



## **TIONG SENG HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore)

(Registration Number: 200807295Z)

### **Condensed Interim Financial Statements**

**For the Six Months and Full Year Ended 31 December 2024**

# **Contents**

	Page
Condensed Interim Consolidated Statement of Comprehensive Income	1
Condensed Interim Statements of Financial Position	3
Condensed Interim Consolidated Statements of Changes in Equity	4
Condensed Interim Consolidated Statement of Cash Flows	7
Notes to the Condensed Interim Consolidated Financial Statements	9
Other Information Required by Listing Rule Appendix 7.2	35

**Tiong Seng Holdings Limited**  
For the Six Months and Full Year Ended 31 December 2024

**Condensed Interim Consolidated Statement of Comprehensive Income**

		6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	Change %	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000	Change %
<b>Revenue</b>							
Revenue from construction contracts and engineering solutions	4	286,045	309,682	(8%)	526,626	449,645	17%
Revenue from sales of development properties	4	1,636	4,388	(63%)	9,417	24,852	(62%)
Rental Income		24	340	(93%)	190	551	(66%)
		<u>287,705</u>	<u>314,410</u>	(8%)	<u>536,233</u>	<u>475,048</u>	13%
Other income		4,512	3,311	36%	11,931	5,130	>100%
Costs of construction contracts and engineering solutions		(272,562)	(286,404)	(5%)	(501,859)	(425,709)	18%
Costs of sales of development properties		(2,083)	(7,993)	(74%)	(7,603)	(26,496)	(71%)
Reversal of impairment loss on joint venture		1,974	-	100%	1,974	-	100%
Net impairment loss on:							
- contract assets		(277)	(244)	14%	(277)	(244)	14%
- trade amount due from related parties		-	(294)	(100%)	-	(294)	(100%)
- trade and other receivables		(1,464)	-	100%	(1,464)	-	100%
		(1,741)	(538)	>100%	(1,741)	(538)	>100%
Depreciation and amortisation		(2,370)	(1,834)	29%	(4,778)	(4,381)	9%
Selling expenses		(20)	(244)	(92%)	(360)	(918)	(61%)
Staff costs		(7,834)	(8,870)	(12%)	(16,452)	(17,892)	(8%)
Other expenses		(7,668)	(8,190)	(6%)	(13,086)	(13,657)	(4%)
		<u>(292,304)</u>	<u>(314,073)</u>	(7%)	<u>(543,905)</u>	<u>(489,591)</u>	11%
<b>(Loss)/profit from operating activities</b>		(87)	3,648	N.M.	4,259	(9,413)	N.M.
Finance income		1,794	1,850	(3%)	4,122	2,966	39%
Finance costs		(2,541)	(3,292)	(23%)	(5,325)	(7,564)	(30%)
<b>Net finance costs</b>		<u>(747)</u>	<u>(1,442)</u>	(48%)	<u>(1,203)</u>	<u>(4,598)</u>	(74%)
Share of profit/(loss) of joint ventures, net of tax		863	(142)	N.M.	2,749	857	>100%
<b>Profit/(loss) before tax</b>	5	29	2,064	(99%)	5,805	(13,154)	N.M.
Tax expense	7	(2,249)	(30)	>100%	(2,975)	(445)	>100%
<b>(Loss)/profit for the period/year</b>		<u>(2,220)</u>	<u>2,034</u>	N.M.	<u>2,830</u>	<u>(13,599)</u>	N.M.

\*N.M = Not Meaningful

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

**Tiong Seng Holdings Limited**  
For the Six Months and Full Year Ended 31 December 2024

**Condensed Interim Consolidated Statement of Comprehensive Income (cont'd)**

	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	Change %	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000	Change %
<b><u>Other comprehensive income</u></b>						
<b>Items that are or may be reclassified subsequently to profit or loss:</b>						
Translation differences relating to financial statements of foreign subsidiaries	(320)	(1,278)	(75%)	(102)	(6,495)	(98%)
Exchange differences on monetary items forming part of net investment in a foreign operation	(1,259)	(320)	>100%	(1,204)	(1,154)	4%
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	(156)	-	100%	(156)	-	100%
Net change in fair value of equity investment at fair value through other comprehensive income	-	(200)	(100%)	103	(245)	N.M.
<b>Other comprehensive income for the period/year, net of tax</b>	<u>(1,735)</u>	<u>(1,798)</u>	(4%)	<u>(1,359)</u>	<u>(7,894)</u>	(83%)
<b>Total comprehensive income for the period/year</b>	<u><u>(3,955)</u></u>	<u><u>236</u></u>	N.M.	<u><u>1,471</u></u>	<u><u>(21,493)</u></u>	N.M.
<b>(Loss)/profit attributable to:</b>						
Owners of the Company	(1,966)	3,520	N.M.	2,858	(12,122)	N.M.
Non-controlling interests	(254)	(1,486)	(83%)	(28)	(1,477)	(98%)
<b>(Loss)/profit for the period/year</b>	<u><u>(2,220)</u></u>	<u><u>2,034</u></u>	N.M.	<u><u>2,830</u></u>	<u><u>(13,599)</u></u>	N.M.
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	(3,737)	2,194	N.M.	1,426	(19,075)	N.M.
Non-controlling interests	(218)	(1,958)	(89%)	45	(2,418)	N.M.
<b>Total comprehensive income for the period/year</b>	<u><u>(3,955)</u></u>	<u><u>236</u></u>	N.M.	<u><u>1,471</u></u>	<u><u>(21,493)</u></u>	N.M.
<b>Earnings per share</b>						
- Basic (cents) <sup>1</sup>	(0.45)	0.80	N.M.	0.65	(2.75)	N.M.
- Diluted (cents) <sup>2</sup>	(0.43)	0.80	N.M.	0.62	(2.75)	N.M.

\*N.M = Not Meaningful

<sup>1</sup>The earnings per share net of non-controlling interests has been calculated based on 441,076,649 (2023: 441,076,649) weighted average number of shares excluding treasury shares.

<sup>2</sup>The earnings per share net of non-controlling interests has been calculated based on 461,076,649 (2023: 441,076,649) weighted average number of shares adjusted for the effects of all dilutive potential ordinary shares excluding treasury shares.

**Tiong Seng Holdings Limited**  
For the Six Months and Full Year Ended 31 December 2024

**Condensed Interim Statements of Financial Position**

	Note	Group		Company	
		31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	10	57,352	44,730	-	-
Intangible assets		1,342	983	-	-
Investment properties		1,209	1,219	-	-
Right-of-use assets		7,402	7,540	-	-
Subsidiaries		-	-	53,986	53,986
Joint ventures		16,344	14,609	-	-
Trade and other receivables		25,222	31,482	-	-
Amount due from related parties		2,548	4,930	-	-
Other investments		573	673	-	-
Deferred tax assets		2,254	2,259	-	-
		<u>114,246</u>	<u>108,425</u>	<u>53,986</u>	<u>53,986</u>
<b>Current assets</b>					
Inventories		3,648	4,291	-	-
Contract costs		173	900	-	-
Contract assets	11	46,785	56,724	-	-
Development properties	12	110,634	128,402	-	-
Trade and other receivables		41,651	46,969	1,949	2,226
Amount due from related parties		15,857	14,376	31,310	31,310
Cash and bank balances		35,776	112,578	314	328
		<u>254,524</u>	<u>364,240</u>	<u>33,573</u>	<u>33,864</u>
Assets held for sale	13	38,429	41,384	-	-
		<u>292,953</u>	<u>405,624</u>	<u>33,573</u>	<u>33,864</u>
<b>Total assets</b>		<u>407,199</u>	<u>514,049</u>	<u>87,559</u>	<u>87,850</u>
Share capital		181,947	181,947	181,947	181,947
Treasury shares		(4,906)	(4,906)	(4,906)	(4,906)
Reserves		(94,549)	(93,508)	(45,850)	(45,850)
Accumulated losses		(7,988)	(10,455)	(116,240)	(112,300)
		<u>74,504</u>	<u>73,078</u>	<u>14,951</u>	<u>18,891</u>
<b>Non-controlling interests</b>		<u>2,119</u>	<u>2,074</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>76,623</u>	<u>75,152</u>	<u>14,951</u>	<u>18,891</u>
<b>Non-current liabilities</b>					
Trade and other payables		30,031	21,973	-	-
Loans and borrowings	15	8,335	12,131	-	-
Deferred tax liabilities		-	674	-	-
		<u>38,366</u>	<u>34,778</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Contract liabilities	11	53,149	114,986	-	-
Trade and other payables		143,048	169,472	894	366
Amount due to related parties		7,189	6,720	71,714	68,593
Loans and borrowings	15	84,426	109,929	-	-
Current tax payable		4,398	3,012	-	-
		<u>292,210</u>	<u>404,119</u>	<u>72,608</u>	<u>68,959</u>
<b>Total liabilities</b>		<u>330,576</u>	<u>438,897</u>	<u>72,608</u>	<u>68,959</u>
<b>Total equity and liabilities</b>		<u>407,199</u>	<u>514,049</u>	<u>87,559</u>	<u>87,850</u>

