

Tiong Seng Holdings Limited

Annual General Meeting

24 April 2019



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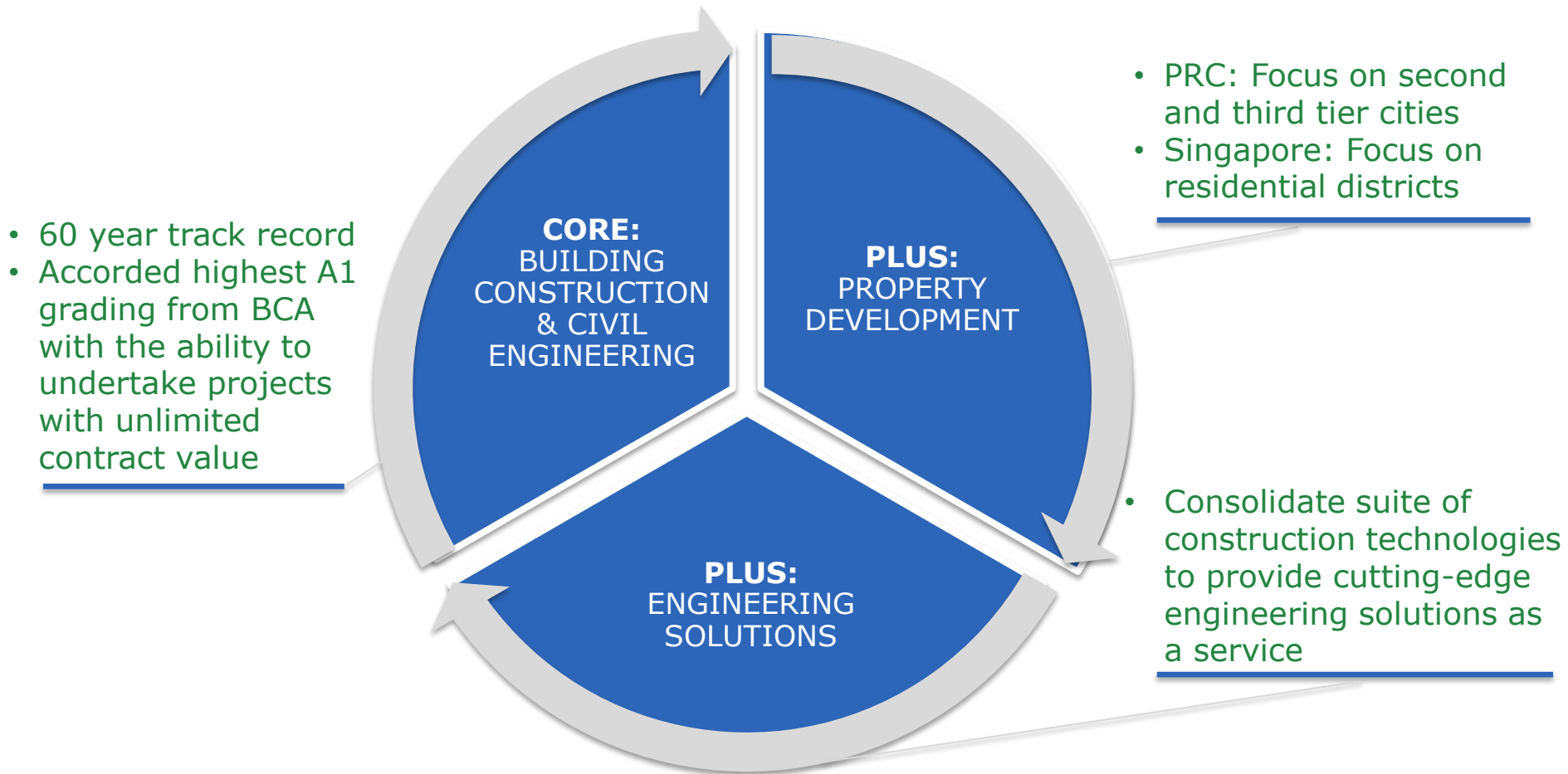


