

Tiong Seng Holdings Limited

Annual General Meeting
21 April 2016



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Certain statements in this presentation constitute “forward looking statements”. All statements other than statements of historical facts are forward looking and are based on management’s optimistic view about the future developments. Forward looking statements involve certain risks and uncertainties and actual results may vary materially from those targeted, expected and projected, due to various factors.

Although we believe that the expectations reflected in the forward looking statements are reasonable, you are advised to exercise judgments before relying on these forward looking statements. We do not intend to update any forward looking statements to compare those statements to actual results, other than required by applicable laws and regulations.

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1. Corporate Profile
2. Operational Highlights
3. Financial Highlights
4. Looking Ahead



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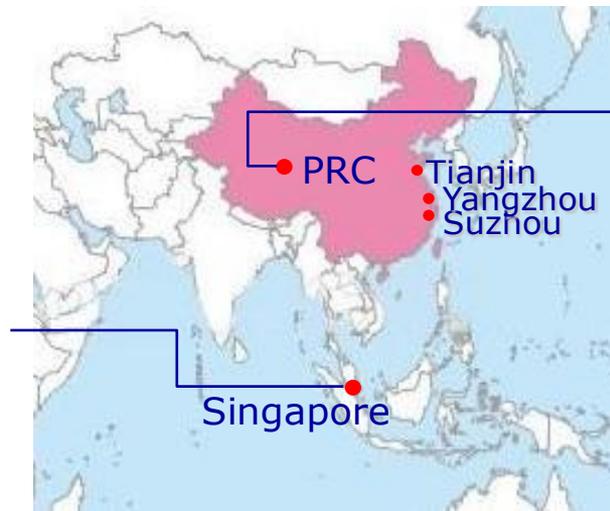
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Corporate Profile

Listed on the SGX-Mainboard since April 2010, Tiong Seng Holdings is one of the leading building construction and civil engineering contractors in Singapore and a real estate developer in the People's Republic of China (China).

CORE BUSINESS: CONSTRUCTION & CIVIL ENGINEERING

- Over 55 years of experience with a strong track record in Singapore's construction industry, as main contractor for a wide range of projects for private and public sectors
- Accorded highest A1 grading from BCA for both general building & civil engineering projects
- A recognised leader in construction technologies & capabilities



PLUS: PROPERTY DEVELOPMENT

- A niche player in the second and third tier cities in PRC
- Specialist in residential, commercial and mixed use projects



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NEW PROJECTS WON



COMPLETED PROJECTS



ONGOING PROJECTS

Our construction & civil engineering projects (Singapore)

New projects won

S\$420.1 million worth of projects won in 2015 resulting in a strong order book of **S\$1.3 billion**, extending to 2020



JTC Space @ Tuas

Client: JTC Corporation

Approx Contract Value: S\$277.3 mil



Sungei Seletar Bus Depot

Client: Land Transport Authority

Approx Contract Value: S\$72.9 mil



Ulu Pandan Bus Depot

Client: Land Transport Authority

Approx Contract Value: S\$69.9 mil



NEW PROJECTS SECURED



COMPLETED PROJECTS



ONGOING PROJECTS

Our construction & civil engineering projects (Singapore)

Completed projects

MAJOR PROJECTS COMPLETED IN 2015



Waterway Terraces I & II at Punggol

Client: Housing & Development Board
Approx Contract Value: S\$339.0 mil



The Luxurie

Client: Keppel Land Realty
Approx Contract Value: S\$151.0 mil



The Archipelago

Client: United Venture Development
Approx Contract Value: S\$189.5 mil



The Equinix

Client: Mapletree Industrial Trust
Approx Contract Value: S\$42.7 mil



Mediacorp at Mediapolis @ One North

Client: Mediacorp Pte Ltd
(JV with Kajima 20:80 (TS: 20))

Approx Contract Value: S\$413.0 mil





NEW PROJECTS SECURED



COMPLETED PROJECTS



ONGOING PROJECTS

Our construction & civil engineering projects (Singapore)

Ongoing projects

RESIDENTIAL



Woodlands C29 & C30
Client: Housing Development Board
Approx Contract Value: S\$204.5 mil



HAUS@Serangoon Garden
Client: City Developments Limited
Approx Contract Value: S\$93mil



The Panorama
Client: Wheelock Properties
Approx Contract Value: S\$210 mil



Executive Condominium at Choa Chu
Kang Grove
Client: MCL Land Pte Ltd
Approx Contract Value: S\$276.0 mil



Eco Sanctuary
Client: SP Setia International
Approx Contract Value: S\$135.4mil

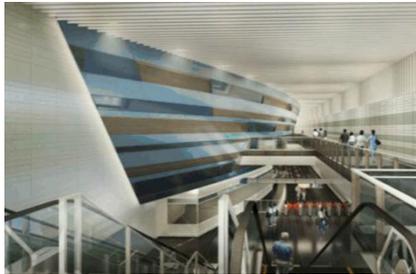


The Springside
Client: Kallang Development Pte Ltd
Approx Contract Value: S\$88.0mil

