

**Hock Lian Seng Holdings Limited**

80 Marine Parade Road  
#21-08 Parkway Parade  
Singapore 449269  
Tel: (65) 6344 0555 Fax: (65) 6440 9049  
Company Registration Number 20090890E

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**FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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**PART I : Information required for announcement of Full Year Result**

- 1(a)(i) **An income statement and statement of comprehensive income or a statement of comprehensive income (for the group), together with comparative statements for the corresponding period of the immediately preceding financial year.**

	Group		Change
	Financial year ended		
	31.12.2014	31.12.2013	
		<b>Restated</b>	
	\$'000	\$'000	%
Revenue	261,613	86,678	201.8%
Cost of sales	(164,064)	(49,860)	229.0%
Gross profit	97,549	36,818	164.9%
Other income	2,627	2,235	17.5%
Distribution and selling costs	(942)	(752)	25.3%
Administrative costs	(7,002)	(4,211)	66.3%
Changes in fair value of investment properties	(4,300)	(2,780)	54.7%
Changes in fair value of investment securities	(279)	(73)	282.2%
Other operating costs	(257)	(125)	105.6%
Share of results of jointly controlled entities	43	(1,761)	nm
Profit before taxation	87,439	29,351	197.9%
Tax expenses	(14,819)	(5,453)	171.8%
Profit after taxation	72,620	23,898	203.9%
Attributable to:			
Equity holders of the Company	72,620	23,898	203.9%

Note:-  
n.m.- not meaningful



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### Consolidated statement of comprehensive income

	Group	
	Financial year ended	
	31.12.2014	31.12.2013
	<b>Restated</b>	
	\$'000	\$'000
Profit after taxation	72,620	23,898
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets *		
- net change in fair value	12	(21)
Other comprehensive income	12	(21)
Total comprehensive income	<u>72,632</u>	<u>23,877</u>
Attributable to:		
Equity holders of the Company	<u>72,632</u>	<u>23,877</u>

*\*The available-for-sale financial assets were perpetual bond/preference shares (with no fixed maturity date) held for dividend/interest income.*

#### 1(a)(ii) Notes to the Income Statement

The Group's profit before taxation is arrived at after charging/(crediting) the following:

	Group	
	Financial year ended	
	31.12.2014	31.12.2013
	\$'000	\$'000
Depreciation of property, plant and equipment	1,688	1,299
Gain on disposal of property, plant and equipment	(75)	(109)
Interest income	(2,198)	(1,969)
Treasury notes early redemption fee	(180)	-
Dividend income from investment securities	(101)	(74)
Fair value changes on investment properties	4,300	2,780
Fair value changes on investment securities	279	73



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

	Group			Company	
	31.12.2014	31.12.2013	1.1.2013	21.12.2014	31.12.2013
	\$'000	Restated \$'000	Restated \$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment	7,893	7,253	7,388	-	-
Subsidiary companies	-	-	-	37,814	36,814
Investment in jointly controlled entities	30	107	509	-	-
Investment properties	4,350	8,650	11,430	-	-
Investment securities (non-current)	25,061	17,547	19,084	-	-
Deferred tax assets	6,978	279	273	-	-
	<b>44,312</b>	<b>33,836</b>	<b>38,684</b>	<b>37,814</b>	<b>36,814</b>
<b>Current assets</b>					
Development properties	73,520	157,874	115,144	-	-
Contract work-in-progress	4,644	4,297	5,241	-	-
Trade receivables	45,029	18,065	16,369	-	-
Other receivables	909	366	260	41,551	10,219
Amounts due from a joint venture partner	87	764	294	-	-
Amounts due from a jointly controlled entity	53,230	51,544	40,440	-	-
Prepayments and deposits	9,580	2,163	739	-	-
Investment securities (current)	2,710	6,497	3,856	-	-
Cash and short term deposits	165,538	102,778	111,561	25,336	24,824
	<b>355,247</b>	<b>344,348</b>	<b>293,904</b>	<b>66,887</b>	<b>35,043</b>
<b>Current liabilities</b>					
Trade and other payables	61,318	54,856	58,363	4,455	593
Bank loan	4,992	-	-	-	-
Amounts due to a joint venture partner	109	680	152	-	-
Advance payment received for construction project	8,318	-	-	-	-
Progress billings in excess of work-in-progress	3,670	58,270	63,241	-	-
Progress billings to customers	46,986	71,858	16,308	-	-
Provisions	45,376	6,968	8,603	-	-
Provision for taxation	22,196	6,023	5,099	30	19
	<b>192,965</b>	<b>198,655</b>	<b>151,766</b>	<b>4,485</b>	<b>612</b>
<b>Net current assets</b>	<b>162,282</b>	<b>145,693</b>	<b>142,138</b>	<b>62,402</b>	<b>34,431</b>
<b>Non-current liabilities</b>					
Long term bank loans	-	36,926	53,468	-	-
Deferred income	1,227	688	131	-	-
Deferred tax liabilities	3	3	8	-	-
	<b>1,230</b>	<b>37,617</b>	<b>53,607</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>	<b>205,364</b>	<b>141,912</b>	<b>127,215</b>	<b>100,216</b>	<b>71,245</b>
<b>Equity</b>					
Share capital	58,956	58,956	58,956	58,956	58,956
Capital reserve	1,000	1,000	1,000	-	-
Fair value adjustment reserve	-	(12)	9	-	-
Accumulated profits	161,647	98,207	83,489	41,260	12,289
Merger deficit	(16,239)	(16,239)	(16,239)	-	-
<b>Total equity</b>	<b>205,364</b>	<b>141,912</b>	<b>127,215</b>	<b>100,216</b>	<b>71,245</b>



