

FOR IMMEDIATE RELEASE

Tiong Seng strengthens its commitment to Sustainability and Green practices; secures Green Loan and Environmental Performance-Linked Facilities worth S\$125.0 million

- **The Group secures a S\$70.0 million Green Loan from OCBC Bank to be used exclusively for Green projects**
- **It also clinches S\$55.0 million of Environmental Performance-Linked Facilities from DBS Bank with interest rate and performance bond commission pegged to the Group's improvements in environmental resource use and management**

SINGAPORE – 18 November 2019 – Mainboard-listed construction group and property developer, **Tiong Seng Holdings Limited (长成控股)** (“Tiong Seng”, together with its subsidiaries, “the Group”), is pleased to announce that it has secured S\$125.0 million worth of Green Loan and Environmental Performance-Linked Facilities (collectively the “Facilities”) from its partners OCBC Bank and DBS Bank respectively.

These Facilities are the first sustainable finance transactions for a construction and civil engineering company in Southeast Asia. Amidst the strong ‘greening’ momentum in Singapore’s property sector and the city’s continued development toward becoming climate-resilient, Tiong Seng is committed to contributing to a safe, high quality and sustainably-built environment by using innovative technologies and adopting sustainable practices, while managing its environmental and social impacts proactively. Tiong Seng received the BCA Pinnacle Built Environment Leadership (Platinum Star) in 2018.

With its first S\$70.0 million green loan from OCBC Bank, the Group will finance construction projects that have clear environmental benefits, such as certified green buildings and projects for improving resource efficiency and generating renewable energy. Tiong Seng is confident of generating a healthy pipeline of green projects in the future, and has set up a Green Loan Framework, as guided by the Green Loan Principles from the Loan Market Association, to guide the allocation and management of proceeds from the green loan.

Reinforcing its commitment towards building a sustainable business model, the Group also signed its first S\$55.0 million Environmental Performance-Linked Facilities with DBS Bank to refinance some of its existing loans as well as for general corporate purposes. With the facilities, the Group will be eligible for interest rate and performance bond commission discounts, should the Group meet or exceed the agreed performance targets. These will be based on a review and validation led by an external independent party at the end of each one-year period.

Mr Pek Lian Guan (白連源), CEO of Tiong Seng Holdings Limited commented: *“Since our inception, technology adoption to drive efficiency and sustainability has been the cornerstone of our organisation. As we reaffirm Tiong Seng’s long-standing commitment to operate a sustainable business, we are delighted to have garnered the support of like-minded partners such as OCBC and DBS as we embark on this journey. Apart from diversifying our sources of funding, these Facilities will allow us to focus on our environmental and green objectives to make a positive difference in our society. By considering all stakeholders and incorporating sustainability and green practices as part of our long-term business strategy, we are keen to demonstrate that financial performance can indeed be aligned with the interests of our environment and society.”*

Mr Linus Goh (高体良), Head of Global Commercial Banking, OCBC Bank commented: *“We at OCBC are proud to partner Tiong Seng in this landmark transaction which signals the strategic shift that the construction and civil engineering industry is making towards sustainable development. This collaboration is also an important demonstration of how we are working with our customers in leveraging green finance to catalyse the change and innovation across industries towards greener technologies and activities.”*

Mr Chew Chong Lim (周长林), Managing Director and Global Head of Real Estate at Institutional Banking Group, DBS Bank commented: *“The Environmental Performance-Linked facilities are an extension of our commitment to help companies advance their sustainable development goals. We hope that more companies will be encouraged to adopt business strategies that have a positive impact on society and the environment.”*

About Tiong Seng Holdings Ltd.

Tiong Seng is principally engaged in building construction and civil engineering in Singapore, and property development in China and Singapore.

With an established track record of 60 years, Tiong Seng is one of the leading building construction and civil engineering contractors in Singapore. It holds the highest grading of A1 from the Building Construction Authority of Singapore (BCA) for both general building and civil engineering, which qualifies the Group to undertake public sector construction projects with unlimited contract value.

Tiong Seng’s property development business focuses on developing residential and commercial projects in various second- and third-tier cities in China. The Group has successfully developed properties in Tianjin, Suzhou and Yangzhou and it currently has four on-going projects in the Bohai Economic Rim, which is one of the main economic zones in the China. On top of its projects in China, the Group has also made headway in the Singapore property market with the acquisition of landbanks in the prime districts 9 and 10.

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