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Corporate Profile

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





TIONGSENG GROUP

长成控股

CONSTRUCTION & CIVIL ENGINEERING



BUILDING CONSTRUCTION

- Residential
- Commercial / hotel
- Institutional

CIVIL ENGINEERING

- MRT
- Tunnels
- Bridges

PROPERTY DEVELOPMENT



CHINA

- Residential
- Commercial
- Mixed development

SINGAPORE

- Residential

ENGINEERING SOLUTIONS



PRE-CAST & PBU



PRE-CAST & PREFABRICATION



STRUCTURAL STEEL



GREEN TECH



TUNNEL SEGMENTS



SINO SINGAPORE (TIANJIN) PREFABRICATION, CO. LIMITED





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Operational Highlights: Developments in 2018



Our construction & civil engineering projects

NEW PROJECTS WON IN 2018



Primary School @ Punggol Way
(Punggol Site 26)
Client: Ministry of Education
Approx Contract Value:
S\$49.9 million



Primary School along Punggol Central
/ Punggol Way
Client: Ministry of Education
Approx Contract Value:
S\$53.9 million

Lots 00138C & 99899P TS 26 @
Balmoral Road
Client: TSky Balmoral Pte Ltd
Approx Contract Value:
S\$28.9 million

Polyclinic & Long Term Care Facility
Building at Balestier Road /
Serangoon Road
Client: Ministry of Health
Approx Contract Value:
S\$47.68 million

Our construction, civil engineering and property development projects

PROJECTS COMPLETED IN 2018

CONSTRUCTION & CIVIL ENGINEERING



Executive Condominium Sol Acres
Client: MCL Land (Brighton) Pte Ltd
Approx Contract Value: S\$276.0 mil



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

PROPERTY DEVELOPMENT



The Equinox, Tianjin
(Phase B3)



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



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

Our construction & civil engineering projects

Diversified range of ongoing projects

Order book of **S\$545.1 million as at 31 December 2018**, extending to 2020

RESIDENTIAL



ARTRA
Client: FEC Skyline Pte.
Ltd.
Approx Contract Value:
S\$113.8 million

New project secured in 2018:

Lots 00138C & 99899P TS 26 @
Balmoral Road
Client: TSky Balmoral Pte Ltd
Approx Contract Value:
S\$28.9 million

CIVIL ENGINEERING



Contract T220 – Great World Station
Client: Land Transport Authority
Approx Contract Value: S\$324.0 mil



Diameter Pipeline from AYE /
Henderson Rd to River Valley Rd
Client: Public Utilities Board
Approx Contract Value: S\$98.3 mil

INSTITUTIONAL

Selarang Park Complex along
Upper Changi Road North
Client: Ministry of Home Affairs
Approx Contract Value:
Undisclosed

New project secured in 2018:

Primary School @ Punggol Way
(Punggol Site 26)
Client: Ministry of Education
Approx Contract Value:
S\$49.9 million

New project secured in 2018:

Primary School along Punggol
Central / Punggol Way
Client: Ministry of Education
Approx Contract Value:
S\$53.9 million

New project secured in 2018:

Polyclinic & Long Term Care
Facility Building at Balestier
Road / Serangoon Road
Client: Ministry of Health
Approx Contract Value:
S\$47.68 million

Our real estate development projects

Ongoing projects (Residential and Commercial) in PRC & Singapore

CHINA

The Equinox, Tianjin



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

Remaining 3 phases of development with the expected completion of the different phases up to 2024

40 completed and 79 construction-in-progress units ready for sale (Sales Value estd: S\$77 million)

Tranquility Residences. Xushuguan Development Zone, Suzhou



Residential comprising terrace houses and apartments: 99,500 sqm

Phases 1 and 2 was completed and handed over in January 2016 and 4Q2017 respectively

48 completed units ready for sale and handover (Sales Value ested: S\$49 million)

Zizhulin, Tianjin



Commercial: 12,000 sqm

Planning currently in progress

SINGAPORE

16 Balmoral Road, Goodwood Grand



Residential: 57,005 sqft

Construction commenced in 2014

TOP June 2017

3 completed units ready for sale and handover (Sales Value estd: S\$20 million)

17 Balmoral Road

Residential: 61,000 sq ft

Expected launch in 3Q2019 (Tentative)

Cairnhill Heights at 16 Cairnhill Rise

Residential: 43,000 sq ft

Expected launch in 2H2019 (Tentative)



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Financial Highlights - Overview