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

**Condensed Interim Consolidated Statements of Changes in Equity**

<b>The Group</b>	← Attributable to owners of the Company →										
	<b>Share capital \$'000</b>	<b>Treasury shares \$'000</b>	<b>Merger reserve \$'000</b>	<b>Capital reserve \$'000</b>	<b>Statutory reserve \$'000</b>	<b>Fair value reserve \$'000</b>	<b>Foreign currency translation reserve \$'000</b>	<b>Accumulated loss \$'000</b>	<b>Total \$'000</b>	<b>Non-controlling interests \$'000</b>	<b>Total equity \$'000</b>
<b>At 1 January 2024</b>	181,947	(4,906)	(77,720)	(9,345)	6,404	(103)	(12,744)	(10,455)	73,078	2,074	75,152
<b>Total comprehensive income for the year</b>											
Profit for the year	-	-	-	-	-	-	-	2,858	2,858	(28)	2,830
<b>Other comprehensive income</b>											
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	-	-	(175)	-	(175)	73	(102)
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	-	-	-	(1,204)	-	(1,204)	-	(1,204)
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	-	-	-	-	-	-	(156)	-	(156)	-	(156)
Net change in fair value of equity investment at fair value through other comprehensive income	-	-	-	-	-	103	-	-	103	-	103
Total other comprehensive income	-	-	-	-	-	103	(1,535)	-	(1,432)	73	(1,359)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	103	(1,535)	2,858	1,426	45	1,471
Transfer to statutory reserve	-	-	-	-	651	-	-	(651)	-	-	-
<b>Transaction with owners, recognised directly in equity</b>											
<i>Contributions by and distributions to owners</i>											
Liquidation of subsidiary	-	-	-	189	(1,566)	-	1,117	260	-	-	-
<b>At 31 December 2024</b>	181,947	(4,906)	(77,720)	(9,156)	5,489	-	(13,162)	(7,988)	74,504	2,119	76,623

**Tiong Seng Holdings Limited**  
For the Six Months and Full Year Ended 31 December 2024

**Condensed Interim Consolidated Statements of Changes in Equity (cont'd)**

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

**Tiong Seng Holdings Limited**  
For the Six Months and Full Year Ended 31 December 2024

**Condensed Interim Consolidated Statements of Changes in Equity (cont'd)**

<b>The Company</b>	<b>Share capital \$'000</b>	<b>Treasury shares \$'000</b>	<b>Merger reserve \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
<b>At 1 January 2024</b>	181,947	(4,906)	(45,850)	(112,300)	18,891
<b>Total comprehensive income for the year</b>					
Loss for the year	-	-	-	(3,940)	(3,940)
<b>At 31 December 2024</b>	<u>181,947</u>	<u>(4,906)</u>	<u>(45,850)</u>	<u>(116,240)</u>	<u>14,951</u>
<b>At 1 January 2023</b>	181,947	(4,906)	(45,850)	(93,738)	37,453
<b>Total comprehensive income for the year</b>					
Loss for the year	-	-	-	(18,562)	(18,562)
<b>At 31 December 2023</b>	<u>181,947</u>	<u>(4,906)</u>	<u>(45,850)</u>	<u>(112,300)</u>	<u>18,891</u>



**Condensed Interim Consolidated Statement of Cash Flows**

	<b>12 months ended 31 December 2024 \$'000</b>	<b>12 months ended 31 December 2023 \$'000</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) from operating activities	4,259	(9,413)
Adjustments for:		
Depreciation and amortisation	9,400	11,536
Gain on disposal of:		
- property, plant and equipment	(312)	(280)
- assets held for sales	(6,514)	-
Impairment loss:		
- contract assets	288	244
- trade receivables	1,657	294
Reversal of impairment loss on:		
- contract assets	(11)	(455)
- property, plant and equipment	(2,462)	-
- joint venture	(1,974)	-
- trade receivables	(193)	-
Provisions	5,289	10,097
Written down of inventories	-	317
Written off:		
- intangible assets	6	-
- investment property	12	-
- goodwill	-	756
- property, plant and equipment	-	30
- bad debts	343	126
<b>Operating cash flows before working capital changes</b>	<b>9,788</b>	<b>13,252</b>
Inventories	640	(964)
Contract costs	727	(190)
Contract assets/liabilities	(52,175)	59,819
Development properties	5,179	8,395
Trade and other receivables	12,943	(6,235)
Trade and other payables	(23,813)	(28,041)
Balances with related parties (trade)	992	2,909
<b>Cash (used in)/generated from operations</b>	<b>(45,719)</b>	<b>48,945</b>
Tax paid	(2,256)	(275)
<b>Net cash (used in)/generated from operating activities</b>	<b>(47,975)</b>	<b>48,670</b>

**Condensed Interim Consolidated Statement of Cash Flows (cont'd)**

	<b>12 months ended 31 December 2024 \$'000</b>	<b>12 months ended 31 December 2023 \$'000</b>
<b>Cash flows from investing activities</b>		
Interest received	828	1,538
Loan repayment from a joint venture	3,030	19,998
Loan to a joint venture	-	(600)
Other investment	100	229
Payment for capital expenditure on intangible assets	(319)	(737)
Proceeds from disposal of:		
- property, plant and equipment	464	1,567
- assets held for sales	9,995	-
Purchase of:		
- property, plant and equipment	(4,948)	(4,523)
- intangible assets	(309)	(806)
<b>Net cash generated from investing activities</b>	<b>8,841</b>	<b>16,666</b>
<b>Cash flows from financing activities</b>		
Increase in deposits pledged	-	557
Interest paid	(5,360)	(5,825)
Payments of lease liabilities	(1,633)	(833)
Proceeds from loans and borrowings	80,782	91,908
Repayments of loans and borrowings	(109,913)	(87,674)
<b>Net cash used in financing activities</b>	<b>(36,124)</b>	<b>(1,867)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(75,258)</b>	<b>63,469</b>
Cash and cash equivalents at beginning of the year	112,578	47,075
Effect of exchange rate changes on balances held in foreign currencies	(1,544)	2,034
<b>Cash and cash equivalents at end of the year</b>	<b>35,776</b>	<b>112,578</b>

## **Notes to the Condensed Interim Consolidated Financial Statements**

### **1 Corporate information**

Tiong Seng Holdings Limited (the 'Company') (Registration Number 200807295Z) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The registered address of the Company is located at 30A Kallang Place #04-01 to #04-11, Singapore 339213.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the Group are building construction and civil engineering, provision of engineering solutions and property development.

### **2 Basis of preparation**

The condensed consolidated interim financial statements for the year ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed consolidated interim financial statements do not include all the information required for complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

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

#### **2.1 New and amended standards adopted by the Group**

The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the annual period beginning on 1 January 2024. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

#### **2.2 Use of estimates and judgements**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

## 2.2 Use of estimates and judgements (cont'd)

In the process of applying the Group's accounting policies, there is no instance of application of judgments with significant updates since the audited financial statements as at 31 December 2023 and is expected to have a significant effect on the amounts recognised in the condensed interim financial statements.

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

- Note 4.2 – Revenue and cost recognition from construction contracts
- Note 12 – Measurement of realisable amounts of development properties

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

- Note 10 – Measurement of recoverable amounts of property, plant and equipment
- Note 14 – Recognition and measurement of provision

### ***Measurement of fair values***

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

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

Significant valuation issues are reported to the Group's Audit Committee.

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

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

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

## **2.2 Use of estimates and judgements (cont'd)**

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

Further information about the assumptions made in measuring fair values is included in the Note 9 - Accounting classifications and fair values.

## **3 Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## **4 Segment and revenue information**

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they are located in different geographical areas and require different marketing strategies. For each of the strategic business unit, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

- **Construction:** Relates to acting as main contractors in construction and civil engineering projects and provision of construction and civil engineering services mainly to property developers and government in both private and public sectors.
- **Engineering solutions:** Relates to manufactures and supplies precast and prefabricated components as well as provision of steel and mass engineered timber works to main contractors in construction and civil engineering projects.
- **Property development:** Relates to development and sales of properties.

Other operations include rental, general corporate activities, and digital solutions.

