NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES

OFFER INFORMATION STATEMENT DATED 19 FEBRUARY 2024
(Lodged with the Monetary Authority of Singapore on 19 February 2024)

THIS DOCUMENT IS IMPORTANT. BEFORE MAKING ANY INVESTMENT IN THE RIGHTS OR THE RIGHTS SHARES (EACH AS DEFINED HEREIN) BEING OFFERED, YOU SHOULD CONSIDER THE INFORMATION PROVIDED IN THIS DOCUMENT CAREFULLY, AND CONSIDER WHETHER YOU UNDERSTAND WHAT IS DESCRIBED IN THIS DOCUMENT. YOU SHOULD ALSO CONSIDER WHETHER AN INVESTMENT IN THE RIGHTS OR THE RIGHTS SHARES BEING OFFERED IS SUITABLE FOR YOU, TAKING INTO ACCOUNT YOUR INVESTMENT OBJECTIVES AND RISK APPETITE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISER IMMEDIATELY. YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT CHOICES.

A copy of this offer information statement (the "**Offer Information Statement**"), together with a copy of each of the Application Form for Rights Shares and Excess Rights Shares (the "**ARE**"), the Application Form for Rights Shares (the "**ARS**") and the Provisional Allotment Letter in respect of the Rights Issue (as defined herein) (the "**PAL**"), has been lodged with the Monetary Authority of Singapore (the "**MAS**" or "**Authority**"). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE, the ARS and the PAL. Lodgment of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act 2001 of Singapore (the "**Securities and Futures Act**" or "**SFA**"), or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights or the Rights Shares being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been granted by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST, subject to certain conditions. The Rights Shares will be admitted to the Mainboard of the SGX-ST and the official listing of and quotation for the Rights Shares will commence after all the conditions imposed by the SGX-ST are satisfied, the certificates for the Rights Shares have been issued and the allotment letters from The Central Depository (Pte) Limited (the "**CDP**") have been despatched.

The SGX-ST assumes no responsibility for the correctness and accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement. Approval in-principle granted by the SGX-ST for the listing and quotation for the Rights Shares on the Mainboard of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights, the Rights Shares, Hiap Seng Industries Limited (the "**Company**"), its subsidiaries (together with the Company, the "**Group**") and/or the ordinary shares in the capital of the Company.

This Offer Information Statement shall not constitute an offer to sell or a solicitation of an offer to buy shares or other securities, including the Rights and the Rights Shares in any jurisdiction other than Singapore. This Offer Information Statement may not be sent or disseminated to any person or any jurisdiction in which it would not be permissible to deliver the Rights and the Rights Shares or make an offer of the Rights and the Rights Shares and the Rights and the Rights Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. The distribution or dissemination of this Offer Information Statement and/or the transfer of the Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Offer Information Statement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The distribution and/or dissemination (electronic or otherwise) of this Offer Information Statement, the OIS Notification Letter (as defined herein) and/or its accompanying documents, and/or the transfer of the Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Offer Information Statement, the OIS Notification Letter and/or its accompanying documents come or who access this Offer Information Statement and such other documents should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions.

The Rights and the Rights Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States of America (the "**U.S.**" or "**United States**") and, accordingly, they may not be offered, sold, resold, granted, delivered, allotted, taken up, exercised, pledged, transferred or renounced, directly or indirectly, within the United States, except pursuant to an applicable exemption from or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. Accordingly, the Rights and the Rights Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance of Regulation S under the Securities Act. No public offering of securities is being made in the United States.

Please refer to the sections entitled "***Offering, Selling and Transfer Restrictions***" and "***Eligibility of Shareholders to Participate in the Rights Issue***" of this Offer Information Statement.

This Offer Information Statement and its accompanying documents may be accessed at the Company's website at https://www.hiapseng.com/index.php, and is also available on the SGX-ST's website at https://www.sgx.com/securities/company-announcements. In accordance with the joint statement by the MAS, the Securities Industry Council of Singapore and the Singapore Exchange Regulation on 29 June 2021 in relation to, among others, the extension of temporary measures to allow electronic dissemination of rights issue documents beyond 30 June 2021 which will be in place until revoked or amended and the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 277(1)(c) and 305B(1)(b)) Regulations 2020, physical copies of this Offer Information Statement will NOT be despatched to any person. Physical copies of the ARE and the ARS, in the case of Entitled Depositors and Purchasers (each as defined herein) respectively, and the PAL, in the case of Entitled Scripholders (as defined herein), and the OIS Notification Letter containing instructions on how Entitled Shareholders (as defined herein) can access this Offer Information Statement electronically, will be despatched to Entitled Shareholders.

No Rights or Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of the lodgment of this Offer Information Statement.

Your attention is drawn to the section entitled "***Risk Factors***" of this Offer Information Statement which you should read carefully.

HIAP SENG INDUSTRIES LIMITED

(Incorporated in the Republic of Singapore on 2 January 2022)
(Company Registration Number: 202200187H)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 607,500,000 RIGHTS SHARES AT AN ISSUE PRICE OF S$0.00543 FOR EACH RIGHTS SHARE, ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE RECORD DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

IMPORTANT DATES AND TIMES:

Last date and time for splitting and trading of Rights	:	28 February 2024 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares and/or application and payment for Excess Rights Shares	:	5 March 2024 at 5.30 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks (each term as defined herein))

The above is qualified by, and should be read in conjunction with, the section entitled "***Indicative Timetable of Key Events***" of this Offer Information Statement.

IMPORTANT NOTICE

*Capitalised terms used herein which are not otherwise defined shall have the same meanings as ascribed to them under the section entitled "**Definitions**" of this Offer Information Statement.*

For Entitled Depositors and their renouncees, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of an Electronic Application at an ATM of a Participating Bank or through an Accepted Electronic Service.

For Entitled Scripholders and their renouncees, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through Boardroom Corporate & Advisory Services Pte. Ltd. (the "Share Registrar").

CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent should refer to the section entitled "*Important Notice to CPFIS Members, SRS Investors and Investors who hold Shares through a Finance Company and/or Depository Agent*" of this Offer Information Statement for important details relating to the offer procedure for them.

For renouncees of the Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of Rights Shares purchased must be made through the respective finance companies or Depository Agents, as the case may be. Such renouncees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by such intermediaries in order for such intermediaries to make the relevant acceptances of Rights Shares in their behalf by the Closing Date. Any acceptances made by such investors directly through CDP, Electronic Application at ATMs of Participating Banks or through an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

As at the date of this Offer Information Statement, the existing Shares are listed and quoted on the Mainboard of the SGX-ST.

Persons wishing to purchase the Rights or subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the affairs of the Company and the Group including but not limited to the assets and liabilities, profits and losses, financial position and performance, and prospects of the Company and the Group, and the rights and liabilities attaching to the Rights and the Rights Shares. They should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of such affairs of the Company and the Group, including but not limited to the assets and liabilities, profits and losses, financial position and performance, and prospects of the Company and the Group, as well as any bases and assumptions upon which financial projections, if any, are made or based, and their own appraisal and determination of the merits of investing in the Company and the Group. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to participate in the Rights Issue.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue or the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Group.

Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future financial condition, performance, prospects or policies of the Company or the Group. Neither the delivery and/or dissemination of this Offer Information Statement nor the issue of the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law

and/or the SGX-ST, the Company may make an announcement of the same via SGXNet and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders, their renouncees and Purchasers should take note of any such announcement and, upon the release of such announcement or lodgment of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Company, the Group, any of their directors, officers, employees, agents, representatives or advisers makes no representation to any person regarding the legality of an investment in the Rights, the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice.

The Company, the Group, any of their directors, officers, employees, agents, representatives or advisers makes no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights, the Shares, the Company, the Group or any other matter related thereto or in connection therewith.

Nothing in this Offer Information Statement and its accompanying documents shall be construed as a recommendation to accept or purchase the Rights, the Rights Shares or the Shares.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue, and may not be relied upon by any persons (other than Entitled Shareholders to whom it is despatched or disseminated in accordance with such laws or regulations as may be applicable by the Company, their renouncees and Purchasers) or for any other purpose.

This Offer Information Statement, the OIS Notification Letter, the PAL, the ARE and the ARS, may not be used for the purpose of, and do not constitute an offer for, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The dissemination of this Offer Information Statement and the distribution of the OIS Notification Letter and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Entitled Shareholders, their renouncees and Purchasers or any other persons having access to this Offer Information Statement and/or having possession of this Offer Information Statement are advised to keep themselves informed of and observe such prohibitions and restrictions. Please refer to the section entitled "*Offering, Selling and Transfer Restrictions*" of this Offer Information Statement for further details.

The Rights and the Rights Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights or the Rights Shares or the accuracy or adequacy of this Offer Information Statement. Any representation to the contrary may be a criminal offence in the United States.

Notification under Section 309B of the SFA: The Rights and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

IMPORTANT NOTICE TO CPFIS MEMBERS, SRS INVESTORS AND INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT

*Capitalised terms used herein which are not otherwise defined shall have the same meanings as ascribed to them under the section entitled "**Definitions**" of this Offer Information Statement.*

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents can only accept their Rights and (if applicable) apply for Excess Rights Shares by instructing their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS Accounts, and their respective finance companies or Depository Agents, as the case may be, to do so on their behalf in accordance with the terms and conditions of this Offer Information Statement.

ANY ACCEPTANCE AND/OR (IF APPLICABLE) APPLICATION MADE BY THE ABOVE-MENTIONED PERSONS DIRECTLY THROUGH CDP, ELECTRONIC APPLICATION THROUGH ATMS OF PARTICIPATING BANKS OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED.

The above-mentioned persons, where applicable, will receive notification letter(s) from their respective CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS Accounts, and their respective finance companies and/or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the Rights and (if applicable) applications for Excess Rights Shares to their respective CPF agent banks with whom they hold their CPF Investment Accounts, their respective Approved Banks with whom they hold their SRS Accounts, and their respective finance companies and/or Depository Agents, as the case may be.

Such persons are advised to provide their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS Accounts, and their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by such intermediaries, in order for such intermediaries to make the relevant acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement by the Closing Date.

(a) Use of CPF Funds

CPFIS Members can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

Such CPFIS Members who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions of this Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Members may top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf.

CPF Funds cannot, however, be used for the purchase of the provisional allotments of Rights Shares directly from the market.

(b) Use of SRS Funds

SRS Investors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts.

SRS Investors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct their respective SRS Approved Banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions of this Offer Information Statement.

SRS Investors who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept their Rights Shares and (if applicable) apply for Excess Rights Shares.

Monies in SRS Accounts may not be used for the purchase of provisional allotments of the Rights Shares directly from the market.

(c) Holdings through Finance Company and/or Depository Agent

Shareholders who hold Shares through a finance company and/or Depository Agent must instruct their respective finance companies and/or Depository Agents to accept their Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

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DEFINITIONS

For the purposes of this Offer Information Statement, the OIS Notification Letter, the ARE, the ARS and the PAL the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

The Group

"**Company**"	:	Hiap Seng Industries Limited
"**Group**"	:	The Company and its subsidiaries
"**HSEL**"	:	Hiap Seng Engineering Ltd (Under Judicial Management)
"**HSEL Group**"	:	HSEL and its subsidiaries

Other Entities

"**Authority**" or "**MAS**"	:	The Monetary Authority of Singapore
"**CDP**"	:	The Central Depository (Pte) Limited
"**CPF**"	:	Central Provident Fund
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**SIC**"	:	Securities Industry Council of Singapore
"**UOB**"	:	United Overseas Bank Limited
"**Vibrant**"	:	Vibrant Equities Pte. Ltd.

General

"**Accepted Electronic Service**"	:	An accepted electronic payment service (such as PayNow) or electronic service delivery networks
"**Act**" or "**Companies Act**"	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
"**Approved Scheme Claims**"	:	The claims of Scheme Creditors against HSEL that had been determined and admitted in accordance with the Creditors' Scheme, for the purpose of the Creditors' Scheme and for distributions to be made under the Creditors' Scheme
"**ARE**"	:	Application form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their Rights under the Rights Issue
"**ARS**"	:	Application form for Rights Shares to be issued to Purchasers in respect of their purchase of Rights traded on the Mainboard of the SGX-ST through the book-entry (scripless) settlement system
"**ATM**"	:	Automated teller machine of a Participating Bank
"**Board**" or "**Board of Directors**"	:	The board of Directors of the Company as at the date of this Offer Information Statement
"**Business Day**"	:	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are generally open for business in Singapore and the SGX-ST is open for trading

"**Circular**"	:	HSEL's circular to its shareholders dated 6 November 2023
"**Closing Date**"	:	(a) 5.30 p.m. on 5 March 2024, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, being the last time and date for acceptance of and payment for the Rights Shares and/or application and payment for Excess Rights Shares under the Rights Issue through CDP, the Share Registrar or an Accepted Electronic Service; or (b) 9.30 p.m. on 5 March 2024, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, being the last time and date for acceptance of and payment for the Rights Shares and/or application and payment for Excess Rights Shares under the Rights Issue through an ATM of a Participating Bank
"**Company Restructuring**"	:	The restructuring of HSEL undertaken pursuant to the Shareholders' Scheme
"**Constitution**"	:	The constitution of the Company, as amended from time to time
"**Court**"	:	The General Division of the High Court of the Republic of Singapore or, where applicable on appeal, the Appellate Division of the High Court of the Republic of Singapore
"**CPF Funds**"	:	CPF investible savings
"**CPF Investment Account**"	:	The investment account maintained with a CPF agent bank for the purpose of investment of CPF Funds under the CPFIS – Ordinary Account
"**CPFIS**"	:	CPF Investment Scheme
"**CPFIS Members**"	:	Shareholders who have previously bought their Shares under the CPFIS – Ordinary Account
"**Creditors' Scheme**"	:	The scheme of arrangement for the Scheme Creditors as proposed by HSEL and as sanctioned by the Court on 29 August 2022, including and incorporating all such amendments, additions and variations thereto as were required, approved or sanctioned by the Court, in relation to the Debt Restructuring
"**Debt Restructuring**"	:	The debt restructuring exercise (including the Creditors' Scheme) undertaken to restructure the debts and liabilities owing by the HSEL Group to UOB and other unsecured trade creditors, directors and employees of HSEL as at 15 September 2020, via partial settlement in cash and partial settlement through the allotment and issue of new Shares
"**Directors**"	:	The directors of the Company as at the date of this Offer Information Statement
"**Effective Date**"	:	The date on which the Shareholders' Scheme became effective in accordance with its terms upon the lodgment of the Shareholders' Scheme Court Order with the Accounting and Corporate Regulatory Authority of Singapore, being 2 February 2024

"**EGM**"	:	The extraordinary general meeting of the Company held in person at Conference Room, 28 Tuas Crescent, Singapore 638719 on 28 November 2023 where approval of the Shareholders was sought and obtained for, among others, the Subscriber Transactions, the Debt Restructuring, the Transfer Listing and the Rights Issue
"**Electronic Application**"	:	Acceptance of the Rights Shares and (if applicable) application for the Excess Rights Shares made through (a) an ATM of a Participating Bank; (b) an Accepted Electronic Service; or (c) the SGX-SFG Service, as the case may be, in accordance with the terms and conditions contained in this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank or an Accepted Electronic Service shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made *via* the SGX-SFG Service
"**Enlarged Share Capital**"	:	The enlarged issued share capital of the Company (with nil treasury shares and subsidiary holdings) on a diluted basis pursuant to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing (but assuming that the Rights Issue has not completed and that none of the Options are exercised), being 3,043,216,721 Shares
"**Entitled Depositors**"	:	Shareholders with Shares standing to the credit of their Securities Account and whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents
"**Entitled Scripholders**"	:	Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date and whose registered addresses with the Company are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
"**Entitled Shareholders**"	:	Entitled Depositors and Entitled Scripholders
"**EPC**"	:	Engineering, procurement and construction
"**EPS**"	:	Earnings per Share
"**Excess Rights Shares**"	:	Rights Shares represented by provisional allotments of Rights Shares not accepted (whether by the persons to which the Rights Shares are provisionally allotted or by the Purchasers of "nil-paid" Rights), taken up or allotted for any reason and the fractional provisional allotments of Rights Shares not allotted in accordance with the terms of the Rights Issue
"**Exercise Period**"	:	The First Exercise Period or the Second Exercise Period, as the case may be