Income Statement	Audited		
	FY2018	FY2017	FY2016*
Revenue (SGD m)	379.1	802.8	774.3
Gross Profit (SGD m)	52.3	85.9	66.3
Other Income (SGD m)	4.8	6.2	6.1
Operating & Net Finance Expenses (SGD m)	48.6	48.0	48.8
Operating profit before JV, associate & tax (SGD m)	8.5	44.1	23.6
Net profit after JV & taxes (SGD m)	8.4	34.2	15.8
Net profit attributable to shareholders (SGD m)	8.8	34.0	15.3
Earnings Per Share (cents)	1.98³	7.53 ²	3.35 ¹

¹ Based on weighted average number of shares outstanding excluding treasury shares of 455,989,038

² Based on weighted average number of shares outstanding excluding treasury shares of 451,722,407

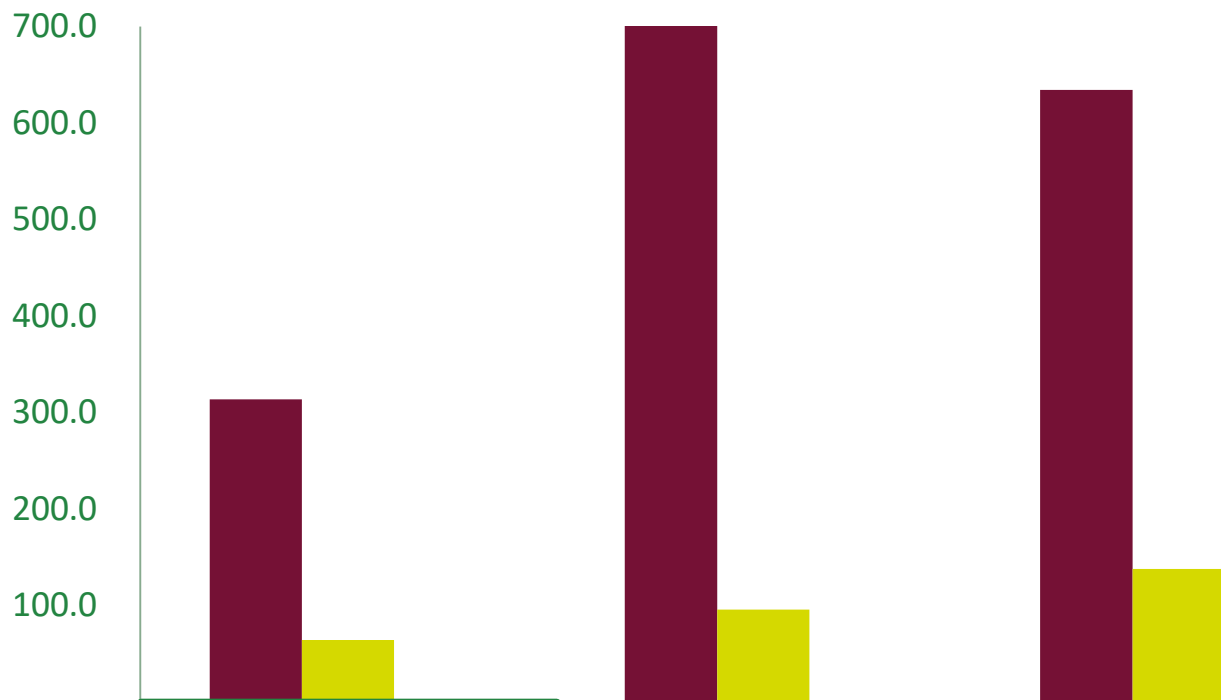
³ Based on weighted average number of shares outstanding excluding treasury shares of 445,517,545

* Prepared under Singapore Financial Reporting Standards effective for FY2016

Segmental Comparison – Revenue (SGD m)

Construction continues to be the key growth driver for the Group

SGD ('mil)



