

TIONG SENG HOLDINGS LIMITED
(Incorporated in Singapore)
(Company Registration No. 200807295Z)

RESPONSE TO SGX REGCO'S QUERY IN RELATION TO THE COMPANY'S ANNUAL REPORT 2021

The Board of Directors of Tiong Seng Holdings Limited (the "Company") would like to announce the following in response to the queries raised by Singapore Exchange Regulation ("SGX Regco") on 19 April 2022 in relation to the Company's Annual Report for the financial year ended 31 December ("FY") 2021:

SGX's Query:

Pursuant to Listing Rule 710, an issuer must comply with the principles of the Code of Corporate Governance 2018 (the "Code"). Where an issuer's practices vary from any provisions of the Code, it must explicitly explain how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 8.1(b) of the Code with regard to disclosure of names and breakdown of remuneration for at least the top five key management personnel (who are not directors or the CEO). Please clarify how the practices adopted by the Company are consistent with the intent of Principle 8 of the Code, which requires transparency on, amongst others, the Company's level and mix of remuneration.

Company's Response

The Company had disclosed on page 35 of the FY2021 Annual Report the aggregate remuneration paid to the top 5 key management personnel ("KMP") (who are not Directors or the CEO) for FY2021. The Company is of the view that it is not in its interest to disclose other details of the remuneration of the top 5 KMPs (who are not Directors or the CEO)(including names, breakdown of remuneration and remuneration amounts of each individual), in order to maintain confidentiality of staff remuneration matters and given that such disclosure is disadvantageous to its business interest and may give rise to recruitment and retention issues given the scarcity of talents and highly competitive industry conditions.

The Company is of the view that there is sufficient transparency on its remuneration policies, level and mix of remuneration, procedure for setting remuneration, and the relationships between remuneration, performance and value creation, details of which are further set out under Principle 7 on pages 34 and 35 of the FY2021 Annual Report, which provides a reasonable amount of information on the Company's remuneration framework to enable shareholders to have an adequate appreciation of the remuneration of its Directors and KMPs and to understand the link between the Company's performance and the remuneration of the CEO and other top five KMPs (who are not Directors or the CEO). Accordingly, the Board believes that the existing practices adopted by the Company are consistent with the intent of Principle 8 of the Code.

BY ORDER OF THE BOARD
TIONG SENG HOLDINGS LIMITED

Pay Sim Tee
Executive Director and CEO
21 April 2022