"**Exercise Price**"	:	The sum payable in respect of each Option Share for which a holder of the Options shall subscribe upon exercise of an Option, which shall be (a) for the First Exercise Period, the Option Price; or (b) for the Second Exercise Period, S$0.00597 (being a premium of approximately 10.0% to the Option Price), and in each case, subject to any adjustments required pursuant to the terms and conditions of the Options set out in the Subscription Agreement
"**First Exercise Period**"	:	In respect of the Options, the period commencing on and including the date of issue of the Options and expiring on the first (1st) anniversary of the date of issue of the Options
"**Foreign Purchasers**"	:	Persons purchasing the Rights through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore at the time of purchase
"**Foreign Shareholders**"	:	Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three (3) Market Days prior thereto, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents
"**FY**"	:	Financial year ended or ending 31 March, as the case may be
"**Grant of Options**"	:	The subscription by the Subscribers for the in principal Option Amount of S$8,000,000 non-listed and freely transferable Options, with each Option carrying the right to subscribe for one (1) new ordinary Share
"**Implementation Agreement**"	:	The implementation agreement dated 11 October 2023 entered into by HSEL with the Company in relation to the Transfer Listing
"**Irrevocable Undertaking**"	:	The deed of undertaking dated 14 December 2022 provided by the Undertaking Shareholder Entity to HSEL and the Company, as amended, modified and supplemented by the supplemental deed of undertaking dated 20 June 2023 and the second supplemental deed of undertaking dated 6 October 2023, each provided by the Undertaking Shareholder Entity to HSEL and the Company, pursuant to which the Undertaking Shareholder Entity has irrevocably undertaken to, among other things, (a) subscribe and pay in full for its *pro rata* entitlement of 141,577,278 Rights Shares (entitlement *pro rata vis-à-vis* all other Shareholders); and (b) subject to availability, up to 42,584,784 Excess Rights Shares pursuant to the Rights Issue, provided always that the total amount to be paid by the Undertaking Shareholder Entity for the Rights Shares and Excess Rights Shares described in (a) and (b) above shall be a total of S$1,000,000, further details of which are set out in paragraph 1(f) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue***" of this Offer Information Statement
"**Issue Price**"	:	The issue price of the Rights Shares, being S$0.00543 for each Rights Share

"**JTC**"	:	JTC Corporation
"**JTC Investment Criteria**"	:	The investment criteria set by JTC in relation to the Tuas Properties, pursuant to which HSEL is required to fulfil a prerequisite amount of investment on plant and machinery for the Tuas Properties in order to obtain further extensions on the various leases of the Tuas Properties for approximately 15 years until August 2038. The JTC Investment Criteria was originally intended to be completed by 13 August 2021 and HSEL had previously obtained written approval for further extensions from JTC, with the latest extension obtained on 8 January 2024, where HSEL has until 1 March 2025 to meet the JTC Investment Criteria
"**Judicial Managers**"	:	Mr. Lin Yueh Hung and Ms. Oon Su Sun (c/o RSM Corporate Advisory Pte Ltd) being the joint and several judicial managers appointed by the Court to manage the affairs, business and property of HSEL effective 15 September 2020
"**Latest Practicable Date**"	:	12 February 2024, being the latest practicable date prior to the date of lodgment of this Offer Information Statement
"**Listing Manual**"	:	The listing manual of the Mainboard of the SGX-ST, as may be amended, modified or supplemented from time to time
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Maximum Subscription Scenario**"	:	Assuming all of the Entitled Shareholders (including the Undertaking Shareholder Entity) subscribe for their *pro rata* entitlements of Rights Shares, 607,500,000 Rights Shares will be allotted and issued under the Rights Issue, resulting in a total of S$3,298,725 in proceeds raised from the Rights Issue
"**Minimum Subscription Scenario**"	:	Assuming (a) none of the Entitled Shareholders (excluding the Undertaking Shareholder Entity) subscribe for their *pro rata* entitlements of Rights Shares; and (b) only the Undertaking Shareholder Entity subscribes for its *pro rata* entitlement of 141,577,278 Rights Shares and 42,584,784 Excess Rights Shares pursuant to the Irrevocable Undertaking, 184,162,062 Rights Shares will be allotted and issued under the Rights Issue, resulting in a total of S$1,000,000 proceeds raised from the Rights Issue
"**Mr. Max Tan**"	:	Mr. Tan Phuay Hung, Max, the Executive Director and Chief Executive Officer of the Company
"**NAV**"	:	Net asset value
"**New Directors**"	:	Mr. Sebastian Tan Cher Liang, Mr. Max Tan, Mr. Piti Pramotedham, and Mr. David Ong Kim Huat, being the directors appointed to the board of directors of the Company on completion of the Subscriber Transactions pursuant to the Subscription Agreement
"**NRIC**"	:	National Registration Identity Card

"**Offer Information Statement**"	:	This offer information statement dated 19 February 2024, together with (where the context requires), the OIS Notification Letter, the ARE, the ARS, the PAL and all other accompanying documents (where applicable, including any supplementary or replacement document thereof) issued by the Company and lodged with the MAS in connection with the Rights Issue
"**OIS Notification Letter**"	:	The notification letter to be issued to Entitled Shareholders and Purchasers (other than Foreign Purchasers) containing, among others, instructions on how to view, download and print the electronic version of this Offer Information Statement
"**Option Amount**"	:	The in principal amount of the Options to be subscribed for by the Subscribers, being S$8,000,000
"**Option Price**"	:	The option price of S$0.00543 for each Option Share as at the date of the Subscription Agreement
"**Option Shares**"	:	New Shares to be allotted and issued by the Company credited as fully paid upon the exercise of the Options including, where the context admits, such new Shares arising from the exercise of the additional options as may be required or permitted to be issued in accordance with the provisions of the Subscription Agreement
"**Options**"	:	1,473,296,500 non-listed and freely transferable share options to be granted to the Subscribers for an aggregate of S$1.00, with each Option carrying the right to subscribe for one (1) new Share at the relevant Exercise Price
"**Participating Banks**"	:	DBS Bank Ltd. (including POSB) and United Overseas Bank Limited, and each a "**Participating Bank**"
"**Provisional Allotment Letter**" or "**PAL**"	:	The provisional allotment letter issued to the Entitled Scripholders, setting out their provisional allotment of Rights Shares under the Rights Issue
"**Purchaser**"	:	A purchaser of the provisional allotments of Rights Shares traded on the SGX-ST under the book-entry (scripless) settlement system
"**Record Date**"	:	5.00 p.m. on 15 February 2024, being the time and date at and on which, the Register of Members and share transfer books of the Company were closed to determine the provisional allotments of Rights Shares of Entitled Shareholders under the Rights Issue
"**Register of Members**"	:	Register of members of HSEL
"**Relevant HSEL Shares**"	:	The Shares held in HSEL by its shareholders as at the Shareholders' Scheme Record Date, being 303,750,000 Shares
"**Rights**"	:	The "nil-paid" rights (evidenced by the provisional allotments of Rights Shares)

"**Rights Issue**"	:	The renounceable non-underwritten rights issue by the Company of up to 607,500,000 Rights Shares at the Issue Price for each Rights Share, on the basis of two (2) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded, on the terms and conditions of this Offer Information Statement
"**Rights Issue Maximum Enlarged Share Capital**"	:	The enlarged issued share capital of the Company (with nil treasury shares and subsidiary holdings) on a diluted basis pursuant to the completion of the Subscriber Transactions, the Debt Restructuring, the Transfer Listing and the Rights Issue in the Maximum Subscription Scenario but assuming that none of the Options are exercised, being 3,650,716,721 Shares
"**Rights Issue Minimum Enlarged Share Capital**"	:	The enlarged issued share capital of the Company (with nil treasury shares and subsidiary holdings) on a diluted basis pursuant to the completion of the Subscriber Transactions, the Debt Restructuring, the Transfer Listing and the Rights Issue in the Minimum Subscription Scenario but assuming that none of the Options are exercised, being 3,227,378,783 Shares
"**Rights Shares**"	:	Up to 607,500,000 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
"**Rights Trading Period**"	:	The trading period of the Rights on a "nil-paid" basis, commencing from 9.00 a.m. on 20 February 2024 and ending at 5.00 p.m. on 28 February 2024
"**Scheme Creditors**"	:	Creditors which hold claims against HSEL, including UOB but excluding excluded creditors, as further described under the scheme document for the Creditors' Scheme
"**Scheme Debt**"	:	The liabilities of the Company due to UOB and the Scheme Creditors as at 15 September 2020, which were proved in the Creditors' Scheme and admitted as Approved Scheme Claims
"**Second Exercise Period**"	:	In respect of the Options, the period commencing after the date of the first (1st) anniversary of the date of issue of the Options and expiring on the expiry date of the Options
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
"**Securities Act**"	:	U.S. Securities Act of 1933, as amended
"**Securities and Futures Act**" or "**SFA**"	:	Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
"**Securities and Futures Regulations**" or "**SFR**"	:	The Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, as amended, modified or supplemented from time to time
"**Settlement Shares**"	:	1,266,170,221 New Shares allotted and issued by the Company to the Scheme Creditors with Approved Scheme Claims in accordance with the Creditors' Scheme

"**SGXNet**"	:	A broadcast network utilised by companies listed on the SGX-ST for the purposes of sending information (including announcements) to the SGX-ST (or any other broadcast or system networks prescribed by the SGX-ST)
"**Share Registrar**"	:	Boardroom Corporate & Advisory Services Pte. Ltd., the registered office of which is at 1 HarbourFront Avenue, Keppel Bay Tower, #14-07, Singapore 098632
"**Shareholders**"	:	The registered holders of Shares, except where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares
"**Shareholders' Scheme**"	:	The scheme of arrangement dated 6 November 2023 proposed in accordance with Section 210 of the Companies Act which was approved by the Shareholders at the Shareholders' Scheme Meeting, in relation to the Company Restructuring and the Transfer Listing
"**Shareholders' Scheme Court Order**"	:	The order of the Court sanctioning the Shareholders' Scheme under Section 210 of the Companies Act, obtained on 17 January 2024
"**Shareholders' Scheme Meeting**"	:	The meeting of the Shareholders held in person at Conference Room, 28 Tuas Crescent, Singapore 638719 on 28 November 2023, pursuant to the Shareholders' Scheme Court Order, where approval of the Shareholders was sought and obtained for the Shareholders' Scheme
"**Shareholders' Scheme Record Date**"	:	5.00 p.m. on 1 February 2024, being the time and date at and on which, the Register of Members and share transfer books of HSEL were closed to determine the entitlements of the Shareholders in respect of the Shareholders' Scheme
"**Shares**"	:	Ordinary shares in the capital of the Company
"**SRS**"	:	Supplementary Retirement Scheme
"**SRS Account**"	:	An account opened by a participant in the SRS from which money may be withdrawn for, among others, payment for the Rights Shares and Excess Rights Shares
"**SRS Approved Banks**"	:	The relevant approved banks with whom SRS Investors hold their SRS Accounts under the SRS
"**SRS Investors**"	:	Investors who have previously purchased shares of HSEL under the SRS
"**Subscriber Transactions**"	:	The Subscription and the Grant of Options
"**Subscribers**"	:	Vibrant and Tian Yuan, collectively
"**Subscription**"	:	The subscription by the Subscribers for 1,473,296,500 Subscription Shares at the Subscription Price of S$0.00543 for each Subscription Share, for the Subscription Amount of S$8,000,000

"**Subscription Agreement**"	:	The conditional subscription agreement dated 7 January 2022 entered into between the Company, HSEL and the Subscribers in relation to the Subscription and the Grant of Options, as amended, modified and supplemented by the Supplemental Agreements
"**Subscription Shares**"	:	New Shares allotted and issued by the Company at the issue price of S$0.00543 per Subscription Share pursuant to the Subscription
"**Substantial Shareholder**"	:	A person who has an interest or interests in voting shares of the Company representing not less than five per cent. (5.0%) of all voting shares of the Company, as defined under Section 81 of the Companies Act
"**Supplemental Agreements**"	:	The supplemental agreements entered into between the Company, HSEL and the Subscribers in relation to certain amendments to the Subscription Agreement, dated 25 March 2022, 15 August 2022, 31 May 2023 and 6 October 2023, each a "**Supplemental Agreement**"
"**Take-over Code**"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
"**Transfer Listing**"	:	The transfer of listing status by HSEL to the Company
"**Tuas Properties**"	:	The properties leased by HSEL at (a) 24 Tuas Crescent, Singapore 638738; (b) 28 Tuas Crescent, Singapore 638719; and (c) 30 Tuas Crescent, Singapore 638736
"**Undertaking Shareholder Entity**"	:	Tan Kuay Hoe Holdings Pte Ltd
"**United States**" or "**U.S.**"	:	The United States of America
"**UOB Restructuring Deed**"	:	The restructuring deed entered into with UOB as announced by HSEL on 18 August 2022
"**VWAP**"	:	Volume weighted average price

Currencies and units

"**S$**" and "**cents**"	:	Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore
"**THB**"	:	Thai Baht, being the lawful currency of Thailand
"**%**" **or** "**per cent.**"	:	Per centum or percentage

In this Offer Information Statement, references to "**we**", "**our**" and "**us**" mean, as the context requires, Hiap Seng Industries Limited on an unconsolidated basis or Hiap Seng Industries Limited and its subsidiaries on a consolidated basis. References to the "**Company**" are to Hiap Seng Industries Limited on an unconsolidated basis and references to the "**Group**" are to Hiap Seng Industries Limited and its subsidiaries on a consolidated basis. References to "**HSEL Group**" are to HSEL and its subsidiaries.

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the same meanings ascribed to them in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it by Section 5 of the Companies Act.

The term "**acting in concert**", "**concert parties**" and "**effective control**" shall have the meanings ascribed to them respectively in the Take-over Code.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons shall, where applicable, include corporations.

Any reference to the time of day in this Offer Information Statement, the OIS Notification Letter, the ARE, the ARS or the PAL shall be a reference to Singapore time unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the OIS Notification Letter, the ARE, the ARS or the PAL in relation to the Rights Issue (including but not limited to the Closing Date and the last dates and times for splitting, acceptance and payment, renunciation and payment, and excess application and payment) shall include such other dates(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

Any reference in this Offer Information Statement, the OIS Notification Letter, the ARE, the ARS or the PAL to any enactment is reference to that enactment for the time being amended or re-enacted. Any term defined under the Act, the SFA, the SFR, the Listing Manual, the Take-over Code or any amendment or modification thereof and used in this Offer Information Statement shall, where applicable, have the meaning ascribed to it under the Act, the SFA, the SFR, the Listing Manual, the Take-over Code or such amendment or modification thereof, as the case may be, unless otherwise provided.

All discrepancies in the figures included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

The information on the Company's website, any website directly or indirectly linked to the Company's website or any other website, is not incorporated by reference into this Offer Information Statement and should not be relied on.

INDICATIVE TIMETABLE OF KEY EVENTS

The timetable below lists certain important dates and times relating to the Rights Issue. All dates and times referred to below are Singapore dates and times.

1.	Record Date	:	Thursday, 15 February 2024 at 5.00 p.m.
2.	Despatch (or dissemination in accordance with such laws or regulations as may be applicable) of the Offer Information Statement (together with the ARE, the ARS or the PAL, as the case may be) and the OIS Notification Letter to Entitled Shareholders	:	Tuesday, 20 February 2024
3.	Commencement of trading of Rights	:	Tuesday, 20 February 2024 from 9.00 a.m.
4.	First date and time for acceptance of and payment for the Rights Shares and/or application and payment for Excess Rights Shares[(1)]	:	Tuesday, 20 February 2024 (9.00 a.m. for Electronic Applications with ATMs of Participating Banks)
5.	Last date and time for splitting and trading of Rights[(1)]	:	Wednesday, 28 February 2024 at 5.00 p.m.
6.	Last date and time for acceptance of and payment for the Rights Shares and/or application and payment for Excess Rights Shares[(1)]	:	Tuesday, 5 March 2024 at 5.30 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)
7.	Last date and time for application and payment for Rights Shares by renouncees[(1)]	:	Tuesday, 5 March 2024 at 5.30 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)
8.	Expected date of allotment, issuance and crediting of Rights Shares	:	Wednesday, 13 March 2024
9.	Expected date for refund of unsuccessful applications (if made through CDP)	:	Wednesday, 13 March 2024
10.	Expected date of commencement of trading of Rights Shares	:	Wednesday, 13 March 2024 from 9.00 a.m.

Note:

(1) This does not apply to CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent. CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent should refer to the section entitled "***Important Notice to CPFIS Members, SRS Investors and Investors who hold Shares through a Finance Company and/or Depository Agent***" of this Offer Information Statement for details relating to the application procedure for them. Any acceptance and/or (if applicable) application made by these investors directly through CDP, Electronic Application through ATMs of Participating Banks or through an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS Accounts, and their respective finance companies and/or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS Accounts, and their respective finance companies and/or Depository Agents, as the case may be.