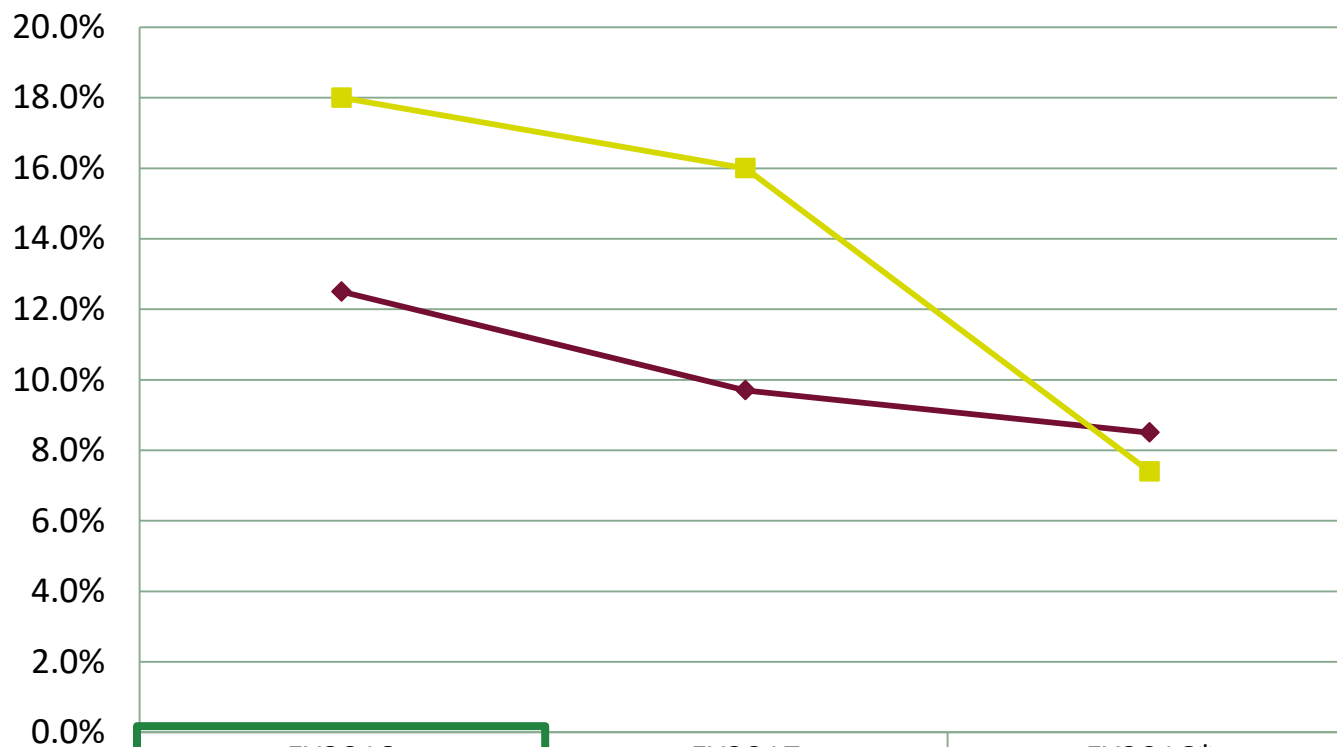
	FY2018	FY2017	FY2016^
■ Construction	313.5	705.4	634.2
■ Property Development	64.1	95.5	137.8
■ Others*	1.5	1.9	2.2