**4.1 Information about reportable segments**

	Construction \$'000	Engineering solutions \$'000	Property development \$'000	Segments total \$'000	Others \$'000	Elimination \$'000	Total \$'000
<b>1 January 2024 to 31 December 2024</b>							
External revenues	480,668	45,958	9,417	536,043	190	-	536,233
Inter-segment revenue	-	50,256	-	50,256	-	(50,256)	-
Interest income	909	2	9	920	229	(322)	827
Interest expenses	(4,158)	(1,077)	(207)	(5,442)	(241)	322	(5,361)
Gain/(loss) on disposal of:							
- property, plant and equipment	337	(25)	-	312	-	-	312
- assets held for sales	6,514	-	-	6,514	-	-	6,514
Impairment loss on:							
- contract assets	-	(288)	-	(288)	-	-	(288)
- trade and other receivables	-	(658)	-	(658)	(999)	-	(1,657)
Reversal of impairment loss on:							
- contract assets	-	11	-	11	-	-	11
- trade and other receivables	142	50	-	192	-	-	192
- joint venture	-	-	1,974	1,974	-	-	1,974
- property, plant and equipment	-	2,462	-	2,462	-	-	2,462
Provision	(13,258)	-	(1,597)	(14,855)	-	-	(14,855)
Reversal of provision	8,263	-	1,303	9,566	-	-	9,566
Depreciation and amortisation	(5,768)	(3,315)	(134)	(9,217)	(183)	-	(9,400)
Reportable segment profit/(loss) before tax	985	5,613	1,669	8,267	(5,211)	-	3,056
Share of profit of joint ventures, net of tax							2,749
Profit before tax							5,805
Tax expenses							(2,975)
Profit for the year							2,830
Reportable segment assets	181,179	65,707	134,569	381,455	9,400	-	390,855
Investment in joint ventures	11,667	556	4,121	16,344	-	-	16,344
Total assets							407,199
Reportable segment liabilities	262,439	48,175	18,797	329,411	1,165	-	330,576
Capital expenditure	1,359	3,323	515	5,197	61	-	5,258

**4.1 Information about reportable segments (cont'd)**

	<b>Construction \$'000</b>	<b>Engineering solutions \$'000</b>	<b>Property development \$'000</b>	<b>Segments total \$'000</b>	<b>Others \$'000</b>	<b>Elimination \$'000</b>	<b>Total \$'000</b>
<b>1 January 2023 to 31 December 2023</b>							
External revenues	413,147	36,498	24,852	474,497	551	-	475,048
Inter-segment revenue	-	52,171	-	52,171	-	(52,171)	-
Interest income	1,281	1	374	1,656	298	(416)	1,538
Interest expenses	(4,713)	(1,170)	(347)	(6,230)	(11)	416	(5,825)
Gain on disposal of property, plant and equipment	188	88	4	280	-	-	280
Impairment loss on:							
- trade amount due from related parties	(294)	-	-	(294)	-	-	(294)
- contract assets	-	(244)	-	(244)	-	-	(244)
Reversal of impairment on contract assets	-	455	-	455	-	-	455
Provision	(7,143)	(602)	(3,938)	(11,683)	-	-	(11,683)
Reversal of provision	1,485	-	-	1,485	-	-	1,485
Depreciation and amortisation	(7,081)	(4,362)	(43)	(11,486)	(50)	-	(11,536)
Reportable segment profit/(loss) before tax	879	(3,760)	(7,076)	(9,957)	(4,054)	-	(14,011)
Share of profit of joint ventures, net of tax							857
Loss before tax							(13,154)
Tax expenses							(445)
Loss for the year							(13,599)
Reportable segment assets	272,828	63,674	148,849	485,351	14,089	-	499,440
Investment in joint ventures	10,296	606	3,707	14,609	-	-	14,609
Total assets							514,049
Reportable segment liabilities	351,623	62,139	24,560	438,322	575	-	438,897
Capital expenditure	7,455	4,098	890	12,443	756	-	13,199

**4.1 Information about reportable segments (cont'd)**

	Construction \$'000	Engineering solutions \$'000	Property development \$'000	Segments total \$'000	Others \$'000	Elimination \$'000	Total \$'000
<b>1 July 2024 to 31 December 2024</b>							
External revenues	261,385	24,660	1,636	287,681	24	-	287,705
Inter-segment revenue	-	18,810	-	18,810	-	(18,810)	-
Interest income	192	2	(6)	188	(58)	(83)	47
Interest expenses	(1,793)	(480)	(34)	(2,307)	(171)	83	(2,395)
Gain/(loss) on disposal of property, plant and equipment	1,205	(49)	-	1,156	-	-	1,156
Impairment loss on:							
- contract assets	-	(288)	-	(288)	-	-	(288)
- trade and other receivables	-	(658)	-	(658)	-	-	(658)
Reversal of impairment on:							
- contract assets	-	11	-	11	-	-	11
- trade and other receivables	142	50	-	192	-	-	192
- joint venture	-	-	1,974	1,974	-	-	1,974
- property, plant and equipment	-	2,462	-	2,462	-	-	2,462
Provision	(896)	-	(1,198)	(2,094)	-	-	(2,094)
Reversal of provision	8,263	-	1,303	9,566	-	-	9,566
Depreciation and amortisation	(2,868)	(1,441)	(112)	(4,421)	(87)	-	(4,508)
Reportable segment (loss)/profit before tax	(3,714)	5,300	793	2,379	(3,213)	-	(834)
Share of profit of joint ventures, net of tax							863
Profit before tax							29
Tax expense							(2,249)
Loss for the period							(2,220)



**4.1 Information about reportable segments (cont'd)**

	<b>Construction \$'000</b>	<b>Engineering solutions \$'000</b>	<b>Property development \$'000</b>	<b>Segments total \$'000</b>	<b>Others \$'000</b>	<b>Elimination \$'000</b>	<b>Total \$'000</b>
<b>1 July 2023 to 31 December 2023</b>							
External revenues	287,106	22,576	4,388	314,070	340	-	314,410
Inter-segment revenue	-	29,212	-	29,212	-	(29,212)	-
Interest income	690	1	362	1,053	107	(227)	933
Interest expenses	(2,460)	(661)	(176)	(3,297)	15	227	(3,055)
Gain on disposal of property, plant and equipment	188	74	4	266	-	-	266
Impairment loss on contract assets	-	(244)	-	(244)	-	-	(244)
Provision	(7,143)	(602)	(3,345)	(11,090)	-	-	(11,090)
Reversal of provision	1,485	-	-	1,485	-	-	1,485
Depreciation and amortisation	(3,068)	(1,158)	(31)	(4,257)	(29)	-	(4,286)
Reportable segment profit/(loss) before tax	9,536	444	(5,566)	4,414	(2,208)	-	2,206
Share of loss of joint ventures, net of tax							(142)
Profit before tax							2,064
Tax expense							(30)
Profit for the period							2,034

**4.2 Disaggregation of revenue**

	<b>Group</b>						<b>Total</b>
	<b>12 months ended 31 December 2024</b>						
	<b>Construction</b>	<b>Engineering</b>	<b>Property</b>	<b>Segments</b>	<b>Others</b>	<b>Elimination</b>	
	<b>\$'000</b>	<b>solutions</b>	<b>development</b>	<b>total</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Types of goods or services:</b>							
Revenue from construction contracts and engineering solutions	480,668	96,214	-	576,882	-	(50,256)	526,626
Revenue from sales of development properties	-	-	9,417	9,417	-	-	9,417
Rental Income	-	-	-	-	190	-	190
<b>Total revenue</b>	<b>480,668</b>	<b>96,214</b>	<b>9,417</b>	<b>586,299</b>	<b>190</b>	<b>(50,256)</b>	<b>536,233</b>
<b>Timing of revenue recognition:</b>							
At a point in time	-	68,552	9,417	77,969	-	(27,824)	50,145
Over time	480,668	27,662	-	508,330	190	(22,432)	486,088
<b>Total revenue</b>	<b>480,668</b>	<b>96,214</b>	<b>9,417</b>	<b>586,299</b>	<b>190</b>	<b>(50,256)</b>	<b>536,233</b>
<b>Geographical information:</b>							
Singapore	480,668	96,214	-	576,882	131	(50,256)	526,757
People's Republic of China (PRC)	-	-	9,417	9,417	-	-	9,417
Malaysia	-	-	-	-	59	-	59
<b>Total revenue</b>	<b>480,668</b>	<b>96,214</b>	<b>9,417</b>	<b>586,299</b>	<b>190</b>	<b>(50,256)</b>	<b>536,233</b>

**4.2 Disaggregation of revenue (cont'd)**

	<b>Group</b>						<b>Total</b>
	<b>12 months ended 31 December 2023</b>						
	<b>Construction</b>	<b>Engineering</b>	<b>Property</b>	<b>Segments</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>\$'000</b>	<b>solutions</b>	<b>development</b>	<b>total</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Types of goods or services:</b>							
Revenue from construction contracts and engineering solutions	413,147	88,669	-	501,816	-	(52,171)	449,645
Revenue from sales of development properties	-	-	24,852	24,852	-	-	24,852
Rental Income	-	-	-	-	551	-	551
<b>Total revenue</b>	<b>413,147</b>	<b>88,669</b>	<b>24,852</b>	<b>526,668</b>	<b>551</b>	<b>(52,171)</b>	<b>475,048</b>
<b>Timing of revenue recognition:</b>							
At a point in time	-	63,751	24,852	88,603	-	(33,987)	54,616
Over time	413,147	24,918	-	438,065	551	(18,184)	420,432
<b>Total revenue</b>	<b>413,147</b>	<b>88,669</b>	<b>24,852</b>	<b>526,668</b>	<b>551</b>	<b>(52,171)</b>	<b>475,048</b>
<b>Geographical information:</b>							
Singapore	413,147	88,669	-	501,816	426	(52,171)	450,071
People's Republic of China (PRC)	-	-	24,852	24,852	-	-	24,852
Malaysia	-	-	-	-	121	-	121
Papua New Guinea	-	-	-	-	4	-	4
<b>Total revenue</b>	<b>413,147</b>	<b>88,669</b>	<b>24,852</b>	<b>526,668</b>	<b>551</b>	<b>(52,171)</b>	<b>475,048</b>

