HAI LECK HOLDINGS LIMITED
(Incorporated in Singapore)
(Company Registration No. 199804461D)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN WARRANTS ISSUE ON THE BASIS OF ONE (1) WARRANT FOR EVERY TWO (2) EXISTING ORDINARY SHARES ("WARRANTS ISSUE")

– RECEIPT OF APPROVAL IN-PRINCIPLE

Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the Company's announcements dated 12 November 2013 and 21 November 2013 relating to the Warrants Issue.

Approval In-Principle from the SGX-ST

The board of directors (the "**Board**") of Hai Leck Holdings Limited (the "**Company**") is pleased to announce that the Singapore Exchange Securities Trading Limited ("**SGX-ST**") has on 28 January 2014 granted its approval in-principle for the listing of and quotation for the Warrants and the New Shares on the Main Board of the SGX-ST ("**AIP**").

The AIP is subject to, *inter alia*, the following conditions:

(a) Compliance with the Exchange's Listing requirements;

(b) Shareholders' approval for the Rights Issue of Warrants;

(c) A written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Rights Issue and exercise of Warrants and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;

(d) A written confirmation from financial institution(s) as required under Listing Rule 877(9) that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings;

(e) A written confirmation from the Company that there is a satisfactory spread of warrant holders (at least 100) to provide an orderly market for the warrants in compliance with Listing Rule 826;

(f) A written undertaking that the Company will observe Listing Rule 723, ensuring, post Warrants Issue, that at least 10% of the Company's total issued shares will continue to be held by the public;

(g) A written confirmation from the Company that the terms of the warrants issue do not permit revision of the exercise price/ration in any form, other than in compliance with Listing Rule 829(1) (*submitted*);

(h) A written confirmation from the Company that Listing Rule 877(10) will be complied with in relation to the allotment of any excess warrants (*submitted*);

(i) A written undertaking from the Company that 820, 830 and 831 will be complied with (*submitted)*; and

(j) Disclosure of the reason (i) why the Company is issuing up to 202,786,875 Warrants which will raise a potential amount of approximately S$66.9 million when the Company still has unutilized proceeds of S$5.5 million from the exercise of Warrants issued in 2012 and "cash and cash equivalents" of approximately S$67.8 million as at 30 September 2013; and (ii) why the Company requires such a significant amount of funds for general working capital when it has approximately S$67.8 million of "cash and cash equivalents" (as at 30 September 2013).

The AIP is not to be taken as an indication of the merits of the Warrants Issue, the Warrants, the New Shares, the Company and/or its subsidiaries.

Response to Condition (j)

The Board wishes to clarify that the Company's objective of this Warrants Issue is to reward its loyal Shareholders and concurrently raise capital for investment purposes, business expansion purposes, working capital and/or such other purposes as the Directors may deem fit. It aims to do so by pricing the issue price attractively at S$0.001 to incentivise as many investors as possible to subscribe for their entitlements, with the option to exercise their Warrants over a period of 5 years at S$0.33. The Board is of the view that there is growth potential in the value of the Group. Shareholders will consequently be rewarded in the event the future price of the Company's shares rise above the current market price.

Investment and business expansion includes, but are not limited to, the investment in machineries and equipment for the purpose of renewing the lease at 40 Tuas West Road Singapore 638389, the acquiring of land and securing of an alternative site upon expiration of the lease. The renewal, acquisition and construction work alone may incur up to S$45 million or more, while the investment and setting up of machinery and equipment may incur an approximate additional S$20 million or more.

Further, the Company is in the business of providing engineering, procurement and construction services to the oil and gas, petrochemical, pharmaceutical and utilities industries. In order to secure projects and respond to its customer's needs in a timely and efficient manner, the Company has to be able to, amongst others, demonstrate its capability to meet its customers' requirements and expectations with the highest standards. Accordingly, as and when the opportunity arises, the Company has to be readily equipped with sufficient resources to provide and demonstrate the same.

Circular

Pursuant to Condition (b) above, the Company will be seeking shareholders' approval for the Warrants Issue. The Circular containing, inter alia, the details of the Warrants Issue and the notice of the Extraordinary General Meeting will be despatched to Shareholders in due course. Thereafter, the Company will make a further announcement on the notice of Books Closure Date for the determination of the provisional allotments of Entitled Shareholders under the Warrants Issue.

BY ORDER OF THE BOARD

Cheng Yao Tong
Chief Executive Officer

28 January 2014