



SERRANO
"Furnishing the future"



CORPORATE PRESENTATION

26 January 2015





Disclaimer

Serrano Limited (the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 28 October 2014. The initial public offering of the Company was sponsored by United Overseas Bank Limited (the “Sponsor”).

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Agenda

- **Business Overview**
- **Financial Highlights**
- **Corporate Updates**
- **Going Forward**
- **Key Investment Merits**



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BUSINESS OVERVIEW





Who We Are

A Leading Provider of Interior Fit-Out Solutions in Singapore and Southeast Asia, listed on SGX Catalist in October 2014

- **Long History**
 - History that dates back to 1970s
 - “Serrano” brand name recognised for quality and reliability in interior fit-out projects
- **One-stop integrated provider of interior fit-out solutions through two business segments**
 - Interior Fit-Out for property development and refurbishment projects
 - Wholesale and Retail Furnishings
- **Strong Track Record in Southeast Asia**
 - Handed over more than 80 interior fit-out projects in Southeast Asia since 1998
- **Capable of securing and completing interior fit-out for large-scale projects**
- **Recognised for achievements and quality**
 - Winner of multiple local and international awards



Who We Are

A Leading Provider of Interior Fit-Out Solutions in Singapore and Southeast Asia, listed on SGX Catalist in October 2014

- **Close working relationships with all our customers**
 - Repeat collaborations with Woh Hup and Lian Beng, including prestigious and award-winning projects
- **Committed and Experienced Management Team**
 - Executive Chairman and CEO, Winston Chia and Executive Director, Johnston Chia each have over 20 years of relevant experience
 - Notably, Winston Chia was conferred the Entrepreneur of the Year Award by the Rotary Club of Singapore and ASME in 2013
 - Supported by an experienced professional team of senior executives - Executive Director Eugene Tse, Chief Financial Officer Kung Guan Seng and Chief Operating Officer Philip Chia

Interior Fit-Out

- **Customise, manufacture, supply and install Panelling Products:**

- Kitchen cabinets
- Wardrobes
- Vanity cabinets
- Doors & doorframes



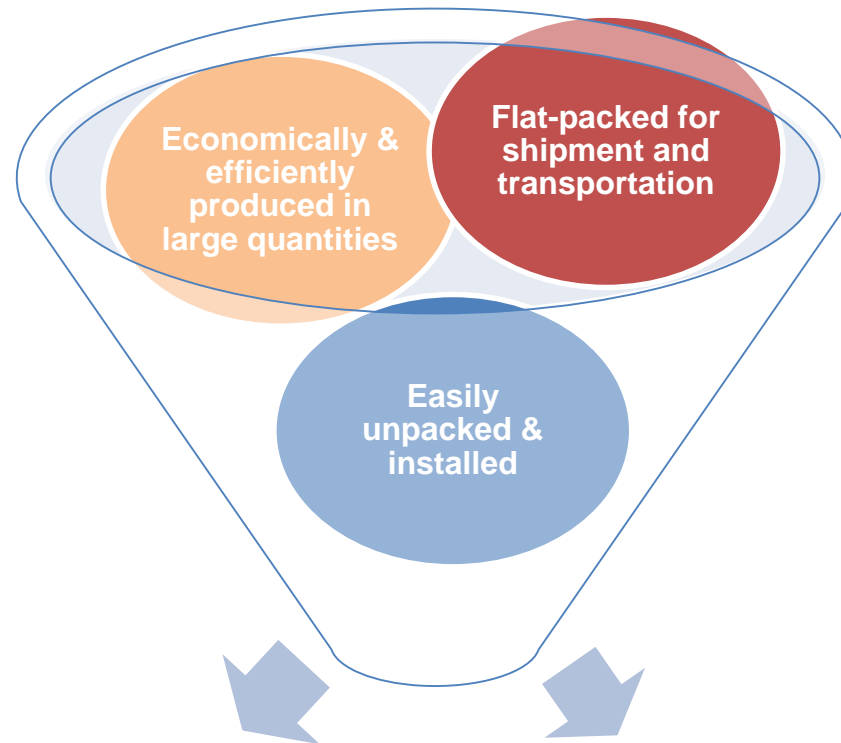
- **Turnkey construction and installation of interior fit-out works**

- Panelling Products
- Furnishings
- Ceilings, floors and partitions
- M&E works



Interior Fit-Out

Modular Design of Panelling Products



Capable of undertaking large-scale interior fit-out projects with quick turnaround time

Higher productivity, greater economies of scale, more cost savings and competitive bid prices

Wholesale and Retail Furnishings

- **Manufacture and distribute furnishings for home, office and commercial use**
 - E.g. Living room, dining room, kitchen and bedroom sets