^Prepared under Singapore Financial Reporting Standards effective for FY2016

*Others includes rental and others

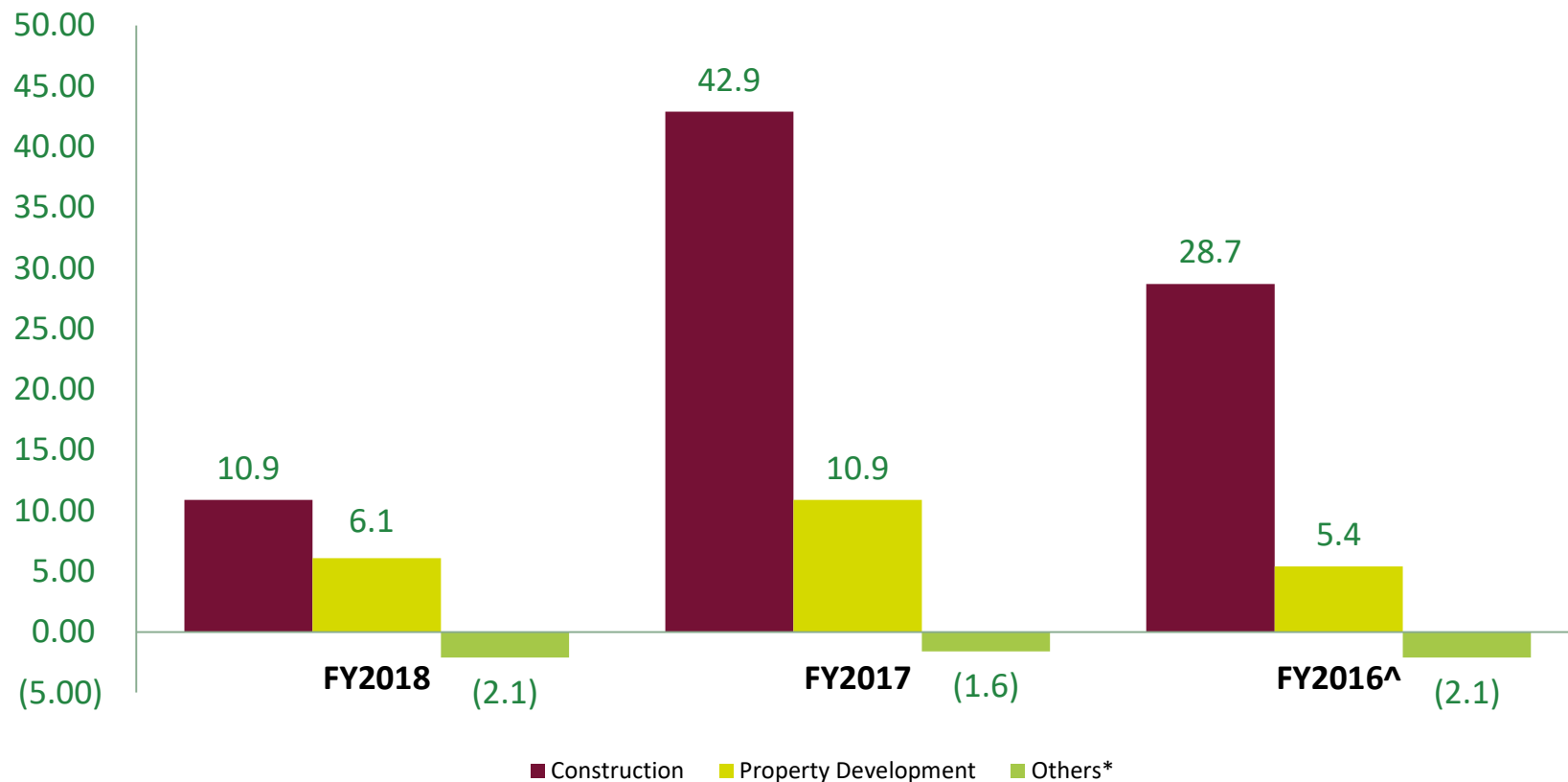
Segmental Comparison – Gross Profit Margin (SGD m)



	FY2018	FY2017	FY2016*
Construction	12.5%	9.7%	8.5%
Property Development	18.0%	16.0%	7.4%

