

HIAP SENG ENGINEERING LTD.
(JUDICIAL MANAGERS APPOINTED)
(Company Registration No. 197100300Z)
(Incorporated in the Republic of Singapore)

UPDATE ON:

(I) HOLDING OF THE ANNUAL GENERAL MEETING OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (“FY2020”) (THE “AGM”), AND ISSUANCE OF THE ANNUAL REPORT OF THE COMPANY FOR FY2020; AND

(II) ANNOUNCEMENT OF THE COMPANY’S HALF-YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2020

Hiap Seng Engineering Ltd (Judicial Managers Appointed) (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to:

- (a) the announcement dated 15 October 2020 on the Company’s first applications to (i) the SGX-ST; and (ii) the Accounting and Corporate Regulatory Authority (“**ACRA**”), for an extension of time to convene its annual general meeting for the financial year ended 31 March 2020 (“**FY2020**”) (the “**AGM**”), and to release its annual report for FY2020 (collectively, the “**First Applications**”); and
- (b) the announcement dated 13 November 2020 on the Company’s second applications to (i) the SGX-ST; and (ii) the ACRA, for a further extension of time to convene the AGM, release its annual report for FY2020, and to announce the Company’s half-year financial statements for the period ended 30 September 2020 (collectively, the “**Second Applications**”).

Background

As the Company’s financial year end is 31 March 2020, the Company would ordinarily be required to hold the AGM by 31 July 2020, pursuant to section 175 of the Companies Act (Cap. 50) and Rule 707(1) of the Listing Manual of the Mainboard of the SGX-ST (the “**Listing Manual**”).

However, in April 2020, the SGX-ST announced an automatic 60-day extension of time (the “**Automatic Extension**”) for issuers to hold their AGMs and issue their annual reports. Pursuant thereto, the Company was required to hold the AGM by 29 September 2020 and to issue its annual report for FY2020 by 14 September 2020.

The First Applications

Rationale for the First Applications

Notwithstanding the Automatic Extension, the Company required more time to prepare and complete its consolidated financial statements for FY2020, as all the Company’s resources were then focused on the Company’s application and the preparation thereof to be placed under judicial management.

As such, the Company had on 8 September 2020 applied to the SGX-ST and the ACRA seeking an extension of time to hold the AGM by 30 November 2020, and in connection therewith, to issue its annual report for FY2020 by 15 November 2020.

First Application to the SGX-ST

Outcome of the First Application to the SGX-ST

The SGX-ST had on 8 October 2020 confirmed that it had no objection to the Company’s application for an extension of time to hold the AGM by 30 November 2020 and to issue its annual report for FY2020 by 15 November 2020, provided that the Company complies with the conditions imposed by the SGX-ST (the “**First SGX-ST Waiver**”), details of which were set out in the Company’s announcement dated 15 October 2020.

First Application to the ACRA

Outcome of the First Application to the ACRA

The First SGX-ST Waiver was conditional upon, amongst others, the Company announcing whether and when it had applied to the ACRA for an extension of time, and the outcome of its application. The ACRA had on 5 November 2020 given its approval for the Company to hold the AGM by 28 November 2020, and to submit its annual returns by 29 December 2020 (the “**ACRA Waiver**”).

The Second Applications

Rationale for the Second Applications

As announced on 13 November 2020, the Company requires additional time to convene the AGM and release the financial results as its resources were focused on supporting the judicial management of the Company. The Company and the judicial managers are of the view that the financial statements for FY2020 can only be thoroughly prepared towards the end of the judicial management process.

As announced on 18 November 2020, the Company is working together with the judicial managers to prepare the statement of proposals, for which the Court had granted an extension of time until 25 January 2021. After the completion of the statement of proposals, the Company will be able to devote its resources to preparing the financials and preparing for the AGM.

In view of the above, the Company submitted the Second Applications to the SGX-ST and to the ACRA, seeking a further extension of time.

Second Application to the SGX-ST

Outcome of the Second Application to the SGX-ST

The SGX-ST had on 14 December 2020 confirmed that it had no objection to the Company’s application for a further extension of time, provided always that the Company complies with the conditions imposed by the SGX-ST (the “**Second SGX-ST Waiver**”), which are set out below:

- (a) the Company announcing the Second SGX-ST Waiver granted, the reasons for seeking the Second SGX-ST Waiver, the conditions as required under Mainboard Listing Rule 107, and if the Second SGX-ST Waiver conditions have been satisfied. If the Second SGX-ST Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (b) submission of a written confirmation from the Company that the application and waivers do not contravene any laws and regulations governing the Company or the constitution of the Company;
- (c) the Company issuing the annual report for FY2020 to shareholders and the SGX-ST by 16 March 2021;
- (d) the Company convening the AGM for FY2020 by 31 March 2021; and
- (e) the Company announcing its half-year financial statements for the period ended 30 September 2020 by 31 March 2021.

Rule 107 of the Listing Manual

Under Rule 107 of the Listing Manual, the SGX-ST may waive or modify compliance with a listing rule (or part of a rule) either generally or to suit the circumstances of a particular case, unless the listing rule specifies that the SGX-ST will not waive it. The SGX-ST may grant a waiver subject to such conditions, as it considers appropriate.

If the SGX-ST waives a listing rule (or part of a rule) subject to a condition, the condition must be satisfied for the waiver to be effective. Where a waiver is granted, the issuer must announce the waiver, the

reasons for seeking the waiver and the conditions, if any, upon which the waiver is granted as soon as practicable.

Fulfilment of Conditions

As at the date of this announcement, the conditions of the Second SGX-ST Waiver, which are set out above, have not been met. The Company will make an update announcement when the conditions have all been met.

Second Application to the ACRA

Outcome of the Second Application to the ACRA

On 25 November 2020, the Company received an email from the ACRA notifying the Company that its Second Application had been rejected.

The Company had on 26 November 2020 submitted its appeal to the ACRA, and the Company is presently following up with the ACRA on the status of the appeal.

Cautionary Statement

Shareholders, stakeholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company and the Judicial Managers carefully. Shareholders are also advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders, stakeholders and potential investors of the Company should consult with their financial, tax or other advisers if they have any doubt about the actions they should take.

Further announcements will be made by the Company and the Judicial Managers via SGXNET as and when there are any material developments.

Oon Su Sun and Lin Yueh Hung
Joint and Several Judicial Managers
8 January 2021

The affairs, business and property of the Company are being managed by the Judicial Managers appointed by the High Court of Singapore. The Judicial Managers contract and only act as agents of the Company and disclaim all personal liability of any nature whatsoever for all matters arising out of, in connection with and in respect of the Judicial Management of the Company herein.