



**FOR IMMEDIATE RELEASE**

## **Tiong Seng's subsidiary signs MoU to explore setting up precast plant with Myanmar construction giant**

- **In discussion to set up joint venture with Myanmar construction giant, Shwe Taung, to cater to rising demand for affordable housing in Myanmar**
- **To benefit from Myanmar government's plan to build more than 1 mil houses over 20 years**
- **In line with Group's plan to expand precast capabilities in Singapore and in the region**

**SINGAPORE – 22 April 2013** – Mainboard-listed construction group and property developer, **Tiong Seng Holdings Limited** (長成控股) (“Tiong Seng”, together with its subsidiaries, “the Group”), today announced that its wholly-owned subsidiary, **Robin Village Development (Pte) Ltd** (“Robin Village”), has signed a non-binding Memorandum of Understanding (“MOU”) with Shwe Taung Development Co., Ltd (“Shwe Taung”), one of the most prominent corporations in Myanmar, to explore entering into a joint venture to set up a precast plant in Myanmar.

Under the MOU, Robin Village and Shwe Taung are proposing a joint venture company (“JV Co”) to establish and operate a precast plant to supply precast components to construction projects in Myanmar. The plan is for Robin Village to hold 30% of the issued share capital of the JV Co and provide precast technical support, project based design and other technical supervision services to the JV Co on an arm's length basis.

The MOU is timely and comes on the back of the Myanmar Ministry of Construction's plan to build more than one million houses nationwide over the next 20 years<sup>1</sup>. Residential construction accounts for 51%, or US\$1.5 billion, of Myanmar's total construction output. In Yangon alone, the demand for affordable housing is 200,000 units every year, whereas only 20,000 units are supplied every year<sup>2</sup>.

Founded in 1990, Shwe Taung is one of the most prominent corporations in Myanmar and it has a diverse portfolio that includes real estate, shopping centres, construction, engineering, energy, infrastructure,

<sup>1</sup> The Irrawaddy, “Burma to build 1 million houses in 20 years”, January 2013, <http://www.irrawaddy.org/archives/23678>

<sup>2</sup> New Crossroads Asia, Myanmar Research Series, September 2012, <http://newcrossroadsasia.com/main/images/myanmar%20macro%20-%20infrastructure%20-%20preview.pdf>

cement and construction materials, hotels, entertainment, trading and investment. It is also one of the country's largest employers with a workforce of more than 5,000.

Tiong Seng believes it is well placed to extend its precast business into Myanmar. In May 2012, the Group officially opened its Tiong Seng Prefab Hub, the first automated precast manufacturing facility in Singapore. With the experience and knowledge gained from operating conventional and automated precast plants in Singapore, Tiong Seng is confident that it will be able to contribute positively to the construction industry in Myanmar.

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**About Tiong Seng Holdings**

*Tiong Seng is principally engaged in building construction and civil engineering in Singapore, and property development in the PRC.*

*With an established track record of over 50 years, Tiong Seng is one of the leading building construction and civil engineering contractors in Singapore. It holds the highest grading of A1 from the Building Construction Authority of Singapore (BCA) for both general building and civil engineering, which qualifies the Group to undertake public sector construction projects with unlimited contract value.*

*Tiong Seng's property development business focuses on developing residential and commercial projects in various second- and third-tier cities in the PRC. The Group has successfully developed properties in Tianjin, Suzhou and Yangzhou and it currently has four on-going projects in the Bohai Economic Rim, which is one of the main economic zones in the PRC.*

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***Issued on behalf of Tiong Seng Holdings by: Financial PR Pte Ltd***

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