



## See Hup Seng to Expand its Refined Petroleum Business with Axxmo Acquisition

- Acquiring 100% interest in Singapore-incorporated Axxmo for S\$1.3 million
- Axxmo is the master distributor of a petroleum-based waterproofing product for public housing re-roofing projects in Singapore
- Acquisition is in line with the Group's strategy to grow its Refined Petroleum business

Singapore, 7 November 2012 – **See Hup Seng Limited** (四合成有限公司) ("**See Hup Seng**" or the "**Group**") today announced it has entered a conditional sale and purchase agreement to acquire Axxmo International Pte Ltd ("Axxmo") for S\$1.3 million (the "Acquisition") to strengthen its Refined Petroleum ("RP") business.

Established in 1993, Axxmo is the master distributor in Singapore for a petroleum-based waterproofing product of a major producer. The petroleum-based waterproofing product is widely used in the waterproofing and protection of residential, industrial and commercial roofs. Axxmo is also engaged in the sale of diesel and lubricants. The company counts end-users from diverse industries, such as the construction, engineering, automotive and marine sectors, among its customers.

In Singapore, there is high usage of petroleum-based waterproofing products in re-roofing projects for public housing. While there are presently three main suppliers of such waterproofing products for public housing re-roofing projects, the brand that Axxmo distributes has a dominant share of this market.

Said Mr Thomas Lim, Executive Chairman of See Hup Seng, "The Acquisition, when completed, shall mark our third initiative this year to strengthen our RP business. Earlier this year, we secured a contract to distribute a new product, asphalt, and also entered into a joint venture to set up an Integrated Chemical Hub which is complementary to our product distribution business.

With our regional network and experience in the refined petroleum industry, we believe we will be able to add value and grow Axxmo's business in future."

Based on unaudited figures, Axxmo's net tangible assets stood at S\$1.3 million at the end of August 2012. The acquisition price of S\$1.3 million shall be fully satisfied in cash using the Group's internal funds. Completion of the Acquisition will be subject to the terms and conditions in the sales and purchase agreement, among which are satisfactory due diligence findings and the audited figures of Axxmo.

The Acquisition 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 7 November 2012.*

**About See Hup Seng Limited**

See Hup Seng operates two primary businesses -- corrosion prevention services ("CP") and refined petroleum products and services ("RP").

Established in 1971, the CP business has successfully moved up the value chain to become a leading provider to the marine, oil and gas, construction and infrastructure industries in Singapore. See Hup Seng has 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.

The RP business distributes a wide range of refined petroleum products to customers in Asia Pacific. This business is operated by the Group's wholly-owned subsidiary, TAT Petroleum Pte Ltd. Headquartered in Singapore with offices in Hong Kong, China (Guangzhou), South Korea, Vietnam and Indonesia, TAT Petroleum is a strategic value-added distributor that offers comprehensive services including blending and packaging of refined petroleum products. Its customers hail from diverse sectors including vehicular, agriculture, coating, pharmaceutical, plastic and electronics industries. To expand its RP business, the Group is planning to build an Integrated Chemical Hub in Singapore through a 51%-owned joint venture.

To build new earnings streams for the future, See Hup Seng has also made strategic investments in an executive condominium development project in Singapore, as well as an offshore drilling company that will operate tender barges.

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](http://www.seehupseng.com.sg)