



## SEE HUP SENG LIMITED

(Company Registration Number 197502208Z)

(Incorporated in the Republic of Singapore)

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### THE ACQUISITION OF A 49% INTEREST IN THE ISSUED AND PAID-UP SHARE CAPITAL OF TAT PETROLEUM PTE LTD - UPDATE ON THE CUMULATIVE PROFIT WARRANTY

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The Board of Directors of See Hup Seng Limited (the “**Company**”) refers to its circular to the shareholders dated 30 July 2010 (the “**Circular**”) in relation to its acquisition of an aggregate of 1,470,000 ordinary shares, representing 49% of the issued and paid-up share capital of Tat Petroleum Pte Ltd (“**Tat Petroleum**”), from Messrs Ang Keng Boon, Tan Thoo Chye, Tan Thoo Huat, Thong Kum Pue and Wong Soon Meng (collectively, the “**Vendors**”) (the “**Acquisition**”).

Capitalised terms used in this announcement shall have the same meanings as defined in the Circular unless the context requires otherwise. A copy of the Circular can be found via the website of the Singapore Exchange Securities Trading Limited at [www.sgx.com](http://www.sgx.com).

Pursuant to the terms of the sale and purchase agreement dated 18 May 2010 entered into between the Company and the Vendors in connection with the Acquisition, the Vendors had jointly and severally warranted, represented and undertaken to the Company that the cumulative audited consolidated net profit after tax of Tat Petroleum for its financial years ended 31 December 2010 (“**FY2010**”) and 31 December 2011 (“**FY2011**”) shall not be less than S\$15 million in aggregate (the “**Cumulative Profit Warranty**”).

In the event of a shortfall in the Cumulative Profit Warranty, the Vendors shall jointly and severally pay to the Company an amount equal to 49% of the amount of the shortfall (the “**Cumulative Shortfall**”).

Based on the audited consolidated accounts of Tat Petroleum for FY2010 and FY2011, Tat Petroleum recorded a cumulative net profit after tax of S\$12,238,571 which represented a shortfall of S\$2,761,429 to the Cumulative Profit Warranty. Accordingly, the Vendors are to pay to the Company the Cumulative Shortfall of S\$1,353,100.

On 20 August 2010, the Company and the Vendors appointed Messrs Straits Law Practice LLC (“**SLP**”) as the escrow agent and for SLP to hold 54,000,000 ordinary shares in the capital of the Company (the “**Consideration Shares**”) in accordance with the terms of an escrow agreement dated 20 August 2010 (the “**Escrow Agreement**”). SLP is holding the Consideration Shares for and on behalf of the Vendors and as security to the Company for the payment by the Vendors of the Cumulative Shortfall.

The Company and the Vendors have agreed that the Cumulative Shortfall of S\$1,353,100 shall be settled by the Vendors no later than 31 December 2012. As security to the Company for the payment of the Cumulative Shortfall by the Vendors, SLP shall continue to hold the Consideration Shares in accordance with the terms of the Escrow Agreement.

The Company will continue to keep shareholders' apprised of any material developments in relation to the aforesaid, where appropriate.

By Order of the Board  
See Hup Seng Limited

LIM SIOK KWEE THOMAS  
Executive Chairman

15 June 2012