



SHS HOLDINGS LTD

NEWS RELEASE

SHS sells TAT Petroleum to world's largest chemicals distributor Brenntag Group for S\$100,288,000

- *Net proceeds to be partially used for working capital and strengthening the Group's balance sheet and financial flexibility*

Singapore, 18 September 2015 – Mainboard-listed **SHS Holdings Ltd.** (四合成有限公司) (“SHS” or “the Company”, and together with its subsidiaries, the “Group”) announced today that it has signed a conditional share sale and purchase agreement with **Brenntag (Holding) B.V.**, a subsidiary of Brenntag AG, the global leader in chemical distribution, for the disposal of the Company's entire shareholding interests in two wholly-owned subsidiaries, namely Tat Petroleum Pte Ltd (“Tat Singapore”) and Axxmo International Pte Ltd, as well as PT Tat Petroleum Co. Ltd, a unit of Tat Singapore (collectively the “Refined Petroleum Distribution Business”).

The total cash consideration for the Refined Petroleum Distribution Business is estimated to be S\$100,288,000 (approximately EUR 67 million).

The divestment, which was reached on a willing-buyer, willing-seller basis, is expected to complete by the fourth quarter of 2015 pending, among others, the necessary regulatory and shareholder approvals. Thereafter, TAT Singapore, its subsidiaries and Axxmo will cease to be subsidiaries of the Group.

Listed on the Frankfurt Stock Exchange, **Brenntag** achieved sales of EUR 10 billion in FY2014, and operates a global network with more than 490 locations in 72 countries supported by an international workforce of more than 13,500 employees. As a global

chemicals distributor, Brenntag has an extensive product portfolio of more than 10,000 chemicals products through a world-class supplier base and offers a one-stop solution to its more than 170,000 customers worldwide.

Backed by an established track record of more than 20 years, **TAT Petroleum** offers comprehensive services that range from blending and packaging of refined petroleum products into drums, intermediate bulk containers, flexi bag or pails, to storage and distribution of the products to customers from diverse sectors across the Asia Pacific region. It is also the appointed lubricants distributor for an international oil major in Singapore, Hong Kong, Bali and Vietnam.

The net proceeds from the proposed disposal, after deducting all costs and expenses, are estimated to be approximately S\$98.9 million which will be used for working capital requirements, general corporate purposes and reducing the external borrowings of the Group. This would strengthen the Group's balance sheet and enhance the Group's financial flexibility.

Said SHS Holdings' Group Chief Executive Officer Mr Henry Ng, "The proposed divestment, which is part of our ongoing strategic review to streamline the Group's businesses, seeks to unlock shareholder value and increases the overall financial capacity and flexibility of the Group."

Issued on behalf of SHS Holdings Ltd. by:

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About SHS Holdings Ltd.

SHS Holdings Ltd. is an established group with diversified businesses in corrosion prevention ("CP") and steel engineering services, and refined petroleum products ("RP").

Established in 1971, the CP business has successfully moved up the value chain to become a leading provider to the marine, oil and gas, construction and infrastructure industries in Singapore. SHS Holdings Ltd. has a strong niche in specialised tank coating services, and large-scale plant operations that are supported by a fully-equipped facility in Singapore. Its proven capability in corrosion prevention services is underlined by its status as a resident contractor for premier shipyards in Singapore.

The RP business distributes a wide range of refined petroleum products to customers in Asia Pacific. This business is operated mainly by the Group's wholly-owned subsidiary, TAT Petroleum Pte Ltd, which is headquartered in Singapore with offices in Hong Kong, China (Guangzhou), South Korea, Vietnam and Indonesia. TAT Petroleum's customers hail from diverse sectors including vehicular, agriculture, coating, pharmaceutical, plastic and electronics industries. The RP business also operates a company which is the master distributor in Singapore of a petroleum-based waterproofing product. The Group has also extended its RP business from product distribution to petrochemical blending and trading services.

The steel engineering business is operated through wholly-owned subsidiary, Hetat which has a fully-equipped steel fabrication plant of approximately 195,000 sq ft located in Tuas, Singapore. It is currently undertaking projects in Singapore, Malaysia and Mongolia.

To build new earnings streams for the future, SHS Holdings Ltd. has also made strategic investments in an executive condominium development project in Singapore, as well as an offshore drilling company that will own and operate tender rigs.

SHS Holdings Ltd. is listed on the Mainboard of SGX-ST. For further information, please visit the Group's website at www.shsholdings.com.sg.