Pursuant to Rule 820(1) of the Listing Manual, the Rights Issue will not be withdrawn after the Shares have commenced ex-Rights trading. As the Shares will only be allotted and issued by the Company upon the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing (which will be after the Record Date), there will be no cum-Rights trading or ex-Rights trading of the Shares.

INDICATIVE TIMETABLE OF KEY EVENTS

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the above timetable to be modified. However, the Company may, with the approval of the SGX-ST and/or CDP (if necessary), modify the above timetable subject to any limitations under any applicable laws. In such an event, the Company will publicly announce the same through an SGXNet announcement at the SGX-ST's website at https://www.sgx.com/securities/company-announcements?pagesize=20&value=HIAP%20SENG%20INDUSTRIES%20LIMITED&type=company.

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

The Rights Issue

Basis of Provisional Allotment	:	The Rights Issue will be made on a renounceable non-underwritten basis to Entitled Shareholders on the basis of two (2) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.
Issue Price	:	S$0.00543 for each Rights Share. The Rights Shares are payable in full upon acceptance and/or application.
Discount	:	The Issue Price represents a discount of approximately: (a) 72.9% to the VWAP of S$0.02 for each share of HSEL based on the trades done on 26 November 2019, being the last full Market Day when the shares of HSEL were traded prior to HSEL's trading suspension on 28 November 2019; and (b) 69.0% to the theoretical ex-rights price of S$0.01753[1] for each share of HSEL. The Issue Price and discount have been determined after taking into account various factors, including precedent transactions, and such issue price and discount are in line with the Subscription Price, the Option Price and the issue price of the Settlement Shares to enable shareholders to participate in the recapitalisation of HSEL (and consequently the Company pursuant to the completion of the Transfer Listing) at a similar price to the Subscribers and the Scheme Creditors.
Status of Rights Shares	:	The Rights Shares will, upon allotment and issue, be credited as fully-paid Shares free from any and all encumbrances, listed and tradable on the SGX-ST and rank *pari passu* with all other existing Shares, save that they will not rank for any dividends, rights, allotments, distributions or entitlements, the record date for which falls before the date of issue of such Rights Shares.
Number of Rights Shares to be Issued	:	Based on the share capital of the Company of 303,750,000 Shares as at the Record Date (prior to the completion of the Subscriber Transactions, Debt Restructuring, the Transfer Listing and the Rights Issue), the Company will allot and issue up to 607,500,000 Rights Shares under the Rights Issue.
Gross Proceeds from the Rights Issue	:	The gross proceeds arising from the allotment and issuance of the Rights Shares will be approximately (a) S$3,298,725 in the Maximum Subscription Scenario; and (b) S$1,000,000 in the Minimum Subscription Scenario.

[1] Such theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the allotment and issue of the (a) Subscription Shares and the Options pursuant to the Subscriber Transactions; (b) Settlement Shares pursuant to the Debt Restructuring; and (c) Rights Shares pursuant to the Rights Issue (on a Maximum Subscription Scenario), and is calculated based on the last traded price of S$0.02 for each based on the trades done on 26 November 2019, being the last full Market Day when the shares of HSEL were traded prior to the HSEL's trading suspension on 28 November 2019, and the number of Shares of 3,650,716,721 Shares following the completion of the Rights Issue (but assuming none of the Options are exercised).

Use of Proceeds	:	The net proceeds arising from the Rights Issue is approximately S$3,118,725 in the Maximum Subscription Scenario and approximately S$820,000 in the Minimum Subscription Scenario. In both the Maximum Subscription Scenario and the Minimum Subscription Scenario, 100.0% of the net proceeds from the Rights Issue are to be utilised for general working capital purposes. Please refer to paragraph 3 of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement for further details.
Eligibility to Participate in the Rights Issue	:	As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the sections entitled "***Offering, Selling and Transfer Restrictions***" and "***Eligibility of Shareholders to Participate in the Rights Issue***" of this Offer Information Statement for details on the eligibility of Shareholders to participate in the Rights Issue.
Listing and Trading of the Rights Shares	:	On 19 January 2024, the SGX-ST granted approval in-principle for the listing and quotation for the Rights Shares on the Mainboard of the SGX-ST, subject to certain conditions. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights, the Rights Shares, the Company, its subsidiaries and/or the Shares. Upon the listing and quotation for the Rights Shares on the Mainboard of the SGX-ST, the Rights Shares will be traded on the Mainboard of the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operations of Securities Accounts with CDP*", as the same may be amended from time to time, copies of which are available from CDP. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of the Rights Shares (that is, less than 100 Shares) and who wish to trade in odd lots on the SGX-ST should note that they are able to trade odd lots of Shares in board lots of one (1) Share on the unit share market of the SGX-ST.
Trading of Rights	:	Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST can do so during the Rights Trading Period.
Acceptance, Excess Application and Payment	:	Entitled Shareholders will be at liberty to accept (in full or in part), decline or renounce their Rights and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors are also able to trade their Rights on the SGX-ST during the Rights Trading Period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be aggregated with provisional allotments which are not taken up or allotted for any reason to satisfy excess applications for Rights Shares (if any) or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, including the Undertaking Shareholder Entity, will rank last in priority for rounding of odd lots and the allotment of Excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation, splitting and/or sales of Rights and applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in **Appendices A to C** to this Offer Information Statement and in the ARE, the ARS and the PAL (as the case may be).

Use of CPF Funds : CPFIS Members can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

Such CPFIS Members who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions of the Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Members may top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf.

CPF Funds cannot, however, be used for the purchase of the provisional allotments of Rights Shares directly from the market.

Use of SRS Funds : SRS Investors can only use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS Accounts to pay for the acceptance of their provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

Such SRS Investors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using their SRS monies will need to instruct their respective SRS Approved Banks with whom they hold their SRS accounts, to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement.

SRS Investors who have insufficient funds in their SRS accounts could, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf.

SRS monies cannot, however, be used for the purchase of the provisional allotments of Rights Shares directly from the market. SRS Investors should consult their respective SRS Approved Banks for information and directions as to the use of monies standing to the credit of their respective SRS Accounts.

Underwriting : The Rights Issue is not underwritten.

Please refer to paragraph 1(g) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue***" of this Offer Information Statement, for the reason the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

Irrevocable Undertaking : The deed of undertaking dated 14 December 2022 provided by the Undertaking Shareholder Entity to HSEL and the Company, as amended, modified and supplemented by the supplemental deed of undertaking dated 20 June 2023 and the second supplemental deed of undertaking dated 6 October 2023 each provided by the Undertaking Shareholder Entity to HSEL and the Company, pursuant to which the Undertaking Shareholder Entity has irrevocably undertaken to, among other things, subscribe and pay in full for its *pro rata* entitlement of 141,577,278 Rights Shares, and subject to availability, up to 42,584,784 Excess Rights Shares pursuant to the Rights Issue, provided always that the total amount to be paid by the Undertaking Shareholder Entity for such Rights Shares and Excess Rights Shares shall be a total of S$1,000,000.

Purely for illustrative purposes only, as a result of the Irrevocable Undertaking and based on the Issue Price of S$0.00543 for each Rights Share, upon completion of the Rights Issue:

(a) in the Maximum Subscription Scenario which assumes that all the Rights Shares are subscribed by Entitled Shareholders, the Undertaking Shareholder Entity would subscribe for 141,577,278 Rights Shares, representing in aggregate approximately 4.7% of the Enlarged Share Capital. The resultant shareholding of the Undertaking Shareholder Entity in the Maximum Subscription Scenario would therefore be 212,365,917 Shares, representing 5.8% of the Rights Issue Maximum Enlarged Share Capital; and

(b) in the Minimum Subscription Scenario, the Undertaking Shareholder Entity would subscribe for 184,162,062 Rights Shares, representing in aggregate approximately 6.1% of the Enlarged Share Capital. The resultant shareholding of the Undertaking Shareholder Entity in the Minimum Subscription Scenario would therefore be 254,950,701 Shares representing 7.9% of the Rights Issue Minimum Enlarged Share Capital.

Please refer to paragraph 1(f) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue***" of this Offer Information Statement for further details on the Irrevocable Undertaking.

Governing Law	:	Laws of Singapore.
Risk Factors	:	Investing in the Rights and the Rights Shares involves risks. Please refer to the section entitled "***Risk Factors***" of this Offer Information Statement for further details.

To the best of the Directors' knowledge and belief, the risk factors that are material to prospective investors in making an informed judgment on the Rights Issue are set out below. Prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before making an investment decision. The Group may be affected by a number of risks that may relate to the industries and countries in which the Group operates as well as those that may generally arise from, among others, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive.

There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations, possibly materially. If any of the following considerations and uncertainties develops into actual events, the business, financial considerations and results of operations of the Group could be materially and adversely affected. In such cases, the trading price of the Shares could decline and a prospective investor may lose all or part of his/her/its investment.

*Prospective investors should also note that certain of the statements set forth below constitute "forward-looking statements" that involve risks and uncertainties – please refer to the section entitled "**Cautionary Note on Forward-Looking Statements**" of this Offer Information Statement.*

RISKS RELATING TO THE GROUP'S BUSINESS

Demand for the Group's services is dependent upon the existence of projects with needs in respect of mechanical engineering, plant fabrication and installation and plant maintenance, and in particular, by the demand from companies in the oil and gas, petrochemical and pharmaceutical industries.

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The appetite of the Group's customers for approving new projects, extending or expanding existing projects, budgets for capital and operational expenditures and in turn the need for the Group's services have in the past, and may in the future, be influenced by many factors, including but not limited to:

- macro and micro economic conditions generally;
- geopolitical developments, global trade tensions and increasing protectionism;
- volatility in, and access to, capital and credit markets, which may affect the Group's customers' activity levels, and spending for the Group's services;
- global demand for and supply of commodities and chemicals (including but not limited to oil and gas, petrochemical and pharmaceutical products);
- industry outlook of the Group's customers;
- advances in technology;
- impact of increased environmental regulations and transition to a lower carbon economy, including as a result of environmental activism and government responses to that activism and/or increased timeframes to obtain necessary permits or approvals;
- local regulatory environments;
- challenges with productivity and forecast production;
- cost/labour inflation; and

- extreme weather, terrorism, conflict, war, severe pandemics or other global health or social events and other events of force majeure.

In the event that the Group faces decreasing demand from its customers and a shortage of projects over a sustained period due to any of the above factors, the business, financial condition, results of operations and/or prospects of the Group could be materially and adversely affected.

The Group is affected by any possible loss of major customers.

The Group's current major customers are mainly engaged in the oil and gas, petrochemical and pharmaceutical industries. Given that the Group's customers are primarily major oil and gas, petrochemical and chemical companies and pharmaceutical companies and the limited pool of such companies in these industries, the Group has a finite customer base. Revenue from four (4) such customers under long-term service contracts contributed to approximately 84% of the HSEL Group's revenue for FY2023. There is no assurance that the Group will be able to continue to retain its major customers or that its customers will maintain or increase their current level of business with the Group. In the event that any of the Group's major customers ceases to have business dealings with the Group or materially reduces the level of business activities with it, the Group's business, financial condition, results of operations and/or prospects will be materially and adversely affected.

The markets and customers for which the Group works have been impacted by uncertainties and instability in global market conditions which have led to project and investment delays and supply chain impacts.

The Group's business is, and may continue to be, impacted by the uncertainties and instability in global market conditions. Several major events and developments in recent times have significant implications for the world and global economic conditions.

The COVID-19 pandemic had impacted global economic growth and generated uncertainty in the markets in which the Group operates. Continued weakness in the global economy caused by pandemics such as COVID-19 or other similar global events may result in material changes in the financial markets or local or regional economies and may materially and adversely affect the Group's business, financial condition, results of operations and/or prospects. There have also been adverse impacts on the global economy and share markets affecting access to capital markets for funding requirements. The COVID-19 pandemic had also resulted in supply chain disruptions. While the World Health Organisation had announced that COVID-19 no longer constituted a public health emergency, events associated and following on from the COVID-19 pandemic have impacted, and will continue in the short to medium term to impact, the projects and investments of the Group's customers. While bottlenecks in global supply chains have eased as economies globally emerge from the pandemic, supply side disruptions could still resurface from time to time.

In Europe, the Russia-Ukraine war has continued to elevate geopolitical instability which contributed to a sharp rise in the price of energy and non-energy commodities, which had already been affected by the impact of the COVID-19 pandemic. In addition, the sanctions imposed by various countries on Russia has also resulted in increased commodity and food costs which affects the global economy adversely. The steep rise in inflation engendered by the rise in commodity prices has prompted the US Federal Reserve and other major central banks to hike their interest rates aggressively and the US Federal Reserve and other major central banks have also signalled that interest rates could stay elevated for longer to curb the still-high inflation.

The continuing slowdown of the global economy and increasing uncertainties in financial markets could materially and adversely affect the Group's customers who have, among other things, either reduced or delayed their projects and investments, which in turn, materially and adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group's results of operations are largely dependent on the award of new contracts or expansion or renewal of existing contracts, which the Group does not directly control.

The timing of contract awards is typically unpredictable and out of the Group's control. New contract awards, and in some cases the expansion or renewal of existing contracts, may involve complex and lengthy negotiations or competitive bidding processes. These processes can be impacted by a wide variety of factors including a customer's decision to not proceed with the development of a project, governmental approvals, financing contingencies, commodity prices, environmental conditions and overall market and economic conditions. The Group may not be awarded contracts due to, among other reasons, its price, a customer's perception of the Group's ability to perform or perceived technology advantages held by its competitors. In addition, some of the Group's competitors may be more inclined to take greater risks or include terms and conditions in contracts that the Group might not deem acceptable, especially when the markets for the services the Group typically offers are relatively soft or where a particular project is viewed as significant in terms of size or perceived status.

It is particularly difficult to predict whether or when the Group will receive projects and the Group's results of operations can fluctuate depending on the timing of contract awards and the commencement or progress of work under such contracts. If an expected contract award is delayed or not received, the Group's business, financial condition, results of operations and/or prospects may be materially and adversely affected.

The Group's project execution, including any failure to meet contractual requirements, schedule or cost estimates and professional standards, may result in reduced profits, losses or liability for defective services, any of which may have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

Certain projects for which the Group is engaged can be technically complex and involve multiple phases occurring over several months or years and require internal reporting systems to track the Group's performance and objectives. Accordingly, the Group's project execution activities play a significant role in its ability to successfully meet overall project requirements, its internal reporting requirements, legal and regulatory requirements, meet the customers' expectations and collect payment. Any failure in such project execution activities, may occur as a result of many reasons, including but not limited to:

- incorrect assumptions related to productivity, scheduling estimates or future economic conditions, including with respect to the impacts of inflation on lump-sum or fixed-price contracts;
- unanticipated technical problems, including engineering or construction issues;
- inaccurate representations of site conditions and unanticipated changes in the project execution plan;
- project modifications creating unanticipated costs or delays and failure to properly manage project modifications;
- inability to achieve guaranteed performance or quality standards with regard to engineering, construction, fabrication, maintenance or project management obligations;
- insufficient or inadequate project execution tools and systems needed to record, track, forecast and control cost and schedule;
- reliance on historic cost and/or execution data that is not representative of current economic and/or execution conditions;
- failure to accurately estimate the cost of projects, including due to unforeseen increases in the cost of labour;
- unanticipated increases in the cost of raw materials, machinery or equipment, including due to the imposition of import tariffs or inflationary pressures;

- failure to properly make judgments in accordance with applicable professional standards, including engineering standards;
- failure to properly assess and update appropriate risk mitigation strategies and measures;
- difficulties related to the performance of the Group's customers, partners, subcontractors, suppliers or other third parties;
- delays or productivity issues caused by weather;
- changes in regulations, laws or difficulties or delays in obtaining permits, rights of way or approvals in the jurisdictions in which the Group operates; and
- tax, employment or environmental legislation changing historic practices.

These and other factors may result in the Group's failure to meet contractual obligations, the Group's internal reporting requirements, schedule or cost estimates, professional standards as well as safety performance or other performance criteria. The Group's engineering services involve professional judgements regarding design, development, construction, operations and management of plant, equipment and facilities. While the Group has systems and processes in place (such as, among other things, internal reporting, risk management policies and adopting certain insurance) to minimise its liability of such circumstances, any occurrence of a catastrophic event at one or more of the Group's projects resulting from the services provided by the Group, may result in significant professional liability and/or warranty claims as well as reputational damage.

Any such failures in the Group's project execution activities may result in the Group receiving lower fees or loss of its ability to earn incentive fees, be obligated to perform work without additional fees until the performance criteria is achieved or project milestones or business objectives are met. The Group may also be required to pay liquidated damages if it fails to complete a project on schedule. In addition, if the Group fails to meet guaranteed performance or quality standards, it may be held responsible under the guarantee or warranty provisions of its customer contracts. If such events occur, the total cost of the project (including any liquidated damages and/or consequential damages the Group becomes liable to pay) could be material and could, in some circumstances, equal or exceed the full value of the contract. Consequentially, the Group's business, reputation, financial condition, results of operations and/or prospects could be materially and adversely affected.