- **Wholesale partners:**
 - Courts and Novena

Wholesale and Retail Furnishings

- **Retail showrooms:**

- By the Group

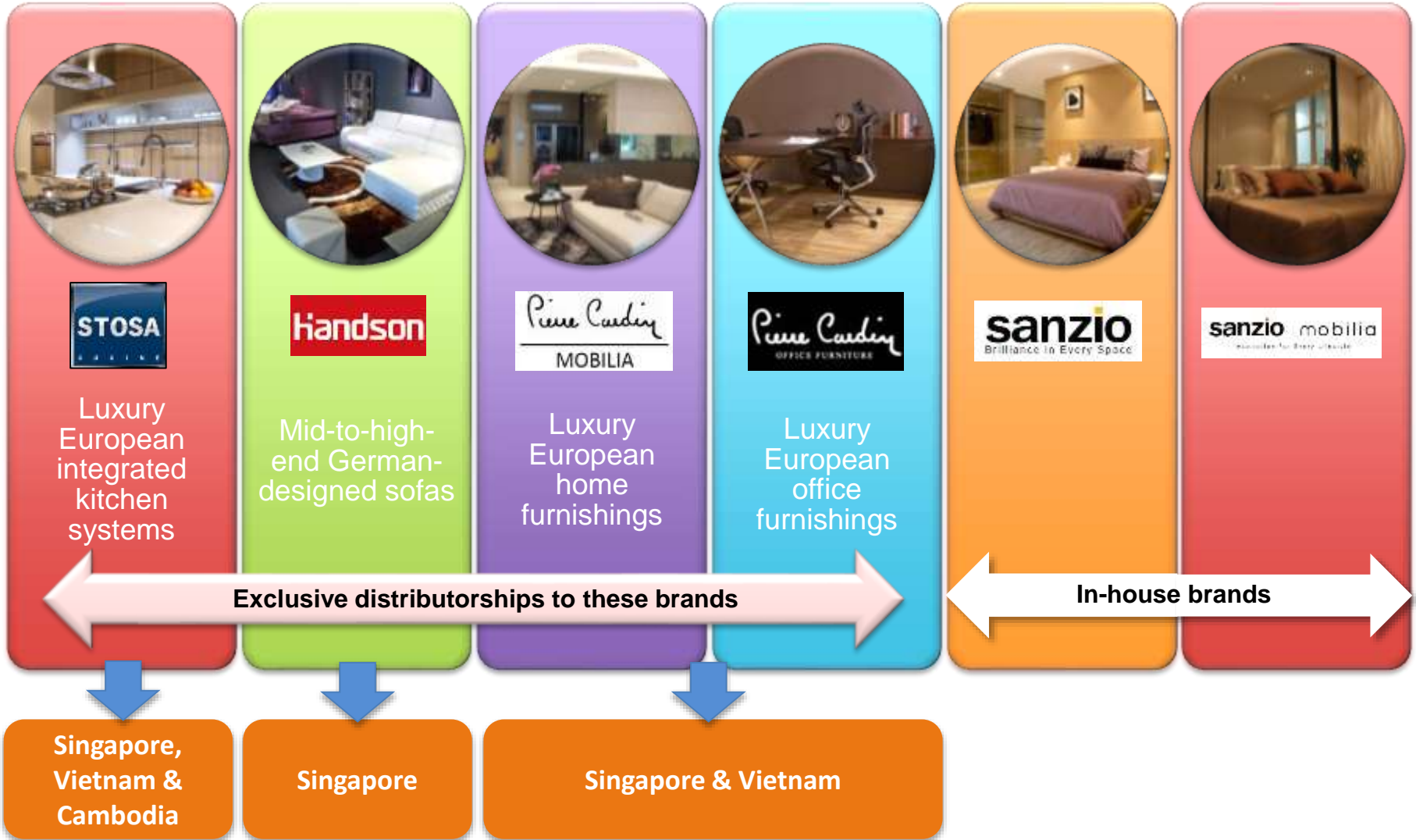
- Singapore: Sungei Kadut

- By wholesale customers

- Vietnam: 3 showrooms
- Cambodia: 1 showroom

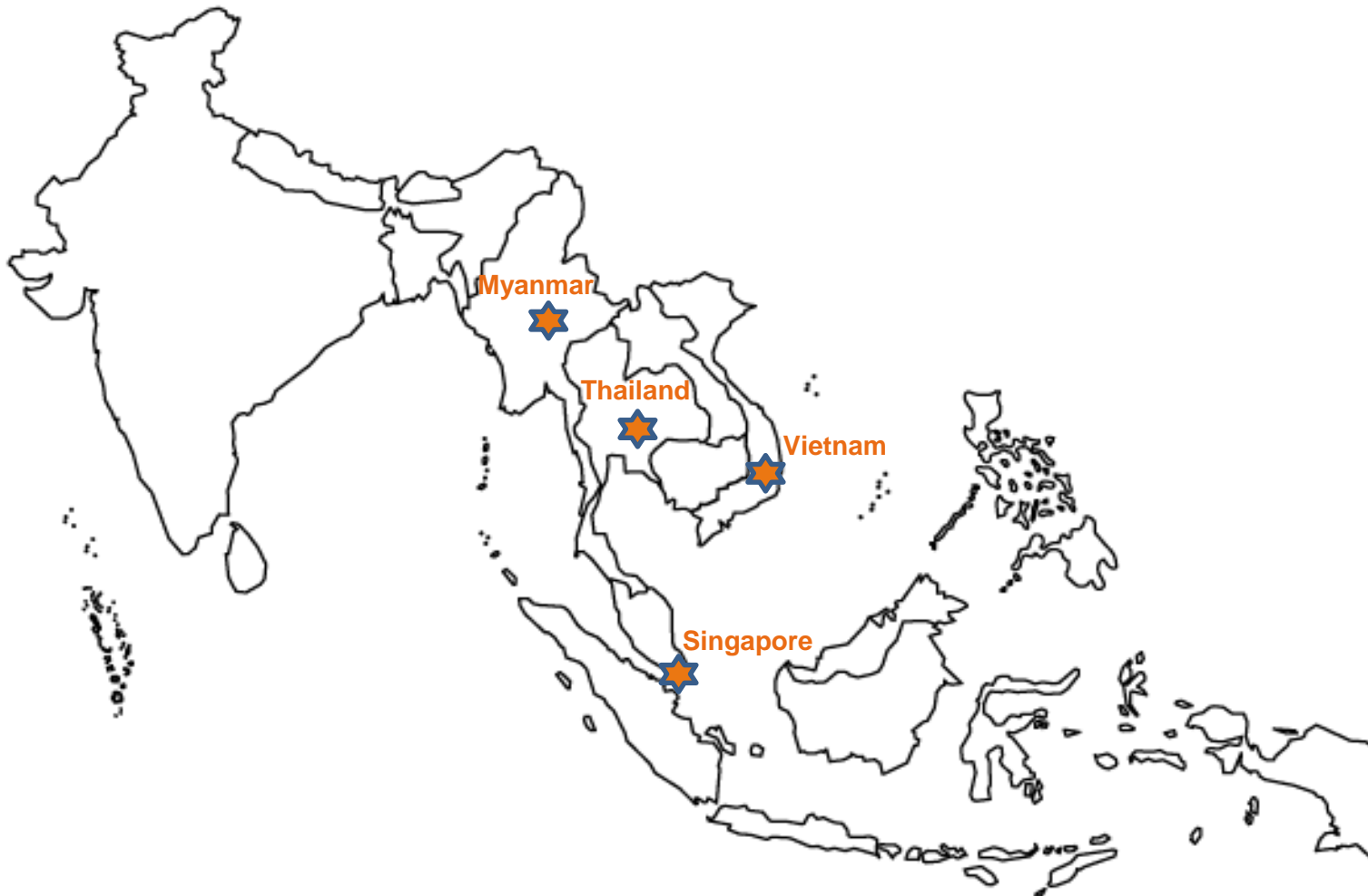


Wholesale and Retail Furnishings



Regional Projects

Handed over more than 80 interior fit-out projects in Southeast Asia since 1998, with significant projects in Singapore, Myanmar, Thailand and Vietnam.



Significant Interior Fit-Out Projects

Singapore



D'Leedon

Developer: Capitaland
Main Contractor: Woh Hup

- Supply & installation of kitchen cabinet, wardrobe, vanity cabinet, medicine cabinet & mirror
- Design, supply, delivery & installation of fire rated timber doors, non-fire rated doors & glass doors
- For 1,180 units (out of 1,715)



The Interlace

Developer: Capitaland
Main Contractor: Woh Hup

- Supply & installation of wardrobes
- Supply & delivery of ironmongery
- Fabricate, supply, deliver & installation of timber doors to basement, apartment units & common areas
- For 1,040 units



Reflections at Keppel Bay

Developer: Keppel Land
Main Contractor: Woh Hup

- Design, fabrication, supply & installation of timber doors, frames, architraves & skirting works
- For 1,129 units