**4.2 Disaggregation of revenue (cont'd)**

	<b>Group</b>						<b>Total</b>
	<b>6 months ended 31 December 2024</b>						
	<b>Construction</b>	<b>Engineering</b>	<b>Property</b>	<b>Segments</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>\$'000</b>	<b>solutions</b>	<b>development</b>	<b>total</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Types of goods or services:</b>							
Revenue from construction contracts and engineering solutions	261,385	43,470	-	304,855	-	(18,810)	286,045
Revenue from sales of development properties	-	-	1,636	1,636	-	-	1,636
Rental Income	-	-	-	-	24	-	24
<b>Total revenue</b>	<b>261,385</b>	<b>43,470</b>	<b>1,636</b>	<b>306,491</b>	<b>24</b>	<b>(18,810)</b>	<b>287,705</b>
<b>Timing of revenue recognition:</b>							
At a point in time	-	29,841	1,636	31,477	-	(7,583)	23,894
Over time	261,385	13,629	-	275,014	24	(11,227)	263,811
<b>Total revenue</b>	<b>261,385</b>	<b>43,470</b>	<b>1,636</b>	<b>306,491</b>	<b>24</b>	<b>(18,810)</b>	<b>287,705</b>
<b>Geographical information:</b>							
Singapore	261,385	43,470	-	304,855	24	(18,810)	286,069
People's Republic of China (PRC)	-	-	1,636	1,636	-	-	1,636
<b>Total revenue</b>	<b>261,385</b>	<b>43,470</b>	<b>1,636</b>	<b>306,491</b>	<b>24</b>	<b>(18,810)</b>	<b>287,705</b>

**4.2 Disaggregation of revenue (cont'd)**

	<b>Group</b>						<b>Total</b>
	<b>6 months ended 31 December 2023</b>						
	<b>Construction</b>	<b>Engineering</b>	<b>Property</b>	<b>Segments</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>\$'000</b>	<b>solutions</b>	<b>development</b>	<b>total</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Types of goods or services:</b>							
Revenue from construction contracts and engineering solutions	287,106	51,788	-	338,894	-	(29,212)	309,682
Revenue from sales of development properties	-	-	4,388	4,388	-	-	4,388
Rental Income	-	-	-	-	340	-	340
<b>Total revenue</b>	<b>287,106</b>	<b>51,788</b>	<b>4,388</b>	<b>343,282</b>	<b>340</b>	<b>(29,212)</b>	<b>314,410</b>
<b>Timing of revenue recognition:</b>							
At a point in time	-	37,928	4,388	42,316	-	(18,356)	23,960
Over time	287,106	13,860	-	300,966	340	(10,856)	290,450
<b>Total revenue</b>	<b>287,106</b>	<b>51,788</b>	<b>4,388</b>	<b>343,282</b>	<b>340</b>	<b>(29,212)</b>	<b>314,410</b>
<b>Geographical information:</b>							
Singapore	287,106	51,788	-	338,894	217	(29,212)	309,899
People's Republic of China (PRC)	-	-	4,388	4,388	-	-	4,388
Malaysia	-	-	-	-	119	-	119
Papua New Guinea	-	-	-	-	4	-	4
<b>Total revenue</b>	<b>287,106</b>	<b>51,788</b>	<b>4,388</b>	<b>343,282</b>	<b>340</b>	<b>(29,212)</b>	<b>314,410</b>

## 4.2 Disaggregation of revenue (cont'd)

### Revenue and costs recognition from construction contracts

The Group recognises revenue from construction contracts progressively over time. Significant judgement is required in determining the stage of completion, the estimated total contract revenue and estimated total contract cost, as well as the recoverability of the contract cost incurred.

Estimation of total contract revenue also includes an estimation of the variation works that are recoverable from the customers. In making the judgement, the Group relies on past experience and/or the work of relevant professionals.

Estimated total contract cost for construction contract comprises direct costs attributable to the construction of works. In estimating the total budgeted costs for construction contracts, the Group makes reference to information such as the level of work content sub-contracted, fluctuations in the prices of raw materials, size, design and material specifications of the projects, cost overruns and savings, variation works requested by customers, current offers from contractors and suppliers, recent offers agreed with contractors and suppliers, and professional estimation on construction and material costs as well as its past experience.

Given the contractual nature of the business, variation orders, additional works and prolongation costs are expected on a continual basis. As some of these items could be subjective and hence contentious in nature, the Group may from time to time be involved in arbitration or legal processes. As any such processes could be lengthy and outcome inherently uncertain where estimates, assumptions and significant judgement are involved, the carrying amount of the contract assets and retention sum receivables at the reporting date may invariably be affected by these outcomes.

## 4.3 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 People's Republic of China (PRC) respectively.

	<u>Revenue from external customers</u>		<u>Non-current assets*</u>	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Singapore	526,757	450,071	61,104	61,738
People's Republic of China (PRC)	9,417	24,852	13,689	932
Papua New Guinea	-	4	3	5
Europe	-	-	90	94
Malaysia	59	121	8,763	6,312
	536,233	475,048	83,649	69,081

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

#### 4.4 Major customers

During the financial period ended 31 December 2024 and 31 December 2023, revenue from major customers of the Group's construction segment amounted to approximately \$411,087,000 (2023: \$288,361,000). The details of these customers which individually contributed 10 percent or more of the Group's revenue during the finance year were as follows:

	31 December 2024		31 December 2023	
	\$'000	%	\$'000	%
Customer A	162,196	30	106,366	22
Customer B	105,136	20	72,811	15
Customer C	78,276	15	61,752	13
Customer D	65,480	12	47,432	10

#### 5 Profit/(loss) before tax

The following items have been included in arriving at profit/(loss) before tax for the period:

	Group			Group		
	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	Change %	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000	Change %
<b>(a) Other incomes include</b>						
Fees from project and property management	-	111	N.M.	-	197	N.M.
Gain on disposal of:						
- assets held for sales	-	-	-	6,514	-	100%
- property, plant and equipment	1,156	266	>100%	312	280	11%
- scrap parts and materials	485	100	>100%	808	568	42%
- fair value through profit or loss investment	76	-	100%	76	-	100%
Government grants:						
- BCA grant	287	1,384	(79%)	287	1,384	(79%)
- others	114	222	(49%)	130	371	(65%)
Training and testing fee income	2,523	69	>100%	2,551	233	>100%
Management fees	11	615	(98%)	36	1,160	(97%)
Subscription fees	59	-	100%	191	-	100%
Compensation of early termination contract	429	-	100%	429	-	100%

**Tiong Seng Holdings Limited**  
For the Six Months Ended and Full Year Ended 31 December 2024

**5 Profit/(loss) before tax (cont'd)**

	Group			Group		
	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	Change %	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000	Change %
<b>(b) Other expenses include</b>						
Direct operating expenses arising from:						
- investment property that did not generate rental income	-	106	(100%)	-	106	(100%)
Impairment loss on:						
- contract assets	288	244	18%	288	244	18%
- trade and other receivables	1,657	-	100%	1,657	-	100%
- trade amount due from related parties	-	-	-	-	294	(100%)
Reversal of impairment loss on:						
- contract assets	(11)	(455)	(98%)	(11)	(455)	(98%)
- trade and other receivables	(192)	-	100%	(192)	-	100%
- joint venture	(1,974)	-	100%	(1,974)	-	100%
Fine and penalty	4	17	(76%)	5	17	(71%)
Written down of inventories	-	317	100%	-	317	100%
Written off:						
- goodwill	-	756	(100%)	-	756	(100%)
- property, plant and equipment	-	-	(100%)	-	30	(100%)
- bad debts	343	-	100%	343	126	100%
- intangible assets	-	-	100%	6	-	100%
- investment property	12	-	100%	12	-	100%
<b>(c) Finance income and costs</b>						
Interest income on:						
- cash and cash equivalents	(49)	(932)	(95%)	(828)	(1,538)	(46%)
Interest expenses on:						
- bank loans	1,815	2,573	(29%)	4,176	4,953	(16%)
- lease liabilities	581	483	20%	1,185	872	36%
Exchange (gain)/loss - net	(1,116)	25	>100%	(1,330)	708	>100%



## 6 Related party transactions

Other than as disclosed elsewhere in the condensed interim financial statements, there were the following significant related party transactions during the period:

	Group			
	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
<b>Affiliated corporations</b>				
Lease of storage space	12	185	271	859
Hiring charges	2,922	2,578	6,115	4,840
Consultancy fees	500	417	1,000	1,000
<b>Joint venture</b>				
Construction revenue	(13,251)	(3,152)	(15,170)	(5,876)

## 7 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group			
	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
<b>Tax recognised in profit or loss</b>				
<b>Current tax</b>				
Current period	(50)	(6)	153	403
Changes in estimate related to prior periods	(355)	(176)	(304)	(64)
	(405)	(182)	(151)	339
<b>Deferred tax</b>				
Changes in estimate related to prior periods	(409)	212	(306)	106
<b>Land appreciation tax</b>				
Current period	3,063	-	3,432	-
<b>Tax expense</b>	2,249	30	2,975	445

**8 Net asset value**

	<b>Group</b>		<b>Company</b>	
	<b>31 December 2024 (cents)</b>	<b>31 December 2023 (cents)</b>	<b>31 December 2024 (cents)</b>	<b>31 December 2023 (cents)</b>
Net asset value per ordinary share based on issued share capital at the end of:	16.89	16.57	3.39	4.28

The net asset value per ordinary share, net of non-controlling interests and excluding treasury shares, has been calculated based on 441,076,649 shares as at 31 December 2024 (31 December 2023: 441,076,649 shares).