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**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 December 2014		As at 31 December 2013	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
4,992	-	-	-

Amount repayable after one year

As at 31 December 2014		As at 31 December 2013	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
-	-	36,926	-

Details of collateral:

As at 31 December 2014, the Group's current secured borrowings of \$5.0 million relate to the properties development projects at Gambas, and were secured over the development property.

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

	< -----Group----- >	
	Financial year ended	
	31.12.2014	31.12.2013
		<b>Restated</b>
<b>Cash flows from operating activities</b>	\$'000	\$'000
Profit before taxation	87,439	29,351
Adjustments :		
Depreciation of property, plant and equipment	1,688	1,299
Gain on disposal of property, plant and equipment	(75)	(109)
Fair value changes on investment properties	4,300	2,780
Fair value changes on investment securities	279	73
Share of results of jointly controlled entities	(43)	1,761
Interest income	(2,198)	(1,969)
Provision - net	38,837	40
Dividend income from investment securities	(101)	(74)
<b>Operating cash flows before working capital changes</b>	<b>130,126</b>	<b>33,152</b>
(Increase)/decrease in:		
Contract work-in-progress	(348)	944
Development properties	84,153	(42,730)
Trade receivables	(26,964)	(1,696)
Other receivables	349	181
Prepayments and deposits	(7,417)	(1,423)
Increase/(decrease) in:		
Trade and other payables and provisions	6,078	(6,541)
Progress billings to customers	(24,872)	55,551
Progress billings in excess of work-in-progress	(54,600)	(4,971)
Advance payments received for construction project	8,318	-
<b>Cash flows generated from operations</b>	<b>114,823</b>	<b>32,467</b>
Interest received	1,252	1,063
Income tax paid	(5,345)	(4,541)
<b>Net cash flows generated from operating activities</b>	<b>110,730</b>	<b>28,989</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(2,383)	(1,330)
Amount due from a joint venture partner (net)	106	40,498
Amount due from jointly controlled entities	(1,686)	(50,986)
Dividend income received from jointly controlled entity	75	-
Purchases of investment securities (Held-to-maturity)	(7,508)	(4,005)
Proceeds from disposal of property, plant and equipment	331	275
Proceeds from maturity of investment securities(Held-to-maturity)	3,501	2,791
Interest received from investment securities (Held-to-maturity)	607	633
Dividend income received from investment securities	101	74
<b>Net cash flows used in investing activities</b>	<b>(6,856)</b>	<b>(12,050)</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(9,180)	(9,180)
Repayment of bank loans	(31,934)	(16,542)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(41,114)</b>	<b>(25,722)</b>
Net increase /(decrease) in cash and cash equivalents	62,760	(8,783)
Cash and cash equivalents, Beginning Balance	102,778	111,561
<b>Cash and cash equivalents, Ending Balance</b>	<b>165,538</b>	<b>102,778</b>

