

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

**ANNOUNCEMENT PURSUANT TO RULE 704(5) OF THE LISTING MANUAL – MATERIAL
UNCERTAINTY RELATED TO GOING CONCERN BY THE INDEPENDENT AUDITOR ON THE
AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

Pursuant to Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Hiap Seng Engineering Ltd (Judicial Mangers Appointed) (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its independent auditor, PricewaterhouseCoopers LLP, have included a section with respect to material uncertainty related to going concern in their report (“Independent Auditor’s Report”) in relation to the audited financial statement of the Group for the financial year ended 31 March 2023 (“FY2023”).

A copy of the Independent Auditor’s Report together with an extract of Note 2.1 to the FY2023 audited financial statements is annexed to this announcement for the information of the shareholders of the Company.

The Directors / Judicial Managers and management is of the belief that the use of the going concern assumption in the preparation of the financial statements is appropriate as (i) the Company is in the final stages of fulfilling the conditions precedent referred to in the Conditional Subscription Agreement, being mainly the approvals from a regulatory body and shareholders and (ii) the Group will be able to generate sufficient cashflow from its operating activities to meet its liabilities upon successful completion of the Proposed Transaction and the Scheme of Arrangement.

Accordingly, the Group believes that its liabilities and working capital needs can be met as and when they fall due in the next 12 months from the date of the FY2023 report.

Shareholders are advised to read this announcement in conjunction with the Company’s Annual Report for FY2023 which will be released on SGXNET.

TRADING SUSPENSION

Shareholders are reminded that the trading suspension of the Company’s shares are currently in place. The Company remains in consultation with SGXRegCo and will provide an update to shareholders on any material developments in relation to the trading suspension of the Company.

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.

Oon Su Sun and Lin Yueh Hung
Joint and Several Judicial Managers
16 August 2023

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.