response to an ageing society and technological disruption. Furthermore, the tender market could also improve when mega projects such as Changi Airport Terminal 5, Johor Bahru-Singapore Rapid Transit System (RTS) Link and the Jurong Regional Line (JRL) roll out progressively. However, economists emphasised that the recovery will be modest when compared historically, with weak demographic trends and softening residential price growth weighing on activity.

As at 30 September 2019, the Group's order book stands at approximately S\$991.9 million, expected to extend till year 2023.

### Property Development Outlook

#### China

Growth in property transactions slowed during China's "Golden September" peak season for new home sales, hurt by persistent pressures in the sector as a crackdown on speculators have shown little signs of subsiding. Property sales by floor area, a leading indicator of

<sup>1</sup> "Construction Demand, Tender Price Index, & Construction Materials", Building & Construction Authority (BCA)

<sup>2</sup> "Asean construction sector feeling effects of US-China trade war", The Business Times, 27 August 2019

demand, rose 2.9 per cent yoy in September, down from 4.7 per cent yoy growth recorded in August<sup>3</sup>.

On the contrary, a frenzied luxury home sale in Shenzhen has locked up nearly RMB14.0 billion in deposits from more than 2,700 interested buyers – the largest in the city's history<sup>4</sup>. The subscription underscores continued demand for high-end housing in parts of the country, even as the market in Chinese mega cities such as Beijing and Shanghai have cooled under strict price curbs.

As at 30 September 2019, approximately S\$42.1 million of gross development value comprises 57 units (9,311 sqm) of the Equinox and 13 units (4,098 sqm) of Tranquility Residences were sold, but yet to be recognized as revenue in accordance to Tiong Seng's revenue recognition policy.

As at 30 September 2019, approximately 75.6% of the total 434 units launched for Equinox have been sold. Based on current existing phase development plan and schedule, the Group is currently carrying out construction for two of its phases, E2 and G1, with expected completion and handover in 3Q2020 and 4Q2021 respectively.

For Tranquility Residences project in Suzhou New District Development zone, approximately 95.4% of the total 636 completed units were sold.

### *Singapore*

Private home prices rose 1.3 per cent qoq in the third quarter of 2019, attributable to the highest number of new homes sold in a single quarter in more than six years<sup>5</sup>. Industry experts have indicated that the trend was underpinned by strong pent-up demand from both local and foreign buyers, displaying that the private property market had come to terms with the cooling measures imposed in July 2018. Other market observers believe current property prices does not reflect the true state of the market. Based on URA data for the third quarter of 2019, there was an estimated total supply of about 54,686 uncompleted private residential units in the pipeline with planning approvals<sup>6</sup>. Of this number, 34,089 units remained unsold.

The Group's joint venture project located at Balmoral Road is currently under development and started its soft launch in June 2019 whereas project located at Cairnhill Rise is expected to launch sale of the units and commence its main construction work in 1Q2020.

## **11. Dividend**

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

Any dividend declared for the current financial period reported on?

No

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

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

No

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

Not Applicable

<sup>3</sup> "China's Sept property investment resilient, buoyed by new construction", The Business Times, 19 October 2019

<sup>4</sup> "Shenzhen property sale lottery locks up US\$2 billion in deposits – the largest in the city's history", South China Morning Post, 28 October 2019

<sup>5</sup> "Strong private home sales, prices point to stabilising property market", The Straits Times, 26 October 2019

<sup>6</sup> "Release of 3rd Quarter 2019 real estate statistics", Urban Redevelopment Authority (URA), 25 October 2019

**(d) Books closure date**

Not Applicable

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

No dividend had been declared by the Board of the Company in respect of Q32019. The Company has been declaring dividend annually in fourth quarter results announcement since 2010.

**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 period ended 30 September 2019.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	Q3 2019 S\$'000	9M2019 S\$'000	Q3 2019 S\$'000	9M2019 S\$'000
<b><u>Hiring charges</u></b>				
Peck Tiong Choon Transport (Pte) Ltd	-	-	1,353	4,204
Peck Tiong Choon Logistic (Pte) Ltd	-	-	198	593
Total	-	-	1,551	4,797
<b><u>Proceeds from sales of development property</u></b>				
Daughter of Patrick Ang Peng Koon*	3,453	3,453	-	-
Total	3,453	3,453	-	-

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

**14. 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).**

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  
12 November 2019



# **TIONG SENG HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore )

(Co. Reg. No: 200807295Z)

## **CONFIRMATION BY DIRECTORS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL OF SGX-ST**

On behalf of the Board of Directors of TIONG SENG HOLDINGS LIMITED (the "Company"), we, the undersigned, confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the half-year financial statements for the financial period ended 30 September 2019 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors of  
**TIONG SENG HOLDINGS LIMITED**

Pek Lian Guan  
Executive Director & CEO

Pay Sim Tee  
Executive Director

12 November 2019