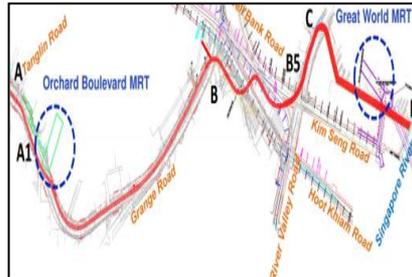
Our construction & civil engineering projects (Singapore)

Ongoing projects

CIVIL ENGINEERING



Contract T220 – Great World Station
Client: Land Transport Authority
Approx Contract Value: S\$316.0 mil



Stamford Diversion Canal Contract 2
Client: Public Utilities Board
Approx Contract Value: S\$107.7 mil

INDUSTRIAL



One HP
Client: Mapletree Industrial Trust
Approx Contract Value: S\$132.4 mil



JTC Space @ Tuas
Client: JTC Corporation
Approx Contract Value: S\$277.3 mil



Pandan Bus Depot
Client: Land Transport Authority
Approx Contract Value: S\$69.9 mil



Sungei Seletar Bus Depot
Client: Land Transport Authority
Approx Contract Value: S\$72.9 mil

Our construction & civil engineering projects (Singapore)

Project Distribution

Project Types	No of Projects
Residential (Private)	5
Residential (Public)	1
Industrial	4
Civil Engineering	2
Total	12



COMPLETED PROPERTIES



ONGOING PROPERTIES

Our real estate development projects (China)

Completed projects



Tianmen Jinwan Building, Tianjin

28 storey high residential with 4 storey commercial development

Commercial - GFA: 15,023 sqm

Residential – GFA:51,067 sqm



Shen Yang Commercial Building, Suzhou

Commercial Building – GFA: 10,471.67 sqm



Wenchang Broadway, Yangzhou

One of the first open-air shopping streets in Yangzhou

GFA: 29,191.16 sqm



Huisheng Garden, Suzhou

Commercial - GFA: 12,000 sqm

Residential – GFA: 26,000 sqm



COMPLETED PROPERTIES



ONGOING PROPERTIES

Our real estate development projects (China & Singapore)

Ongoing projects



The Equinox, Tianjin

Residential comprising landed and low rise properties: 162,000 sqm

7 phases of development with the expected completion of the different phases ranging from 2014 to 2019

Phase 1 has been completed while Phase 2 and 3 will be completed in 2Q2016 and 2Q2018 respectively



Tranquility Residences. Xushuguan Development Zone, Suzhou

Residential comprising terrace houses and apartments: 87,220 sqm

Phase 1 was completed and handed over to purchasers in January 2016

Phase 2 is expected to be completed and hand over in 3Q2017



16 Balmoral Road, Goodwood Grand

Residential: 57,005 sqft

Construction commenced in 2014

Full completion by December 2021



Zizhulin, Tianjin

Commercial: 12,000 sqm

Planning currently in progress



Eco-City, Tianjin

Residential: 101,200 sqm

In the process of being handed over



Wenchang Baihui, Yangzhou

Retail: 15,000 sqm (saleable area and a remaining lease period of 27 years)



Sunny International Project, Cangzhou

Mixed: Residential 131,900 sqm and Commercial 18,000 sqm



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Financial Highlights - Overview