ICON @ Tanjong Pagar

Developer: Far East Organisation
Main Contractor: Woh Hup

- Supply & installation of kitchen cabinet & wardrobes
- For 646 units

Significant Interior Fit-Out Projects

Singapore



Ritz-Carlton Residences

Developer: KOP Group
Main Contractor: Lian Beng

- Supply & installation of timber doors
- For 58 units



Somerset Serviced Residence

Developer: United Overseas Land
Main Contractor: Woh Hup

- Supply & installation of joinery & cabinetry works
- For 126 units



Youth Olympic Village (NTU)

Developer: NTU
Main Contractor: Qxy Resources

- Refurbishment & upgrading works to post graduate hall and halls of residence 2, 6 and 7 at NTU for the inaugural Youth Olympic Games
- For 2,400 rooms

Significant Interior Fit-Out Projects

Overseas



Traders Hotel, Yangon

Interior renovation & M&E works to 316 guestrooms, guestroom corridors, lift lobbies & common areas



Star City Thanlyin township development, Yangon

Design & construction of the interior works for 150 apartment units



The River condo, Bangkok

Supply & installation of kitchens for 523 units



The Met condo, Bangkok

Supply & installation of built-in cabinets & kitchens for 370 units



The Estella condo, Ho Chi Minh City

Supply, delivery & installation of kitchen cabinet, counter top & wardrobes & supply & delivery of door frame & door leaf for 719 units

Awards & Certifications

Year	Awarding Organisation	Award/Certification
2014	The Business Times and KPMG	Enterprise 50 Award
2014	APF Group	SME 1 Asia Award 2014 Top Winner, Distinguished Award Category
2014	Ministry of Manpower	Work-Life Excellence Award 2014 Work-Life Achiever Category
2014	Singapore Environment Council	ECO-Office 2014-2016



Awards & Certifications

Year	Awarding Organisation	Award/Certification
2014	Singapore Manufacturing Federation	The SMF Sustainable Growth Award The SMF Business Model Innovation Award
2014	Trade & Industry Association (Singapore), Asia Business Journal and APBA Singapore	Asia Pacific Brands Award Singapore's Finest Winner, Prominent Company Category
2014 2013	ASME and Lianhe Zaobao	Singapore Prestige Brand Award – Established Brand
2013	Workplace Safety and Health Council	bizSAFE Certificate
2013	Singapore Furniture Industries Council	Singapore Furniture Industry Awards – The Furniture Manufacturer Award (Gold)
2013	Creative Group (CG) Pte Ltd	BEI Asia Awards – Regional Award of the Year for Outstanding Business Achievement
2013	ASEAN Business Advisory Council	ASEAN Business Awards – Most Admired ASEAN Enterprise – Growth (Large Company)





Awards & Certifications

- Awards from our customer – Woh Hup

Year	Award
2013	Appreciation Award – Reflections at Keppel Bay (BCA Construction Excellence 2011 Award Winner, Certificate of Merit)
2013	Appreciation Award – The Cascadia, Singapore (BCA Construction Excellence 2012 Award Winner)
2011	Appreciation Award – Jurong Point 2, Singapore (BCA Construction Excellence 2011 Award Winner)
2008	Certificate of Appreciation – Baywater Condominium, Singapore (BCA Construction Excellence 2008 Award Winner)
2007	Certificate of Appreciation – White Water Executive Condominium, Singapore (BCA Construction Excellence 2007 Award Winner)
2006	Certificate of Appreciation – Water Place (BCA Construction Excellence 2006 Award Winner)

