

Tiong Seng Holdings Limited

Annual General Meeting
28 April 2023

FORTIFYING OUR FUTURE
BY OVERCOMING CHALLENGES
AND UNLOCKING VALUE



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Presentation Flow

- 1** Financial Highlights
- 2** Operational Highlights
- 3** Looking Ahead

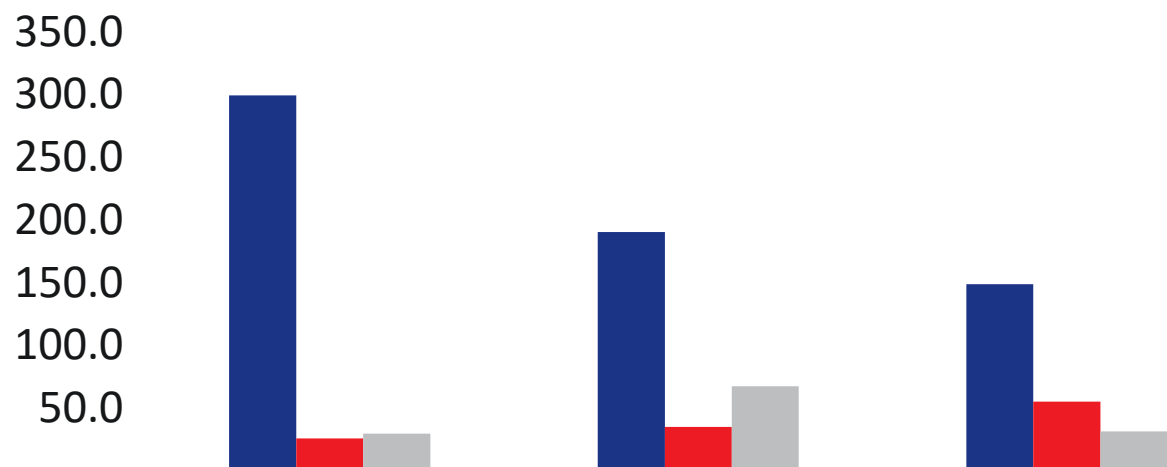
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Financial Snapshot

Audited Statements	FY2022 (S\$'mil)	FY2021 (S\$'mil)	% Change
Revenue	355.7	293.4	21%
Gross Loss Margin	(11.4%)	(1.2%)	(10.2ppt)
Net Loss for the Year	(85.0)	(52.7)	61%
Loss per Share	(19.19)	(11.37)	69%

Segmental Business Comparison

Revenue (S\$'million)



	FY2022	FY2021	FY2020
■ Construction	299.5	190.6	148.9
■ Property Development	26.1	35.3	55.4
■ Engineering Solutions	29.8	67.5	31.9
■ Others	0.3	0	0

Key Factors Impacting Financial Results

1

Supply Chain Disruptions

2

Labour Shortages

3

Higher Operating Costs

Key Factors Impacting Financial Results

Supply Chain Disruptions



After-Effects of COVID-19

Global supply chains faced disruptions and delays with the prolonged impact of COVID-19, such as China's zero COVID-19 policy restrictions, severely curtailed growth.

Ongoing War in Ukraine

The ongoing war in Ukraine fueled the supply chain disruptions and delays as Ukraine is a supplier of much of the world's metal supplies.

Macroeconomic Uncertainties

Rising interest rates, rising material costs and labour shortages, made the construction industry a more challenging environment to operate.

Key Factors Impacting Financial Results

Labour Shortages



Reopening of Borders

Easing of border controls saw many skilled construction workers leaving to go home for the first time in two years. Inflow of lesser skilled construction workers were onboarded to replace workers leaving to go home.

Higher Costs for Workers

Higher costs of onboarding new workers due to administrative matters, such as stay-home notices and pre-departure COVID-19 tests.



Lower Productivity

The increase in lesser skilled construction workers and the higher costs of labour resulted in lower productivity due to costs and the need for training.

Key Factors Impacting Financial Results

Higher Operating Costs



Higher Material Costs

Increase in material costs from supply disruptions from Russia-Ukraine conflict and China's zero COVID-19 regulations.

Higher Labour Costs

Increase in labour costs due to COVID-19 disruptions and administrative requirements. Labour shortage due workers returning home upon reopening of Singapore borders.



Higher Energy Costs

Increase in energy costs from high demand post pandemic coupled with low supply from disruptions and productions outages from geopolitical tensions.