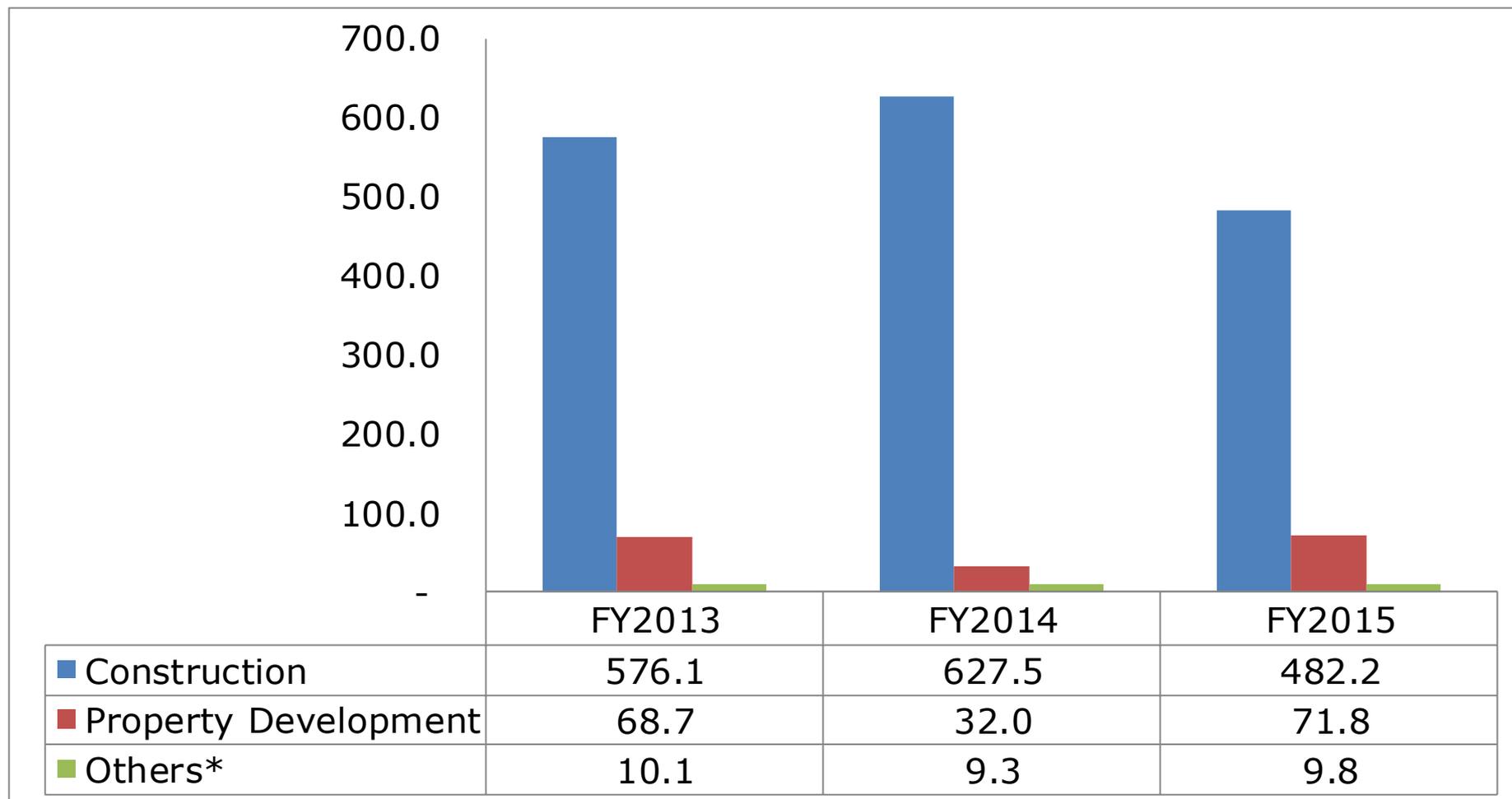
Income Statement	Audited		
	FY2013	FY2014	FY2015
Revenue (SGD m)	654.9	668.8	563.8
Gross Profit (SGD m)	51.6	49.2	64.2
Other Income (SGD m)	16.0	5.2	10.5
Operating & Net Finance Expenses (SGD m)	47.2	42.8	48.9
Operating profit/(loss) before JV, associate & tax (SGD m)	20.4	(23.0)	26.5
Net profit after JV & taxes (SGD m)	8.9	(29.6)	14.7
Net profit/(loss) attributable to shareholders (SGD m)	9.3	(15.3)#	10.2
Earnings Per Share (cents)	2.38*	(3.32)^	2.23^

includes S\$34.6 million allowance for diminution in value for property development less S\$11.8 million shared by minority shareholders