The Group's projects are generally non-recurring in nature. There is no assurance that the Group will be able to secure new projects.

While the Group has contracts ranging from three (3) to five (5) years in term with its customers, which it deems as long-term contracts, the Group's projects are generally non-recurring in nature and most of such projects are awarded on an as required basis from its customers. It is therefore critical for the Group to continuously and consistently secure new projects of similar value and volume.

As the contracts are awarded on such a basis, the customers are under no obligation to award contracts to the Group in the future. As a result, there is no assurance that the Group will be able to successfully secure projects from its existing customers in the future or that its existing customers will continue to engage the Group in their upcoming projects after the completion of the current contracts. The Group's ability to successfully secure projects is dependent on a range of factors including, among other things, pricing and tender strategy, competitors' tender and pricing strategy, the level of competition and customers' evaluation criteria. Depending on the then market conditions and competitive landscape, the Group may have to lower its pricing or adjust its tender strategy in order to maintain the competitiveness of its tender. In addition, the scope of work in a project, which is dependent on its scale and complexity, will affect the profit margin of the project and the Group's financial performance. In the event that the Group subcontracts a material portion of the project work to third-party subcontractors, the Group's profit margins from such projects may also be reduced.

Cancellation or delay in the commencement of secured projects due to factors such as changes in customers' businesses, poor market conditions and lack of funds on the part of the project owners may adversely affect the Group. In addition, there may be a lapse of time between the completion of the existing projects and the commencement of new projects. Any cancellation or delay of projects could lead to idle or excess capacity, and in the event that the Group is unable to secure replacement or new projects on a timely basis or at all, this may adversely affect the Group's operations and financial condition.

If the Group is not able to maintain the number of secured contracts at a similar level or obtain new projects of similar or even larger contract sums, the Group's business, financial condition, results of operations and/or prospects may be materially and adversely affected.

Therefore, there is no assurance that the Group would be able to continue to generate revenue through the securing of new contracts or expansion or renewal of existing contracts in respect of its plant maintenance services. The Group may not be awarded contracts due to various factors including, among others, pricing, competitor's pricing strategy and the level of competition. Any loss of existing contracts or failure to secure new contracts or maintain the volume of work in respect of the Group's plant maintenance services may have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

The escalation of global inflation could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

Volatile energy prices, agriculture shortages, droughts, war (e.g., the Russian-Ukraine war or the Israel-Hamas war), refugee crises, sanctions and precautions on new COVID-19 variant outbreaks have resulted in a global trend in increased inflation. In this increased inflation environment, if the Group does not remain competitive for its employees' wages, the Group might lose key employees to its competitors or not be able to attract new employees to its business. This could result in the Group not winning new work if it cannot demonstrate that it has the resources to support new projects and meet customers' service needs.

Inflation is also impacting commodity prices, which increases the costs of materials, and the running costs for equipment used for the Group's projects. Such inflation impacts the Group's customers and can result in some of their existing projects no longer being financially viable, which may result in the cancelation of projects and in turn lead to the Group losing the service offerings it was providing to support the project's execution. Inflation can also impact the customers' future decisions on project investments. The Group relies on new projects to tender its service offerings and to generate revenue. If fewer tenders are being released by existing and potential customers as a result of increased inflation, the Group may not achieve its expected budgets and forecasts which would have a material adverse effect on the Group's cash flow, business, financial condition, results of operations and/or prospects.

Any costs overruns will adversely affect the financial performance of the Group.

The Group's revenue is largely derived from long-term contracts ranging from three (3) to five (5) years in term which are typically fixed price and fixed unit rate contracts where the fees are charged by the Group based on the actual work done and services rendered to the customers. The contract value quoted is determined on a case-by-case basis having regard to various factors, which generally include (a) the scope of services; (b) the estimated number and types of personnel required; (c) the price trend of the types of resources required; (d) the complexity of the project; (e) the availability of manpower and resources; (f) if subcontracting is required, the indicative or estimated prices of subcontractors; (g) project duration; (h) the frequency of carrying out maintenance works; (i) the number and location of designated project sites; and (j) the prevailing market conditions. The contracts for project works are negotiated in advance of the actual project execution and projects can vary in duration from several months up to a few years. The Group's profitability is also dependent on its ability to obtain competitive quotations from subcontractors at or below its estimated costs, and the Group's ability to execute the contracts efficiently. Actual expenses incurred in executing the contracts can vary substantially from those originally anticipated for several reasons including, but not limited to, the following:

- unforeseen additional costs related to the purchase of substantial raw materials, equipment and machinery necessary for contract fulfilment or labour shortage in the markets where the contracts are performed;

- mechanical failure of equipment and machinery;
- delays caused by local weather conditions, health issues and/or natural disasters;
- a delay or failure of suppliers, subcontractors or partners to perform their obligations; and
- unanticipated construction constraints at the project site may arise during the course of project execution.

The occurrence of any such circumstances may result in additional work which has not been factored into the contract value which may lead to costs overruns resulting in an erosion of the profit margin for a project. There is no assurance that the actual costs incurred will not exceed the estimated costs due to reasons such as under-estimation of costs, excessive wastage, inefficiency, damage or unforeseen additional costs incurred during the course of the contract. Any under-estimation of costs, delay or other circumstances resulting in cost overruns in a contract may adversely affect the Group's profitability. Additionally, delays in certain projects could lead to delays in subsequent projects that were scheduled to use equipment and machinery still being utilised on a delayed project.

In particular, as projects undertaken by the Group may form part of a bigger project, the Group can only commence work upon completion of a prior aspect of the project by the EPC company or its other subcontractors ("**Handover**"). Delays in Handover are possible. However, as the delays are not within its control, the EPC company may still require the Group to complete its portion of the project on time so as not to affect the entire project's master schedule. In such instances, the Group will incur additional costs, especially labour related expenses, in order to meet the shorter schedule. The Group may subsequently make a claim for such increase in costs from the EPC company. There is no assurance that the Group would be able to recover such costs in full or at all. Any disputes in relation to such payment of additional costs may have a material adverse impact on the Group's cash flow, business, financial condition, results of operations and/or prospects.

Pursuant to the terms and conditions of the contracts, the Group may not be able to increase the price of the contract to reflect factors that were unforeseen at the time the quotation or bid was submitted, and this risk may be heightened for projects with longer terms. In such circumstances, there is no assurance that the Group would be able to pass on such increase in costs to the customers in full or at all. Depending on the size of the project, variations from estimated contract performance, or variations in multiple contracts, could have a material adverse impact on the Group's cash flow, business, financial condition, results of operations and/or prospects.

If the Group and its customers take a different view on the value of works performed in accordance with the terms of the contracts and variation orders, this may result in lower than anticipated profits or losses incurred on the contracts.

During the course of a project, the customer may require the Group to perform certain works which do not form part of the original contract specifications ("**Variation Orders**"). To ensure that the project is completed on schedule, and in accordance with market practice, the Group may, where appropriate, be required to perform the Variation Orders before any additional charges are agreed upon. Such additional charges are subject to negotiations between the Group and the customers. In the event that the Group and the relevant customer fail to reach an agreement on the rate at which the works are determined, or if the Group and the relevant customer take a different view on the value of the work performed, disputes may arise and the settlement of payment may be delayed thereby affecting the Group's liquidity and financial position.

While the Group has review and control processes for its documentation to reduce such occurrences, there will be circumstances where compensation received for the Variation Orders may not be able to cover the extra expenses incurred by the Group for the additional labour and materials used to complete the Variation Order. There is no assurance that the Group would be able to recover the costs of works performed under such circumstances in full or at all, and the Group may not be able to maintain the same or similar profit margins under such circumstances. Any disputes on the Variation Orders and payments may have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

The Group may incur significant costs in relation to warranties offered to its customers.

The Group may incur significant costs in relation to warranties provided as part of its contract obligations. In a majority of the Group's contracts, the warranty period typically ranges from 12 to 60 months, depending on the nature of services provided. In the Group's contracts which provide for fixed and/or lump sum payments, a retention sum will usually be withheld by the Group's customers where it will be released upon completion of the Group's warranty obligations and final acceptance of the projects by the customers. The warranty arrangement typically results in these retention sums being released to the Group in full upon completion of the warranty period, assuming that the Group fulfils its obligations to rectify quality issues with the Group's projects during such period. These warranty periods also consist of work completed by third-party sub-contractors and materials and equipment provided by third party suppliers and/or manufacturers, who are also obligated to fulfil the warranty obligations. Although the Group strives to deliver high-quality services and has implemented internal controls and systems to mitigate the risk of any inability of the Group to fulfil its warranty obligations, there can be no assurance that the Group will recover all or any of the amounts withheld by customers for warranty purposes in the future. If the Group is unable to recover a significant proportion of the amounts retained by its customers as warranties, the Group's business, financial condition, results of operations and/or prospects may be materially and adversely affected.

The Group's business could be materially and adversely affected by events outside of its control.

Extraordinary or force majeure events beyond the Group's control, such as natural or man-made disasters, adverse weather conditions, war (such as the Russian-Ukraine war and the Israel-Hamas war) and pandemics (such as the COVID-19 pandemic) could negatively impact the Group's ability to operate or increase its costs to operate.

As an example, from time to time, the Group may face unexpected severe weather conditions which may result in delays and disruptions in the Group's services (which are mainly conducted in process plants in outdoor locations), evacuation of personnel and curtailment of services, increased labour and material costs or shortages, inability to deliver materials, equipment and personnel to project sites in accordance with contract schedules and loss of productivity. Such climate events may also have a material adverse impact on the quantitative or qualitative attainment of the Group's business targets.

The Group may remain obligated to perform its services after any such natural or man-made disasters, unless a contract provision provides it with relief from its obligations. The extra costs incurred as a result of these events may not be reimbursed by the Group's customers. The Group may also be liable to paying liquidated damages for delays in projects which can result in budget overruns.

If the Group is not able to react quickly to such events, or if a high concentration of its projects is in a specific geographic region that suffers from a natural or man-made disaster, the Group's operations may be significantly affected, which could have a negative impact on its operations. In addition, if the Group cannot complete its contracts on time, the Group may be subject to potential liability claims by its customers which may reduce its profits and result in losses. Please also refer to "***Risk Factors – Risks Relating to the Group's Business – The markets and customers for which the Group works have been impacted by uncertainties and instability in global market conditions which have led to project and investment delays and supply chain impacts.***".

The Group may experience limited availability of funds.

The Group may from time to time require additional financing to fund its working capital requirements, support the future growth of its business and/or refinancing its future debt obligations. In addition to cash generated from the Group's operations, the Group may also, where appropriate, consider external financing, including loans and credit facilities from banks and financial institutions.

There can be no assurance that external financing, either on a short-term or long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to the Group or that any additional financing will not be dilutive to its Shareholders. If the Group is unable to secure necessary financing or secure such financing on terms which are favourable to it, this could materially and adversely affect the Group's business, financial condition, results of operations and/or prospects.

Furthermore, any such future credit facilities typically contain operational, financial and other restrictive covenants which may restrict, among other things, the Group's ability to incur additional indebtedness or the creation of security over its assets or granting guarantees. The Group's ability to comply with such covenants may also adversely affect the Group's ability to respond to changes in market conditions, take advantage of business opportunities the Group believes to be desirable, obtain future financing, fund capital expenditure or withstand a continuing or future downturn of its business.

If the Group is unable to comply with the restrictions and covenants in its future financing facilities, a default under the terms of such facilities may occur. In such events, the lenders may accelerate their debt and declare all outstanding amounts due and payable or terminate such facilities or commitments. Certain financing contracts may contain cross-acceleration or cross-default provisions. As a result, a default by the Group under any such agreements may cause the acceleration or repayment of not only such debt but also other debt or result in a default under other debt agreements. If any of these events occurs, there is no assurance that the Group will be able to obtain lenders' waivers in a timely manner, or at all, or that the assets and cash flows of the Group would be sufficient to repay in full all of its debts as they become due, or that the Group would be able to find alternative financing, or at all. Even if the Group could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Group. Failure to service the Group's debt could also result in the imposition of remedies, including increases in rates of interest, or the costs that the Group pays on its legal actions against the Group by its creditors, or even insolvency.

If any such future external debt financing is secured, any such third-party security rights may limit the Group's use of the underlying collateral assets and adversely affect its operational efficiency. If the Group is unable to service or repay its debts under its financing facilities on a timely basis, or at all, the assets provided as security to such creditors may be subject to foreclosure, which may materially and adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group had in the past defaulted on its repayment obligations under certain loans and corporate guarantee. For example, in 2020, HS Compression & Process Pte Ltd ("**HSCP**") defaulted on its repayment obligations under the loan provided by UOB. HSEL provided a corporate guarantee in favour of UOB in respect of the obligations owed by HSCP to UOB under such loan. Prior to the execution of the UOB Restructuring Deed, UOB enforced its rights under the security it held, including a mortgagee sale of HSEL's property pursuant to the leave of Court granted. The Company was put in judicial management thereafter to manage its operations and undertake a restructuring of its business. Following the implementation and completion of the Subscriber Transactions, the Debt Restructuring through the Creditors' Scheme and the UOB Restructuring Deed, the Scheme Debt and balance amounts owed to UOB were then discharged, released and extinguished. In addition, the exposure arising from the corporate guarantee was also settled pursuant to the terms of the UOB Restructuring Deed and upon successful completion of the Debt Restructuring. The trading in the shares of HSEL was suspended since 28 November 2019 and was lifted after the Latest Practicable Date following the completion of the Transfer Listing on 16 February 2024 pursuant to which, among other things, the Company became the listed vehicle in place of HSEL, and trading of the Company's Shares commenced on 19 February 2024.

There is no assurance that the Group would be able to successfully restructure or settle its debt as they fall due on terms that are favourable or acceptable to the Group, or at all, in the future. In the event that the Group is unable to restructure or repay its debt, this may result in the action taken by its creditors against the Group including insolvency, bankruptcy, liquidation, reorganisation, dissolution or winding up of the business of the Group and/or its subsidiaries.

Instability in the credit markets could cause the availability of credit to be relatively difficult or expensive to obtain at competitive rates, on commercially reasonable terms or in sufficient amounts. Such situation could make it more difficult or more expensive for the Group to access funds, refinance its existing indebtedness, enter into new agreements for new indebtedness, or obtain funding through the issue of securities or such additional capital may not be available on terms acceptable to the Group, or at all. In addition, market conditions could negatively impact customers' ability to fund their projects and, therefore, utilise the Group's services, which could in turn have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

Interest rate fluctuations may lead to an increase in the Group's financing costs.

The cost at which the Group can obtain financing depends on general market conditions, particularly on the development of interest rates and the assessment of the creditworthiness of the Group. If any of the Group's future borrowings are subject to floating interest rates, any increase in the benchmark lending rates will in turn increase the Group's interest expenses and finance costs and significantly impact the Group's results of operations. In addition, a general increase in the demand for loans in the jurisdictions which the Group operates may increase applicable interest rates, resulting in additional interest costs to the Group. In the case of deteriorating general market conditions or a deteriorating creditworthiness of the Group, only debt financing with higher risk premiums may be available. There is no assurance that the Group would be able to negotiate lower financing costs or avail itself to more affordable financing options, or at all. Any such event may materially and adversely affect the Group's financing costs and interest expenses and in turn materially and adversely affect the Group's business, financial condition, results of operations and/or prospects. Please also refer to "***Risk Factors – Risks Relating to the Group's Business – The Group may experience limited availability of funds.***".

Loss of key management and other personnel, or an inability to attract such management and other personnel, could have a material adverse impact on the Group's business.

The Group's performance and growth depend significantly on the performance of the members of its management team.

On and subject to the terms of the Subscription Agreement, Vibrant has, among others, the right to nominate such number of directors as mutually agreed by the parties to the Subscription Agreement. The New Directors, comprising Mr. Sebastian Tan Cher Liang, Mr. Max Tan, Mr. Piti Pramotedham, and Mr. David Ong Kim Huat, were nominated by Vibrant and appointed to the Board of Directors of the Company on completion of the Subscriber Transactions. Concurrently with the completion of the Subscriber Transactions and the appointment of the New Directors, the outgoing directors, being Mr. Frankie Tan, Mr. Richard Tan and Mr. Koh resigned. Even though a new Board of directors has been appointed to replace the outgoing directors and the New Directors (save for Mr. Max Tan) have no track record in the governance of the Group, the Group's management team continues to comprise personnel who are experienced in operating the Group's business. For example, Mr. Max Tan, the Executive Director and Chief Executive Officer of the Company, has been with the Group since January 2018 and is responsible in overseeing the general operations of the Company and assists the then chief executive officer of HSEL in the development and implementation of business strategies. There can be no assurance that the New Directors and the management team would together be effective in developing or growing the Group's business. Please refer to the Circular for further details on the New Directors.