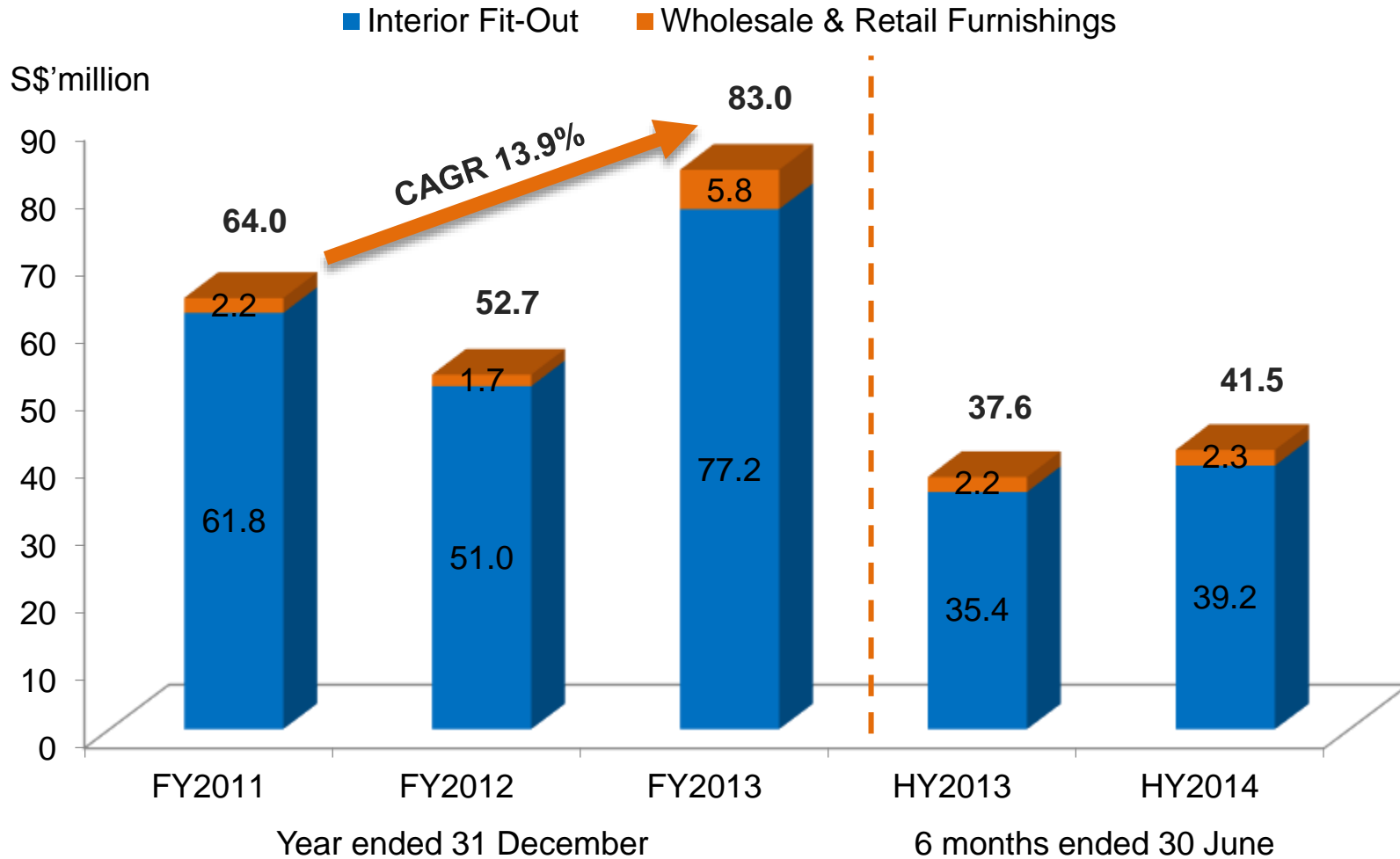


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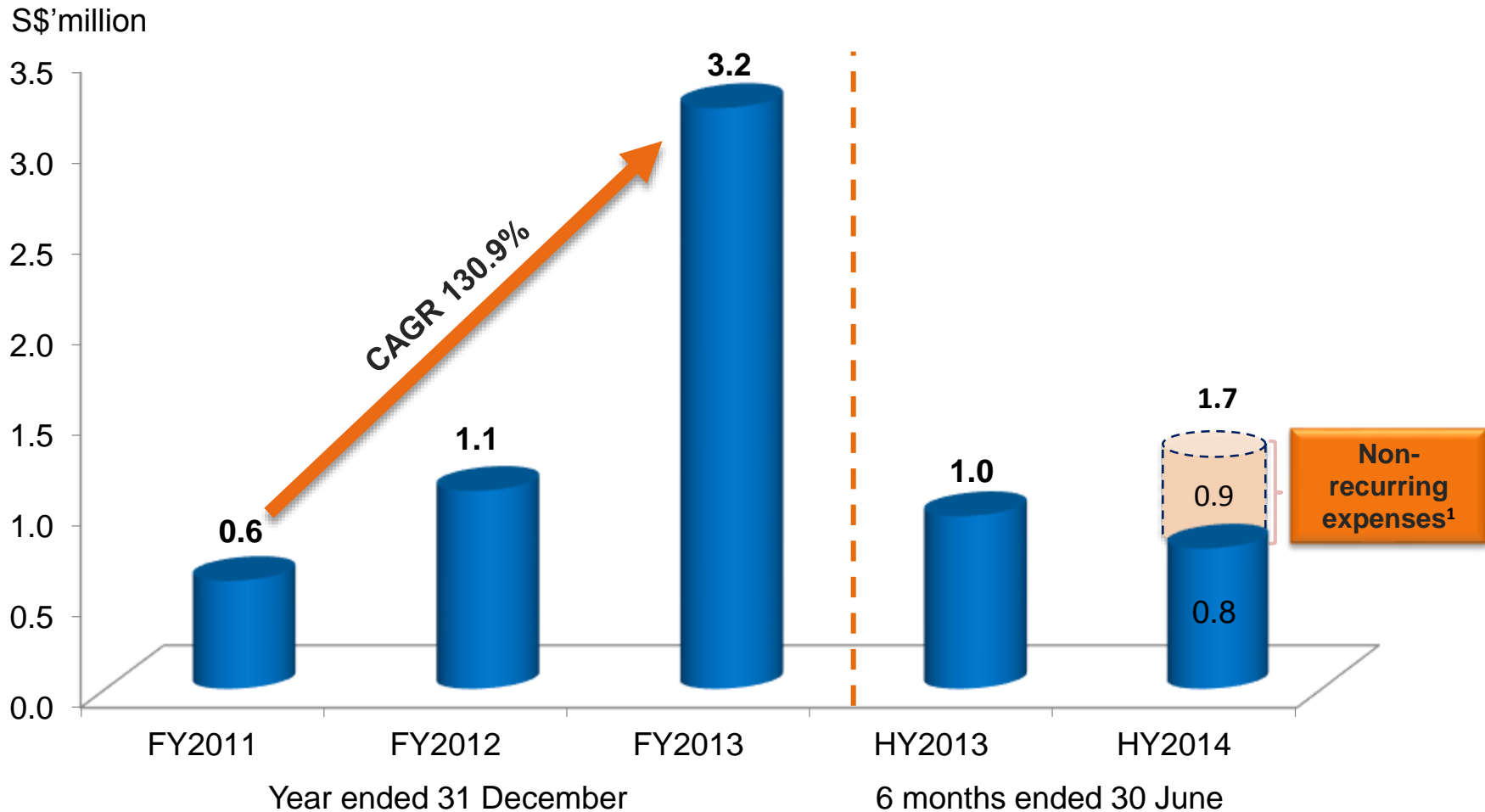
FINANCIAL HIGHLIGHTS



Revenue



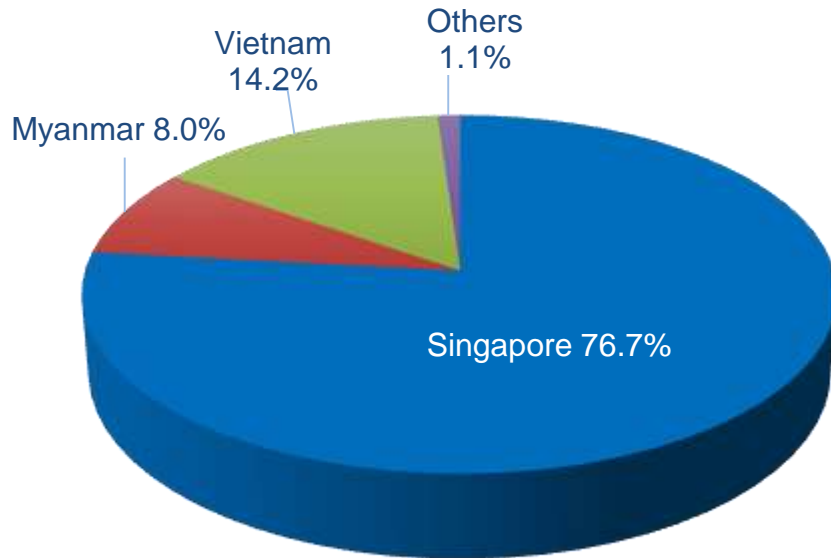
Net Profit



¹ These relate mainly to a loss on disposal incurred in relation to the restructuring exercise undertaken by the Group and an increase in professional fees incurred in connection with the Company's listing on Catalist of the SGX-ST. Please refer to the Company's offer document dated 15 October 2014 for further details.