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

## Statement of changes in equity

Group

	Share capital	Capital reserve	Fair value adjustment reserve	Accumulated profits	Merger deficit	Total equity
	\$'000	\$'000	\$'00	\$'000	\$'000	\$'000
<b>At 1 January 2014</b>	58,956	1,000	(12)	98,207	(16,239)	141,912
Total comprehensive income	-	-	12	72,620	-	72,632
Dividend on ordinary shares	-	-	-	(9,180)	-	(9,180)
<b>At 31 December 2014</b>	<b>58,956</b>	<b>1,000</b>	<b>-</b>	<b>161,647</b>	<b>(16,239)</b>	<b>205,364</b>
<b>At 1 January 2013</b>	58,956	1,000	9	83,489	(16,239)	127,215
Total comprehensive income	-	-	(21)	23,898	-	23,877
Dividend on ordinary shares	-	-	-	(9,180)	-	(9,180)
<b>At 31 December 2013</b>	<b>58,956</b>	<b>1,000</b>	<b>(12)</b>	<b>98,207</b>	<b>(16,239)</b>	<b>141,912</b>

Company

	Share capital	Accumulated profits	Total equity
	\$'000	\$'000	\$'000
<b>At 1 January 2014</b>	58,956	12,289	71,245
Total comprehensive income	-	38,151	38,151
Dividend on ordinary shares	-	(9,180)	(9,180)
<b>At 31 December 2014</b>	<b>58,956</b>	<b>41,260</b>	<b>100,216</b>
<b>At 1 January 2013</b>	58,956	11,137	70,093
Total comprehensive income	-	10,332	10,332
Dividend on ordinary shares	-	(9,180)	(9,180)
<b>At 31 December 2013</b>	<b>58,956</b>	<b>12,289</b>	<b>71,245</b>



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**1(d)(ii) Details of any changes in the company's share capital arising from right 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 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.**

	Number of shares	Issued and paid-up capital (\$)
Issued and fully paid shares as at 31 December 2013 and at 31 December 2014	<u>509,978,991</u>	<u>58,955,522</u>

There were no changes in the Company's share capital for the financial year ended 31 December 2014.

There were no outstanding treasury shares as at 31 December 2014.

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

	31 December 2014	As at 31 December 2013
Total number of issued shares (excluding treasury shares)	<u>509,978,991</u>	<u>509,978,991</u>

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

Not applicable.

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

The figures have not been audited or reviewed.

**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 and the Company have applied the same accounting policies and methods of computation in the financial statements for the current financial year as those in its audited financial statements for FY2013.

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**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 all the applicable new/revised Financial Reporting Standards (FRS) that become effective for accounting periods beginning 1 January 2014. The adoption of these new/revised FRS did not result in any significant impact to the financial statements of the Group, except for the revised FRS 28 –Investments in Associates and Joint Ventures and FRS 111 “Joint Arrangements”. The Group’s investments in Bukit Timah Green Development Pte Ltd and HLE Management Pte Ltd are accounted for using the equity method with effect from 1 January 2014.

This change of accounting policy was applied retrospectively and the effects on the comparatives arising from the adoption of new FRS 111 are as follows:

	<b>Increase/ (Decrease)</b>	
	Financial year ended 31.12.2013	
<b>Group</b>		
<b>Income statement</b>		
	\$'000	
Sales	(6,121)	
Cost of sales	(5,346)	
Administrative costs	(110)	
Other income	15	
Distribution and selling cost	(2,814)	
Share of loss of joint ventures	1,761	
Tax expenses	373	
Profit before taxation	-	
	<b>Increase/ (Decrease)</b>	
	31.12.2013	1.1.2013
	\$'000	\$'000
<b>Group</b>		
<b>Balance Sheet</b>		
<u>Assets</u>		
Investment in jointly controlled entities	107	509
Deferred tax asset	(374)	-
Development properties	(138,905)	(125,989)
Trade receivable	(2,278)	-
Other receivable	(1)	-
Amounts due from joint venture partners	(25,786)	(20,224)
Amount due from jointly controlled entity	51,544	40,440
Prepayments and deposits	(31)	-
Cash and short term deposits	(4,902)	(257)
<u>Liabilities</u>		
Trade and other payables	(5,655)	(223)
Amounts due to joint venture partners	(25,494)	(20,220)
Provisions	1,359	-
Provision for taxation	(2)	(2)
Long term bank loan	(91,522)	(85,207)
Deferred income	688	131