The ability of the Group to grow revenues and profits depends significantly on the Group's success in attracting and retaining highly skilled employees. Competition for such employees is intense, which may result in an increase in labour costs.

The cost of providing the Group's services, including the extent to which the Group utilises its workforce, affects its profitability. During periods of low activity in the industries it serves, the Group may have to reduce the size of its labour force to offset declining revenue or employees may choose to leave in order to secure more stable employment. There may also be other circumstances, which may cause the Group to lose its skilled employees, the absence of which may cause the Group to experience quality, efficiency and deliverability issues in its operations, or delay its response to an upturn in the market. During periods of increasing activity in its industry, the Group's ability to expand its operations depends on its ability to increase the size of its skilled labour force in a timely manner. From time to time, it may be difficult to attract and retain qualified individuals with the expertise, and in the timeframe, demanded by the Group's customers, or to replace such personnel when needed in a timely manner. In addition, during those periods, the demand for skilled workers is high, the supply is limited, and the cost to attract and retain qualified personnel increases. Furthermore, a significant increase in the wages paid by competing employers could result in a reduction of the Group's skilled labour force, increases in the wage rates that the Group must pay, or both. In addition, external factors including the energy transition and evolving technology require, among others, reskilling of the Group's workforce. The occurrence of any such events may impact the Group's ability to respond to customers' demands in a timely manner which may in turn

have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects. Failure to hire and retain a qualified, capable management team and skilled employees could have a material adverse effect on the Group's cash flows, business, financial condition, results of operations and/or prospects.

In addition, in the event that any of the Group's key personnel retire or otherwise leave, the Group will need to successfully implement its succession plans, which require dedicating considerable time and resources toward identifying and integrating new personnel into leadership roles and other key positions. If the Group cannot attract and retain qualified personnel or effectively implement appropriate succession plans, it could have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

Project sites are inherently dangerous workplaces. If the Group, the owner, or others working at the project site fail to maintain safe work sites, the Group could be exposed to financial losses and reputational harm as well as civil and criminal liabilities.

Project sites may put the Group's employees, subcontractors and others in close proximity with large pieces of mechanised equipment, moving vehicles, work at heights or in confined spaces, chemical and manufacturing processes and highly regulated materials, in a challenging environment and often in geographically remote locations. If the Group, its customers or others responsible at such sites, fail to implement such health and safety procedures or if the procedures implemented are ineffective, or if others working at the site fail to implement and follow appropriate health and safety procedures, the Group's employees, subcontractors and others may become injured, disabled or even lose their lives, the completion or commencement of its projects may be suspended or delayed and the Group may be exposed to litigation or investigations. For example, failure to apply safe procedures and practices could result in loss of life which would require part or all of the site to be shut down for an undefined period of time to allow regulator inspections, investigations and have flow on potential for prosecution. Unsafe work sites also have the potential to increase employee turnover, increase the cost of a project to the Group and raise its operating and insurance costs. Any of the foregoing could result in financial losses or reputational harm, which could have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

Although the Group has implemented systems and controls to uphold the highest safety standards, there is no assurance that the health, safety and environmental work procedures implemented by the Group would be infallible. The Group cannot guarantee that there will be no injuries or loss of life to its personnel or that there will be no damage to or loss of the Group's work, equipment or supplies.

The Group's safety record is critical to its business, reputation and prospects, and all of the Group's customers require that the Group meets certain safety criteria to be eligible to bid for contracts. If the Group fails to maintain adequate safety standards, there could be a loss of projects or customers, which could in turn have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

The Group is dependent on third-party suppliers and subcontractors to complete its contracts.

The Group may from time to time, depending on the needs of a project, hire third-party subcontractors to perform certain work under its contracts. The Group also relies on third-party equipment manufacturers or suppliers to provide the raw materials and/or equipment and machinery used for its projects. The Group is also subject to price fluctuations of such goods (raw materials and/or equipment and machinery) and services required for its business. There is no assurance that the Group's suppliers will continue to provide goods and services at prices acceptable to the Group.

In the event that the Group is not able to hire qualified subcontractors or source qualified equipment manufacturers or suppliers in a timely manner or on commercially acceptable terms or at all, the Group's ability to successfully complete a project could be impaired. If the Group is not able to locate qualified third-party subcontractors or the amount it is required to pay for subcontractors or equipment and supplies exceeds what it has initially estimated, particularly in the case of lump sum or fixed price contracts, the Group may experience cost overrun and may not be able to achieve the revenues expected under such contracts and in some circumstances the Group may suffer losses on such contracts.

There is no assurance that the quality of work or products of the Group's subcontractors or suppliers can meet the requirements of the Group and its customers. The Group may not be able to monitor the performance of the subcontractors as directly as its own direct labour. Therefore, the engagement of subcontractors or suppliers exposes the Group to the risks associated with non-performance, late performance or substandard performance of its subcontractors or suppliers. If a subcontractor, supplier or manufacturer fails to provide services or equipment as required under a contract for any reason, the Group may be required to source these services, equipment or supplies from other third parties or sources which may be on less favourable terms or on a delayed basis, which could adversely impact profitability and the Group's ability to meet its project deadlines. In addition, in the instances where the Group relies on a single contracted supplier or subcontractor or a small number of suppliers or subcontractors, if a supplier or subcontractor were to fail, there can be no assurance that the Group could locate a suitable alternative source on a timely basis or at the costs it had anticipated, or at all.

Any delay, failure to meet contractual obligations, or other event beyond the Group's control or which the Group would not have been able to foresee, that is attributable to a subcontractor or supplier, could lead to delays in the overall progress of a project and/or generate significant costs as the Group may be obligated to assume its defaulting subcontractor's or supplier's obligations or compensate its customers. Even if the Group is entitled to make a claim for these extra costs against the defaulting supplier or subcontractor, it may be unable to recover all or part of these costs and this could materially adversely affect its business, financial condition, results of operations and/or prospects.

In addition, during times of economic uncertainty or a downturn in the general economic environment, third-party subcontractors, suppliers or manufacturers may find it challenging to obtain sufficient financing to fund their operations. The inability to obtain financing could adversely affect such third-party subcontractors', suppliers' or manufacturers' ability to provide materials, equipment or services to the Group which could have a material adverse impact on its business, financial condition, and results of operations.

While the Group has a list of requirements which its third-party subcontractors, suppliers or manufacturers are required to adhere with, a failure by such third-party subcontractor, supplier or manufacturer to comply with applicable laws, regulations or customers' requirements could negatively impact the Group's business and may result in fines, penalties or suspension, which could have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

The Group is subject to counterparty risk.

The Group is subject to counterparty risk as it routinely enters into contracts with counterparties including vendors, suppliers and subcontractors that may be negatively impacted by events in the credit markets. For example, if such counterparties are unable to perform their obligations to the Group or its customers, the Group may be required to provided additional services or make alternative arrangements on less favourable terms with other parties to ensure adequate performance and delivery of services to its customers. These circumstances may also lead to disputes or litigation with the Group's customers, which could have a material adverse effect on the Group's reputation, business, financial condition, results of operations and/or prospects.

The Group's customers, suppliers and subcontractors may depend on access to commercial financing and capital markets to fund their operations. Disruptions of the credit or capital markets generally could adversely affect the customers' ability to finance projects and could result in contract cancellations or suspensions, project delays and payment delays or defaults by the customers. In addition, the customers may be unable to fund new projects, may choose to make fewer capital expenditures or otherwise slow their spending on the Group's services or to seek contract terms more favourable to them. In addition, any financial difficulties suffered by the subcontractors or suppliers could increase the Group's cost or adversely impact project schedules. These disruptions could materially impact the Group's backlog and have a material adverse impact on its business, financial condition, results of operations and/or prospects.

In addition, the Group typically invoices its customers for its services in arrears and are, therefore, subject to the customers delaying or failing to pay the Group's invoices after the Group has already committed resources to their projects. In weak economic environments, the Group may experience increased delays and failures due to, among other reasons, the customers' unwillingness to pay for alleged poor performance or to preserve their own working capital. In addition, customers may request extension of the payment terms otherwise agreed to under the contracts. Delays in payments from customers will impact the Group's cash flows and liquidity. If a customer fails to pay the Group's invoices on a timely basis or defaults in making its payments on a project in which the Group has devoted significant resources, there could be a material adverse effect on the Group's cash flows, liquidity, business, financial condition, results of operations and/or prospects.

The Group's cash flows may deteriorate due to potential mismatch in time between receipt of progress payments from customers and payments to employees, subcontractors and suppliers.

The Group incurs numerous expenses in the course of the Group's business, including employee salaries, the costs of raw materials, equipment and machinery from suppliers and the costs of engaging subcontractors. As such, the Group may record material cash outflow in the event that it takes up too many substantial projects during a particular period of time.

The Group relies on cash inflow from its customers to meet its payment obligations to its employees, suppliers and subcontractors. The Group's cash inflow is dependent on prompt settlement of progress payments, and timely release of monies by its customers. Please refer to "***Risk Factors – Risks Relating to the Group's Business – The Group is subject to counterparty risk.***". Even if the Group's customers do not settle such payments on time and in full, there can be no assurance that the Group would not experience any significant cash flow mismatch. While the Group has implemented systems and controls for cash flow management, there can be no assurance that such systems and controls will be effective. Further, the timing of or failure to obtain contracts, delays in awards of contracts, cancellations of contracts or delays in completion of contracts, could result in significant periodic fluctuations in the Group's cash flows. If there were any significant and substantial cash flow mismatch, the Group may have to raise funds by resorting to internal resources and/or banking facilities in order to meet its payment obligations in full and on time. Please also refer to "***Risk Factors – Risks Relating to the Group's Business – The Group may experience limited availability of funds.***".

The Group faces competition and impacts associated with new technology in the industry it operates. In the event that the Group is unable to compete effectively, it could lose market share and its business and results of operations could be materially and adversely affected.

The Group faces competition in the industry it operates. The Group serves markets which are highly competitive and in which a number of regional, national and multinational companies operate. The Group competes based on a number of factors, including but not limited to, service offerings, project execution, customer service and price. Competition can place downward pressure on the prices the Group proposes under its contracts and affect profit margins, and in some cases, may require the Group to accept contractual terms and conditions which are not customary (or in some cases, onerous), thereby increasing the risk that, among others, the Group may experience losses on such contracts or not realise planned profit margins. In addition, advancement of technology is impacting the way work is delivered and expectations of the Group's customers. In some instances, customers expect engineering work to be automated and delivered faster and at lower cost thereby placing pressure on schedule and margins. There can be no assurance that the Group will continue to be able to compete effectively with the services or prices offered by its competitors. If the Group is not able to compete effectively, it could lose market share to its competitors which may, in turn, materially and adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group may from time to time be involved in litigation proceedings, arbitration, potential liability claims and contract disputes which may have a material impact on the Group's financial condition, results of operations and/or reputation.

The Group may be subject to a variety of legal proceedings, arbitration, liability claims or contract disputes in the normal course of its business and in the jurisdiction in which it operates. The Group is an integrated service provider of mechanical engineering, plant fabrication and installation as well as plant maintenance to customers in the oil and gas, petrochemical and pharmaceutical industries, where a failure in the Group's services may result in substantial injury or damage to persons or property and therefore potentially exposing the Group to substantial claims and litigation. Such claims or litigation could relate to, among others, personal injury, loss of life, business interruption, substandard discharge of professional responsibility, property damage, hazardous substances, pollution and environmental damage and may be brought by the Group's customers, third parties or us. In addition, the Group may also be exposed to labour and employment claims in the normal course of business. Such claims can relate to allegations of harassment and discrimination, pay equality, denial of certain benefits, wage violations, whistle-blower protections and other employment protections, and may be pursued on an individual or class action basis depending on applicable laws and regulations.

While the Group maintains insurance coverage for various aspects of its business and operations, there is no assurance that any such insurance coverage would be adequate. In proceedings where it is determined that the Group has liability, the Group may not be covered by insurance or, if covered, the dollar amount of these liabilities may exceed the Group's policy limits or the insurance coverage may be subject to certain exclusions or the insurance companies may attempt to deny claims for which the Group seeks coverage. Please also refer to "***Risk Factors – Risks Relating to the Group's Business – Unavailability or cancellation of third-party insurance coverage would increase the Group's overall risk exposure as well as disrupt the management of its business operations.***". In certain circumstances, the Group may be covered by indemnification agreements which may at times be difficult to enforce. Even if enforceable, it may be difficult to recover under the indemnification agreements if the party agreeing to indemnify does not have the ability to financially support the indemnity. There is no assurance that the Group would be able to recover under the indemnity agreements in full or at all.

Litigation and regulatory proceedings are subject to inherent uncertainties, and unfavourable rulings could occur, including for monetary damages. If the Group were to receive an unfavourable ruling in a matter, the Group may be liable to pay in respect of such legal proceedings which are not covered by insurance, and in such cases, the Group's business, financial condition, results of operations and/or prospects could be materially and adversely affected.

In addition, the Group's management's attention and internal resources may be significantly diverted to handle such disputes, litigations and other legal proceedings, which can be both costly and time consuming. Any such litigation or claims, particularly if they turn into high profile cases and become widely reported in the media or within the industry, may also harm the Group's reputation. Regardless of the merits of the case, these disputes may damage the Group's relationship with the relevant customers, suppliers, subcontractors or workers, which may affect its reputation in the industry, thereby adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group's failure to recover adequately on claims against customers, subcontractors or suppliers for payment or performance could have a material adverse effect on its business, financial conditions and results of operations.

The Group may during the course of business bring claims against its customers for additional costs exceeding the contract prices or for amounts not included in the original contract price. Similarly, the Group may present change orders and claims to its subcontractors and suppliers. If the Group fails to properly provide notice or document the nature of change orders or claims in respect of its subcontractors and suppliers or are otherwise unsuccessful in negotiating a reasonable settlement or outcome with its customers, subcontractors and suppliers, the Group could incur reduced profits, cost overruns, damage to its reputation and in some cases a loss on the project. These types of claims may

arise due to matters such as customer-caused delays or changes from the initial project scope, which may directly or indirectly result in additional costs. From time to time, such claims are the subject of lengthy and expensive arbitration or litigation proceedings, and it is often difficult to accurately predict with certainty when those claims will be fully resolved, if at all. When these types of events occur, and unresolved claims are pending, the Group may be required to invest significant capital in projects to cover cost overruns pending the resolution of the claims. A failure to recover, promptly or otherwise, on such claims, could have a material adverse impact on the Group's reputation, business, financial condition, results of operations and/or prospects.

The contracts in the Group's backlog are subject to unexpected revisions, cancellations, deferments or suspension and, therefore, may not be a reliable indicator of the Group's future revenue or earnings.

The Group's backlog represents the total dollar amount of revenue it expects to record in the future as a result of performing work under contracts that have been awarded to the Group and for which there is generally an executed contract or commitment, but which can be subject to revisions, cancellations, deferments or suspension.

There is no assurance that the revenue projected in the Group's backlog will be realised or profitable or will not be subject to revisions, suspensions, delays, deferments or cancellations. The contracts in the Group's backlog are generally based on management estimates and project cancellations, scope adjustments or deferrals, or foreign currency fluctuations may occur with respect to the contracts reflected in the Group's backlog and any such occurrence could reduce the dollar amount of the Group's backlog and the revenue and profits that the Group actually earn; or may cause the rate at which the Group performs on its backlog to decrease. Certain of the Group's contracts have termination for convenience provisions which allow customers to cancel projects already awarded to the Group.

In addition, projects may remain in the Group's backlog for an extended period of time. During periods of economic slowdown globally or within a particular jurisdiction or region, or decreases and/or instability in commodity prices, the risks of backlog projects being suspended, delayed or cancelled generally increases. Further, poor project or contract performance could also impact the Group's backlog and profits. While the Group has implemented systems to manage its projects efficiently, any of the occurrences above may have a material adverse impact on the Group's cash flows, business, financial condition, results of operations and/or prospects.

Disruptions in the political, regulatory, economic and social conditions of the countries in which the Group operates could result in project disruptions, increased cost and potential losses which may in turn materially and adversely affect the Group's business, financial condition or results of operations.

The Group's business is subject to the economic and political conditions of the countries it operates and may be affected by changes in such conditions which are beyond its control.

