



SEE HUP SENG LIMITED

(Company Registration Number 197502208Z)

(Incorporated in the Republic of Singapore)

USE OF PROCEEDS ARISING FROM THE PLACEMENT OF 30,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

The Board of Directors of See Hup Seng Limited (the “**Company**”) wishes to provide an update on the use of proceeds arising from the placement of 30,000,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”) at an issue price of S\$0.755 for each Placement Share which was carried out by the Company in 2007 (the “**Placement**”).

The net proceeds arising from the Placement was approximately S\$22.464 million (the “**Net Proceeds**”).

The Company had announced on 9 May 2007 that it had intended to utilise the Net Proceeds as follows:-

- (a) approximately S\$15 million will be used in respect of funding the Group’s expansion of its plant capacity by the purchase of an existing factory for the business of grit blasting and painting for raw materials largely metal sheets and profiles and investment in additional machinery and equipment; and
- (b) the balance of approximately S\$7.464 million will be used in respect of funding the Group’s working capital from the expected increase in turnover and for potential investment opportunities.

The Company had utilised approximately S\$10.19 million for the purchase of a new factory and investment in additional machinery and equipment and as working capital for the increased tank coating, blasting and painting projects undertaken by the Group in 2007 and 2008.

The remaining balance of the Net Proceeds of approximately S\$12.274 million had been utilised by the Company for funding part of the cash component of the purchase consideration which was paid by the Company to Messrs Ang Keng Boon, Tan Thoo Chye, Tan Thoo Huat, Wong Soon Meng and Thong Kum Pue in respect of the acquisition of an aggregate of 49% interest in the issued and paid-up share capital of Tat Petroleum Pte Ltd by the Company from such persons (the “**Acquisition**”). Further information on the Acquisition can be found in the Company’s circular to shareholders dated 30 July 2010.

The Net Proceeds had been utilised by the Company for its intended purposes.

By Order of the Board
See Hup Seng Limited

LIM SIOK KWEE THOMAS
Chairman and Chief Executive Officer

20 August 2010