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## **Tiong Seng's \$26 million Prefab Hub – S'pore's 1<sup>st</sup> automated pre-cast facility and first to receive BCA funding**



**SINGAPORE – 4 January 2011** – In response to the Government's call for higher productivity through wider adoption of precast construction method, Mainboard-listed construction group **Tiong Seng Holdings Limited (長成控股)** today announced that its wholly-owned subsidiary Robin Village Developments Pte. Ltd ("Robin Village") is building a S\$26 million Prefab Hub to supply pre-cast concrete components. The 19,000m<sup>2</sup> Prefab Hub, to be completed in the third quarter of 2011, will feature advanced pre-casting facilities operating under mechanised factory conditions that will double its current output to more than 100,000m<sup>3</sup> of pre-cast components annually.

The use of precast concrete is a key means to raise construction productivity. Tiong Seng's initiative of automating the precast concrete production is the first facility of its kind to receive funding under Building and Construction Authority's ("BCA") Construction Productivity and Capability Fund (CPCF), with a supportable funding amount of S\$1 million.

The Group's move to redevelop and automate its pre-casting facility is timely and in-line with the Singapore government's directive of encouraging greater adoption of pre-cast techniques in the building industry. The Prefab Hub would enable Tiong Seng to leverage and capitalise on the opportunities that will arise from the Government's drive towards higher productivity in the construction industry.

Commenting on the Prefab Hub, Dr John Keung (姜锦贤博士), CEO of BCA said, "Productivity and quality improvements require continuous innovation and technological leverage. Prefab components will not only ensure higher quality and consistency, but will go a long way towards ensuring higher productivity for the construction sector. We are glad that Tiong Seng has taken the step to pioneer this integrated Prefab Hub, and we hope that this will inspire other pre-casters and builders to review their processes and adopt similar approaches to boost their productivity."

The new Prefab Hub will have two automated production lines incorporating state-of-the-art automated equipment from Germany. Automation will be deployed to perform complex work processes such as marking-out of dimensions with high precision, while automated pallet circuits will be installed to transport products from one workstation to another for processing. A centralised computer system which reads information from computer-aided drawing (CAD) data files will control the entire manufacturing process as well as maintain production data and records. The new pre-cast facility will also feature a curing chamber to reduce time spent on curing the pre-cast products. Approximately 72% of the gross floor area of the facility will be allocated for production purposes.

When completed, the Prefab Hub will allow pre-casting under sheltered conditions to minimise disruptions due to unfavourable weather conditions. The automation is also expected to reduce the labour required by 50% to 70%. Furthermore, the facility is capable of operating a 24-hour production process to boost its output to meet the expected rising demand for pre-cast components. It will also be able to perform "Just-in-Time" delivery, thus trimming storage costs.

Construction of the Prefab Hub is expected to be completed by 3Q2011. Apart from supplying pre-cast building materials to the Group's own construction projects, the Prefab Hub will also supply to third-party construction companies.

Mr Pek Lian Guan (白連源), CEO of Tiong Seng, said: “Tiong Seng Prefab Hub is developed with an “Integrated Hub Concept” in mind, incorporating our pre-cast production capabilities, formwork assembly & maintenance, training and research, as well as gracious living for our workers all under one roof.”

“By automating our pre-casting activities, we will witness a significant improvement in output productivity and at the same time, place our employees in a safer working environment. In addition, our clients can expect constant timely deliveries and consistently higher quality products.”

“We have adopted pre-cast construction since as far back as 1995. Pre-cast construction is widely regarded as a highly efficient construction method as it reduces construction time and labour required without compromising on quality. Over the years, we have developed our niche capability in designing, manufacturing and installation of prefabrication components. We are confident that our competitiveness would be further enhanced when our Prefab Hub commences operations,” he explained.

The Prefab Hub is also designed with a clear objective to create a sustainable development and provide a conducive living and working environment for workers so as to achieve higher productivity and better production quality. Being a leader in green construction and a winner of BCA’s “Built Environment Leadership” and “Green and Gracious Builder” awards, Tiong Seng has incorporated several green building features which include an eco-façade for the office block incorporating a vertical green wall, an extensive green roof which provides natural cooling, monsoon windows to improve air ventilation, and rainwater harvesting. Just outside the workers’ dormitory, some 900 square metres are dedicated for urban farming where workers can grow their own crops.

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**About Tiong Seng Holdings**

*Tiong Seng is principally engaged in building construction and civil engineering in Singapore, as well as property development in the PRC.*

*With an established track record of over 50 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 the PRC. 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 PRC.*

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*DBS Bank Ltd. ("DBS") was the Issue Manager, Underwriter and Placement Agent for Tiong Seng's listing on the SGX-ST. DBS assumes no responsibility for the contents of this announcement.*