Key Balance Sheet Items

Balance Sheet	As at 31 December 2022	As at 31 December 2021	As at 31 December 2020
Total Assets (S\$'mil)	507.8	519.8	547.2
Cash and Cash Equivalents (S\$'mil)	47.6	56.5	43.4
Current Ratio	1.01	1.26	1.42
Gearing Ratio ¹	1.21	0.48	0.29
NAV Per Share (S\$ Cents)	20.89 ²	43.32 ³	53.50 ³

¹ Gearing Ratio is represented by total borrowings over total equity excluding non-controlling interests

² 441,076,649 shares as at 31 December 2022, excluding 18,547,200 treasury shares

³ 441,419,549 shares as at 31 December 2020 and 2021, excluding 18,204,300 treasury shares

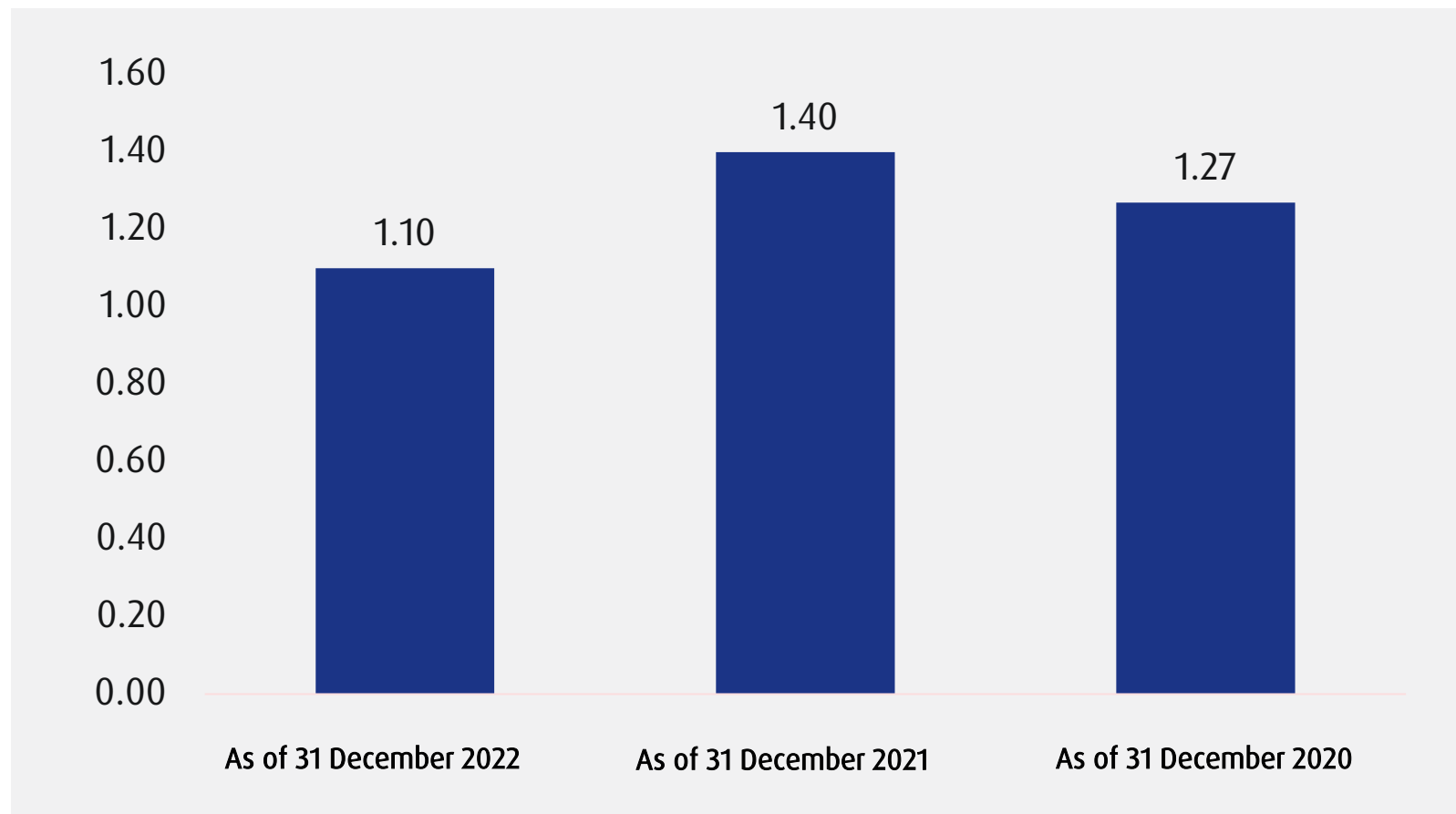


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5

Orderbook (S\$ billion)



Healthy order book of S\$1.1 billion as at 31 December 2022, extending to 2024



Our Construction & Civil Engineering Projects

Diversified Range of Ongoing Projects

Residential



Midtown Modern

Client: MTG
Apartments Pte Ltd &
MTG Retail Pte Ltd
Approx Contract Value:
S\$227.5 million



One Pearl Bank

Client: ARECA
Investment Pte Ltd
Approx Contract Value:
S\$190.0 million



Hyll on Holland

Client: FEC Skypark Pte
Ltd
Approx Contract Value:
S\$99.6 million



Cairnhill 16

Client: Tsky Cairnhill
Pte Ltd
Approx Contract Value:
S\$24.3 million

Our Construction & Civil Engineering Projects

Diversified Range of Ongoing Projects

Civil Engineering



Contract T220 – Great World Station
Client: Land Transport Authority
Approx Contract Value:
S\$324.0 mil

