

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

RESPONSE TO SGX REGCO'S QUERY IN RELATION TO THE DIFFERENCES BETWEEN THE UNAUDITED FINANCIAL STATEMENTS AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 query raised by Singapore Exchange Regulation (“**SGX Regco**”) on 14 April 2023 in relation to the differences between the unaudited financial statements and the audited financial statements for the financial year ended 31 December 2022 (the “**Announcement**”). *Unless otherwise defined, all capitalized terms used herein shall bear the same meanings as ascribed to them in the Announcement.*

SGX's Query

We note that the explanatory notes provided for the following do not appear to tally with the respective variances. Please provide further details, including a breakdown where necessary to explain the details and reasons for the reclassification, and also to show the movement between the unaudited and audited balances.

- (a) joint ventures
- (b) contract assets
- (c) trade and other receivables
- (d) contract liabilities
- (e) trade and other payables
- (f) amount due to related parties

Company's Response

		Unaudited Results	Movement				Audited Results
		\$'000	Debit \$'000	Note	Credit \$'000	Note	\$'000
<u>Current Assets</u>							
(a)	Joint ventures	21,107			21,107	1	-
(b)	Contract assets	83,067			3,851	2	75,646
					3,570	3	
(c)	Trade and other receivables	53,894	218	2	3,536	6	51,745
			785	4			
			384	5			
<u>Current Liabilities</u>							
(d)	Contract liabilities	79,752	3,570	3	367	8	74,300
			2,249	7			
(e)	Trade and other payables	202,360	3,537	6	248	9	198,704
			367	8			
(f)	Amount due to related parties	10,697	248	9			10,449

Explanatory Notes:

- 1 : Reclassification between joint ventures and amount due from related parties.
- 2 : Reversal of revenue due to the timing difference of delivering inventory to customers.
- 3 : Netting between contract assets and contract liabilities as it relates to the same project.
- 4 : Reclassification of retention receivables between current and non-current.
- 5 : Reclassification between trade and other receivables and amount due from related parties.
- 6 : Netting between trade and other receivables and trade and other payables as it relates to the same transaction, and rounding difference of \$1,000.
- 7 : Adjusting variation orders for the completed projects.
- 8 : Reclassification between contract liabilities and trade and other payables.
- 9 : Reclassification between trade and other payables and amount due to related parties.

BY ORDER OF THE BOARD

Pay Sim Tee
Executive Director and CEO
17 April 2023