

FOR IMMEDIATE RELEASE

Tiong Seng Group Extends Financial Rebound in 1H2024

- Recorded net profit of S\$5.1 million in 1H2024, a significant turnaround from a loss of S\$15.6 million in 1H2023
- Revenue surged 54.7% y-o-y, as construction work projects resumed
- Order book stands at S\$0.47 billion as at 30 June 2024, with work extending till 2028

SINGAPORE – 12 August 2024 – Mainboard-listed construction group and property developer, **Tiong Seng Holdings Limited (长成控股)** (“Tiong Seng”, “the Company”, or together with its subsidiaries, “the Group”) (Stock Code: SGX: BFI) has announced its financial results for the six months ended 30 June 2024 (“1H2024”).

Financial Highlights

S\$ million	1H2024	1H2023	Y-o-Y % change
Revenue	248.5	160.6	54.7%
Profit/(Loss) from operating activities	4.3	(13.1)	n.m.
Profit/(Loss) for the period	5.1	(15.6)	n.m.
As of 30 June 2024			
Net asset value per share (S\$)	0.17		
Cash and cash equivalents (S\$ million)	68.2		

The Group achieved a net profit of S\$5.1 million in 1H2024, a significant improvement from a loss of S\$15.6 million in 1H2023. Operating profit also improved to S\$4.3 million in 1H2024 from a loss of S\$13.1 million in 1H2023. This strong performance was mainly due to a 54.7% y-o-y surge in revenue to S\$248.5 million in 1H2024 from S\$160.6 million in 1H2023.

The Group's net asset value per share remained steady at S\$0.17 as at 30 June 2024, primarily supported by hard assets, which include property, plant and equipment, development properties, and cash and bank balances totalling S\$68.2 million. The Group saw a decrease of S\$3.5 million in its non-core assets, amounting to S\$37.9 million as at 30

June 2024, due to the sale of its unit in SLF building. The Group is actively looking to divest its other non-core assets to strengthen its balance sheet.

Segmental Review

Business segment	Segmental P&L (S\$ million)	1H2024	1H2023	Y-o-Y % change
Construction	Revenue	219.3	126.0	74.0%
	Gross Profit	5.6	2.7	>100.0%
	Operating Profit/(Loss)	4.1	(7.1)	n.m.
Engineering Solutions	Revenue	52.7	36.9	42.8%
	Gross Profit/(Loss)	3.8	(2.1)	n.m.
	Operating Profit/(Loss)	1.3	(3.8)	n.m.
Property Development	Revenue	7.8	20.5	(62.0%)
	Gross Profit	2.3	2.0	15.0%
	Operating Profit/(Loss)	1.0	(0.7)	n.m.

As construction work projects resumed, the construction and engineering solutions segments experienced 74% and 43% y-o-y improvements in 1H2024 compared to 1H2023, respectively. The construction segment reported a profit of S\$4.1 million in 1H2024 compared to a loss of S\$7.1 million in 1H2023, while the engineering solutions segment achieved a profit of S\$1.3 million in 1H2024 compared to a loss of S\$3.8 million in 1H2023.

The revenue from sales of development properties saw a sharp decline in 1H2024, dropping by 62% y-o-y to S\$7.8 million, in comparison to S\$20.5 million in 1H2023. This decrease was mainly due to the lower number of units sold and recognised during the period. The revenue in 1H2024 was generated by the sale recognition of two units from the Tranquility Project and seven units from the Equinox Project, whereas in 1H2023, 36 units from the Equinox Project were recognised.

“We are pleased to report a strong first six months of 2024, continuing our positive momentum from last year. While this turnaround is encouraging, we acknowledge that challenges remain and require ongoing vigilance,” Mr Pay Sim Tee, CEO of Tiong Seng Holdings Limited, commented. ***“As we move forward, we remain cautiously optimistic. Our focus on divesting non-core assets will strengthen our balance sheet and provide liquidity for new opportunities. We are committed to sustaining this momentum and positioning Tiong Seng for long-term growth and resilience.”***

Outlook

Construction

Singapore's construction industry is expected to expand by 3.3% in real terms in 2024, driven by public infrastructure, housing projects as well as private investment in areas like renewable energy¹. Tiong Seng is well-positioned to benefit from this growing demand and plans to secure more projects, particularly in the public sector. The construction segment will actively pursue opportunities, while maintaining strong collaborations with key stakeholders to enhance the Group's branding and reputation.

Engineering Solutions

Singapore has targeted at least 80% of its buildings to go green by 2030². As a leading engineering specialist, Tiong Seng offers sustainable Design for Manufacturing and Assembly (“**DfMA**”) solutions, enabling Tiong Seng to design and build Green Mark-certified buildings. This adoption of advanced technologies keeps Tiong Seng at the forefront of the industry and boosts its competitiveness. The Prefabricated Prefinished Volumetric Construction (“**PPVC**”) market is expected to grow. Tiong Seng, holding the highest grading of A1 awarded by the Building and Construction Authority, is well-positioned to benefit from this market expansion. The engineering solutions segment will continue promoting green solutions to third-party clients, aiming to expand the order book and improve profit margins.

Property Development

China

The real estate market in China remains subdued due to an economic slowdown and decreased consumer spending. The Group is closely monitoring developments and adjusting strategies as necessary. The focus remains on managing risks and navigating uncertain market conditions with prudence.

##END##

About Tiong Seng Holdings Limited

¹ [Singapore Construction Industry Report 2024: Market to Expand by 3.3% in Real Terms this Year - Project Pipeline and Forecasts to 2028](#)

² [SG Green Plan](#)

Established in 1959 and listed on the Mainboard of the Singapore Exchange since 2010, Tiong Seng Holdings Limited (SGX: BFI) is principally engaged in three core pillars of business: Building Construction & Civil Engineering, Property Development and Engineering Solutions.

Tiong Seng is one of the leading building and civil engineering contractors in Singapore and holds the highest grading of A1 from the Building and Construction Authority (BCA) for both general building and civil engineering, qualifying the Group to undertake public sector projects with unlimited contract value. For over 60 years, Tiong Seng has built up a comprehensive track record of private and public sector projects of different complexity, uses and sizes.

On the property development front, Tiong Seng has successfully developed both residential and commercial projects in various second and third-tier cities in China, including Tianjin, Suzhou and Yangzhou. The Group currently has three ongoing projects in the Bohai Economic Rim, one of the main economic zones in China. More recently, the Group made headway in the Singapore property market with acquisitions of residential landbanks in prime districts 9 and 10.

As a technological frontrunner, Tiong Seng has developed a diverse portfolio of innovative innovations that encompass Engineering Solutions, the Group's third business segment. This segment provides building solutions as a service and comprises a blend of engineering capabilities such as Prefabricated Prefinished Volumetric Construction ("PPVC"), Pre-cast, Structural Steel, Mass Engineered Timber ("MET") and Tunnel Segment production. With this asset-light business model, the Group is positioned to capture rising industry demand for modern and efficient building solutions.

Issued on behalf of Tiong Seng Holdings Limited. by: GEM COMM

Investor Relations and Media Contact:

Ms Emily Choo
Mobile: +65 9734 6565
Email: emily@gem-comm.com