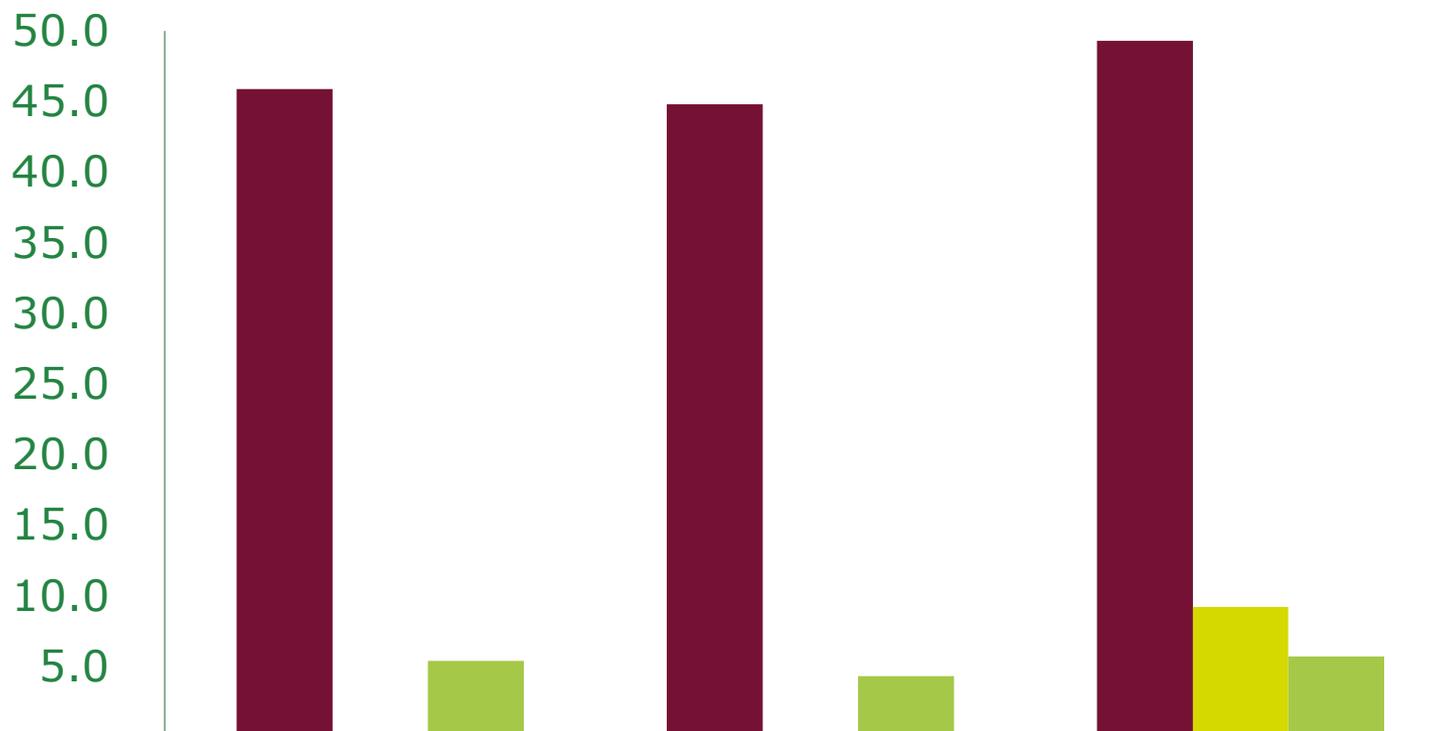
^ Based on weighted average number of shares outstanding after share consolidation and excluding treasury shares of 459,476,562 (2014: 459,623,849) shares

*EPS has been recalculated to take into account the effect of 2 to 1 share consolidation completed in 2015 (originally based on a weighted average number of ordinary shares outstanding of 783,401,988 as at 31 Dec 2013)

Segmental Comparison – Revenue (SGD m)