**9 Accounting classifications and fair values**

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Further, for the current period the fair value disclosure of lease liabilities is also not required.

	Carrying amount			Fair value			
	FVOCI - equity instruments \$'000	Amortised cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>							
<b>31 December 2024</b>							
<b>Financial assets measured at fair value</b>							
Quoted equity investments – at FVOCI	22	-	22	22	-	-	22
<b>Financial assets not measured at fair value</b>							
Trade and other receivables*	-	62,448	62,448				
Amount due from related parties	-	18,405	18,405				
Cash and bank balances	-	35,776	35,776				
	-	116,629	116,629				
<b>Financial liabilities not measured at fair value</b>							
Amount due to related parties	-	(7,189)	(7,189)				
Trade and other payables**	-	(157,542)	(157,542)				
Loans and borrowings***	-	(83,401)	(83,401)	-	(79,264)	-	(79,264)
	-	(248,132)	(248,132)				

\* Excluded tax prepayments, deposits and prepayments, advances to suppliers and government grant receivables

\*\* Excluded GST payables and deferred income and provisions

\*\*\* Excluded lease liabilities

**9 Accounting classifications and fair values (cont'd)**

Group	Carrying amount			Fair value			
	FVOCI - equity instruments	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>31 December 2023</b>							
<b>Financial assets measured at fair value</b>							
Quoted equity investments – at FVOCI	22	-	22	22	-	-	22
Unquoted equity investments – at FVOCI	245	-	245	-	-	245	245
	<u>267</u>	<u>-</u>	<u>267</u>				
<b>Financial assets not measured at fair value</b>							
Trade and other receivables*	-	70,870	70,870				
Amount due from related parties	-	19,306	19,306				
Cash and cash equivalents	-	112,578	112,578				
	<u>-</u>	<u>202,754</u>	<u>202,754</u>				
<b>Financial liabilities not measured at fair value</b>							
Amount due to related parties	-	(6,720)	(6,720)				
Trade and other payables**	-	(151,898)	(151,898)				
Loans and borrowings***	-	(112,528)	(112,528)	-	(106,743)	-	(106,743)
	<u>-</u>	<u>(271,146)</u>	<u>(271,146)</u>				

\* Excluded tax prepayments, deposits and prepayments, advances to suppliers and government grant receivables

\*\* Excluded GST payables and deferred income and provisions

\*\*\* Excluded lease liabilities

9 Accounting classifications and fair values (cont'd)

	<b>Carrying amount</b>	
	<b>Amortised cost \$'000</b>	<b>Total \$'000</b>
<b>Company</b>		
<b>31 December 2024</b>		
<b>Financial assets not measured at fair value</b>		
Trade and other receivables*	1,906	1,906
Amount due from related parties	31,310	31,310
Cash and cash equivalents	314	314
	33,530	33,530
<b>Financial liabilities not measured at fair value</b>		
Trade and other payables	(894)	(894)
Amount due to related parties	(71,714)	(71,714)
	(72,608)	(72,608)
<b>31 December 2023</b>		
<b>Financial assets not measured at fair value</b>		
Trade and other receivables*	2,107	2,107
Amount due from related parties	31,310	31,310
Cash and cash equivalents	328	328
	33,745	33,745
<b>Financial liabilities not measured at fair value</b>		
Trade and other payables	(366)	(366)
Amount due to related parties	(68,593)	(68,593)
	(68,959)	(68,959)

\* Excluded deposits and prepayment

**Measurement of fair values**

**(i) Valuation techniques and significant unobservable inputs**

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

<b>Type</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between key unobservable inputs and fair value measurement</b>
<b><i>Financial instruments measured at fair value – Group</i></b>			
Unquoted equity investments – at FVOCI	The fair value of the equity investments is the net asset value of the investee entity adjusted for the fair value of the underlying properties, where applicable	Net asset value*	The estimated fair value varies directly with the net asset value of the entity.

## 9 Accounting classifications and fair values (cont'd)

### Measurement of fair values (cont'd)

#### (i) Valuation techniques and significant unobservable inputs (cont'd)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<i>Financial instruments not measured at fair value – Group and Company</i>			
Loan and borrowings	Discounted cash flows	Not applicable	Not applicable

\* Where the underlying investment is in equity shares of an entity, management relies on yearly unaudited financial statements for the determination of fair value. The underlying assets and liabilities are mainly short-term in nature, hence management has determined that the carrying value approximates fair value.

#### (ii) Transfers between Level 1 and 2

There were no transfers between Level 1 and 2 in 2024 and 2023.

#### (iii) Level 3 fair value

The following table shows the reconciliation from the opening balances to the ending balances for Level 3 fair values:

	<b>Group Unquoted equity investments – at FVOCI \$'000</b>
1 January 2024	254
Net change in fair value of FVOCI financial assets	(254)
As at 31 December 2024	<u><u>-</u></u>

#### *Sensitivity analysis*

There is no sensitivity analysis prepared as the Group's exposure to the effect on fair value changes for 2024 and 2023 are insignificant.

## 10 Property, plant and equipment

During the financial year, the Group acquired assets amounting to \$4,948,000 (31 December 2023: \$4,523,000) and disposed assets amounting to \$464,000 (31 December 2023: \$1,567,000).

### Measurement of recoverable amounts of property, plant and equipment

The Group reviews the carrying amounts of property, plant and equipment as at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. Determining the recoverable amount requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of the assets. This requires the Group to make estimates and assumptions that can materially affect the financial statements.

The Group estimated recoverable amount of property, plant and equipment, based on fair value less cost to sell method. The critical assumptions used for assessing the fair value of leasehold land, freehold land and leasehold properties included selling price per square metre based on recent market transactions for comparable property and adjusted for property size. The critical assumptions used for assessing the fair value of plant and machinery included the selling price for similar items, adjusted for machine age. The Group determined that the estimated recoverable amount of property, plant and equipment exceeded its carrying amount and no impairment losses were recognised.

## 11 Contract assets and contract liabilities

The following table provides information about contract assets and contract liabilities from contracts with customers.

	<b>Group</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Contract assets	46,785	56,724
Contract liabilities	(53,149)	(114,986)

The contract assets relate to the Group's right to consideration for work completed but not billed at the reporting date in respect of its construction and engineering solutions businesses. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the customer certifies the progress claims.

The contract liabilities relate to:

- advanced consideration received from customers from sale of development properties; and
- progress billings issued in excess of the Group's rights to the consideration in respect of its construction and engineering solutions businesses.

## 12 Development properties

	<b>Group</b>	
	<b>31 December 2024 \$'000</b>	<b>31 December 2023 \$'000</b>
(a) Properties under development, for which revenue is to be recognised at a point in time		
Land and land related costs	58,655	57,160
Development costs	28,600	23,133
	<u>87,255</u>	<u>80,293</u>
Allowance for diminution in value	(24,133)	(24,166)
Properties under development	<u>63,122</u>	<u>56,127</u>
(b) Completed development properties, at cost	55,165	80,010
Allowance for diminution in value	(7,653)	(7,735)
Completed development properties	<u>47,512</u>	<u>72,275</u>
Total development properties	<u>110,634</u>	<u>128,402</u>

### Allowance for diminution in value

Movement in allowance for diminution in value was as follows:

	<b>Group</b>	
	<b>31 December 2024 \$'000</b>	<b>31 December 2023 \$'000</b>
At 1 January	31,901	33,819
Utilisation during the year	(63)	(603)
Translation differences on consolidation	(52)	(1,315)
At 31 December	<u>31,786</u>	<u>31,901</u>

The Group's properties under development and completed development properties are stated at the lower of cost and net realisable value. Taking into consideration the expected selling prices for the project based on external independent professional valuations undertaken or recent selling prices for the development projects and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion in case for properties under development and the costs to be incurred in selling the properties based on prevailing market conditions. If there is a decrease in net sales value, the net realisable value will decrease. Changes in the estimates of the costs to completion and the estimated selling price would also have an effect on the determination of diminution in value for each project. Such allowance requires the use of judgement and estimates.



## 12 Development properties (cont'd)

During the year, the Group engaged an independent professional valuer to value one of its development properties in People's Republic of China (PRC). The valuation was undertaken by the independent professional valuer who has appropriate recognised professional qualifications and recent experience in the location and category of the development properties being valued. The valuation was based on the comparable sales method, taking into consideration of the recent selling price per square meter for comparable properties and prevailing property market conditions. The key assumption used in the valuation is estimated selling price per square meter of the subject properties. Based on the valuation, there is no impairment loss recognised during the year.

Where the expectation is different from the original estimate, the carrying value and allowance for diminution in value on properties in the period in which such estimate is made will be adjusted accordingly. In addition, given the volatility of the People's Republic of China (PRC) property market and the unique nature of individual properties, the actual outcome in terms of costs and revenue may be higher or lower than estimated at the reporting date. Any increase or decrease in the allowance would affect profit or loss in future years.

During the year financial, completed development properties of \$7,603,000 (FY2023: \$26,496,000) were recognised as an expense and included in "Cost of sales of development properties".

## 13 Assets held for sale

In December 2024, the Group has committed to sell certain properties under property, plant and equipment (2023: one investment property and certain properties under property, plant and equipment). The sales are expected to be completed in the next 12 months and accordingly, these properties are presented as assets held for sale.

