

PROPOSED ACQUISITION OF SLOANE COURT HOTEL AT 17 BALMORAL ROAD (LOT 138C OF TOWN SUBDIVISION 26) AND LOT 99899P OF TOWN SUBDIVISION 26.

1. INTRODUCTION

The Board of Directors of Tiong Seng Holdings Limited (the “**Company**”) together with its subsidiaries (collectively, the “**Group**”) would like to announce that TSky Development Pte Ltd (“**TSky**”) has entered into a sale and purchase agreement (“**Agreement**”) for the acquisition (the “**Proposed Acquisition**”) of Sloane Court Hotel at 17 Balmoral Road (Lot 138C of Town Subdivision 26) and Lot 99899P of Town Subdivision 26 (collectively, the “**Subject Sites**”). The Agreement is conditional upon the approval of the shareholders of the vendors of the Subject Sites.

The Subject Sites are located in prime district 10, with a combined site area of approximately 3,617.9 square metres (approximately 38,943 square feet) and are zoned “Residential” with a gross plot ratio of 1.6.

The Company, through its wholly owned subsidiary Yuan Ching Development Pte Ltd, holds a 60% interest in TSky. In connection with the Proposed Acquisition, the Company through TSky will set up a project company to undertake the development of the Subject Sites.

2. PURCHASE CONSIDERATION

The total purchase consideration for the Subject Sites is S\$80,500,000 (Singapore Dollars: Eighty Million Five Hundred Thousand) (the “**Consideration**”), arrived at on a willing buyer willing seller basis after arm’s length negotiations, taking into consideration, *inter alia*, relevant enquiries and references to the current market process of properties in the surrounding area of similar size and parameters. The Consideration will be funded by a combination of internal resources of TSky and bank facilities.

3. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

Based on the recently completed financial year ended 31 December 2016, assuming that the transaction had been effected at the beginning of that financial year, the Proposed Acquisition does not have any material effect on the earnings per share or net tangible assets per share of the Group.

4. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

5. FURTHER ANNOUNCEMENTS

The Company will make further announcements in respect of the Proposed Acquisition as and when as appropriate.

BY ORDER OF THE BOARD
TIONG SENG HOLDINGS LIMITED

Pek Lian Guan
Executive Director and CEO
28 August 2017