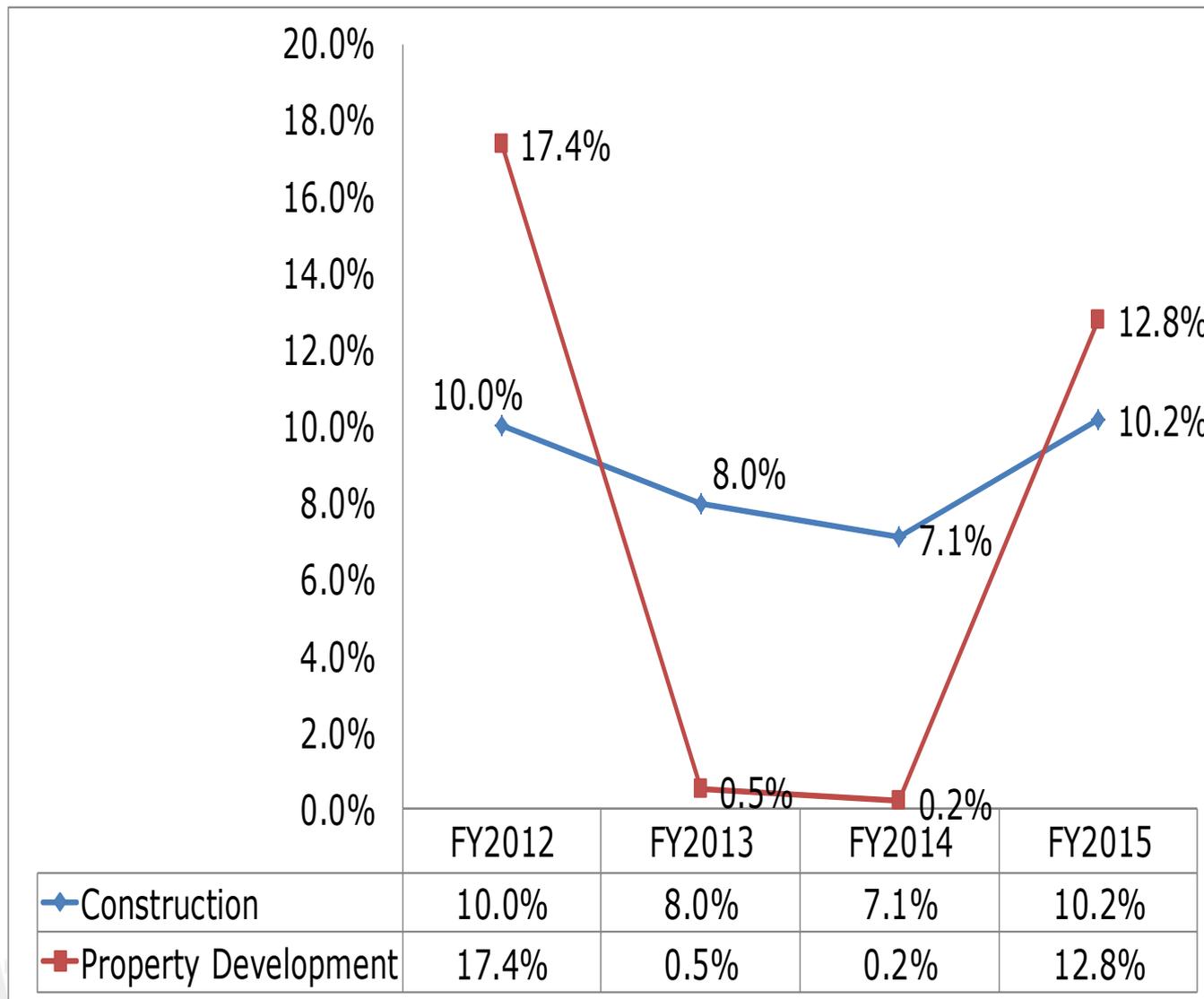


Segmental Comparison – Gross Profit (SGD m)



	FY2013	FY2014	FY2015
■ Construction	45.9	44.8	49.3
■ Property Development	0.3	0.1	9.2
■ Others*	5.4	4.3	5.7

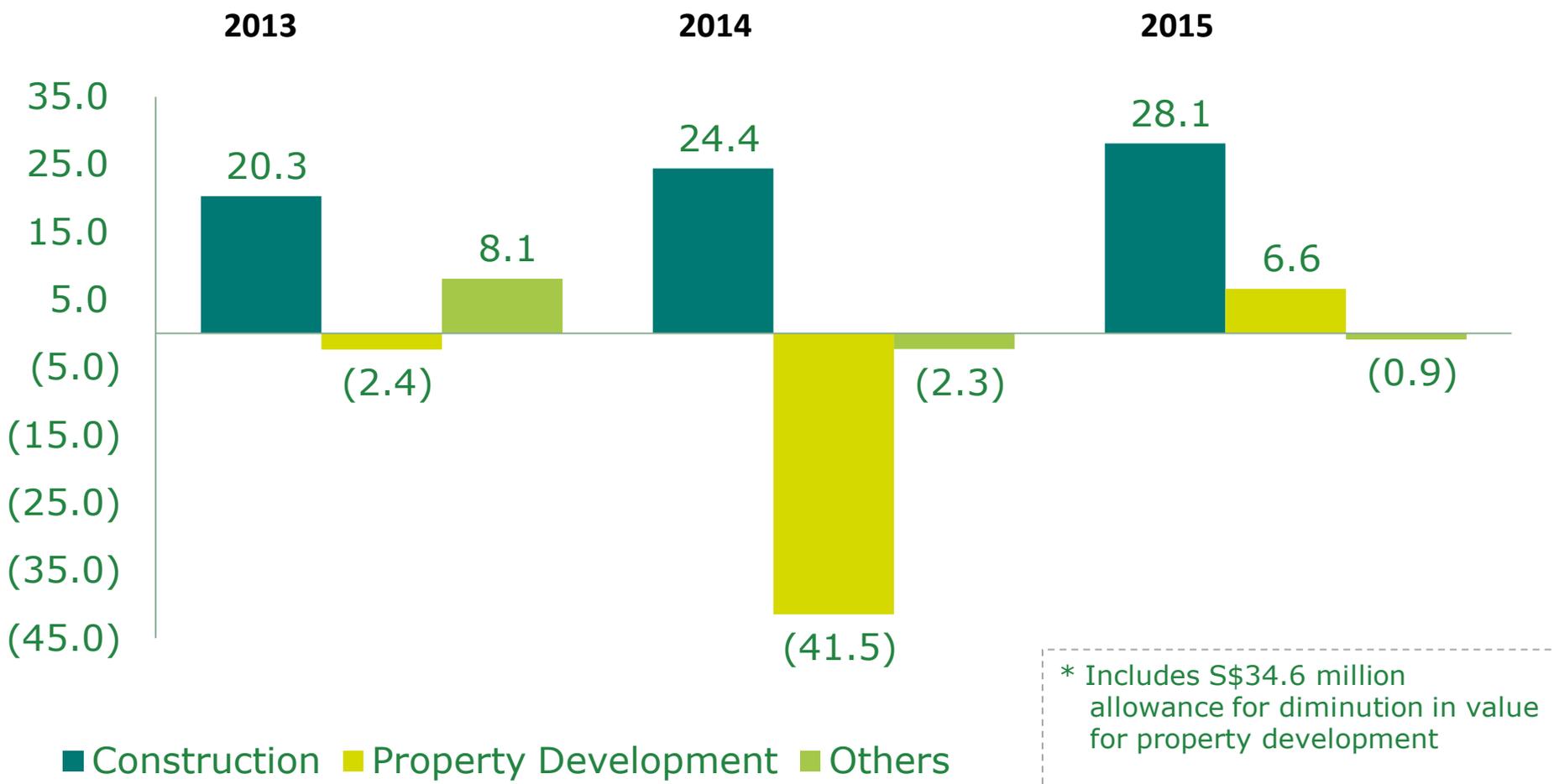
Segmental Comparison – Gross Profit Margin (SGD m)