Industrial



JTC Space @ Ang Mo Kio Street
Client: JTC Corporation
Approx Contract Value:
S\$287.5 million

Our Construction & Civil Engineering Projects

Diversified Range of Ongoing Projects

Institutional



Outward Bound Singapore Campus at Coney Island

Client: Ministry of Culture,
Community and Youth
Approx Contract Value:
S\$192.3 million

Hotels



Club Street Hotel

Client: Midtown
Development Pte Ltd
Approx Contract Value:
S\$130.5 million

Our Construction & Civil Engineering Projects

Completed Projects



Sloane Residences
Client: TSky Balmoral Pte Ltd
Approx Contract Value:
S\$28.9 million



Murname Pipeline Project Package 5
Water Transmission Pipeline
(AYE / Henderson Rd to River Valley Rd)

Client: Public Utilities Board (PUB)
Approx Contract Value: S\$98.3 mil

Our Construction & Civil Engineering Projects

Project Distribution (Ongoing)

Project Types	No. of Projects
Residential (Private)	4
Civil Engineering	1
Institutional	1
Industrial	1
Hotels	1
Total	8

Our Construction & Civil Engineering Projects

Comprehensive Suite of Engineering Solutions & Projects



Lithe™ Prefabricated Bathroom Units (PBU)



Lithe™ Prefabricated Prefinished Volumetric Construction (PPVC)



Light Gauge Steel



Bi-axial voided slab



Mass Engineered Timber

Our Construction & Civil Engineering Projects

Variety of DfMA Led Projects

Key Engineering Solutions Projects



Kallang Whampoa C43
Client: Kienta
Engineering
Construction Pte Ltd



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



One Pearl Bank
Client: Tiong Seng
Contractors Pte Ltd

Sembawang N2C1 & C2
Client: BHCC Construction Pte Ltd

HDB Batch 1
Client: Housing Development Board

Our Construction & Civil Engineering Projects

Variety of DfMA Led Projects

Completed Project



MASS ENGINEERED TIMBER PROJECT
Academic Building & Ancillary Block
in
Nanyang Technology University
Client: Newcon Builders Pte Ltd

Our Real Estate Development Projects

Ongoing Projects in China



The Equinox, Tianjin

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

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

Phases of development, with the expected completion of the different phases ranging from 2014 to 2025

Zizhulin, Tianjin

Tianjin Zhizhulin Development

Commercial: 12,000 sqm, over a land area of 8,000 sqm



Tranquility Residences

Xushuguan Development Zone, Suzhou,
Suzhou ChangHe Investment and Development

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

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



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5

Looking Ahead

Construction Growth Opportunities & Trends



- Construction demand in 2023 is projected to remain strong with total construction demand ranging between \$27 billion and \$32 billion.
- Public sector forms about 60% of total construction demand, made up by building projects and civil engineering works.
- Private sector construction demand projected to remain comparable to 2022.

Source: Building and Construction Authority (BCA) media release: Singapore's Construction Demand to Remain Strong in 2023, 12 January 2023.

Looking Ahead

Engineering Solutions Opportunities & Trends



- According to BCA, there will be 121 upcoming public and private projects in Singapore adopting DfMA technologies, for construction tenders expected to be called in 2023 and 2024¹.
- Large building projects with Gross Floor Area (GFA) of at least 25,000m² are required to adopt DfMA, as implemented by Buildability 2022.
- 41 upcoming in projects adopting prefabricated Mechanical, Electrical and Plumbing (PEM) systems.

Source: Building and Construction Authority (BCA) DfMA Pipeline

¹https://www1.bca.gov.sg/docs/default-source/docs-corp-form/dfma_pipeline.pdf?sfvrsn=59659a90_2

Looking Ahead

Real Estate Development Opportunities & Trends



Singapore

- Prices of private residential homes in Singapore have risen by 8.6% for 2022, compared with 10.6% increase in 2021.
- The Group's joint ventures project known as Sloane Residences has achieved TOP in November 2022.
- The Group's second joint venture project, Cairnhill 16, has relaunch its sales gallery in January 2023.

Source: Building and Construction Authority (BCA) media release: Singapore's Construction Demand to Remain Strong in 2023, 12 January 2023.

Looking Ahead

Real Estate Development Opportunities & Trends



China

- Chinese authority have been implementing policies targeted at revitalizing the real estate industry to help prop up the embattled property market.
- Policies include reducing mortgage board rates, reducing down payments, increasing subsidies, and loosening financing requirements for developers.
- China is also economic stimulus through public infrastructure projects in a bid to boost the economy, even as private sector contribution shrinks.

Looking Ahead

Strategy for Growth



- Engineering Solutions project opportunities due to increased construction demand and diversify clientele base.
- Free up capacity for new projects by achieving Temporary Occupancy Permit (“TOP”) status for six of nine projects in 2023.
- Digitalization of design, production and construction processes using Virtual Reality (VR), Augmented Reality (AR), Internet of Things (IoT), and Construction Management Systems (CMS).

Thank You

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