The Group's operations are subject to a variety of risks, including:

- recessions, inflations and other economic crises linked to specific foreign economies and the impact on the Group's costs of doing business in those countries;
- difficulties in staffing and managing foreign operations, including logistical and communication challenges;
- unexpected changes in foreign government policies, legal and regulatory requirements;
- potential non-compliance with a wide variety of laws and regulations, including anti-corruption, export control and anti-boycott laws, or potential non-compliance with regulations and evolving industry standards regarding data use and security;

- lack of developed legal systems in some jurisdictions to enforce contractual rights;
- expropriation and nationalisation of the Group's assets in a foreign country;
- supply disruptions in key oil producing countries;
- the ability of the Organization of the Petroleum Exporting Countries to set and maintain production levels and pricing;
- renegotiation or nullification of the Group's existing contracts;
- the adoption of new, and the expansion of existing, trade or other restrictions;
- embargoes, duties, tariffs or other trade restrictions, including sanctions;
- changes in labour conditions and policies;
- social, political, and economic instability, acts of war, civil unrest, severe communicable disease, public health issues, force majeure, cyber-terrorism and terrorism;
- natural or man-made disasters;
- the ability to finance efficiently the Group's foreign operations;
- changes to tax policy;
- interest rate fluctuations;
- currency exchange rate fluctuations; and
- limitations on the ability to repatriate foreign earnings.

The lack of a well-developed legal system in some of the countries where the Group operates may make it difficult to enforce the Group's contractual rights or to defend itself against claims made by others.

Continuing disruptions or instability in the global economy and in the global markets may, therefore have a material adverse effect on the Group's cash flows, business, financial condition, results of operations and/or prospects. Please also refer to "***Risk Factors – Risks Relating to the Group's Business – The markets and customers for which the Group works have been impacted by uncertainties and instability in global market conditions which have led to project and investment delays and supply chain impacts.***".

In addition, military action or civil unrest could impact the supply or pricing of oil or other commodities in which the Group has significant exposure, disrupt the Group's operations in such regions and elsewhere, and increase its security costs. The Group's level of exposure to these risks will vary on each project, depending on the location of the project and the particular stage of each such project. For example, the Group's risk exposure with respect to a project in an early development phase, such as engineering, will generally be less than its risk exposure on a project that is in the construction phase. To the extent that the Group's business is affected by unexpected and adverse foreign economic and political conditions and risks, the Group may experience project disruptions and losses. Project disruptions and losses may significantly reduce the continued success of the Group's operations as well as materially and adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group is required to comply with applicable laws and regulations in the jurisdictions it operates, violations of which could have a material adverse effect on its business, financial condition, results of operations or cash flows. New or changing legal and regulatory requirements could adversely affect the Group's business, financial condition and results of operations.

The Group's operations are governed by various laws and regulations in the jurisdictions which it operates relating to matters such as environmental protection, climate change, health and safety, labour and employment, import/export controls, currency exchange, bribery and corruption, sanctions and taxation. These laws and regulations are complex, frequently change, and tend to become more stringent over time. In the event the scope of these laws and regulations expands in the future, the incremental cost of compliance could adversely impact the Group's financial condition, results of operations or cash flows.

The Group's business and results of operations could be affected by the passage of climate change, environmental, infrastructure, trade and other laws, policies and regulations. For example, growing concerns about climate change may result in the imposition of additional environmental regulations. Legislation, international protocols or treaties, regulation or restrictions on emissions could affect the Group's customers, including those who are involved in the exploration, production or refining of fossil fuels, emit greenhouse gases through the combustion of fossil fuels, or emit greenhouse gases through the manufacture, utilisation or production of materials or goods. Such legislation or restrictions could increase the costs of projects for the Group and its customers or, in some cases, prevent a project from going forward, thereby potentially reducing the need for the Group's services which could in turn have a material adverse effect on the Group's operations, financial condition and results of operations. For example, oil and natural gas exploration and production may decline as a result of such laws, regulations, and proposals and as a consequence demand for the Group's services may also decline. On the other hand, changes in legislation or restrictions may generate new work to modify or upgrade existing customer assets, or to design new facilities, plants and infrastructure that meet clean energy or other new requirements. It is not possible for the Group to predict the potential consequences of any such changes in legislation or restrictions.

In addition, the implementation of trade barriers, countervailing duties, or border taxes, or the addition, relaxation or repeal of laws, policies and regulations regarding the industries and sectors in which the Group operates could result in a decline in demand for its services, or may affect the manner in which the Group performs its services. Furthermore, changes to existing trade agreements may impact the Group's business operations. The Group cannot predict when or whether any of these various legislative and regulatory proposals may become law or what their effect will be on the Group and its customers.

While the Group has implemented internal controls designed to minimise and detect potential violations of laws and regulations in a timely manner, there is no assurance that such policies and procedures will be followed at all times or will effectively detect and prevent violations of the applicable laws by one or more of its employees, consultants, agents or partners. The occurrence of any such violations could subject the Group to penalties and material adverse impact on its cash flows, business, financial condition, results of operations and/or prospects.

Any cancellation, suspension, revocation or non-renewal of any of the Group's licenses or permits may materially and adversely affect the Group's operations, financial performance and financial condition.

The Group is required to obtain various licences and permits to conduct its business operations. The grant and renewal of such licences and permits are generally subject to conditions stipulated by the relevant governmental authorities in the licences and permits and/or relevant laws or regulations under which such licences and permits are issued. While the Group has not encountered any difficulties in obtaining or renewing its licenses to-date, there is no assurance that such licences, permits, registrations and certifications can be maintained or obtained or renewed in a timely manner or at all. The loss of any such licences, permits, registrations and certificates necessary for the Group's operations may have a material adverse effect on the Group's reputation, ability to obtain future contracts, business, financial condition, results of operations and/or prospects.

Unavailability or cancellation of third-party insurance coverage would increase the Group's overall risk exposure as well as disrupt the management of its business operations.

The Group maintains insurance coverage from third-party insurers as part of its overall risk management strategy and because some of its contracts require the Group to maintain specific insurance coverage limits. Not all of the risks which the Group is subject are covered by such insurance and even if covered by such insurance policies, claims under such insurance policies may not be honoured fully or on time, or the insurance coverage may not be sufficient to cover the full extent of losses or damage. There are also certain types of risks (such as from wars, acts of terrorism or acts of God) which are either uninsurable or not economically insurable. To the extent that the Group suffers loss or damage that is not covered by insurance or exceeds the limit of the insurance coverage, any such losses or claims would have to be paid out of the Group's own funds which may in turn materially and adversely affect the Group's cash flow, business, financial condition, results of operations and/or prospects. In addition, if any of the Group's third-party insurers fail, suddenly cancel its coverage or otherwise are unable to provide the Group with adequate insurance coverage, then the Group's overall risk exposure and operational expenses would increase, and the management of its business operations may be disrupted. In addition, there can be no assurance that any of the existing insurance coverage would be renewable upon the expiration or that future coverage will be on affordable at the required limits.

Past and future environmental, health and safety regulations could impose significant additional cost on the Group that could reduce the Group's profits and materially and adversely affect the Group's business, financial condition and results of operations.

The Group is subject to a variety of environmental laws and health and safety regulations governing, among others, accidental discharges to air and water; the handling, storage and disposal of hazardous or waste materials; the remediation of contamination associated with the release of hazardous substances; and workplace health and safety. Failure to comply with these laws and regulations may result in the assessment of administrative, civil, and criminal penalties, the imposition of remedial obligations, the issuance of orders enjoining the Group's operations, or other claims and complaints. In addition, the Group's insurance (to the extent insurable) and compliance costs may increase as a result of changes in such environmental, health and safety laws and regulations.

While the Group strives to be in compliance with all applicable laws and regulations, it is impossible to reliably predict the full nature and effect of judicial, legislative or regulatory developments in all jurisdictions in which the Group operates, that relate to applicable health and safety regulations and environmental protection regulations. The applicable regulations, as well as the length of time available to comply with those regulations, continue to develop and change. The cost of complying with rulings and regulations, satisfying any environmental remediation requirements for which the Group is found responsible, or satisfying claims or judgments alleging personal injury, property damage or natural resource damages as a result of exposure to, or contamination by, hazardous materials could be substantial, may not be covered by insurance, could reduce the Group's profits, and which could in turn materially and adversely impact the Group's business, financial condition, results of operations and/or prospects.

Currency exchange rate fluctuations could adversely affect the Group's results of operations.

The Company reports its financial results in Singapore dollars. The Group's business operations involve various currencies in addition to Singapore dollars, primarily U.S. Dollar, Malaysian Ringgit and Chinese *Renminbi*. The Group's financial position is therefore subject to fluctuations of the Singapore dollars as the functional currency of the Company against various other currencies.

The Group may at times be exposed to the effects of foreign exchange translation with respect to certain of its subsidiaries or investment portfolio that record their results of operations in currencies other than Singapore dollars. Such foreign currency contributions to the Group's financial statements are affected by the exchange rate between their reporting currency and Singapore dollars.

Generally, the Group is exposed to currency risk arising from, among others, receivables, liabilities, cash and cash equivalents, marketable securities and pending transactions denominated in currencies other than the functional currency of the Group company concerned in each instance. The Group may also incur expenses and liabilities (including debt financing) in such currencies. While the Group seeks to manage its currency exposure to the net assets of the Group's operations, in the event that the Group is unable to adequately manage its currency exposure, volatile exchange rate fluctuations could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Damage to the Group's reputation could in turn cause damage to the Group's business and its ability to retain and acquire work, attract and retain employees, secure lines of credit and gain access to capital.

Maintaining the Group's reputation is critical to attracting new customers and maintaining its existing customer base and ensuring its other business relationships are maintained. If the Group fails to address issues that may give rise to reputational risk, it could significantly harm its business. These issues may include, but are not limited to, any of the risk factors discussed in this Offer Information Statement, including compliance with laws and regulations, project execution risk, cyber security and health and safety. If the Group's reputation is harmed, it could suffer a number of adverse consequences, including but not limited to:

- reduced demand for the Group's services;
- lack of investor confidence;
- less favourable credit rating;
- the inability to attract and retain qualified employees;
- a loss or reduction in scope of current project contracts and fewer acquisitions of new projects;
- less favourable contract terms;
- increased litigation and costs; and
- heightened regulatory scrutiny.

These and other consequences resulting from damage to the Group's reputation could have a material adverse impact on the Group's business, financial condition, results of operations, cash flows and/or prospects.

The Group is exposed to various information technology, cyber security and data risks.

The Group's business uses a number of information technology systems, including information technology infrastructure such as servers, storage, databases and telecommunications infrastructure as well as software applications and control and processing systems. The Group relies on computer and technology systems for functions such as communication, site operations and coordination, planning and procurement activities.

While the Group has in place security measures and technology to protect the Group's and the clients' proprietary and/or classified information, such systems may fail, or be subject to disruption as a result of external threats or system errors, which may have an adverse effect on the Group's operations and profitability. The Group's systems could also be subject to data integrity issues or suffer security breaches. Unauthorised access to, or breach or failure of, the Group's digital infrastructure due to cyber-attacks, email phishing, negligence, human error or other third-party actions, could disrupt its operations and result in the loss or misuse of data or sensitive information. Any cyber-attack or other unauthorised breach of the Group's systems, particularly through targeted 'phishing' attempts, computer

viruses, malicious code, ransomware or other system disruptions could result in significant disruption in operations at one or more of the Group's project sites, affecting production and potentially the Group's ability to service its customers. Loss or misuse of data may expose the Group to litigation, claims, fines and penalties.

In addition, new laws and regulations governing data privacy and unauthorised disclosure of confidential information pose increasingly complex compliance challenges and potentially elevate costs, and any failure to comply with these laws and regulations could result in significant penalties and legal liability.

Further, certain of the Group's systems are operated or maintained by third parties whom the Group does not have any control, and a failure of such third parties to effectively or efficiently perform the contracted services may cause disruption to the Group's operations, cause reputational damage, or both. Any matters affecting the Group's information technology or communications systems could have a material adverse impact on its reputation, business, financial condition, results of operations and/or prospects.

Employee, agent or partner misconduct or the Group's overall failure to comply with laws or regulations could weaken the Group's reputation which could in turn have a material adverse impact on its business, financial condition and results of operations.

Misconduct, fraud, non-compliance with applicable laws and regulations, or other improper activities by any of the Group's employees, agents or partners could have a significant negative impact on its business and reputation. Such misconduct could include the failure to comply with regulations prohibiting bribery and other corrupt practices, regulations regarding the pricing of labour, regulations pertaining to the internal controls over financial reporting, regulations pertaining to export control, environmental laws, employee wages, pay and benefits and any other applicable laws or regulations.

Although the Group has taken precautions and has implemented systems to prevent and detect these activities, the Group could still face unknown risks or losses in the event such precautions and systems are unable to prevent or detect such activities. The Group's failure to comply with applicable laws or regulations, or acts of misconduct, could subject it to fines and penalties, cancellation of contracts, which could weaken the Group's ability to secure contracts and result in reduced revenues and profits and could have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

The Group may not successfully expand its business and implement its growth strategies.

Subject to obtaining any required approvals, the Group may from time to time expand its business to new industries or markets in which it has limited operating experience. Such expansion may require the Group to devote substantial resources to become familiar with, and monitor changes in, different operating environments so that it can succeed in such new business. The Group's ability to successfully grow its new business and implement its expansion strategy depends on a variety of factors, including its ability to identify suitable locations and projects, obtain required approvals from relevant regulatory authorities, obtain sufficient capital on acceptable terms in a timely manner, retain key personnel or hire new personnel and its ability to operate the business that will retain market share or key customers, some of which may be out of the Group's control. There is no assurance that the Group will be able to grow its business, implement its expansion strategies, manage or integrate any newly acquired operations with the Group's existing operations. In addition, the Group is facing an external environment of rapid change brought about by the energy transition, new technology and geopolitical challenges. Any failure by the Group to grow new business or implement its expansion strategies could have a material adverse effect on its business, financial condition, results of operations and/or prospects.

The Group may not successfully retain or renew its lease of the Tuas Properties.

The Tuas Properties which are currently used by the Group to conduct its operations in Singapore, is currently leased from JTC with certain terms and conditions (being the JTC Investment Criteria) to be fulfilled prior to extension of lease to be granted. The Group has no control over the decision of JTC to extend the lease and in the event that the lease of the property is not granted, the Group will have to source for, and relocate its operational premises which could affect and disrupt its business and operations.

Historical financial information of the HSEL Group may not be indicative of the Group's future financial results.

The historical financial information of the HSEL Group may not be indicative of the future financial results of the Group (comprising the Company, HSEL and its subsidiaries). The historical financial information is not intended to represent or predict the results of operations of any future periods.

The Company was incorporated in Singapore on 2 January 2022 for the sole purpose of the Transfer Listing. Since its incorporation, the Company has not undertaken any business activities and has no assets or liabilities (other than for auditing, corporate secretarial and other administrative expenses incurred). Pursuant to the completion of the Transfer Listing, the Company is an investment holding company owning 100.0% of the issued and paid-up share capital of HSEL and the listed vehicle in place of HSEL. HSEL and its subsidiaries are the operational companies carrying out their respective businesses.

Accordingly, the Company's financial history did not cover the businesses of HSEL and its subsidiaries as at the Latest Practicable Date. Therefore, no consolidated financial statements of the Group are available.

In the interests of assisting investors in making an informed assessment, this Offer Information Statement includes selected audited consolidated financial information of the HSEL Group for FY2021, FY2022 and FY2023. Such selected financial information should be read together with the relevant annual reports, the consolidated audited accounts and consolidated financial statements of the relevant periods and related notes thereto, which are available on the website of the SGX-ST at https://www.sgx.com/securities/company-announcements?pagesize=20&value=HIAP%20SENG%20INDUSTRIES%20LIMITED&type=company.

As the Company was not in fact the holding company of HSEL and its subsidiaries for FY2021, FY2022 and FY2023, such financial information of the HSEL Group for the relevant periods may not be indicative of the actual consolidated results of operations, financial position and cash flows of the Group had the Company been the holding company of HSEL and its subsidiaries during the periods presented, or those that the Group will achieve in the future.

Furthermore, the Group's future financial results may change materially if its future growth does not follow the historical trends for various reasons, including factors beyond its control, such as the Group's ability to secure new contracts, control its costs and expenditure, project implementation, changes in economic environment, environmental rules and regulations and the competitive landscape in which the Group operates as well as the occurrence of any of the risks discussed in this section entitled "***Risk Factors***" of this Offer Information Statement. Investors should not place due reliance on such historical financial information.

Please also refer to paragraph 1 of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects***" of this Offer Information Statement.

RISKS RELATING TO AN INVESTMENT IN THE RIGHTS, THE RIGHTS SHARES AND THE SHARES

An active trading market may not develop.