The details of the properties classified as assets held for sale as at 31 December 2024 were:

Description	Category	Group	
		31 December 2024 \$'000	31 December 2023 \$'000
6 Tuas South Street 11	Leasehold land and leasehold properties under property, plant and equipment		
Pontian land	Freehold land under property, plant and equipment		
Fang Yoong building	Leasehold land and leasehold properties under property, plant and equipment		
SLF building		-	3,481
6 Tuas South Street 11		12,115	12,115
Pontian land		9,514	8,988
Fan Yoong building		16,800	16,800
		<u>38,429</u>	<u>41,384</u>

## 14 Provisions

Included in trade and other payables are provisions as disclosed below.

	<b>Provision for penalties \$'000</b>	<b>Provision for onerous contracts \$'000</b>	<b>Total \$'000</b>
<b>Group</b>			
At 1 January 2023	4,562	75,260	79,822
Provision made during the year	3,938	7,745	11,683
Reversal of provision during the year	-	(1,586)	(1,586)
Utilisation during the year	-	(54,416)	(54,416)
At 31 December 2023	8,500	27,003	35,503
At 1 January 2024	8,500	27,003	35,503
Provision made during the year	1,597	13,258	14,855
Reversal of provision during the year	(1,303)	(8,263)	(9,566)
Utilisation during the year	(2,178)	(23,980)	(26,158)
At 31 December 2024	6,616	8,018	14,634

The provisions for penalties and onerous contracts made during the period have been included in “Cost of sales of development properties”, “Other expenses” and “Cost of construction contracts and engineering solutions” respectively.

Provision for penalties was made for late completion of development and administrative fine in connection to one of the People's Republic of China (PRC) development projects.

Provisions for onerous contracts relate to expected losses arising from non-cancellable construction contracts where the expected total contract costs exceed the total contract sums and are expected to be materialised as these contracts progress towards completion. The Group conducts critical review of all its contracts regularly. The Group monitors and reviews the progress of all the contracts, taking into consideration inputs from internal project managers and external customers in estimating these total contract costs to complete as well as in the evaluation of any potential risks and factors which may affect contract price, cost and timely completion of these contracts. The review also encompasses the cost analysis process whereby both actual costs incurred and future costs to complete are critically examined.

## 15 Loans and borrowings

	<b>Group</b>	
	<b>31 December 2024 \$'000</b>	<b>31 December 2023 \$'000</b>
<b>Amount repayable within one year or on demand</b>		
Secured bank loans	72,421	93,783
Lease liabilities	2,021	1,592
Secured bank loans associated with assets held for sale	8,779	13,286
Lease liabilities associated with assets held for sale	1,205	1,268
	84,426	109,929

## 15 Loans and borrowings (cont'd)

	Group	
	31 December 2024 \$'000	31 December 2023 \$'000
<b>Amount repayable after one year</b>		
Secured bank loans	2,201	5,459
Lease liabilities	6,134	6,672
	8,335	12,131
 Total loans and borrowings	 92,761	 122,060

The secured bank loans are secured on the following assets:

### Carrying amounts of assets:

Leasehold land	3,748	3,855
Freehold land	3,588	3,438
Leasehold properties	17,735	18,640
Plant and machinery	446	783
Assets held for sale	38,429	41,384
Total	63,946	68,100

The secured bank loans are also secured by assignment of rights, interests and benefits in connection with construction contracts and engineering solutions.

## 16 Share capital

	31 December 2024		31 December 2023	
	No of shares	\$'000	No of shares	\$'000
<b>Issued and fully paid ordinary shares</b>				
As at 1 January, including treasury shares	459,623,849	181,947	459,623,849	181,947
Less: Treasury shares	(18,547,200)	(4,906)	(18,547,200)	(4,906)
As at 31 December, excluding treasury shares	441,076,649	177,041	441,076,649	177,041

The Company held 18,547,200 treasury shares (18,547,200 treasury share as at 31 December 2023) which represent 4.20% (4.20% as at 31 December 2023) of the total number of issued shares of the Company (excluding treasury shares).

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

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

## 16 Share capital (cont'd)

During the year, the Company has entered into a commitment for the proposed placement of 20,000,000 new ordinary shares at an issue price of \$0.10 per share, representing an aggregate consideration of \$2 million.

## 17 Significant commitments

Commitments of the Group not reflected in the condensed interim consolidated financial statements at the respective reporting dates are as follows:

	<b>Group</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Development costs contracted but not provided for:		
- subsidiaries	13,771	1,210

## 18 Financial guarantee

	<b>Company</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Significant issued financial guarantees to certain financial institutions in respect of banking facilities (inclusive of guaranteed performance bonds) for its subsidiaries	452,962	523,790

## 19 Subsequent event

On 20 January 2025, the Company completed a placement of 20,000,000 new ordinary shares in its capital at an issue price of \$0.10 per share, for an aggregate consideration of \$2 million. Following the completion, the total number of shares in the Company's capital increased from 441,076,649 shares (excluding treasury shares) to 461,076,649 shares (excluding treasury shares).

On 6 February 2025, the Group secured loan facilities of up to \$90 million, these facilities are secured and uncommitted, intended to finance the working capital of existing and new projects.

**Other Information Required by Listing Rule Appendix 7.2**

**1. 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 our auditors.

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

Not Applicable.

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

The financial information for the current financial year reported on have been prepared using the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2024.

**4. 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 new and revised Singapore Financial Standards (International) ("SFRS(I)") issued by the Accounting Standards Council that are relevant to the Group and effective for financial year beginning on 1 January 2024.

The adoption of the new SFRS(I)s, amendments and interpretations of SFRS(I)s does not result in any substantial change to the Group's accounting policies and has no material impact on the financial statements of the Group for the current reporting period or the prior year's reporting period.

**5. 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 The Group's Performance for 2H2024 vs 2H2023

### Overview

	<u>Construction</u>	<u>Engineering</u>	<u>Property</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
		<u>Solution</u>	<u>Development</u>			
	6 Months Ended 31 December 2024					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	261,385	43,470	1,636	24	(18,810)	287,705
Costs	(259,807)	(33,281)	(2,083)	-	20,526	(274,645)
Gross profit/(loss)	1,578	10,189	(447)	24	1,716	13,060
Other income	5,685	584	49	-	(1,806)	4,512
Depreciation and amortisation	(1,945)	(209)	(129)	(87)	-	(2,370)
Selling expenses	-	-	(20)	-	-	(20)
Staff costs	(4,510)	(2,708)	(309)	(307)	-	(7,834)
Other expenses	(3,488)	(2,406)	1,374	(3,005)	90	(7,435)
<b>(Loss)/profit from operating activities</b>	<b>(2,680)</b>	<b>5,450</b>	<b>518</b>	<b>(3,375)</b>	<b>-</b>	<b>(87)</b>

	<u>Construction</u>	<u>Engineering</u>	<u>Property</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
		<u>Solution</u>	<u>Development</u>			
	6 Months Ended 31 December 2023					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	287,106	51,788	4,388	340	(29,212)	314,410
Costs	(267,241)	(48,374)	(7,993)	-	29,212	(294,396)
Gross profit/(loss)	19,865	3,414	(3,605)	340	-	20,014
Other income	627	2,613	(84)	245	(90)	3,311
Depreciation and amortisation	(1,621)	(167)	(27)	(20)	-	(1,835)
Selling expenses	-	-	(244)	-	-	(244)
Staff costs	(4,908)	(2,253)	(991)	(718)	-	(8,870)
Other expenses	(3,263)	(2,331)	(796)	(2,428)	90	(8,728)
<b>Profit/(loss) from operating activities</b>	<b>10,700</b>	<b>1,276</b>	<b>(5,747)</b>	<b>(2,581)</b>	<b>-</b>	<b>3,648</b>

As a whole, the Group reported an operating loss in 2H2024 of \$0.1 million, compared to an operating profit of \$3.6 million in 2H2023. The loss in 2H2024 was primarily attributed to loss generated from the construction segment partially offset by an operating profit in engineering solutions and the property development segments.

## **Review of The Group's Performance for 2H2024 vs 2H2023** (cont'd)

### **Revenue from construction, engineering solutions and property development segments**

The Group's revenue decreased by approximately \$26.7 million from \$314.4 million in 2H2023 to \$287.7 million in 2H2024, mainly due to a decrease in revenue from construction and engineering solutions segment, which was primarily caused by the completion of certain existing projects and the lower revenue recognition for the initial phase of new projects secured in 2H2024.

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

Gross profit margin of approximately 0.6% in 2H2024 as compared to gross profit margin of 6.9% in 2H2023 mainly due to extended delay of certain projects, leading to additional construction costs.

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

The gross profit margin was approximately 23.4% in 2H2024, compared to a gross profit of 6.6% in 2H2023. This was mainly due to increased production volume and more profitable projects.

### **Gross loss in property development segment**

The gross loss margin was approximately 27.3% in 2H2024, compared to a gross loss margin of 82.2% in 2H2023. This was mainly attributable to a higher provision of \$3.9 million in 2H2023 for the late completion of development and administrative fine in connection with one of the PRC development projects as compared to 2H2024.

### **Other income**

Other income increased by approximately \$1.2 million from \$3.3 million in 2H2023 to \$4.5 million in 2H2024 mainly due to increase in training income.

