

TIONG SENG HOLDINGS LIMITED

(Incorporated in Singapore)

(Company Registration No. 200807295Z)

ACQUISITION OF EQUITY INTEREST IN COBIAX TECHNOLOGIES AG

The Board of Directors of Tiong Seng Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Tiong Seng Contractors (Private) Limited (“TSC”), had on 16 August 2010 entered into a Sale and Purchase Agreement (“S&P Agreement”) to acquire 90% equity interest in CobiAx Technologies AG (“CobiAx”) (the “Acquisition”).

Pursuant to the terms of the S&P Agreement, TSC shall acquire 90% equity stake in CobiAx for a consideration of CHF 500,000 (equivalent to approximately S\$650,000, the “Purchase Consideration”), on a “willing-buyer, willing-seller” basis. Upon completion of the Acquisition, the Group is expected to inject loans of up to CHF 2.0 million (equivalent to approximately S\$2.6 million) over the next 2 years, to CobiAx as part of its business cashflow requirements. The net assets acquired amount to approximately CHF 4.0 million (equivalent to approximately S\$5.2 million). The Purchase Consideration will be satisfied by payment of cash on completion, scheduled to be on 30 August 2010.

CobiAx is incorporated in Switzerland and is principally engaged in the trading of a specialised patented construction material, which effectively reduces the weight of the structure of a building by reducing the usage of concrete, and in the process creates a more environmentally friendly building. The Group is of the view that the Acquisition will not only deliver synergy to its construction segment, but will also enhance the Group’s construction processes and generate commercial returns for the Group.

The above transaction is not expected to have any material impact on the Group’s earnings per share or tangible assets per share of the Company for the financial year ending 31 December 2010.

None of the Directors or controlling shareholders of the Company has any direct or indirect interest in the above transaction.

BY ORDER OF THE BOARD
TIONG SENG HOLDINGS LIMITED

Pek Lian Guan
Executive Director and CEO

16 August 2010

DBS Bank Ltd (“DBS”) was the Manager, Underwriter and Placement Agent for Tiong Seng’s Initial Public Offering. DBS assumes no responsibility for the contents of this announcement.