



HIAP SENG ENGINEERING LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 197100300Z)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2)

COMPLIANCE WITH THE MINIMUM TRADING PRICE (“MTP”) EXIT CRITERION

Hiap Seng Engineering Ltd (the “Company” or together with its subsidiaries, the “Group”) refers to its announcement dated 5 June 2018 relating to the inclusion of the Company on the watch-list due to the Minimum Trading Price (“MTP”) Entry Criterion with effect from 5 June 2018.

The Company must take active steps to meet the requirements of Listing Rule 1314(2) within 36 months from 5 June 2018, failing which the Exchange may either remove the Company from the Official List, or suspend trading of the listed securities of the Company with a view to removing the Company from the Official List.

The Board of Directors (the “Board”) noted the likely options available to meet the MTP exist criteria. Further to the announcement of 14 August 2019 relating to the 1QFY2020 results, and pursuant to Rule 1313(2), the Board has proposed a one-for-two rights issue of up to 151,875,000 new shares at 5 cents per share to be completed in current financial year for working capital. The Board will continue to monitor the developments in the oil-and-gas industry and equity capital markets.

By Order of the Board

Tan Hak Jin

Joint Company Secretary

14 August 2019