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**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.**

Earning per share ("EPS")

	< ----- Group ----- > Financial year ended	
	31.12.2014	31.12.2013
Earnings attributable to equity holders of the Company (\$'000)	72,620	23,898
Weighted average number of ordinary shares used in computation of basic and fully diluted EPS	509,978,991	509,978,991
Basic EPS attributable to equity holders of the Company (cents)	14.2	4.7
Fully diluted EPS attributable to equity holders of the Company (cents)	14.2	4.7

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at end of the : -**

- (a) **current financial period reported on; and**  
(b) **immediately preceding financial year.**

Net asset value ("NAV")

	Group As at		Company As at	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
NAV per ordinary share (cents)	40.3	27.8	19.7	14.0
Number of shares used in computation of NAV per share	509,978,991	509,978,991	509,978,991	509,978,991



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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.**

### **FY 2014 compared with FY 2013 Performance and segmental review**

#### Revenue (external sales)

In \$' million	FY 2014	%	FY 2013 restated	%
Civil Engineering	57.4	21.9	76.5	88.2
Properties Development	193.5	74.0	-	-
Properties Investment	10.7	4.1	10.2	11.8
	261.6	100.0	86.7	100.0

Revenue increased by \$174.9 million (201.8%) to \$261.6 million for the financial year ended 31 December 2014, mainly due to the recognition of revenue from the industrial development property project, Ark@Gambas, which obtained TOP in November 2014. In line with the adoption of INT FRS 115, revenue and related costs for industrial development project is recognized on completion of project. As at 31 December 2014, about 87% of Net saleable area was sold for Ark@Gambas. The civil engineering segment revenue was \$19.1 million lower due to the substantial completion of the Marina Coastal Expressway project and the two new projects that was awarded in 2014 and just commenced construction activities.

The revenue from Properties investment segment were mainly rental income from workers dormitory, which was marginally higher by \$0.5 million to \$10.7 million.

#### Gross Profit

In \$' million	FY 2014	FY 2013 restated
Civil Engineering	37.5	29.7
Properties Development	52.6	-
Properties Investment	7.4	7.1
	97.5	36.8

Gross profit increased by \$60.9 million (164.9%) to \$97.5 million for the current financial year mainly due to the recognition of the Ark@Gambas project of \$52.6 million and the increase of \$9.8 million of civil engineering segment due to the finalization of account for the completed projects and the construction profit for Ark@Gambas recognized in tantum with the inter company construction project. The gross profit for workers dormitory remained stable.

Other income increased by \$0.4 million to \$2.6 million mainly due to a one time bond early redemption fee of \$0.2 million and higher interest income of \$0.2 million.

Distribution cost was \$0.2 million higher as the agent commission cost for Ark@Gambas was recognized in line with the sales recognition.

Administrative expenses was \$2.8 million (66.3%) higher than previous year mainly due to the higher performance bonus accrued and higher staff cost and bonus for 2014.



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The decrease in the fair value of investment properties was related to the impairment of the workers' dormitory. The workers dormitory is stated at fair value determined on the discounted cash flow method provided by an independent valuer and the fair value is expected to be \$4.3 million lower with the projection of cash inflow reduced over the lease period. The lease is expiring at end of 2015.

The fair value of the investment securities was adjusted downward by \$0.2 million in accordance with the market price of the quoted shares market value as at end of 31 December 2014.

With the revised FRS 28 and FRS 111, the Joint venture project for the Dairy Farm Project, the Skywoods, is accounted for using the equity method, and the share of profit for the current financial year was \$0.04 million compared to share of loss of \$1.8 million in FY2013. Previously this joint venture is accounted for using proportionate accounting.

Profit before taxation increased by \$58.1 million to \$87.4 million, resulting mainly from the higher revenue and gross profit.