An active trading market in the Rights may not develop on SGX-ST during the trading period for such Rights. Even if an active trading market develops, because the trading price of the Rights depends on the trading price of the Shares, the trading price of the Rights may be volatile and subject to the same risks affecting the trading price of the Shares as noted elsewhere in this Offer Information Statement.

Shareholders should also note that the Shares trade in board lots of 100 Shares. Following the Rights Issue, Shareholders who hold odd lots of the Shares and who wish to trade in odd lots on the SGX-ST should note that there is no assurance that they will be able to acquire such number of Shares to make up one board lot of 100 Shares or to dispose of their odd lots (whether in part or whole) on the SGX-ST. Further, Shareholders who hold odd lots of less than 100 Rights Shares may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Shares.

Shareholders who do not own or are not able to accept their Rights will experience a dilution in their ownership of the Company.

If Shareholders do not or are not able to accept their Rights, their proportionate ownership of the Company will be reduced. They may also experience dilution in the value of their Shares. Even if a Shareholder sells his/her/its Rights, or such Rights are sold on his/her/its behalf, the consideration he/she/it receives may not be sufficient to compensate him/her/it fully for the dilution of his/her/its ownership in the Company as a result of the Rights Issue.

Investors may experience future dilution in the value of their Shares.

The allotment and issue of the Option Shares on exercise of the Options (if any) may have a dilutive effect on the shareholdings of other Shareholders.

In addition, the Company may need to raise additional funds in the future and if such additional funds are raised through the issuance by the Company of new Shares other than on a *pro rata* basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

The Issue Price is not an indication of the underlying value of the Shares. Further, the Rights Issue may cause the price of the Shares to fluctuate or decrease.

The Issue Price represents a discount of approximately (a) 72.9 per cent. to the VWAP of S$0.02 for each Share based on the trades done on 26 November 2019, being the last full Market Day when the Shares were traded prior to HSEL's trading suspension on 28 November 2019; and (b) 69.0 per cent. to the theoretical ex-rights price of S$0.01753[2] per Share.

The discount in the price of the Rights Shares, along with the number of Rights Shares, may result in an immediate decrease in the market value of the Shares. The Issue Price does not bear a direct relationship to the book value of the Company's assets, past operations, cash flow, earnings, financial condition or any other established criteria for value, and Shareholders should not consider the Issue Price to be any indication of the Shares' underlying value or of the future performance of the Company or the trading price of the Shares. Any such decrease in the market value may continue after the completion of the Rights Issue.

The market price for the Shares on the SGX-ST (including the Rights and the Rights Shares) could be subject to significant fluctuations. Any fluctuation may be due to the market's perception of the likelihood of completion of the Rights Issue and/or be in response to various factors some of which are beyond the Company's control. Examples of such factors include but are not limited to: (a) variation in its operating results; (b) changes in securities analysts' estimates of the Group's financial performance; (c) fluctuations in stock market prices and volume; (d) general changes in rules/regulations with regard to the industries that the Group operates in, including those that affect the demand for the Group's products and services; and (e) economic, stock and credit market conditions.

[2] Such theoretical ex-rights price is the theoretical market price of each Share on the completion of the allotment and issue of the (a) Subscription Shares and the Options pursuant to the Subscriber Transactions; (b) Settlement Shares pursuant to the Debt Restructuring; and (c) Rights Shares pursuant to the Rights Issue (on a Maximum Subscription Scenario), and is calculated based on the last traded price of S$0.02 for each based on the trades done on 26 November 2019, being the last full Market Day when the Shares were traded prior to HSEL's trading suspension on 28 November 2019, and the number of Shares of 3,650,716,721 Shares following the completion of the Rights Issue (but assuming none of the Options are exercised).

Any of these events could result in a decline in the market price of the Shares (including the Rights and the Rights Shares) during and after the Rights Issue. There is no assurance that the market price of the Rights Shares, upon or subsequent to the listing thereof and quotation therefor on the SGX-ST, will remain at or above the Issue Price, or that the Rights Shares can be disposed of at or above the Issue Price. Further, the discount, along with the number of Rights Shares, may result in a decrease in the trading price of the Shares and this decrease may continue after the completion of the Rights Issue.

Any future sale of Shares by the Substantial Shareholders and/or Directors in the public market can have a downward pressure on the price of the Shares.

Pursuant to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing (but assuming the Rights Issue has not completed and that none of the Options are exercised), the Subscribers, Vibrant and Tian Yuan, will own 36.3% and 12.1% of the Enlarged Share Capital of the Company, respectively. Please refer to paragraph 8(e) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue***" of this Offer Information Statement for further details on the shareholding interests of the Substantial Shareholders and/or Directors.

The sale of a significant amount of Shares by the Substantial Shareholders and/or Directors in the public market, or the perception that such sales may occur could materially and adversely affect the market price of its Shares. These factors could also affect the Group's ability to issue additional equity securities in the future.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. Entitled Shareholders

Entitled Shareholders are entitled to participate in the Rights Issue, access and download this Offer Information Statement from the SGX-ST's website at https://www.sgx.com/securities/company-announcements?pagesize=20&value=HIAP%20SENG%20INDUSTRIES%20LIMITED&type=company or the Company's website at https://www.hiapseng.com/index.php, and to receive the OIS Notification Letter, together with the ARE, the ARS or the PAL (as the case may be), at their respective Singapore addresses.

Entitled Depositors who do not receive the OIS Notification Letter, the ARE and/or the ARS may contact CDP, the Share Registrar or any stockbroking firm during the period from the date the Rights Issue commences up to the Closing Date. Entitled Scripholders who do not receive the OIS Notification Letter and/or the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date.

Entitled Shareholders will be provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings in HSEL as at the Record Date. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or (in the case of Entitled Depositors only) trade their provisional allotments of Rights Shares during the provisional allotment trading period prescribed by the SGX-ST and are eligible to apply for Excess Rights Shares.

All fractional entitlements to the Rights Shares will be disregarded in arriving at the entitlements of the Entitled Shareholders and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders or their respective renouncee(s) or Purchaser(s) and any Rights Shares that are not otherwise allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, the ARE, the ARS, the PAL and (if applicable) the constitution, be aggregated and issued to satisfy applications, if any, for Excess Rights Shares, or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, including the Undertaking Shareholder Entity, will rank last in priority for the rounding of odd lots and the allotment of Excess Rights Shares.

All dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs, which will be issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of Rights and applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in **Appendices A to C** to this Offer Information Statement and in the ARE, the ARS and the PAL (as the case may be).

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, Rights Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of Rights to any Securities Account, the receipt of any Rights, or receipt of this Offer Information Statement, the OIS Notification Letter and/or any of its accompanying documents (including the ARE, the ARS and the PAL) will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited. The Company reserves absolute discretion in determining whether any person may participate in the Rights Issue. Investors are cautioned to note the offering, selling and transfer restrictions set forth in the section entitled "*Offering, Selling and Transfer Restrictions*" of this Offer Information Statement.

2. Foreign Shareholders

This Offer Information Statement as well as the OIS Notification Letter and its accompanying documents (including the ARE, the ARS and the PAL), have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of this Offer Information Statement and the distribution of the OIS Notification Letter and its accompanying documents (including the ARE, the ARS and the PAL), and the purchase, exercise of or subscription for the provisional allotments of Rights Shares and/or the Rights Shares by any persons who have registered addresses outside Singapore, or who are resident in, or citizens of countries other than Singapore, may be prohibited or restricted (either absolutely or subject to the relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Rights Issue is only made in Singapore, and the Offer Information Statement and its accompanying documents (including the ARE, the ARS and the PAL) will not be despatched or, as the case may be, disseminated to Foreign Shareholders.

Accordingly, Foreign Shareholders will not be eligible to participate in the Rights Issue. No provisional allotment of Rights Shares will be made to Foreign Shareholders, and no purported acceptance of or application for Rights Shares by Foreign Shareholder will be valid. In addition, no arrangements will be made for the Rights which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil-paid" on the Mainboard of the SGX-ST.

This Offer Information Statement, the OIS Notification Letter and its accompanying documents (including the ARE, the ARS and the PAL) relating to the Rights Issue will also not be despatched or disseminated to Foreign Purchasers. Such persons who wish to accept the provisional allotments of the Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. It is also the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside Singapore who wishes to take up his/her/its provisional allotment of Rights Shares and (if applicable), apply for Excess Rights Shares under the Rights Issue to satisfy himself/herself/itself as to the full observance of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes in such territories. The comments set out in this section are intended as a general guide only and any Foreign Shareholder who is in doubt as to his/her/its position should consult his/her/its professional advisers without delay.

The Company reserves the right to treat as invalid any of the ARE, the ARS or the PAL or decline to register such application or purported application which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore or which the Company believes may violate the applicable legislation of such jurisdiction; (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) for the Rights Shares or which requires the Company to dispatch the share certificate(s) to an address in any jurisdiction outside Singapore; or (c) purports to exclude any deemed representation, warranty or confirmation.

The Company further reserves the right to reject any acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares where it believes or has reason to believe that such acceptances and/or applications may violate the applicable legislation of any jurisdiction.

Foreign Shareholders who wish to be eligible to participate in the Rights Issue may provide a Singapore address by notifying in writing, as the case may be (a) CDP at 4 Shenton Way #02-01, SGX Centre 2, Singapore 068807; or (b) the Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 HarbourFront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, no later than three (3) Market Days before the Record Date.

No arrangements will be made for the Rights which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil-paid" on the Mainboard of the SGX-ST.

The Rights Shares represented by such provisional allotments of Rights Shares will be issued to satisfy excess applications or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Foreign Shareholder or person acting to the account or on behalf of any such persons shall have any claim whatsoever against the Company, CDP, the CPF Board, the Share Registrar and their respective officers in connection therewith.

For the avoidance of doubt, the Rights and Rights Shares are not intended to be offered or sold to persons in the U.S., except pursuant to an applicable exemption from or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Rights and the Rights Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance of Regulation S under the Securities Act. Please refer to the section entitled "*Offering, Selling and Transfer Restrictions*" of this Offer Information Statement for further details.

Notwithstanding anything herein, Shareholders and any other person having possession of the Offer Information Statement, the OIS Notification Letter and/or its accompanying documents (including the ARE, the ARS and the PAL) are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement, the OIS Notification Letter and/or its accompanying documents (including the ARE, the ARS and the PAL) may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any other regulatory or legal requirements in such territory.

No action has been taken or will be taken to permit a public offering of the Rights or the Rights Shares to occur in any jurisdiction, or the possession, circulation, distribution or dissemination of this Offer Information Statement, the OIS Notification Letter, its accompanying documents (including the ARE, the ARS and the PAL) or any other material relating to the Company, the Rights or the Rights Shares in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the MAS.

Accordingly, the Rights or the Rights Shares may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, the OIS Notification Letter, its accompanying documents (including the ARE, the ARS and the PAL) or any offering materials or advertisements in connection with the Rights or the Rights Shares may be distributed, disseminated or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Investors are advised to consult their legal counsel prior to accepting any Rights, applying for Excess Rights Shares or making any offer, sale, resale, pledge or other transfer of the Rights or the Rights Shares.

THIS OFFER INFORMATION STATEMENT, THE OIS NOTIFICATION LETTER AND ITS ACCOMPANYING DOCUMENTS (INCLUDING THE ARE, THE ARS AND THE PAL) ARE BEING SUPPLIED TO YOU SOLELY FOR YOUR INFORMATION AND MAY NOT BE REPRODUCED, REDISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE.

United States

The Rights and the Rights Shares have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Rights and the Rights Shares are being offered and sold only outside the United States in an "offshore transaction" in reliance upon Regulation S under the Securities Act. As used in this paragraph, the term "United States" has the meaning given to it by Regulation S under the Securities Act.

Each purchaser of Rights and/or Rights Shares outside the United States pursuant to Regulation S under the Securities Act and each subsequent purchaser of such shares in resales, by accepting delivery of this Offer Information Statement will be deemed to have represented, agreed and acknowledged that:

(a) the purchaser is acquiring the Rights and/or Rights Shares in an "offshore transaction" meeting the requirements of Regulation S under the Securities Act;

(b) the purchaser is aware that the Rights and/or Rights Shares have not been and will not be registered under the Securities Act and accordingly, are only being offered, sold or delivered in an "offshore transaction" in accordance with and in reliance on Regulation S under the Securities Act; and

(c) the purchaser acknowledges that the Company, its respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

Terms used in this section entitled "***Offering, Selling and Transfer Restrictions – United States***" of this Offer Information Statement that are defined in Regulation S under the Securities Act are used herein as defined therein.

General

The dissemination of this Offer Information Statement (electronic or otherwise) and the distribution of the OIS Notification Letter and/or its accompanying documents (including the ARE, the ARS and the PAL) may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Shareholders or any other person having access to this Offer Information Statement and/or possession of the OIS Notification Letter and/or its accompanying documents (including the ARE, the ARS and the PAL) are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving and/or accessing this Offer Information Statement, the OIS Notification Letter and/or its accompanying documents (including the ARE, the ARS and the PAL) may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares or purchase any Rights unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

The Company has not taken any action, nor will the Company take any action, in any jurisdiction other than Singapore that would permit a public offering of the Rights or Rights Shares, or the possession, circulation, distribution or dissemination of this Offer Information Statement, the OIS Notification Letter or any other material relating to the Company, the Rights or Rights Shares in any jurisdiction other than Singapore where action for that purpose is required.

Accordingly, each purchaser of Rights and/or Rights Shares may not offer or sell, directly or indirectly, any Rights or Rights Shares and may not distribute, disseminate or publish this Offer Information Statement or any other offering material or advertisements in connection with the Rights or Rights Shares in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

1. Listing of and Quotation for the Rights Shares

Approval in-principle has been obtained from the SGX-ST on 19 January 2024 for the listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST, subject to the following conditions:

(a) compliance with the SGX-ST's continuing listing requirements;

(b) a written undertaking from the Company that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Rights Issue 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;

(c) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual in relation to the Rights Shares to be issued pursuant to the Rights Issue;

(d) a written undertaking from the Company that it will comply with Rule 877(10) of the Listing Manual with regards to the allotment of any Excess Rights Shares to be issued pursuant to the Rights Issue; and

(e) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the undertaking shareholder who has given the irrevocable undertakings have sufficient financial resources to fulfil its obligations under its undertakings.

The written undertakings and confirmation referred to in paragraphs (b) to (e) above have been provided in the form as agreed with the SGX-ST.

The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights, the Rights Shares the Company, its subsidiaries and/or the Shares.

Upon listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST, the Rights Shares will be traded on the Mainboard of the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited*", as the same may be amended from time to time. Copies of the above are available from CDP.

2. Share Certificates and Arrangements for Scripless Trading

Entitled Scripholders and their renouncees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, must open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renouncees who wish to accept their Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must provide their Securities Account numbers and/or NRIC/passport numbers (in full) (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renouncees who fail to provide their Securities Account numbers and/or NRIC/passport numbers (in full) (for individuals) or registration numbers (for corporations) or who have given incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP, will be issued physical share certificates in

their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title. If an Entitled Scripholder's address stated in the PAL is different from his/her/its address registered with CDP, he/she/he must inform CDP of his/her/its updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his/her/its address last registered with CDP.

A holder of physical share certificate(s) or an Entitled Scripholder who has not deposited his/her/its share certificate(s) with CDP but wishes to trade on the SGX-ST must deposit his/her/its existing physical share certificate(s) with CDP, together with the duly executed instrument(s) of transfer (including any applicable fee) in favour of CDP, and have his/her/its Securities Account credited with the number of Rights Shares and/or existing Shares, as the case may be, before he/she/it can effect the desired trade.

3. Trading of Odd Lots

For the purposes of trading on the Mainboard of the SGX-ST, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) are able to trade odd lots of Shares in board lots of one Share on the unit share market. Shareholders who hold odd lots of Shares may have difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Shares.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its officers, Directors or employees acting on its behalf, that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as, without limitation, "anticipate", "believe", "could", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "will" and "would" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group's expected financial position, business strategy, plans and future prospects of the Group's industry are forward-looking statements.

These forward-looking statements, including but not limited to statements as to the Group's revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group's actual, future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

As there are risks (both known and unknown), uncertainties and other factors that may cause the Group's actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements.

The Group's actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents or warrants that the Group's actual future results, performance or achievements will be discussed in those forward-looking statements.

Further, the Company disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement via SGXNet and, if required, lodge a supplementary or replacement document with the Authority.

SHAREHOLDING LIMITS

The Company wishes to draw to the attention of Shareholders that the allotment of Rights Shares to a Shareholder pursuant to his/her/its application for Excess Rights Shares may cause such Shareholder to reach or exceed the applicable shareholding limits referred to below. Shareholders who are in doubt as to the actions they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The Directors reserve the right not to allot any Rights Shares where such allotment will be in breach of the shareholding limits referred to below or otherwise as required by any relevant legal and regulatory authorities.