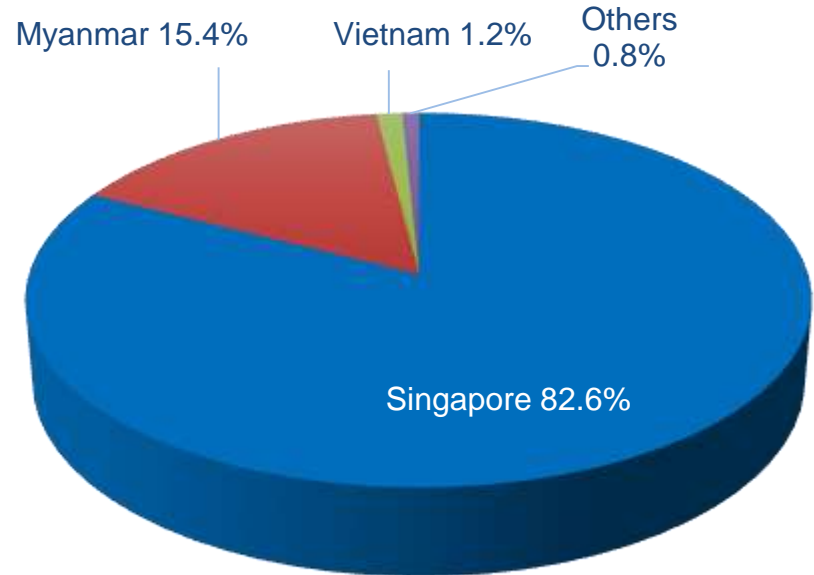
Revenue by Regions

FY2013



Total Revenue: S\$83.0 million

HY2014



Total Revenue: S\$41.5 million



Growth Underpinned by Strong Order Book

Order book of S\$93.4 million as at 31 December 2014

Significant Interior Fit-Out projects on hand

Project	No of units	Customer	Expected handover date
A Treasure Trove	882	Sim Lian	2015
Tampines Trilliant	670	S&L City Builders	2015
Waterfront Isle	561	Lian Beng	2015
Hedges Park	501	Lian Beng	2015
Bartley Residences	702	Woh Hup	2015
EU Habitat	748	Woh Hup	2015
Marina One	1,042	MS Residential	2015
Leedon Residence	381	Woh Hup	2015
Sky Habitat	509	Shimizu Corp	2015
The Nautical	435	China Jingye Construction	2015



Growth Underpinned by Strong Order Book

Project	No of units	Customer	Expected handover date
Thomson Grand	361	Lian Beng	2015
Capitol Theatre	39	Shimizu Corp	2015
One Canberra	665	China Jingye Construction	2015
Skywoods	420	Tiong Aik Construction	2015
Seahill	116	China Construction (South Pacific) Devt	2015
Parc Olympia	486	Koh Bros Building	2015
Unixx South Pattaya (Pattaya, Thailand)	1,207	Pre-Built Public Co	2015



Growth Underpinned by Strong Order Book

Project	No of units	Customer	Expected handover date
KL Trillion (Malaysia)	368	Distinctive International	2015
Seletar Park Residences	276	Rich-Link Construction	2015
Trilive	222	Rich-Link Construction	2016
Jewel @ Buangkok	747	Dragages Singapore	2016
Midtown	160	Lian Beng	2016
White Haven @ Pasir Panjang Road	120	Rich-Link Construction	2016
The Inflora	396	Lian Beng	2017
Triling	755	Da-Cin Construction	2017
Coco Palms	944	Woh Hup	2018



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Corporate Updates





Recent Corporate Developments

New Contracts

- Secured a total of 9 projects with aggregate contract value worth S\$40.9 million since IPO
- As at 31 December 2014, total order book stood at S\$93.4 million

New Premise

- Exercised option to purchase JTC Corp property at 16 Sungei Kadut Way for S\$5.1 million (inclusive of 7% GST)
 - GFA 4,998 sqm
 - 25-year leasehold tenure from May 2000
 - To be funded in part by credit facilities from financial institutions and IPO proceeds
- Production facilities and showroom for furnishings products to be located to the new premise
- Acquisition expected to be completed on 30 April 2015



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GOING FORWARD



Industry Prospects

- Growing Southeast Asian economies in 2015
 - ❖ Singapore: 2.0% - 4.0%¹
 - ❖ Myanmar: 8.5%²
 - ❖ Cambodia: 7.5%²
 - ❖ Vietnam: 5.6%²

- Singapore's robust construction industry with steady demand from private hospitality, retail and commercial sectors

S\$'billion	2015 (projected)
Overall construction demand ³	29.0 - 36.0
Total private construction demand³	11.0 - 15.0
Private residential sector ³	3.2 - 4.0
Private commercial sector ³	1.9 - 2.3

