

**TIONG SENG HOLDINGS LIMITED**

(Incorporated in Singapore)

(Company Registration No. 200807295Z)

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**ACQUISITION OF ADDITIONAL INTEREST IN A SUBSIDIARY**

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Tiong Seng Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) wishes to announce that it has through its wholly-owned subsidiary, Chang De Investment Private Limited (“CDI”), and effectively 66.0% owned subsidiary, Tianjin Zizhulin Investment Co., Ltd (“TZI”), acquired additional interests of 7.47% and 5.33% respectively in Tianjin Zizhulin Guangang Property Co., Ltd. (“Guangang”), from one of the minority shareholder, 苏通建设集团有限公司 (the “Vendor”) for an aggregate consideration of RMB 76.8 million (approximately S\$15.1 million) (“the Acquisition”). Following the Acquisition, the Vendor ceased to be a shareholder of Guangang & the Company’s effective interest increased from 72.3% to 83.3%.

Guangang and its wholly-owned subsidiary, Ealdorman (Tianjin) Hotel Management Co., Ltd (“Ealdorman” and together with Guangang, the “Target Group”), are both incorporated in the People’s Republic of China (“PRC”). Guangang is principally engaged in residential property development for a project located in Dagang, Guangang Forest Park, Tianjin (the “Equinox”) whereas Ealdorman is principally engaged in property management for Equinox.

Having reviewed our property development strategy in the PRC, the Board is of the view that strengthening the control over Guangang will enable the Group to fully realise the potential of this development and maximise the return to the Group going forward.

Relative Figures for the Acquisition, as computed on the bases set out in Rule 1006 of the Listing Manual, are all not applicable except that the net loss attributable to the assets acquired (compared with the Group’s net profit) and the aggregate value of the consideration given (compared with the Company’s market capitalization based on the total number of issued Shares excluding treasury shares) are -5.4% and 14.5% respectively. Accordingly, the Acquisition is classified as a “discloseable transaction” under Chapter 10 of the Listing Manual.

The purchase consideration of the Acquisition was arrived at on a willing-buyer willing-seller basis, having taken into account the net book value of the Vendor stakes in Guangang of RMB 42.3 million (approximately S\$8.3 million). The Acquisition will be funded from internal financial resources and settled on a combination of cash and 2 units of developed properties in Equinox.

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 as follows:

	Before the completion of the Acquisition	After the completion of the Acquisition
NTA per Share (cents)	68.87	67.35
EPS (cents)	1.98	1.99

None of the directors and controlling shareholder 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.

BY ORDER OF THE BOARD  
TIONG SENG HOLDINGS LIMITED

Pek Lian Guan  
Executive Director and CEO  
08 August 2019