### **Financial position and cash flow review**

The main movements are:

- Decrease in investment property by \$4.3 million was due to the fair value adjustment to the worker dormitory.
- Increase in investment securities by \$3.7 million (net of short term and long term), was mainly due to the acquisition of the held-to-maturity security of \$7.0 million, offset by the proceed upon redeemed / maturities.
- Increase in deferred tax assets by \$6.6 million was mainly due the temporary tax differences arising from the higher defect and warranty costs provided for the completed project of \$38 million.
- Decrease in development properties by \$84.4 million mainly due to the cost recognition for Ark@Gambas.
- Increase in Trade receivables by \$27.0 million mainly due to the progress billings to customers upon TOP of Ark@Gambas
- Increase in Prepayment and deposits by \$7.5 million was mainly due to the advance payment for the Tuas site awarded by JTC.
- Advance payment received for construction project was for the Maxwell station project which was awarded in April 2014.
- Decrease in the bank loans by \$31.9 million was due to the loan repayment, and remaining bank loan of \$5 million was reclassified as current liabilities.
- Net increase of cash and short term deposits of \$62.8 million for FY2014 mainly due to cash generated from operating activities arising from TOP of Ark@Gambas project, advance from Maxwell station project, offset by the dividend payment, acquisition of held-to-maturities security and repayment of bank loans.

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

The current announced results are in line with the general prospect commentary previously disclosed to shareholders in the results announcement for the nine months ended 30 September 2014.



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**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.**

As at 31 December 2014, the Group's order book for on-going projects of civil engineering segment was approximately \$320 million for the Maxwell station, Changi Airport project and balance of work for Jalan Gali Batu Depot. The Group was awarded a \$137.4 million project from LTA for the construction of Stabling at Gali Batu Depot in Jan 2015. The construction of the Group's new industrial development properties at Tuas would be undertaken by own construction arm, the construction is expected to commence in 2<sup>nd</sup> half 2015.

The industrial development property project, Ark@KB is expected to obtain TOP by Q1 2015. The acquisition of the Tuas site was completed in Jan 2015, a 5-storey multi-user ramp-up industrial building is to be developed on the site.

The construction of The Skywoods, a 50% joint venture residential project, is targeted to complete by 2016. The sales of units is on-going. As at 31 December 2014, 177 units were sold out of the 420 total development units.

The management will continue to tender for infrastructure projects competitively and explore other business opportunities in property related segment to enhance the shareholders' value.

**11. Dividend**

**(a) Current Financial Period Reported On  
Any dividend recommended for the current financial period reported on ?**

Yes.

Name of dividend	Proposed first and final
Dividend type	Cash
Dividend amount per share (in cents)	4.0 cents per ordinary shares
Tax rate	Tax exempt (one tier)

The above proposed dividend is subject to shareholders' approval at the Annual General Meeting.

**(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	Proposed first and final
Dividend type	Cash
Dividend amount per share (in cents)	1.8 cents per ordinary shares
Tax rate	Tax exempt (one tier)

**(c) Date payable**

The proposed first and final dividend, if approved at the next Annual General Meeting to be held on 28 April 2015, will be paid on 21 May 2015.

**(d) Books closure date**

The Share Transfer Books and Register of Members of Hock Lian Seng Holding Limited ("the Company") will be closed on 7 May 2015.



## Hock Lian Seng Holdings Limited

80 Marine Parade Road  
#21-08 Parkway Parade  
Singapore 449269  
Tel: (65) 6344 0555 Fax: (65) 6440 9049  
Company Registration Number 20090890E

### 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 required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no general mandate from shareholders for IPTs.

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)
Lian Seng Investment Pte Ltd -	\$'000	\$'000
Office lease expenses received /receivable from the Group	236	Nil
Purchase of units at Ark@Gambas from the Group	3,200	
	<b>3,436</b>	

### 14. Update on use of IPO proceeds

The Company was admitted to the Official List of the SGX-ST on 21 December 2009 and raised a net proceeds of \$25.6 million. As at the date of this report, the Group has utilized the net proceeds as shown in the table below.