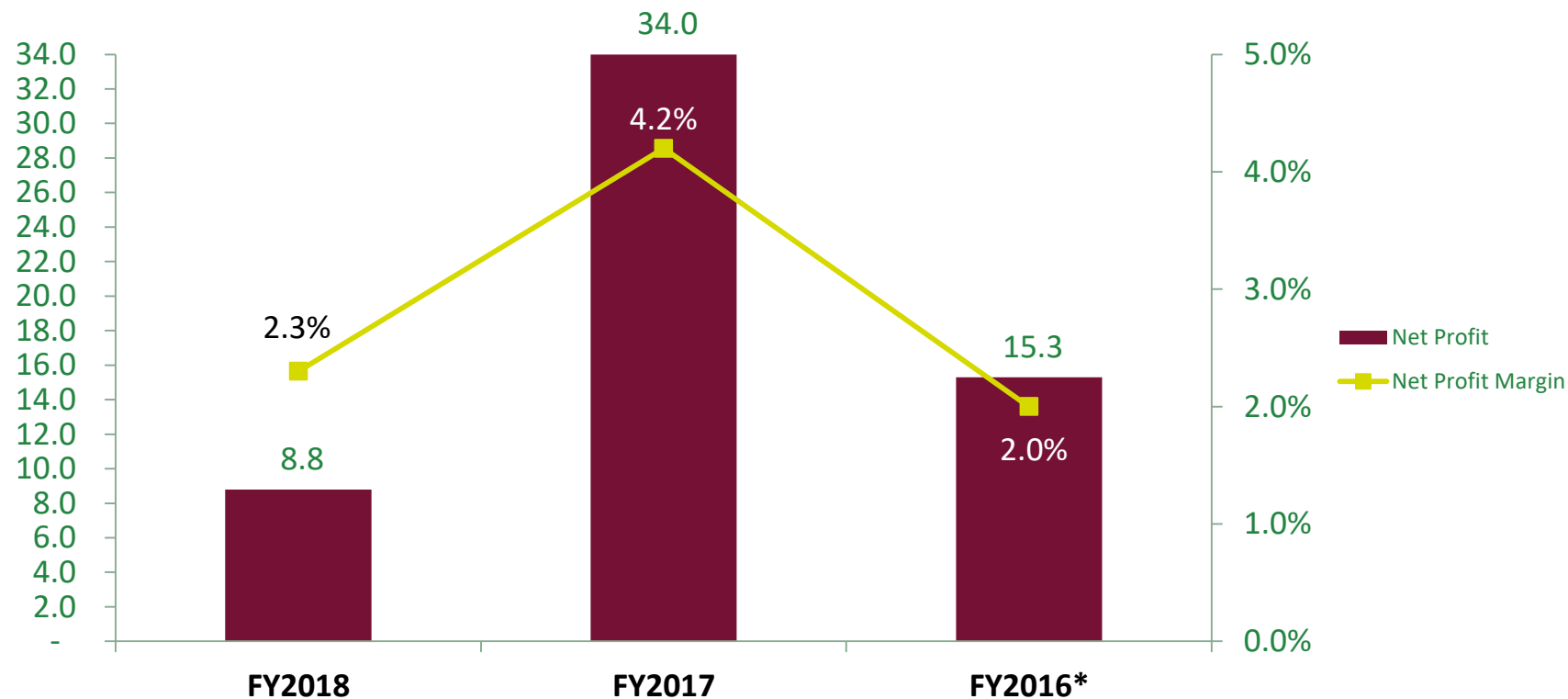
Segmental Profit/(Loss) from Operating Activities (SGD m)

SGD ('mil)



Net profit Attributable to Shareholders (SGD m)

SGD ('mil)



*Prepared under Singapore Financial Reporting Standards effective for FY2016

Key Balance Sheet Items

Balance Sheet	As at 31 Dec 2018	As at 31 Dec 2017	As at 31 Dec 2016*
Total Assets (SGD m)	665.2	842.0	964.6
Cash & Cash Equivalents (SGD m)	40.0	143.7	92.2
Current Ratio	1.40	1.35	1.46
Gearing Level	0.36	0.41	0.55
NAV per share (SGD cents)	60.35³	60.96 ²	57.31 ¹

