

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

- (I) FURTHER EXTENSION OF TIME FOR THE HOLDING OF THE ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020;
 - (II) FURTHER EXTENSION OF TIME FOR THE ANNOUNCEMENT OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020;
 - (III) EXTENSION OF TIME FOR THE ANNOUNCEMENT OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE FULL YEAR ENDED 31 MARCH 2021; AND
 - (IV) EXTENSION OF TIME TO HOLD THE ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021
-

1. INTRODUCTION

- 1.1. 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 application 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 “**2020AGM**”), and to release its annual report for FY2020 (collectively, the “**First Applications**”);
 - (b) The announcement dated 13 November 2020 and 8 January 2021 , on the Company’s second application 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**”);
- (collectively the “**Announcements**”)
- 1.2. All capitalised terms used in this announcement which are not defined shall bear the meanings given to them in the Announcements.
- 1.3. Further to the Announcements, the Company wishes to update that the Company had on 29 March 2021 sought a further extension (the “**Third Extension**”) of time for the following:
- (a) the Company issuing the annual report for FY2020 to shareholders and the SGX-ST by 15 August 2021;
 - (b) the Company convening the AGM for FY2020 by 31 August 2021; and
 - (c) the Company announcing its half-year financial statements for the period ended 30 September 2021 by 31 August 2021.
- 1.4. In addition to the Third Extension requested, the Company further sought SGX-ST approval for an extension of time to comply with Rules 705(1), 707(1) and 707(2) of the SGX-ST’s Listing Manual in respect of the Company’s financial year ended 31 March 2021.

1.5. In this regard, the Company had sought SGX-ST approval for an extension of 4 months after the completion of the FY2020 audited financials for the following:-

- (a) the Company announcing the full year results for FY2021 by 31 December 2021;
- (b) the Company issuing the annual report for FY2021 to shareholders and the SGX-ST by 15 February 2022; and
- (c) the Company convening the AGM for FY2021 by 28 February 2022.

(collectively the “**FY2021 Extensions**” and collectively the FY2021 Extensions and Third Extension are referred to as the “**Third Application**”)

1.6. Rationale for the Third Application

As announced by the Company on 8 March 2021, the High Court of Singapore had ordered that the Judicial Management Order of the Company be extended to 14 September 2021.

The Company would require more time as it is still in the process of discussing with potential investors to finalise the proposed terms of investment and transaction structures to enable a restructuring plan to be put forward by the Company

Without any investors and a restructuring plan, there is no basis for the financial results to be prepared on a going concern basis. However, with the inclusion of the potential investors, the Company may be able to undergo a restructuring process and a successful completion of the restructuring exercise will enable the financial results to be prepared on a going concern basis, which would otherwise be prepared on a liquidation basis and this would be detrimental to the Company.

In view of the above, the Company had submitted the Third Applications to the SGX-ST seeking a further extension of time.

2. **Outcome of Third Application to the SGX-ST**

2.1. The SGX-ST had on 28 July 2021 confirmed that it had no objection to the Company's application with regards to compliance with Listing Rules 705(1), 707(1) and 705(3) , provided always that the Company complies with the conditions imposed by the SGX-ST (the “**Third SGX-ST Waiver**”), which are set out below:

- (a) the Company announcing the Third SGX-ST Waiver granted, the reasons for seeking the Third SGX-ST Waiver, the conditions as required under Mainboard Listing Rule 107, and if the Third SGX-ST Waiver conditions have been satisfied. If the Third 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) convening the FY2020 AGM by 31 August 2021;
- (c) announcing its financial statements for the second quarter/half year ended 30 September 2020 by 31 August 2021;
- (d) convening the FY2021 AGM by 14 September 2021;
- (e) announcing its unaudited financial statement for the full year results for FY2021 by 14 September 2021; and
- (f) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

Please note that the Waiver will not be effective if any of the above conditions have not been fulfilled.

- 2.2. The Company is required to make an immediate disclosure via SGXNet if it is/will be in contravention of any laws and regulations governing the Company and the Constitution of the Company (or the equivalent in the Company's country of incorporation) arising from the Waiver.
- 2.3. The Company is also required to announce whether and when it had applied to the Accounting and Corporate Regulatory Authority ("ACRA") or the relevant regulatory authority in the Company's country of incorporation (where applicable) for the Waiver and the outcome of its application.

2.4. 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.

2.5. Fulfilment of Conditions

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

By way of update, the Company had written to ACRA on 16 June 2021 to provide the status on the developments in response to their queries as well as explanations on the Company's rationale for an extension of time to hold AGM and to file the Annual Return. On 8 July 2021, the Company was informed that ACRA would not be able to grant any extension of time for holding of the annual general meeting of the Company and the filing of the relevant annual returns that are outstanding. As such, the relevant penalties incurred by the Company in connection with the relevant late filings at the point of filing of the annual returns are valid and will be enforceable. However, ACRA will withhold any enforcement actions against the Company as the Company is under Judicial Management.

3. 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 Manager
29 July 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.