The allocation of each principal intended use of proceeds is also set out below:

Intended Use	Amount allocated \$'000	Amount utilized \$'000	Balance \$'000
Acquisition of central workshop	4,000	0	4,000
Acquisition of equipment and machinery	8,000	6,073	1,927
Working capital	13,600	13,600	-
Total	25,600	19,673	5,927

The Company will continue to make periodic announcement via SGXNET on the utilization of the balance of the proceeds from the IPO as and when such proceeds are materially disbursed.

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**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT****15. Segmented revenue and results for operating 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.**

By operating segments

Group	<i>Civil Engineering</i> \$'000	<i>Properties Development</i> \$'000	<i>Properties Investment</i> \$'000	<i>Adjustments</i> \$'000	<i>Total</i> \$'000
<b>FY2014</b>					
Sales to external customers	57,417	193,529	10,667	-	261,613
Inter-segment ^	56,026	-	-	(56,026)	-
	<u>113,443</u>	<u>193,529</u>	<u>10,667</u>	<u>(56,026)</u>	<u>261,613</u>
<b>Results</b>					
Depreciation	1,684	4	-	-	1,688
Fair value loss on investment properties	-	-	4,300	-	4,300
Dividend income from investment securities	-	-	-	101	101
Interest income	-	-	-	2,198	2,198
Segment profit	<u>39,230</u>	<u>51,728</u>	<u>3,101</u>	<u>(6,621)</u>	<u>87,438</u>
<b>Assets</b>					
Additions to non-current assets	2,383	-	-	-	2,383
Segment assets	<u>134,271</u>	<u>224,797</u>	<u>5,713</u>	<u>34,778</u>	<u>399,559</u>
<b>Segment liabilities</b>	<u>106,401</u>	<u>65,306</u>	<u>285</u>	<u>22,203</u>	<u>194,195</u>
<b>FY2013 (Restated)</b>					
Sales to external customers	76,539	-	10,139	-	86,678
Inter-segment	43,925	-	-	(43,925)	-
	<u>120,464</u>	<u>-</u>	<u>10,139</u>	<u>(43,925)</u>	<u>86,678</u>
<b>Results</b>					
Depreciation	1,297	2	-	-	1,299
Fair value loss on investment properties	-	-	2,780	-	2,780
Dividend income from investment securities	-	-	-	74	74
Interest income	-	-	-	1,960	1,960
Segment profit	<u>32,672</u>	<u>(2,189)</u>	<u>4,295</u>	<u>(5,427)</u>	<u>29,351</u>
<b>Assets</b>					
Additions to non-current assets	1,330	-	-	-	1,330
Segment assets	<u>124,835</u>	<u>220,203</u>	<u>8,715</u>	<u>24,431</u>	<u>378,184</u>
<b>Segment liabilities</b>	<u>111,850</u>	<u>118,077</u>	<u>320</u>	<u>6,026</u>	<u>236,273</u>

^Inter-segment revenues are eliminated on consolidation.

The Group's revenue from external customers was principally generated from Singapore. Accordingly, no geographical segment assets and revenue from customers' information are presented.

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**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to paragraph 8.

**17. A breakdown of sales as follows:-**

	< ----- Group ----- > Financial Year ended 31 Dec		Increase/ (Decrease)
	2014	2013(restated)	(%)
	\$'000	\$'000	
(a) Sales reported for first half year	28,542	50,275	-43%
(b) Operating profit after tax before deduction minority interests reported for first half year	3,631	7,418	-51%
(c) Sales reported for second half year	233,071	36,403	+540%
(d) Operating profit after tax before deduction minority interests reported for second half year	68,989	16,480	+319%

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

	Latest Full Year FY2014	Previous Full Year FY2013
	\$'000	\$'000
Proposed first and final dividend (Tax exempt 1-tier)	20,399	9,180

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held , if any, during the year
Chua Siok Peng	40	Daughter of Mr Chua Leong Hai, substantial shareholder, Executive director and CEO of the Company, sister of Mr Chua Aik Khoon, substantial shareholder of the Company and niece of Mr Chua Hua Hong, Executive Director of the Company	Appointed in Nov 2012, as Senior Manager, Property Development , to oversee the property development projects and to assist CEO in sourcing and assessing viability of potential development projects	N.A.

BY ORDER OF THE BOARD  
 CHUA LEONG HAI  
 Executive Director and CEO  
 26 February 2015