

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

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**RESPONSE TO SGX REGCO'S QUERIES IN RELATION TO THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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The board of directors (the "**Board**") of Tiong Seng Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") would like to announce its responses to the following queries raised by Singapore Exchange Regulation ("**SGX Regco**") on 25 April 2023 in relation to the annual report for the financial year ended 31 December 2022 (the "**Annual Report**").

**SGX Regco's Query 1**

Please explain how do the hiring charges, lease of storage space and consultancy fees reported under "interested person transactions" on page 73, reconcile to the amounts reported under "other related party transactions" on page 149.

**Company's Response**

The difference is due to a typo error in the amounts reported under Note 33 on page 149 of the Annual Report. The correct amounts were reported under the "interested person transactions" on page 73 of the Annual Report.

The Board is of the view that the disclosure difference under Note 33 on page 149 of the Annual Report is not material to the consolidated financial statements as a whole and does not affect the true and fair view of the consolidated financial statements for the financial year ended 31 December 2022.

	<b>As shown on page 73 of the Annual Report (correct amount) \$'000</b>	<b>As shown on page 149 of the Annual Report (typo error) \$'000</b>	<b>Disclosure difference \$'000</b>
<b><u>Affiliated corporations</u></b>			
Lease of storage space	(1,445)	(721)	(724)
Hiring charges	(3,930)	(2,386)	(1,544)
Consultancy fees	<u>(500)</u>	<u>(333)</u>	<u>(167)</u>

**SGX Regco's Query 2**

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on 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 of the Code with regards to the disclosure of remuneration, and there were no explanations provided for in your FY2022 annual report on how it is consistent with the intent of Principle 8 of the Code.

Please clarify how the practices the Company had adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

### **Company's Response**

Provision 8.1 of the Code requires the Company to disclose at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel.

The Company had disclosed the aggregate remuneration paid to the top five key management personnel ("**KMP**") (who are not Directors or the CEO) on page 65 of the Annual Report. The Company is of the view that it is not in its best interest to disclose other details of the remuneration of the top five KMPs (who are not Directors or the CEO) (including names, amounts and breakdown of remuneration of each individual), in order to maintain confidentiality of staff remuneration 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, the procedure for setting remuneration and the relationships between remuneration, performance and value creation, details of which are further set out under Principle 7 on page 64 and Principle 8 on page 65 of the 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 Directors 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**

Pay Sim Tee  
Executive Director and CEO  
26 April 2023