

**TIONG SENG HOLDINGS LIMITED**

(Incorporated in Singapore)

(Company Registration No. 200807295Z)

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**ACQUISITION OF BALANCE 56% INTEREST IN A JOINT VENTURE COMPANY, GEOSTR-RV PTE. LTD., TO FORM A WHOLLY OWNED SUBSIDIARY**

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Tiong Seng Holdings Limited (the “Company” and together with its subsidiary, the “Group”) wishes to announce that it has, through its wholly owned subsidiary, Robin Village International Pte. Ltd. (“RVI”), entered into a restructuring agreement (the “Agreement”) with Geostr Corporation (the “Vendor”) for the acquisition of the remaining shareholding interest in Geostr-RV Pte. Ltd. (“Gestr-RV”), a company incorporated in the Republic of Singapore, for an aggregate consideration of S\$1 (the “Acquisition”) funded from internal financial resources. Upon completion, Geostr-RV will become a wholly-owned subsidiary of the Group.

Gestr-RV has a wholly-owned subsidiary, Geostr-RV (M) Sdn. Bhd. (“Gestr-RV (M)”), incorporated in Malaysia (collectively known as the “Target Group”). The principal activities of the Target Group are that of the manufacture and distribution of pre-cast tunnel segments.

Having regard to the strategic direction of the Group’s business, the Board is of the view that the Acquisition will allow the Group to capitalize upon the existing business set up in Geostr-RV and extend our footprint to further capture the opportunities available in the manufacture and distribution of pre-cast tunnel segment market. It will strengthen our Group’s technical competencies and reinforce our reputation as a one-stop engineering solution provider in the market.

Relative figures for the Acquisition, as computed on the bases set out in Rule 1006 of the Listing Manual, are all less than 5% except that the net loss attributable to the assets acquired, compared with the Group’s net profit of the latest announced consolidated accounts, is 19.7%. Accordingly, the Acquisition is classified as a “discloseable transaction” under Chapter 10 of the Listing Manual.

The consideration was arrived at on a willing-buyer and willing-seller basis, taking into account, among other things, the adjusted book value of the Target Group as of 31 December 2018 (“Book Value”). Additional share in the Book Value and net loss attributable to the Acquisition was approximately S\$5.7 million and S\$0.3 million respectively.

Had the Acquisition took place in the recent completed financial year 2018, the effect on the NTA per share and Earnings Per Share (“EPS”) would be follows:

	Before the completion of the Acquisition	After the completion of the Acquisition
NTA per Share (cents)	68.87	70.15
EPS (cents)	1.98	1.73

None of the Directors and Controlling Shareholders of the Company has any interest, direct or indirect, in the Acquisition. No service contract of directors being proposed to be entered with the Company in connection with the Acquisition.

A copy of the Agreement will be made available for inspection during normal business hours at the registered office of the Company at 21 Fan Yong Road Singapore 629796, for a period of three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD  
TIONG SENG HOLDINGS LIMITED

Pek Lian Guan  
Executive Director and CEO  
16 July 2019