### **Expenses**

Depreciation and amortisation increased by approximately \$0.6 million from \$1.8 million in 2H2023 to \$2.4 million in 2H2024, mainly due to the additional of property, plant and equipment and right-of-use assets.

Staff cost decreased by \$1.1 million from \$8.9 million in 2H2023 to \$7.8 million in 2H2024, mainly due to higher weightage of staffs with higher wages in 2H2023 as compared to 2H2024.

### **Net finance costs**

Net finance cost has decreased by approximately \$0.7 million from \$1.4 million in 2H2023 to \$0.7 million in 2H2024. This is mainly due to decrease of borrowing cost as a result of the repayments of certain loans and borrowings during 2H2024 and exchange gain recorded in 2H2024 as compared to exchange loss in 2H2023.



## **Review of The Group's Performance for 2H2024 vs 2H2023** (cont'd)

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

The Group registered a share of profit from joint ventures by approximately \$0.9 million in 2H2024, compared to a share of loss of approximately \$0.1 million in 2H2023. The profit in 2H2024 was mainly due to profit from certain construction projects in 2H2024 recognised by joint ventures.

### **Profit for the period**

As a result of the foregoing, 2H2024 reported a loss after tax of approximately \$2.2 million as a result of the factors mentioned in the preceding paragraphs.

## **Review of The Group's Performance for FY2024 vs FY2023**

### **Overview**

	<b><u>Construction</u></b>	<b><u>Engineering Solution</u></b>	<b><u>Property Development</u></b>	<b><u>Others</u></b>	<b><u>Elimination</u></b>	<b><u>Total</u></b>
	<b>12 Months Ended 31 December 2024</b>					
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Revenue	480,668	96,214	9,417	190	(50,256)	536,233
Costs	(473,498)	(82,262)	(7,603)	-	53,901	(509,462)
Gross profit	7,170	13,952	1,814	190	3,645	26,771
Other income	13,459	1,823	168	306	(3,825)	11,931
Depreciation and amortisation	(4,042)	(414)	(139)	(183)	-	(4,778)
Selling expenses	-	-	(360)	-	-	(360)
Staff costs	(9,658)	(4,988)	(637)	(1,169)	-	(16,452)
Other expenses	(5,534)	(3,664)	690	(4,525)	180	(12,853)
<b>Profit/(loss) from operating activities</b>	<b>1,395</b>	<b>6,709</b>	<b>1,536</b>	<b>(5,381)</b>	<b>-</b>	<b>4,259</b>

**Review of The Group's Performance for FY2024 vs FY2023** (cont'd)

	<u>Construction</u>	<u>Engineering</u>	<u>Property</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
		<u>Solution</u>	<u>Development</u>			
	12 Months Ended 31 December 2023					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	413,147	88,669	24,852	551	(52,171)	475,048
Costs	(390,546)	(87,334)	(26,496)	-	52,171	(452,205)
Gross profit/(loss)	22,601	1,335	(1,644)	551	-	22,843
Other income	946	3,964	23	377	(180)	5,130
Depreciation and amortisation	(3,879)	(420)	(31)	(51)	-	(4,381)
Selling expenses	-	-	(918)	-	-	(918)
Staff costs	(10,613)	(4,525)	(1,631)	(1,123)	-	(17,892)
Other expenses	(5,453)	(2,912)	(2,250)	(3,760)	180	(14,195)
<b>Profit/(loss) from operating activities</b>	<b>3,602</b>	<b>(2,558)</b>	<b>(6,451)</b>	<b>(4,006)</b>	<b>-</b>	<b>(9,413)</b>

The Group reported an operating profit of \$4.3 million in FY2024 as compared to an operating loss \$9.4 million in FY2023, primarily attributable to profits generated from the construction, the engineering solutions and the property development segments. These improvements were mainly due to the resumption of the construction activities following the recovery from the COVID-19 pandemic, and implementing effective cost management measures.

**Revenue from construction, engineering solutions and property development segments**

The Group's revenue increased by approximately \$61.2 million from \$475.0 million in FY2023 to \$536.2 million in FY2024, which was mainly due to the increase in revenue from construction and engineering solutions following the resumption of construction work.

Revenue from the property development segment amounted to \$9.4 million in FY2024 mainly attributable from the sale recognition of 2 units from Tranquility Project and 10 units from Equinox Project. In FY2023, revenue amounted to \$24.9 million mainly contributed from the revenue recognition of 44 units from Equinox Project.

## **Review of The Group's Performance for FY2024 vs FY2023** (cont'd)

As at 31 December 2024, approximately \$3.0 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	564	448	4	113	Note 1	13,342
	Area ('000 sqm)	172	108	89	1	19	63	
Tranquility	Units	636	636	636	-	-	-	-
	Area ('000 sqm)	100	100	100	-	-	-	

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

<sup>^</sup> Average selling price

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

Gross profit margin of approximately 1.5% in FY2024 as compared to gross profit margin of 5.5% in FY2023 mainly due to extended delay of certain projects, leading to additional construction costs.

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

The gross profit margin was approximately 14.5% in FY2024, compared to a gross profit of 1.5% in FY2023. The improvement was mainly due to increased production volume and more profitable projects.

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

The gross profit margin was approximately 19.3% in FY2024, compared to a gross loss margin of 6.6% in FY2023. The improvement was mainly driven by the recognition of higher profit margin products in FY2024. In FY2023, the gross loss due to a provision of \$3.9 million in FY2023 for the late project completion.

### **Other income**

Other income increased by approximately \$6.8 million from \$5.1 million in FY2023 to \$11.9 million in FY2024 mainly due to gain on disposal of a unit in SLF building of \$6.5 million.

## **Review of The Group's Performance for FY2024 vs FY2023** (cont'd)

### **Expenses**

Depreciation and amortisation increased by approximately \$0.4 million from \$4.4 million in FY2023 to \$4.8 million in FY2024, mainly due to the additional of property, plant and equipment and right-of-used assets.

Selling expenses decreased by approximately \$0.6 million from \$0.9 million in FY2023 to \$0.3 million in FY2024 mainly due to decrease in sales commission for the sale of development properties following lower revenue recognition.

Staff cost decreased by \$1.4 million from \$17.9 million in FY2023 to \$16.5 million in FY2024, mainly due to higher weightage of staffs with higher wages in FY2023 as compared to FY2024.

### **Net finance costs**

Net finance cost decreased by approximately \$3.4 million from \$4.6 million in FY2023 to \$1.2 million in FY2024. This is mainly due to decrease of borrowing cost as a result of the repayments of certain loans and borrowings during FY2024 and exchange gain recorded in FY2024 as compared to exchange loss in FY2023.

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

The Group registered a higher share of profit from joint ventures by approximately \$1.9 million from \$0.8 million in FY2023 to \$2.7 million in FY2024 due mainly to higher contribution from certain joint venture projects.

### **Profit for the year**

As a result of the foregoing, FY2024 reported a profit after tax of approximately \$2.8 million as a result of the factors mentioned in the preceding paragraphs.

## **Review of The Group's Financial Position**

### **Non-current assets**

Non-current assets increased by approximately \$5.8 million from \$108.4 million as at 31 December 2023 to \$114.2 million as at 31 December 2024. The increased in non-current assets was mainly due to:

- (i) Increase in property, plant and equipment by approximately \$12.6 million from \$44.7 million to \$57.3 million due to reclassification certain development property to property, plant and equipment;

The increase was partially offset by:

- (ii) Decrease in trade and other receivables by approximately \$6.3 million from \$31.5 million to \$25.2 million due to reclassification of retention sum receivables for completed projects due within 12 months to current assets;
- (iii) Decrease in amount due from related parties by approximately \$2.4 million from \$4.9 million to \$2.5 million due to release the retention sum receivables.

## **Review of The Group's Financial Position** (cont'd)

### **Current assets**

Current assets decreased by approximately \$112.7 million from \$405.6 million as at 31 December 2023 to \$292.9 million as at 31 December 2024. The decreased in current assets was mainly due to:

- (i) Decrease in development properties by approximate \$17.8 million to \$110.6 million as at 31 December 2024 was mainly due to reclassification of a development property to property, plant and equipment and revenue recognition partially offset by development cost incurred for the same period;
- (ii) Decrease in cash and bank balances by approximately \$76.8 million to \$35.8 million as at 31 December 2024 was mainly due to the higher operating cash flow used and repayments of loans and borrowings during the year;
- (iii) Decrease in assets held for sales by approximately \$3.0 million to \$38.4 million as at 31 December 2024 was due to sale of a unit in SLF building;
- (iv) Decrease in current trade and other receivables by approximately \$5.3 million to \$41.7 million as at 31 December 2024 was mainly due to decrease in trade receivables partially offset by increase in retention sum receivables as reclassification of retention sum receivables for completed projects due within 12 months to current assets;
- (v) Decrease in contract assets by approximately \$9.9 million to \$46.8 million as at 31 December 2024, which was mainly due to timing between revenue recognition and actual billing for mainly construction projects.

The decrease was partially offset by an increase in amount due from related parties by approximately \$1.5 million to \$15.9 million as at 31 December 2024 was mainly due to reversal of \$1.5 million impairment.

