



SEE HUP SENG LIMITED

(Company Registration Number 197502208Z)

(Incorporated in the Republic of Singapore)

ACQUISITION OF THE ENTIRE ISSUED AND PAID UP SHARE CAPITAL OF AXXMO INTERNATIONAL PTE LTD

The Board of Directors of See Hup Seng Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that it had today entered into a conditional sale and purchase agreement (the “**Agreement**”) with Lee Ah Nak and Tan Tooh Meng @ Tan Toh Meng (collectively, the “**Vendors**”) to purchase the entire issued and paid up share capital of Axxmo International Pte Ltd (“**Axxmo**”) at a cash consideration of S\$1,309,000 (the “**Purchase Consideration**”) (the “**Acquisition**”).

Following completion of the Acquisition, Axxmo will become a wholly owned subsidiary of the Company.

Axxmo is a private limited company incorporated in Singapore with an issued and paid up share capital of S\$500,000 comprising 500,000 ordinary shares. The Vendors are the registered and beneficial owners of the entire issued share capital of Axxmo each holding 250,000 issued and fully paid up ordinary shares in the share capital of Axxmo. Axxmo is principally engaged in the business of distribution of refined petroleum products in Singapore.

The Purchase Consideration for the Acquisition of S\$1,309,000 was arrived at following arms length negotiations, on a willing-buyer willing-seller basis, and after taking into consideration the unaudited net tangible asset value of Axxmo of S\$1,309,000 as at 31 August 2012. The Purchase Consideration, which will be satisfied in cash, will be paid in two (2) tranches and in accordance with and subject to the conditions of the Agreement.

Under the terms of the Agreement, the Company will be conducting a financial due diligence on Axxmo and the Purchase Consideration may be adjusted based on the Company's findings on Axxmo following completion of the financial due diligence.

The acquisition of the interests of Tan Tooh Meng @ Tan Toh Meng in Axxmo is deemed to be an interested person transaction under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) as Tan Tooh Meng @ Tan Toh Meng, the brother of Tan Thoo Chye, is considered to be an associate of Mr Tan Thoo Chye, an executive director of the Company. The value of the acquisition of Mr Tan Tooh Meng @ Tan Toh Meng's interest in Axxmo is S\$654,500 and represents approximately 0.8% of the latest audited net tangible asset of the Group as at 31 December 2011. Save as disclosed, no other transactions were entered into by the Group with Mr Tan Thoo Chye or any of his associates for the current financial year.

The relative figures of the Acquisition, computed according to Rule 1006 of the Listing Manual of the SGX-ST based on the Acquisition, the Purchase Consideration and the Company's audited consolidated financial statements for its financial year ended 31 December 2011, are as follows:-

| | The Acquisition (S\$'000) | The Group (S\$'000) | % |
|---|--|------------------------|------|
| (a) Net asset value of the assets to be disposed compared with the Group's net asset value as at 31 December 2011 | This basis of computation is not applicable as it only applies to disposal of assets | | |
| (b) The unaudited net profit ⁽¹⁾ attributable to the assets acquired compared with the Group's audited net profit ⁽¹⁾ for its financial year ended 31 December 2011 | 151 | 9,855 | 1.5% |
| (c) Aggregate value of the consideration compared with the Company's market capitalisation as at 6 November 2012 ⁽²⁾ | 1,309 | 80,543 | 1.6% |
| (d) The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue | This basis of computation is not applicable as the Purchase Consideration is to be fully satisfied in cash | | |

Notes:-

- (1) Net profit is defined as profit before income tax, minority interests and extraordinary items.
- (2) The market capitalisation of the Company was determined by multiplying the number of issued shares, being 430,709,125 ordinary shares (excluding 7,833,000 treasury shares currently held by the Company) by the weighted average price of such shares transacted on 6 November 2012 of S\$0.187 per share (being the market day immediately preceding the date of the Agreement).

As all of the relative figures as computed above are less than 5%, the Acquisition is considered to be a non-discloseable transaction for the purposes of Chapter 10 of the Listing Manual.

Saved as disclosed herein, none of the other directors or controlling or substantial shareholders of the Company has any interest, direct or indirect, in the Acquisition.

The Acquisition is not expected to have any material impact on the earnings per share and the net tangible assets per share of the Group for the current financial year.

By Order of the Board
See Hup Seng Limited

Thomas Lim Siok Kwee
Executive Chairman
7 November 2012