1 Ministry of Trade and Industry, 25 Nov 2014

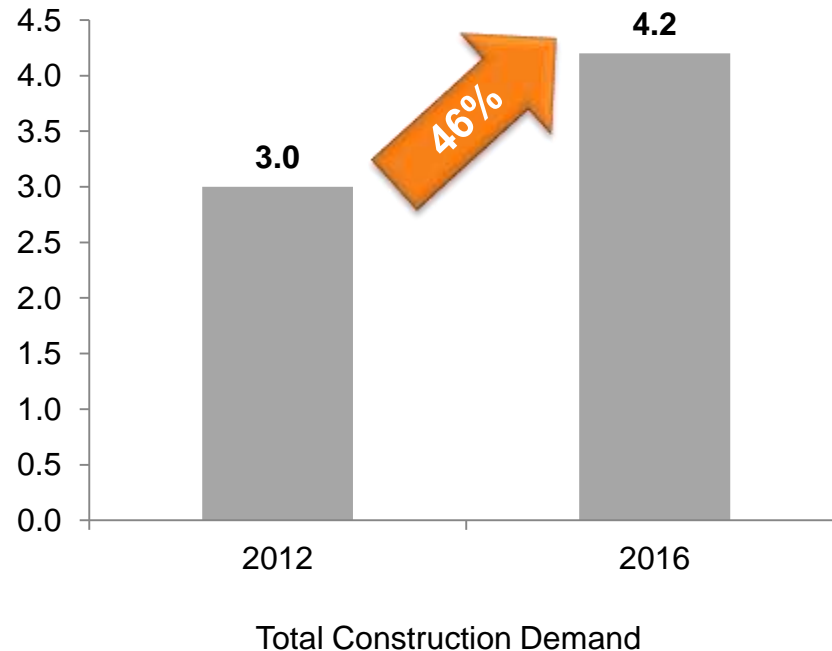
2 Global Economic Prospects – Jan 2015, World Bank

3 Building and Construction Authority, 8 Jan 2015

Industry Prospects

- Myanmar's dynamic construction sector

US\$ billion



Myanmar's construction sector was valued at close to US\$3 billion in 2012 and is expected to achieve an 8% CAGR and a total of 46% growth from 2012 to US\$4.2 billion in 2016¹.

¹ This information was extracted from the BCA's website at <http://www.bca.gov.sg/exportservices/others/myanmarcountryreport.pdf>

Industry Prospects

- Vietnam eases restrictions on foreign ownership of property
 - Investors with business interests in Vietnam from Singapore, China and Japan are most likely to buy property, attracted by the potential for higher yields
 - Vietnam's top property markets are predicted to witness a positive year ahead

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Positive year ahead for Vietnam real estate this 2015, says CBRE
Jan 14, 2015 | Comments 8

...ren positive improvements in the last few
...of residential market, including the
...one launches and several stalled
...entirely increasing.
...shaky last year witnessed significant
...units sold at 17,000 in the history of Ho Chi
...to 10,700 units sold in 2014, a 50 percent

Vietnam to allow more foreigners to buy property to boost stagnant market

London luxury homebuilders seen paying less affordable home tax

Vietnam PM says impossible to ban social media report

Seating brims from after peak among Public mortgage holders

Vietnam outlines major bank merger to 2015 central bank

As Brooklyn booms, famed comic sees under gas

Vietnam ditches dog to boost exports as regional contractor fall

2015 | **1/14/15**

[HANOI] Vietnam has eased restrictions on foreign ownership of property in an effort to lure the cash needed to revive a market saddled with oversupply since a real estate bubble burst in 2011.

The Southeast Asian nation has been battling with lingering bad debt after years of easy credit and its overnight came to an end three years ago, sparking a crash in the property market and leaving the banking sector unable to provide the

Strategies & Future Plans

Leveraging on our Strengths to tap New Opportunities

Increase market penetration overseas

- Mainly Myanmar, Thailand, Cambodia and Vietnam
- Leverage on track record in interior fit-out projects in Singapore, Thailand and Myanmar
- Leverage on wholesale and retail furnishings business in Vietnam and Cambodia

Explore investments, acquisitions, alliances and/or joint ventures

- Enhance core capabilities
- Give access to new markets

Secure more interior fit-out projects in the commercial and hospitality sectors

- Replicate overseas success for interior fit-out turnkey projects in commercial & hospitality sectors in Singapore and increase market penetration outside of Singapore
- Increase diversification of interior fit-out business across sectors and countries



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Key Investment Merits





Key Investment Merits

- A **leading** and an **award-winning** interior fit-out specialist with strong track record of **over 80 projects** handed over in Southeast Asia since 1998
- Ability to **secure** and **execute large-scale projects** in Singapore, Myanmar, Thailand and Vietnam
 - Quick turnaround time
 - Economies of scale and cost savings
- **Close working relationships** with customers with repeat collaborations
- **Strong management team** with Executive Chairman and CEO, Winston Chia, and Executive Director, Johnston Chia, each having more than 20 years of relevant experience
- Strong order books – current projects and order books totalling **S\$93.4 million** in contract value as at 31 December 2014
- Exclusive distributor for international brands such as Pierre Cardin (Singapore and Vietnam), Handson (Singapore) and Stosa (Singapore, Vietnam and Cambodia)



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THANK YOU
Q&As