### **Non-current liabilities**

Non-current liabilities increased by approximately \$3.6 million from \$34.8 million as at 31 December 2023 to \$38.4 million as at 31 December 2024. The increase in non-current liabilities was mainly due to:

- (i) Increase in trade and other payables due to increase in retention sum payables;

The increase was partially offset by:

- (ii) Decrease in loan and borrowings by approximately \$3.8 million to \$8.3 million as at 31 December 2024 that due to reclassification of borrowings due within 12 months to current liabilities;
- (iii) Decrease in deferred tax liabilities due to reversal of the temporary differences.

## **Review of The Group's Financial Position** (cont'd)

### **Current liabilities**

Current liabilities decreased by approximately \$111.9 million from \$404.1 million as at 31 December 2023 to \$292.2 million as at 31 December 2024. The decrease in current liabilities was mainly due to:

- (i) Decrease in contract liabilities by approximately \$61.8 million to \$53.1 million as at 31 December 2024 mainly due to decrease in the excess of progress billing over construction revenue of certain projects over the period under review.
- (ii) Decrease in trade and other payables by \$26.4 million to \$143.1 million as at 31 December 2024 mainly due to utilisation of provision for onerous contract.
- (iii) Decrease in loan and borrowings by approximately \$25.6 million to \$84.4 million as at 31 December 2024 was due to mainly due to repayment of project loans and lower utilisation of trade financing.
- (iv) The decrease was partially offset by increase in current tax payable by approximately \$1.4 million to \$4.4 million as at 31 December 2024 was mainly due to provision land assessment tax for Equinox products.

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

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

Net cash outflow from operating activities was approximately \$48.0 million mainly attributable to the movement in working capital of the Group.

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

Net cash inflow from investing activities was approximately \$8.8 million in FY2024, which was primarily due to the repayment of loan from a joint venture of \$3.0 million and proceeds from disposal of assets held for sales of \$10.0 million, which was partially offset by purchase of property, plant and equipment of \$4.9 million.

#### **Net cash used in financing activities**

Net cash outflow from financing activities was approximately \$36.1 million in FY2024, which was primarily due to net repayment borrowing of \$29.2 million.

**6. 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

**7. 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 in Singapore**

Singapore's construction demand rose to S\$44.2 billion in 2024, and is expected to continue to grow to between S\$47 billion and S\$53 billion in 2025<sup>1</sup>. The Building and Construction Authority (BCA) forecasts total construction demand to average between S\$39 billion and S\$46 billion per year from 2026 to 2029, signalling continued momentum and steady growth.<sup>2</sup>

Key catalysts will be major infrastructure projects such as Changi Airport Terminal 5, MRT line expansions that include the Cross Island Line (Phase 3), the ongoing ramp-up in public housing construction, large-scale institutional developments, as well as other urban rejuvenation projects.

Our 2025 strategy focuses on sustainable growth through strategic partnerships and enhanced internal capabilities. We have refined our project selection criteria to emphasise quality and margins. This sharpened focus, combined with our optimised operational structure, strengthens our ability to deliver superior project outcomes and sustainable value.

## **Engineering Solutions Outlook in Singapore**

Our sustained investment in green modular solutions is gaining market traction, attracting interest from domestic and international clients. Our portfolio encompasses advanced construction technologies, including zero-waste steel formwork systems and innovative methodologies such as Prefabricated Prefinished Volumetric Construction ("PPVC"), Advanced Precast, Structural Steel and Mass Engineered Timber – all delivering enhanced quality and environmental performance.

With rising demand for sustainable construction methods, Engineering Solutions is positioned as a key growth catalyst for 2025. Project revenue now covers previous investment costs, which sets the stage for profitability. Our specialist capabilities are increasingly relevant as we explore expansion opportunities whilst advancing industry standards in sustainable construction.

## **Property Development Outlook in China**

China's property sector continues to navigate significant headwinds, prompting sustained policy intervention from the country's authorities. Recent data offers modest encouragement, with new home prices in December 2024 halting their 18-month decline<sup>3</sup>. Market analysts, including S&P Global Ratings, suggest the sector may find its footing in the second half of 2025, though this outlook remains closely tied to ongoing government support measures<sup>4</sup>.

The Chinese government has implemented comprehensive measures to reinvigorate the sector, including mortgage rate adjustments for existing loans, revised downpayment thresholds for second homes, as well as an expanded "white list" programme offering targeted financial support to qualifying property developments<sup>5</sup>.

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<sup>1</sup> [Singapore's Construction Horizon :Trends and Opportunities](#)

<sup>2</sup> [Construction Demand to Remain Strong For 2025](#)

<sup>3</sup> [China's new home prices stabilise with stimulus push](#)

<sup>4</sup> [China Property Watch: Charting A Path To Stabilization](#)

<sup>5</sup> [China unveils new measures to stabilize housing market](#)

## **Digital Solutions**

PylonAI, the foundation of our Digital Solutions division, has made significant strides in its development. Backed by our in-depth construction expertise and sophisticated data analytics, this solution embodies our comprehensive understanding of contractors' practical needs. Our distinctive approach not only improves project risk management, but also generates new revenue streams beyond standard construction work.

PylonAI integrates IoT technology with operational data to provide real-time construction insights which offer actionable intelligence, leading to improvements in our project safety standards, workforce management and operational performance.

Looking ahead, the synergy between PylonAI and our Engineering Solutions division is expected to boost our growth path. By strategically focusing on digital capabilities, we are well-positioned to undertake larger and more complex projects, strengthening our competitive edge in the built environment sector. This digital transformation goes beyond mere technological progress and reflects our ambition to become an industry leader in construction innovation.

## **Summary**

Within this evolving landscape, Tiong Seng is adapting its market approach with measured precision. Our strategic focus has pivoted towards specialised segments, particularly the Silver Economy and ageing care facilities. This calculated repositioning enables us to address market risks while pursuing sustainable growth opportunities in China's evolving property market.

The Group's order book as at 31 December 2024 stood at approximately \$0.60 billion, which is expected to extend till 2028.

### **8. If a decision regarding dividend has been made:**

#### **(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.

#### **(d) Books closure date**

Not applicable.

### **9. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for the financial year ended 31 December 2024. The Board of Directors of the Company deems it appropriate to conserve cash for the Group's working capital.



**10. 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 31 December 2024.

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
		2H2024	FY2024	2H2024	FY2024
		\$'000	\$'000	\$'000	\$'000
<b><u>Hiring charges</u></b>					
Peck Tiong Choon Transport (Pte) Ltd	Subsidiary of Controlling Shareholder, Peck Tiong Choon (Private) Limited	-	-	2,900	6,089
Peck Tiong Choon Logistic (Pte) Ltd	Subsidiary of Controlling Shareholder, Peck Tiong Choon (Private) Limited	-	-	22	26
Total		-	-	2,922	6,115
<b><u>Lease of Storage Space</u></b>					
Peck Tiong Choon Logistic (Pte) Ltd	Subsidiary of Controlling Shareholder, Peck Tiong Choon (Private) Limited	12	271	-	-
Total		12	271	-	-
Total Transactions with associates of a Controlling Shareholder		12	271	2,922	6,115
<b><u>Consultancy fees</u></b>					
G&T Multitask (Private Limited)#	Associate of Director, Pek Zhi Kai	500	1,000	-	-
Total		500	1,000	-	-
Total Transactions with Associates of a Director		500	1,000	-	-

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

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

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

## 11. A breakdown of sales and profit before tax.

	<b>FY2024</b>	<b>FY2023</b>	<b>Increase / (Decrease)</b>
	<b>\$’000</b>	<b>\$’000</b>	<b>%</b>
Sales reported for first half year	248,528	160,638	55
Operating profit/(loss)after tax before deducting non-controlling interests reported for first half year	5,050	(15,633)	N.M.
Sales reported for second half year	287,705	314,410	(8)
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	(2,220)	2,034	N.M.

## 12. Persons Occupying Managerial Positions Pursuant to Rule 704(13)

<b>Name</b>	<b>Age</b>	<b>Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder</b>	<b>Current position and duties, and the year position was first held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Pay Sim Tee	75	Uncle of Pek Zhi Kai (Executive Director)  Cousin of Pek Dien Kee (Head of Asset Management).  Uncle of Ong Chun Tiong (General Manager for the Group’s subsidiaries in PRC), Pek Chik Lay (Managing Director of Robin Village International Pte Ltd’s Group and Cobiax Technologies	Executive Director and Chief Executive Officer (“CEO”) of Tiong Seng Holdings Ltd (the “Company”).	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
		(Asia) 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) and Pay Simin Jasmine (Contracts Manager of Tiong Seng Contractors (Private) Limited).		
Pek Zhi Kai	35	Nephew of Pay Sim Tee (Executive Director & CEO)	Executive Director of the Company since July 2021	Not Applicable
Pek Dien Kee	72	Cousin of Pay Sim Tee (Executive Director and CEO). Uncle of Pek Zhi Kai (Executive Director)	Head of Asset Management since 2010	Not Applicable
Ong Chun Tiong	53	Nephew of Pay Sim Tee (Executive Director & CEO). Cousin of Pek Zhi Kai (Executive Director)	General Manager for the Group's subsidiaries in PRC since 2004	Not Applicable

**13. 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 undertakings have been procured from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

**BY ORDER OF THE BOARD**

Pay Sim Tee  
Executive Director and CEO  
28 February 2025