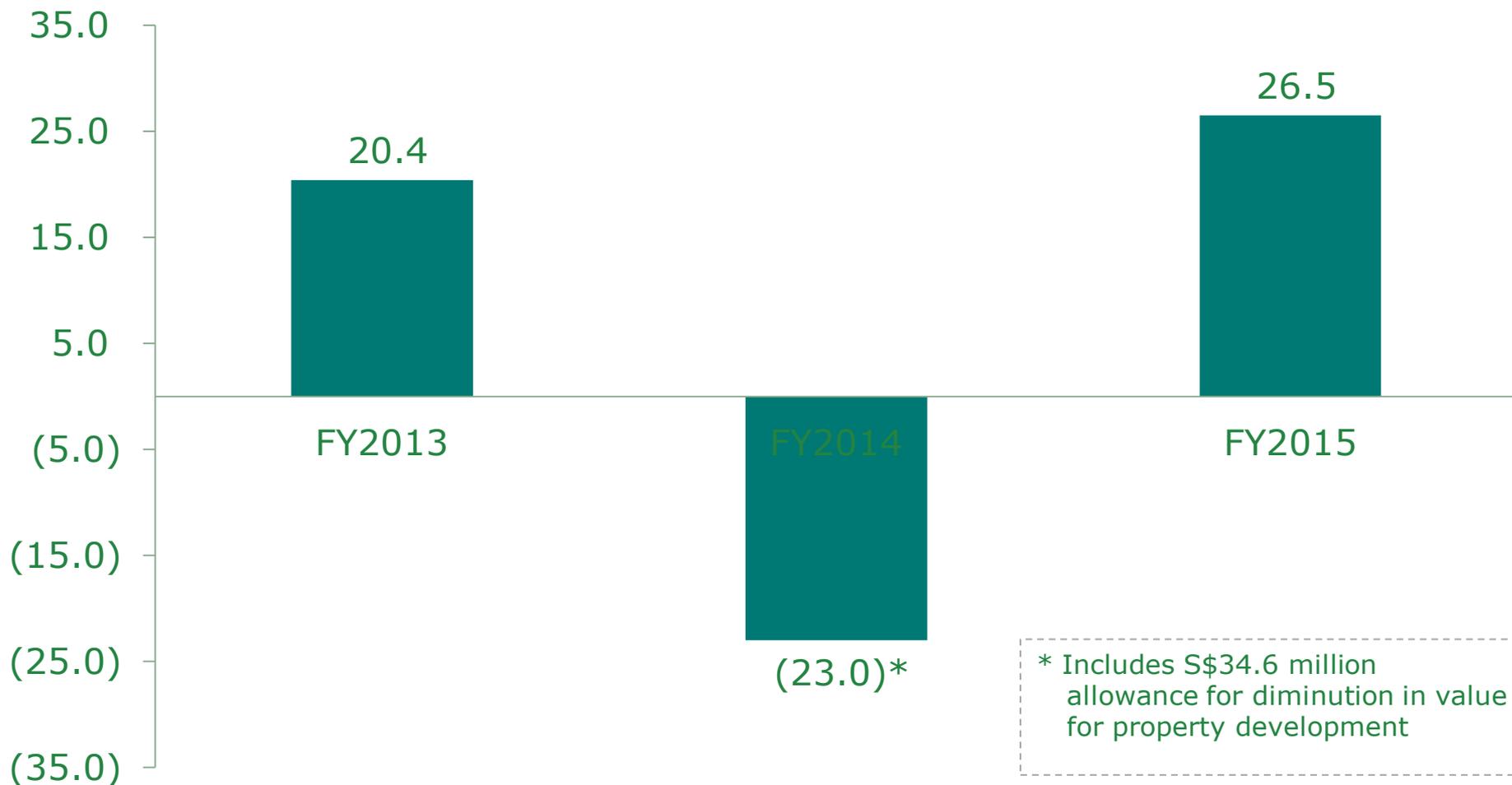
a) Gross profit in construction segment increased in FY2015 due to improvement in overall project mix

b) Gross profit in property development segment in FY2015 jumped following the recognition of phase III of the Sunny International Project

