

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

PROFIT GUIDANCE ON THE UNAUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 2020

The Board of Directors (the “**Board**”) of Tiong Seng Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 15 May 2020 on its business update which contains information relating to the assessment of the Group’s performance impacted by the Covid-19 pandemic, its profit guidance and its first half-year (“**1H2020**”) results announcement dated 7 August 2020 and 14 August 2020 respectively. The Board wishes to issue profit guidance on its full years results ended 31 December 2020 (“**FY2020**”). Based on a preliminary review of the Group’s financial information, FY2020 is expected to be in a loss position, widening the amount reported for the 6 months ended June 2020.

The Group’s business performance was adversely impacted by the Covid-19 pandemic. The imposition of circuit breaker by Singapore government and the Movement Control Order in Malaysia have resulted in cessation of work done on construction sites and plants for its existing projects. Resumption of construction works were slow with the implementation of safe management measures on sites following the lifting of the circuit breaker. Manpower issues remained one of the bigger roadblocks as there was labor shortage following global travel restriction which stopped recruitment of overseas construction workers. This slow resumption in construction works on site resulted in lower construction revenue and correspondingly lower profits contribution.

The Group’s property development segment was not spared from the negative Covid -19 impact, following the closure of our showflat during the pandemic which affected property sales. The wide spread adverse impact of Covid-19 on global economy is projected to have an impairment effect on the valuation of our property development project in Tianjin, the People’s Republic of China.

Notwithstanding the headwind from the Covid-19, the Group has continued to increase its order book with the recent new project win as announced in December 2020, pushing our order book to exceed \$1 billion. At the same time, the Group is conserving our cash by holding back on non-essential capital investments & expenditures and has no issue in meeting our financial obligations.

The Company is still in the process of finalizing the financial results of the Group for FY2020. Full details of the Group’s results performance will be released when the Company announces its FY2020 unaudited financial statements on or before 1 March 2021.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. Shareholders of the Company and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD
TIONG SENG HOLDINGS LIMITED

Pay Sim Tee
Executive Director and CEO

10 February 2021