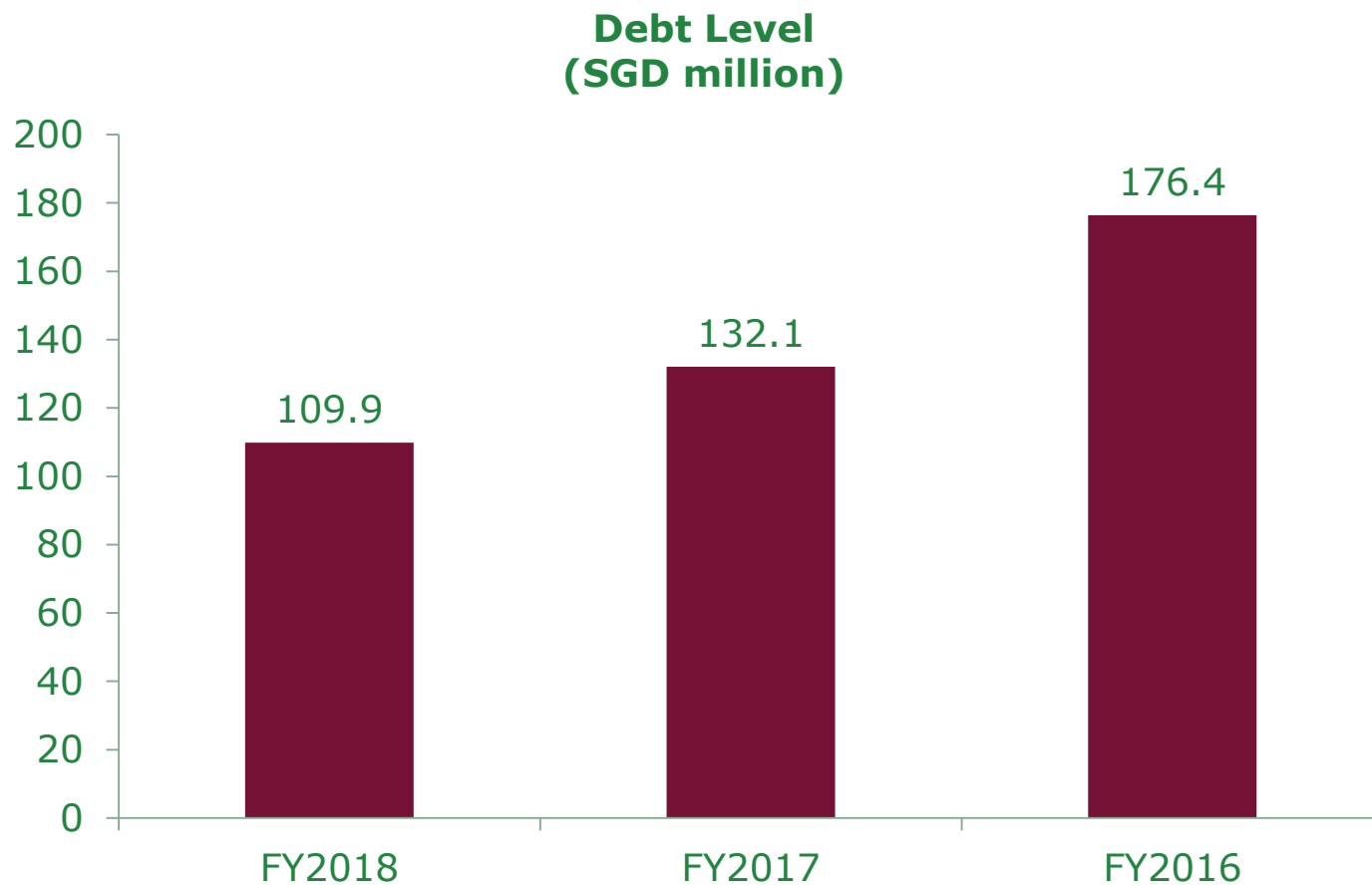
¹ 454,014,149 shares as at 31 December 2016, excluding 5,609,700 treasury shares

² 448,381,449 shares as at 31 December 2017, excluding 11,242,400 treasury shares

³ 444,785,349 shares as at 31 December 2018, excluding 14,838,500 treasury shares