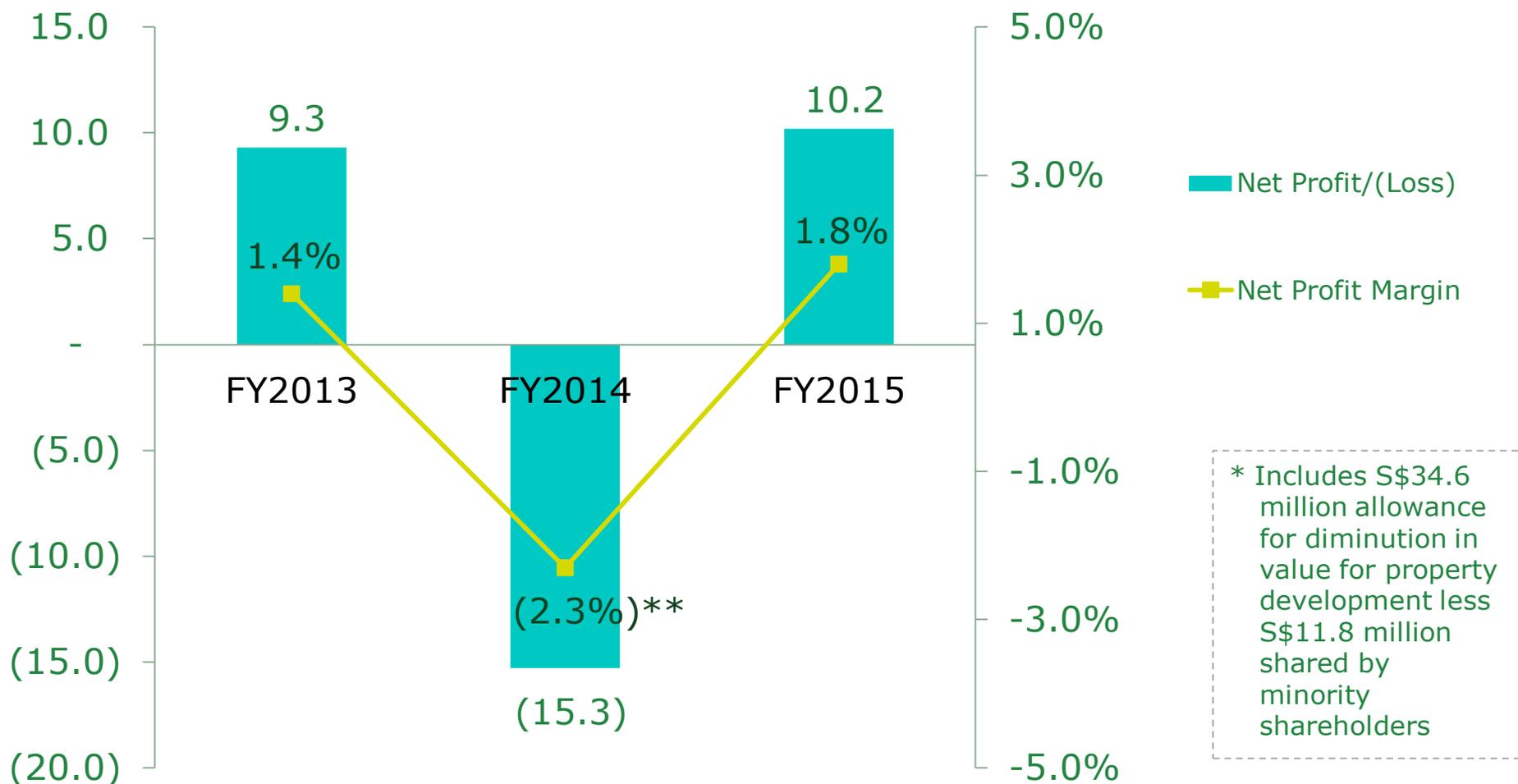
Reportable Segment Profit/(Loss) before Income Tax (SGD m)



Net profit/(Loss) from Operating Activities before JV, Associate & Tax (SGD m)



Net profit/(loss) Attributable to Shareholders (SGD m)



Key Balance Sheet Items

Balance Sheet	FY 2013	FY 2014	FY 2015
Total Assets (SGD m)	949.6	992.7	1,026.2
NAV per share (SGD cents)	69.10 ¹	54.67 ²	56.75³
Cash & Cash Equivalents (SGD m)	79.8	95.0	93.2

¹ Recalculated to take into account the effect of 2 to 1 share consolidation completed in 2015 (766,039,750 shares before share consolidation)

² 459,623,849 (919,247,700 before share consolidation) shares as at 31 December 2014

³ 458,535,349 shares as at 31 December 2015, excluding 1,088,500 treasury shares

Dividend (SGD cents)



Consistent payment of dividend, with a payout ratio in excess of 20% to reward shareholders

[^] Recalculated to take into account the effect of 2 to 1 share consolidation completed in 2015

* Includes the effect of S\$34.6 million allowance for diminution in value for property development



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Looking Ahead - Growth Prospects at a Glance

