

**APPLICATION FOR DISCHARGE OF JUDICIAL MANAGEMENT ORDER
AND RELEASE OF FINAL REMUNERATION AND EXPENSES**

1. BACKGROUND

- 1.1. Hiap Seng Engineering Ltd (Judicial Managers Appointed) (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements dated (a) 7 January 2022, 25 March 2022, 15 August 2022, 31 May 2023 and 6 October 2023 in relation to the Proposed Subscription and the Proposed Grant of Options; (b) 20 May 2022, 2 June 2022, 29 June 2022, 4 July 2022, 18 August 2022, 24 August 2022 and 29 August 2022 in relation to the Proposed Debt Restructuring; (c) 11 October 2023, 17 October 2023, 27 October 2023, 8 November 2023, 4 December 2023, 8 December 2023 and 18 January 2024 in relation to the Proposed Transfer Listing and the Shareholders’ Scheme; (d) 11 October 2023 in relation to the Proposed Rights Issue; (e) 6 October 2023 in relation to an update on the Proposed Subscription, the Proposed Grant of Options and the Proposed Debt Restructuring; and (f) 24 January 2024 and 2 February 2024 in relation to the notice of the Shareholders’ Scheme Record Date and an update on the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing. Additionally, the Company refers to the circular issued to its Shareholders dated 6 November 2023 (the “**Circular**”), and the results of the EGM and the Shareholders’ Scheme Meeting held on 28 November 2023.
- 1.2. Capitalised terms used but not defined herein shall have the meanings as ascribed to them in the Circular.

2. APPLICATION FOR (I) DISCHARGE OF JUDICIAL MANAGEMENT AND (II) APPROVAL FOR RELEASE OF FURTHER PAYMENT AND THE JUDICIAL MANAGERS’ BALANCE REMUNERATION AND EXPENSES

- 2.1. As announced on 2 February 2024, the conditions precedent to the Proposed Subscription, the Proposed Grant of Options and the Proposed Transfer Listing, have been fulfilled and/or waived. The Proposed Debt Restructuring as proposed under the Scheme of Arrangement (“SOA”) was approved by the Scheme Creditors and sanctioned by the High Court of Singapore on 29 August 2022.
- 2.2. The Judicial Managers are of the view that there are no further substantive steps to be taken in the judicial management process, other than the issuance of the Settlement Shares to be made to the Scheme Creditors under the SOA on 16 February 2024, barring any unforeseen circumstances and/or delays. Thereafter, as all the conditions precedent under the Subscription Agreement have been fulfilled and/or waived, the SOA would be deemed to be completed.
- 2.3. On this basis, the Judicial Managers have filed applications to the Court in Summons No. 305 / 2024 and Summons No. 306 / 2024, for (i) the discharge of the judicial management orders previously granted in respect of the Company and the release of the Judicial Managers and (ii) the approval for the release of a further payment and the Judicial Managers’ balance remuneration and expenses, respectively (the “**Discharge Applications**”).
- 2.4. Discharge of Judicial Management
- 2.4.1. The Judicial Managers seek, inter alia, the discharge of the Judicial Management Order in HC/ORC No. 5182/2020 dated 15 September 2020 which was further extended by orders of court (i.e. HC/ORC 1405/2021 dated 8 March 2021, HC/ORC 5187/2021 dated 6 September 2021, HC/ORC 1264/2022 dated 7 March 2022, HC/ORC 4437/2022 dated 29 August 2022, HC/ORC 1070/2023 dated 7 March 2023 and HC/ORC 4130/2023 dated 4 September 2023) and to be released from any liability in respect of any act or omission by the Judicial Managers (including their employees and agents) in the management of the

Company or otherwise in relation to the Judicial Managers' conduct as judicial managers pursuant to Sections 104(4) and 112(4) of the Insolvency, Restructuring and Dissolution Act 2018.

2.4.2. They also seek an order for costs and expenses of and incidental to this application to be fixed at \$4,000 and be deemed expenses incurred in the course of the judicial management and paid out of the assets of the Company.

2.5. Approval for Release of Further Payment to Judicial Managers

2.5.1. The Judicial Managers seek an order to defray a sum of \$64,012.73 and the balance remuneration to the Judicial Managers and the expenses of the Judicial Managers to the solicitors and advisors engaged by the Judicial Managers during the judicial management process, out of the Company's assets in custody and control of the Judicial Managers.

2.5.2. They also seek an order for costs and expenses of and incidental to this application to be fixed at \$3,000 and be deemed expenses incurred in the course of the judicial management and paid out of the assets of the Company.

2.6. The Discharge Applications have been fixed to be heard on **23 February 2024 at 10am** in Chamber 6C in the High Court of Singapore. The Court has also directed the following:

2.6.1. Any party who objects to the applications is to file an affidavit **by 4pm on 16 February 2024** (to be served by email followed by E-Service);

2.6.2. The following documents are to be tendered to Court **by 4pm on 20 February 2024**:-

- (i) Submissions and Bundle of Authorities (to also be exchanged by parties, e-filed and tendered to Court);
- (ii) an attendance list of parties who intend to appear at the hearing and whether such party is supporting or opposing the applications; and
- (iii) a time bank.

2.7. The Company will inform the Shareholders when the discharge of the Judicial Management becomes effective.

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
9 February 2024

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.