

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

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**”) refers to the Company’s unaudited full year results announcement for the financial year ended 31 December 2022 (“**FY2022**”) released via SGXNET on 28 February 2023 (the “**Unaudited Results**”).

The audit of the financial statements of the Group has been completed after the release of the Unaudited Results. Pursuant to Rule 704(6) of the Singapore Exchange Securities Trading Limited, the Board wishes to inform that certain adjustments and reclassifications were made resulting in variances between the Unaudited Results and the audited financial statements for FY2022 (“**Audited Results**”). Save as set out below, there are no other material variances or reclassifications to the Unaudited Results.

Shareholders are advised to read this announcement in conjunction with the Audited Results which are set out in the Company’s annual report for FY2022 to be released on SGXNET in due course.

Details of the material variances with the relevant explanatory notes are shown below:

Extract of the Consolidated Statement of Financial Position (Group)

	Audited Results	Unaudited Results	Variance		Note
	\$'000	\$'000	\$'000	%	
<u>Non-current assets</u>					
Trade and other receivable	20,049	20,834	(785)	(3.8%)	A
<u>Current assets</u>					
Inventories	3,647	1,392	2,255	>100.0%	B
Contract assets	75,646	83,067	(7,421)	(8.9%)	B,C
Trade and other receivable	51,745	53,894	(2,149)	(4.0%)	A,B
Joint ventures	-	21,107	(21,107)	(100.0%)	D
Amount due from related parties	30,848	10,125	20,723	>100.0%	D
<u>Current liabilities</u>					
Contract liabilities	74,300	79,752	(5,452)	(6.8%)	C,E
Trade and other payables	198,704	202,360	(3,656)	(1.8%)	F
Amount due to related parties	10,449	10,697	(248)	(2.3%)	F

Extract of the Consolidated Statement of Comprehensive Income (Group)

	Audited Results	Unaudited Results	Variance		Note
	\$'000	\$'000	\$'000	%	
Revenue from construction contracts and engineering solutions	329,318	330,702	(1,384)	(0.4%)	B,E
Rental income	346	-	346	100.0%	G
Other income	5,639	5,985	(346)	(5.8%)	G
Cost of construction contracts and engineering solutions	(375,638)	(377,893)	(2,255)	(0.6%)	B
Impairment loss on/arising from:					
- Contract assets	(5,067)	-	5,067	100%	H
- Investment in a joint venture	(2,618)	-	2,618	100%	H
Other expenses	(12,064)	(19,749)	(7,685)	(38.9%)	H
Loss from operating activities	(84,826)	(85,697)	(871)	(1.0%)	B,E
Loss before tax	(85,743)	(86,614)	(871)	(1.0%)	B,E
Loss for the year	(85,044)	(85,915)	(871)	(1.0%)	B,E
Loss attributable to:					
Owner of the Company	(84,700)	(85,767)	(1,067)	(1.2%)	I
Non-controlling interests	(344)	(148)	196	>100.0%	I

Explanatory Notes:

- A: Reclassification of retention receivable between current and non-current.
- B: Reversal of revenue \$3,633,000, cost of sales S\$2,255,000, contract assets \$3,633,000 and inventory \$2,255,000 due to the timing difference of delivering inventory to customers.
- C: Netting of \$3,523,000 between contract assets and contract liabilities as it relates to the same project.
- D: Reclassification between joint ventures and amount due from related parties.
- E: Adjusting of \$2,249,000 variation orders for the completed projects.
- F: Reclassification between trade and other payables and amount due to related parties.
- G: Reclassification between rental income and other income.
- H: Reclassification between impairment loss and other expenses.
- I: Recognition of the non-controlling interests.

BY ORDER OF THE BOARD

Pay Sim Tee
Executive Director and CEO
13 April 2023