Construction

- BCA expects total construction activity in 2016 to fall within the range of S\$27 to S\$34 billion, with public sector contributing 65%
- Continued focus on the public sector including civil engineering and infrastructure projects to tap on steady demand

Technology

- Increased government legislation for more labour saving technologies such as PPVC, PBU and BIM
- S\$335 million in funds from 2010-2015 committed by the BCA under its Construction Productivity and Capability Fund for new building and productivity improvement methodologies
- As a forerunner in construction technology, Tiong Seng is positioned favourably to benefit from regulatory and industry changes

Property Development

- Favourable regulations and policies provide stimulus to housing demand within the Tier-2 and 3 cities

1



PRECAST CONSTRUCTION TECHNOLOGY

- **Singapore's first precast automation hub** for precast production, formwork assembly and training and research; reduces manpower needs by 70% which started production in
- Two other pre-fab plants in **Malaysia and Myanmar**
- Joint venture with Geostr Corporation & MISIP - **manufacture and supply of precast tunnel segments**

2



ADVANCED FORMWORK SYSTEMS

- Over \$60 mil invested in advanced formwork systems over past years
- More cost efficient & quicker setup vs. conventional timber
- Formwork delivers better finishing quality, increase productivity, and greater structural stability
- **MOU with PERI Asia** (Private) Limited to develop, market and provide advanced formwork related training

Our Construction Technologies & Approach



COBIAX & GREEN
TECHNOLOGY

- Use of **Cobix** reduces **volume of concrete slabs** by 30% & weight of building structure by 15%, thus increasing construction productivity & reduction of CO₂ emissions

Our Construction Technologies & Approach



BUILDING INFORMATION
MODELING (BIM)

- **Software** to integrate 3D, 4D and 5D structures before actual construction
- Time and cost calculations factored into work processes to achieve greater efficiency and cost effectiveness
- **MOU with Tekla South-East Asia** (Private) Limited to establish an Advanced BIM Competency Centre since 2015

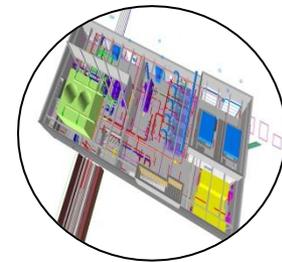
Our Construction Technologies & Approach

- Identifies, quantifies and reduces waste or inefficiencies in **product design for ease of manufacture and assembly**
- Optimisation of manufacturing processes to lower costs and production time without compromising on quality



DESIGN FOR MANUFACTURING AND ASSEMBLY (DFMA)

- **Combines** BIM and advanced management techniques **on an integrated platform**
- Allows users to design beyond physical constraints, anticipate problems and **facilitates seamless collaboration** along the construction value chain



VIRTUAL DESIGN CONSTRUCTION (VDC)

- **Constructed off-site** for installation on-site
- Introduction of **second generation of PBUs** which utilises high performance ductile concrete

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PREFABRICATED BATHROOM UNITS (PBU)

- **Supports DfMA through off-site construction & assembly** of complete volumetric units in an accredited facility
- Improves productivity by up to 50% through labour and time savings
- Received In-Principle Approval from BCA for our **own PPVC facility** through the Building Innovation Panel

Our Construction Technologies & Approach

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PREFABRICATED PREFINISHED VOLUMETRIC CONSTRUCTION (PPVC)

Our Property Development Business

Updates and Outlook

UPDATE : As at 31 December 2015:

• Equinox:

- 234 units launched, 63.2% sold
- Phase E1- expected to be completed and handover in 2Q2016
- Phase B3 - commenced construction, expected completion in mid 2018

• Tranquility Residences:

- 486 units launched, 74.9% sold
- Phase 1 - completed and handover in 1Q2016
- Phase 2 - expected to be completed and handover in 3Q2017

• Sunny International:

- 1,457 units launched, 98.6% sold
- All phases completed construction and ready to handover anytime

OUTLOOK:

• Favourable macroeconomic factors:

- Lowering of the minimum required mortgage down payment for first- and second-home purchases in February 2016

Applied in all cities, except some of the 1st tier cities like Beijing, Shanghai, Shenzhen and Guangzhou ¹

- Lowering of benchmark interest rates six times since 2014 ²
- Relaxation of Home Purchase Restrictions (HPR) across China since 2014 ³

- Expected to stimulate housing market growth, particularly in the Tier-2 and 3 cities:
 - Prices of new homes in 288 cities in March rose an average 5.6% year-on-year for the eighth straight month

Sources:

1. China reduces down payment for first-time home buyers, Channel NewsAsia, 2 February 2016)
2. China cuts rates again as growth engine stalls -<http://www.reuters.com/article/us-china-economy-policy-idUSKCN0SH18W20151023>
3. China growth hopes reduce urgency of more stimulus steps, policy advisers say
<http://www.channelnewsasia.com/news/business/china-growth-hopes-reduce/2706854.html>

Q&A Session



Thank you

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