



See Hup Seng Proposes to Enter into Joint Venture to Benefit from the EC Property Market in Singapore

- Group proposes to take 30% stake in a joint venture with Ho Lee Group, Evia Real Estate Management Pte Ltd and CNH Investment Pte. Ltd
- Ho Lee and Evia won HDB tender for 133,388 square feet land parcel at Upper Serangoon View / Upper Serangoon Road for the development of an executive condominium
- Proposed Joint Venture is a compelling business opportunity that can potentially generate additional income and cash flow for the Group

Singapore, 4 April 2012 – **See Hup Seng Limited** (四合成有限公司) (“**See Hup Seng**” or the “**Group**”) today announced that it intends to enter into a joint venture with Ho Lee Group Pte Ltd (“Ho Lee”), Evia Real Estate Management Pte Ltd (“Evia”) and CNH Investment Pte. Ltd (“CNH”) (the “Proposed Joint Venture”), to benefit from the healthy demand for executive condominiums (“EC”) in Singapore.

Under the Proposed Joint Venture, See Hup Seng’s wholly-owned subsidiary SHS Capital Pte Ltd (“SHS Capital”) shall subscribe for a 30% stake in Serangoon EC Pte Ltd (“Serangoon EC”) for consideration of S\$1.5 million.

Serangoon EC was incorporated by Ho Lee and Evia for the development of an EC on a land parcel at Upper Serangoon View / Upper Serangoon Road (the “Project”). The Housing & Development Board (HDB) awarded the tender for this ninety-nine year lease land parcel to Ho Lee and Evia in March 2012.

The remaining 70% stake in Serangoon EC shall be held by Ho Lee, Evia and CNH. Ho Lee has an operating history of more than 30 years and an established reputation in Singapore’s construction industry. Ho Lee’s proven track record spans numerous HDB public housing, HDB upgrading, private residential projects as well as institutions and complexes. Evia is the real estate arm of Evia Capital Partners, an established Asian private equity firm with offices in Singapore and China. Evia is involved in property development and project management in Singapore including another executive condominium called “Watercolours” which will be launched soon in Pasir Ris. CNH is a joint venture between two leading construction companies in Singapore and is a strategic investor in the Project.

The tender price for the EC site at Upper Serangoon View / Upper Serangoon Road was S\$141.5 million. With a site area of 133,388 square feet, the Project is expected to yield gross floor area of 466,864 square feet or potentially more than 450 residential units. Pursuant to the terms of the Proposed Joint Venture, Ho Lee shall be appointed as main contractor to build the Project while Evia will be appointed as project manager.

Said Executive Chairman of See Hup Seng, Mr Thomas Lim, "Our joint venture partners have an excellent track record in Singapore's property development scene, particularly for residential projects. The EC project that we will be jointly developing with Ho Lee, Evia and CNH has an attractive location as it is along the coastline of Sungei Serangoon reservoir and near Punggol Park.

With continuing healthy demand for well-located executive condominium projects, we believe the Proposed Joint Venture is a compelling business opportunity for the Group. By taking a 30% stake in the Project and partnering the right people in the field, we will be able to gain a deeper insight into property development that will broaden the Group's knowledge base. Moreover, the Project can potentially bring additional income and cash flow to the Group, but without excessive risk exposure based on the present outlook for the EC market."

The Proposed Joint Venture is subject to approval of See Hup Seng's shareholders in an extraordinary general meeting to be held in due course.

The tender price for the land, construction and other costs related to the Project will be funded by a combination of the initial investment capital in Serangoon EC, shareholders' loans, bank borrowings to be undertaken by Serangoon EC, as well as proceeds from future sales of the Project. Besides injecting S\$1.5 million into the equity of Serangoon EC, SHS Capital shall also provide a shareholders' loan of S\$15 million to Serangoon EC pursuant to the terms of the Proposed Joint Venture.

The Proposed Joint Venture is not expected to have a material impact on the Group's earnings per share or net asset value per share for the current financial year ending 31 December 2012.

This news release is to be read in conjunction with See Hup Seng's announcement posted on the SGX website on 4 April 2012.

About See Hup Seng

See Hup Seng Limited is a leading provider of corrosion prevention services to the marine, oil and gas, construction and infrastructure industries in Singapore. The Group also has a wholly-owned subsidiary, TAT Petroleum Pte Ltd, which is a strategic value-added distributor that offers comprehensive supply chain management of refined petroleum products in Asia Pacific.

Established in 1971, the Group's corrosion prevention business has successfully moved up the value chain to establish a strong niche in specialised tank coating services, and large-scale plant operations that are supported by a fully-equipped facility in Singapore. Its proven capability in corrosion prevention services is underlined by its status as a resident contractor for premier shipyards in Singapore.

Headquartered in Singapore with offices in Hong Kong, China (Guangzhou), South Korea, Vietnam and Indonesia, TAT Petroleum offers value-added solutions for refined petroleum products to its customers in diverse sectors such as vehicular, agriculture, coating, pharmaceutical, plastic and electronics industries.

TAT Petroleum's comprehensive services range from the blending and packaging of refined petroleum products into pails, drums or intermediate bulk containers bearing the brand of its major supplier, to storage and distribution of these products to designated locations.

See Hup Seng is listed on the Mainboard of SGX-ST. For further information, please visit the Group's website at www.seehupseng.com.sg