*Prepared under Singapore Financial Reporting Standards effective for FY2016

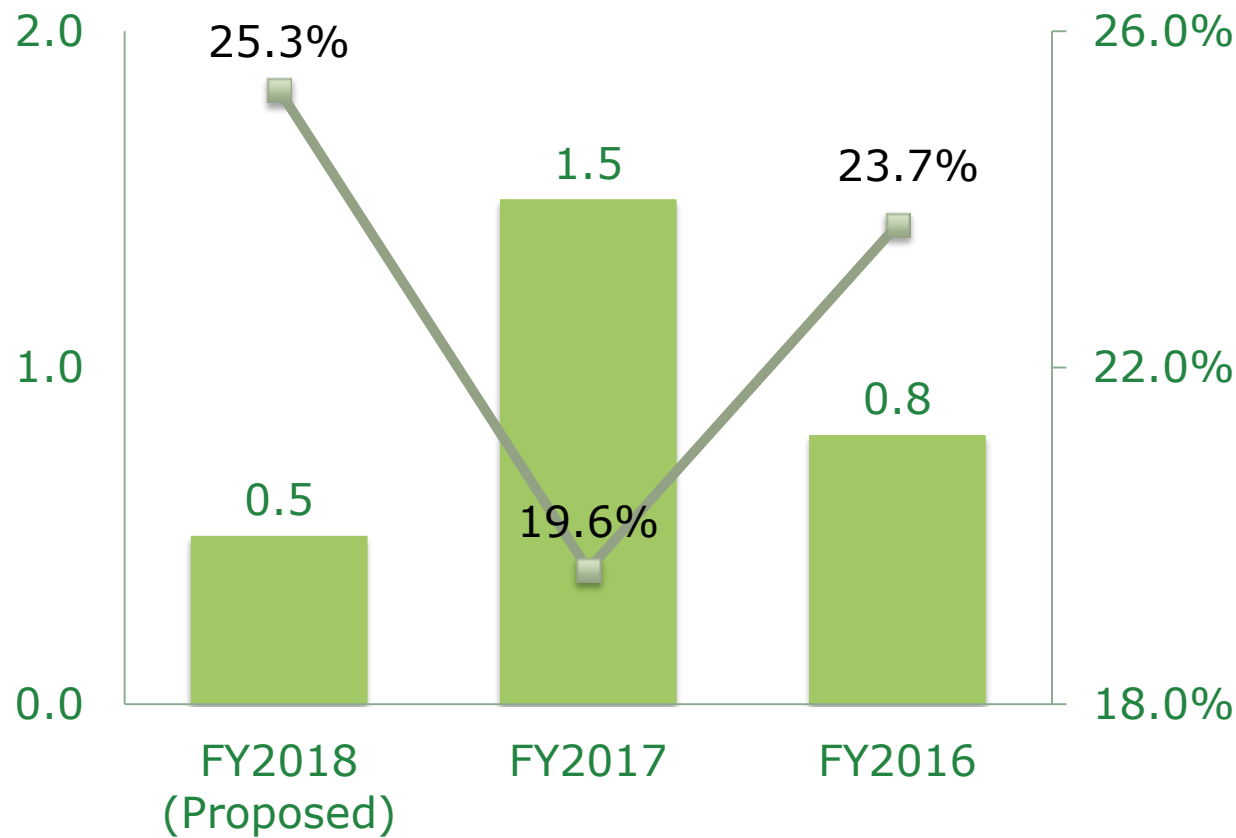
Debt Structure



- As at 31 December 2018, we have S\$109.0m of undrawn facilities and a S\$250.0m MTN programme in place

Dividend (SGD cents)

SGD (cents)



- Continues to pay out dividends every year since IPO in 2010



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Industry Outlook

Construction

- **Construction demand in Singapore maintained** around last year's level, projected to range from S\$27.0-S\$32.0 billion in 2019 (2018 construction demand: S\$30.5 billion)¹
- Bulk of demand expected from **industrial building** construction works and major **infrastructure works**¹

Property Development

- Singapore: **Property prices to remain supported** due to a lack of oversupply in the market – unsold units in the pipeline originating from the spate of en-blocs from 2017-18 likely to be short-lived²
- China: In the face of slowing growth, some cities (in Shandong, Guangzhou and Zhejiang provinces) have already **begun lifting price caps and removing re-sale restrictions**³

Engineering Solutions

- Growing industry trend in China toward the **adoption of modern construction solutions** such as PPVC and advanced pre-cast

¹ "Chapter 6 – Economic Survey of Singapore 2018, Ministry of Trade and Industry", 15 February 2019

² "Outlook for Singapore property expected to improve in 2019, The Business Times", 30 January 2019

³ "Will China take out the axe to fix the slowing property market?", South China Morning Post, 23 January 2019

Looking Ahead

Strategies to Capture Growth

Building Construction & Civil Engineering

Objective

Build up our order book to drive revenue growth and cash flow generation

Continue to adopt a **prudent approach** in bidding for contracts to preserve profit margins

Competitive pricing to improve project hit rate and ensure a steady flow of new contracts to support order book growth

Engage in **value engineering** and **cost optimisation** to enhance profitability of projects

Looking Ahead

Strategies to Capture Growth

Property Development

Singapore

- Focus on **niche property developments** in prime residential districts
 - Monitoring the market to launch at optimal timing to derive desired sales levels and profitability

China

- **Monitor regulatory and market developments closely** and launch remaining units when market outlook turns favourable
 - The Group has cleared off all debts relating to its Chinese Developments



Looking Ahead

Strategies to Capture Growth

Engineering Solutions

- **First setting foot in Myanmar in 2015**, which saw the subsequent successful completion of the Yuzana low-cost housing and Thaketa staff housing projects
- Extend our footprint to China in 2018, launching **maiden pre-cast plant in Tianjin, China** in 2H2019 to tap on growing demand
- Track record in Myanmar and new pre-cast plant in Tianjin to provide a **springboard for future expansion** to other regions



Thank you

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