The Take-over Code

The Take-over Code regulates the acquisition of ordinary shares of, among others, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the SIC, where:

(a) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by parties acting in concert with him) carry 30% or more of the voting rights of the Company; or

(b) any person who, together with persons acting in concert with him/her/it, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any person acting in concert with him/her/it, acquires in any period of six (6) months additional shares carrying more than 1% of the voting rights,

such person must extend a mandatory take-over offer immediately to the holders of any class of share capital of the Company which carries votes and in which such person, or persons acting in concert with him/her/it, hold shares in accordance with the provisions of the Take-over Code. In addition to such person, each of the principal members of the group of persons acting in concert with him/her/it may, according to the circumstances of the case, have the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the SIC and/or their stockbroker, bank manager, solicitor, accountant or other professional adviser.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 2 – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Names of Directors	Designation	Address
Mr. Sebastian Tan Cher Liang	Independent Chairman	c/o 28 Tuas Crescent Singapore 638719
Mr. Khua Kian Hua	Executive Director	c/o 28 Tuas Crescent Singapore 638719
Mr. Tan Phuay Hung, Max	Executive Director and Chief Executive Officer	c/o 28 Tuas Crescent Singapore 638719
Mr. Piti Pramotedham	Independent Director	c/o 28 Tuas Crescent Singapore 638719
Mr. David Ong Kim Huat	Independent Director	c/o 28 Tuas Crescent Singapore 638719

Advisers

2. Provide the names and addresses of:

(a) the issue manager to the offer, if any;

(b) the underwriter to the offer, if any; and

(c) the legal adviser for or in relation to the offer, if any.

Role		Names and Address
Issue Manager to the Rights Issue	:	Not applicable
Underwriter to the Rights Issue	:	Not applicable. The Rights Issue is not underwritten.
Legal Adviser to the Company as to Singapore law	:	**Morgan Lewis Stamford LLC** 10 Collyer Quay #27-00 Ocean Financial Centre Singapore 049315

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities or securities-based derivatives contracts being offered, where applicable.

Role		Name and Address
Share Registrar	:	**Boardroom Corporate & Advisory Services Pte. Ltd.** 1 HarbourFront Avenue #14,07, Keppel Bay Tower Singapore 098632

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 3 – OFFER STATISTICS AND TIMETABLE

Offer Statistics

1. For each method of offer, state the number of securities or securities-based derivatives contracts being offered.

Renounceable non-underwritten rights issue of up to 607,500,000 Rights Shares at an Issue Price of S$0.00543 for each Rights Share, on the basis of two (2) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

Method and Timetable

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to:

(a) the offer procedure; and

(b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.

Please refer to paragraphs 3 to 7 of this Part below.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

Please refer to the section entitled "***Indicative Timetable of Key Events***" of this Offer Information Statement for an indicative timeline for the Rights Issue.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights and the applications for Excess Rights Shares, including the different modes of acceptances or application and payment, are contained in **Appendices A to C** to this Offer Information Statement and in the ARE, the ARS and the PAL.

The timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the timetable under the section entitled "***Indicative Timetable of Key Events***" of this Offer Information Statement to be modified. However, the Company may upon consultation with its advisers and with the approval of the SGX-ST and/or CDP (if necessary), modify the timetable subject to any limitation under any applicable laws. In such event, the Company will publicly announce any change to the timetable through an SGXNet announcement to be posted on the SGX-ST's website at https://www.sgx.com/securities/company-announcements?pagesize=20&value=HIAP%20SENG%20INDUSTRIES%20LIMITED&type=company.

4. State the method and time limit for paying up for the securities or securities-based derivatives contracts and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

The Rights Shares and, if applicable, the Excess Rights Shares are payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares are contained in **Appendices A to C** to this Offer Information Statement and in the ARE, the ARS and the PAL.

Please refer to the section entitled "***Indicative Timetable of Key Events***" of this Offer Information Statement for the last date and time for payment for the Rights Shares and, if applicable, Excess Rights Shares.

5. State, where applicable, the methods of and time limits for:

(a) the delivery of the documents evidencing title to the securities or securities-based derivatives contracts being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and

(b) the book-entry transfers of the securities or securities-based derivatives contracts being offered in favour of subscribers or purchasers.

The Rights Shares will be provisionally allotted to Entitled Shareholders by crediting the Rights to the Securities Accounts of Entitled Depositors maintained with CDP so that the Rights are available for trading on or around 20 February 2024 or through the despatch of the PALs to Entitled Scripholders on or around 20 February 2024, based on their respective shareholdings as at the Record Date.

In the case of Entitled Scripholders and their renouncees with valid acceptances of and/or successful applications for Excess Rights Shares and who have, among others, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form comprised in the PAL, share certificates representing such number of Rights Shares will be despatched to the relevant subscribers by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained in the records of the Share Registrar, within ten (10) Market Days after the Closing Date.

In the case of Entitled Depositors and Entitled Scripholders and their renouncees (who have furnished valid Securities Account numbers in the relevant form comprised in the PAL) with valid acceptances of and/or successful applications for Excess Rights Shares, share certificate(s) representing such number of Rights Shares will be registered in the name of CDP or its nominee and despatched to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send a notification letter to the relevant subscribers stating the number of Rights Shares that have been credited to their Securities Accounts.

Please refer to **Appendices A to C** to this Offer Information Statement and the ARE, the ARS and the PAL for further details.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Not applicable. Save for the Rights Issue, there are no pre-emptive rights to subscribe for or purchase the securities being offered. Please refer to **Appendices A to C** to this Offer Information Statement and the ARE, the ARS and the PAL for details on the procedure for the acceptance of the Rights, application for Excess Rights Shares, trading of the Rights on the SGX-ST and the treatment of the Rights which are not accepted.

7. Provide a full description of the manner in which results of the allotment or allocation of the securities or securities-based derivatives contracts are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

Results of the Rights Issue

As soon as practicable after the Closing Date, the Company will announce the results of the Rights Issue through an SGXNet announcement to be posted on the internet at the SGX-ST's website, https://www.sgx.com/securities/company-announcements?pagesize=20&value=HIAP%20SENG%20INDUSTRIES%20LIMITED&type=company.

Manner of Refund

When any acceptance for Rights Shares and/or excess application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicant without interest or any share of revenue or other benefit arising therefrom within three (3) Business Days after the commencement of the trading of the Rights Shares, by any one or a combination of the following:

(a) where the acceptance and/or application had been made through CDP, by crediting their designated bank account via CDP's Direct Crediting Service or in the case where refunds are to be made to Depository Agents, by means of telegraphic transfer. In the event that an applicant is not subscribed to CDP's Direct Crediting Service, any monies to be returned or refunded will be retained by CDP and credited to his/her/its Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein) (such retention by CDP being a good discharge of the Company's and CDP's obligations), as the case may be, (in each case) **AT HIS/HER/ITS OWN RISK** or in such other manner as he/she/it may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/she/it accepts and (if applicable) apply through CDP);

(b) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at his/her/its own risk to his/her/its mailing address in Singapore as maintained in the records of the Share Registrar; and

(c) where the acceptance and/or application had been made through Electronic Applications through an ATM of a Participating Bank or an Accepted Electronic Service (in the case of invalid acceptances and/or applications), by crediting his/her/its bank accounts with the relevant Participating Banks at his/her/its own risk, the receipt by such bank being a good discharge of the Company's and CDP's obligations, if any, thereunder.

The details of refunding excess amounts paid by applicants are contained in **Appendices A to C** to this Offer Information Statement and in the ARE, the ARS and the PAL, as the case may be.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 4 – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.

Please refer to paragraphs 2 to 7 of this Part below.

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (called in this paragraph and paragraph 3 of this Part the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.

The estimated net proceeds from the Rights Issue (after deducting estimated expenses of approximately S$180,000 to be incurred in connection with the Rights Issue) are expected to be approximately S$3,118,725 in the Maximum Subscription Scenario and approximately S$820,000 in the Minimum Subscription Scenario.

In both the Maximum Subscription Scenario and the Minimum Subscription Scenario, all of the net proceeds from the Rights Issue will go to the Company and are to be utilised for general working capital purposes.

3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.

In both the Maximum Subscription Scenario and Minimum Subscription Scenario, 100.0% of the net proceeds from the Rights Issue are to be utilised for general working capital purposes.

Pending the deployment of the net proceeds from the Rights Issue, the net proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments or for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Group.

The Company will make the necessary announcement(s) as to the use of the proceeds as and when such net proceeds are materially disbursed and whether such use is in accordance with the stated use. A status report will be provided on the use of net proceeds in the interim and full-year financial statements and annual report. Where the net proceeds have been used for working capital purposes, a breakdown will be provided with specific details on how the proceeds have been applied in the announcements and status report. Where there is any material deviation from the stated use of the net proceeds, an announcement will be made with the reasons for such deviation.

Although the Rights Issue is not underwritten by any financial institution, the Undertaking Shareholder Entity has executed the Irrevocable Undertaking in favour of the Company. In particular, the Undertaking Shareholder Entity has undertaken to, among other things, subscribe and pay in full for its *pro rata* entitlement of 141,577,278 Rights Shares, and subject to availability, up to 42,584,784 Excess Rights Shares pursuant to the Rights Issue, provided always that the total amount to be paid by the Undertaking Shareholder Entity for such Rights Shares and Excess Rights Shares shall be a total of S$1,000,000. For more details on the Irrevocable Undertaking, please refer to the section entitled "***Summary of the Rights Issue***" and paragraph 1(f) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue***" of this Offer Information Statement.

As at the date of this Offer Information Statement, taking into account:

(a) the Group's internal resources and operating cashflows;

(b) the proceeds of S$8,000,000 from the Subscription (which were utilised for the partial settlement in cash of the principal amounts and interests under loans owing to UOB); and

(c) the implementation and completion of the Debt Restructuring (including the allotment and issue of the Settlement Shares),

the Directors, are of the opinion that that the Group will have sufficient resources to meet the Group's obligations and continue to operate as a going concern. Notwithstanding the sufficiency of working capital following the Subscriber Transactions and the Debt Restructuring, the Directors are of the opinion that the Rights Issue will strengthen the financial position and capital base of the Group. The Rights Issue will also provide the Shareholders with an opportunity to participate in the Group going forward and be able to reduce the dilutive effect of the Subscriber Transactions and the Debt Restructuring.

Based on the reasonable opinion of the Directors as at the date of this Offer Information Statement and in view of the Irrevocable Undertaking, there is no minimum amount which must be raised from the Rights Issue taking into consideration the intended use of the net proceeds.

As the net proceeds are currently set aside for general working capital purposes, the Company will disclose a breakdown with specific details on the use of the net proceeds in its announcements and status report as noted above.

4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.

Maximum Subscription Scenario

For each dollar of the gross proceeds of approximately S$3,298,725 due to the Company from the Rights Issue, the Company will use:

(a) approximately S$0.95 for general working capital purposes; and

(b) approximately S$0.05 to pay for the expenses incurred in connection with the Rights Issue.

Minimum Subscription Scenario

In the Minimum Subscription Scenario, for each dollar of the gross proceeds of approximately S$1,000,000 due to the Company from the Rights Issue, the Company will use:

(a) approximately S$0.82 for general working capital purposes; and

(b) approximately S$0.18 to pay for the expenses incurred in connection with the Rights Issue.

5. If any material part of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity, briefly describe the asset, business or entity and state its purchase price. Provide information on the status of the acquisition and the estimated completion date. Where funds have already been expended for the acquisition, state the amount that has been paid by the relevant entity, or, if the relevant entity is the holding company or holding entity of a group, the amount that has been paid by the relevant entity or any other entity in the group as at the latest practicable date. If the asset, business or entity has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined and whether the acquisition is on an arm's length basis.

Not applicable. As at the date of this Offer Information Statement, the Company has no intention to use the net proceeds raised from the Rights Issue, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity.

6. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.

Not applicable. As at the date of this Offer Information Statement, the Company has no intention to use the net proceeds raised from the Rights Issue to discharge, reduce or retire any indebtedness of the Group.

7. In the section containing the information mentioned in paragraphs 2 to 6 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters, or other placement or selling agents in relation to the offer, and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.

Not applicable. The Rights Issue is not underwritten by any financial institution and no placement or selling agent has been appointed by the Company in relation to the Rights Issue.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Information on the Relevant Entity

8. Provide the following information:

(a) the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office), and the email address of the relevant entity or a representative of the relevant entity.

Registered address	:	28 Tuas Crescent Singapore 638719
Telephone number	:	+65 6897 8082
Facsimile number	:	+65 6897 8081
E-mail address	:	info@hiapseng.com

(b) the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group

The Company was incorporated in Singapore on 2 January 2022 for the sole purpose of the Transfer Listing.

Since its incorporation, the Company has not undertaken any business activities and has no assets or liabilities (other than for auditing, corporate secretarial and other administrative expenses incurred). Pursuant to the completion of the Transfer Listing, the Company became an investment holding company owning 100.0% of the issued and paid-up share capital of HSEL and the listed vehicle in place of HSEL. HSEL and its subsidiaries are the operational companies carrying out their respective businesses which include being engaged as an engineering, procurement and construction contractor and a maintenance works contractor for the oil, gas and energy industrial sectors, including process plants and facilities, and storage terminals.

Further details on, among other things, the principal activities of the entities within the Group are set out as follows[(1)]:

Name of entity	Country of incorporation	Principal activities	Effective interest held by the Company (%)
Held by the Company:			
HSEL	Singapore	Provision of building construction, engineering, procurement, construction and plant maintenance services for oil and gas and energy sectors and, provision of process and industrial plant engineering and consultancy services	100%

Name of entity	Country of incorporation	Principal activities	Effective interest held by the Company (%)
Held by HSEL:			
Hiap Seng Engineering (Shanghai) Co. Ltd.	People's Republic of China	Provision of engineering services and plant maintenance	100%
HS Engineering (Middle East) Pte Ltd	Singapore	Provision of engineering services and plant maintenance	100%
Hiap Seng-Sanko TPM Pte Ltd	Singapore	Dormant	100%
HS Info-Tech Pte Ltd	Singapore	Investment holding	100%
Hiap Seng Engineering (M) Sdn. Bhd.	Malaysia	Provision of engineering services, plant construction and maintenance service	100%
Hiap Seng Engineering Saudi Ltd	Saudi Arabia	Provision of engineering services and plant maintenance	100%
Held by HS Engineering (Middle East) Pte Ltd:			
Hiap Seng Manco Co.	Qatar	General construction and trade of electrical tools and mechanical equipment	49%
Held by HS Info-Tech Pte Ltd:			
Web-Economy Technology Pte Ltd	Singapore	Internet e-business solutions including internet professional services	30%

Note:

(1) For the avoidance of doubt, the Company no longer considers the following as subsidiaries as these entities are in various stages of liquidation: Asia Process Industries Pte Ltd (in voluntary liquidation) and HS Compression & Process Pte Ltd (in compulsory liquidation), and so they have not been reflected in the table above.

(c) the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since:

(i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or

(ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published

The Company was incorporated in Singapore on 2 January 2022 for the sole purpose of the Transfer Listing. Since its incorporation, the Company has not undertaken any business activities and has no assets or liabilities (other than for auditing, corporate secretarial and other administrative expenses incurred). Pursuant to the completion of the Transfer Listing, the Company became an investment holding company owning 100.0% of the issued and paid-up share capital of HSEL and the listed vehicle in place of HSEL. HSEL and its subsidiaries are the operational

companies carrying out their respective businesses. Please refer to paragraph 8(b) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement.

The general development of the business of the Company and the HSEL Group since FY2021 to the Latest Practicable Date are set out below. The commentaries included in this section include matters extracted from the related announcements released by HSEL via SGXNet and the information presented herein is correct as at the date of the relevant announcements. Shareholders are advised to refer to the related announcements for further details.

FY2021

Trading in the shares of HSEL had been suspended since 28 November 2019 when HSEL engaged a financial consultant to undertake a financial review and viability assessment on the HSEL Group as the then existing board of directors of HSEL was not able to conclude if the HSEL Group could operate as a going concern.

On 30 June 2020, it was announced that HSEL's then wholly-owned subsidiary, Asia Process Industries Pte Ltd ("**API**"), had on 12 June 2020, received a Writ of Summons and Statement of Claim filed by Petracarbon Pte Ltd ("**PCPL**") in the High Court of the Republic of Singapore in respect of which PCPL claimed that a sum of S$968,816.57 was payable pursuant to a settlement agreement entered into between PCPL and API on 27 February 2020. In the same announcement dated 30 June 2020, it was also announced that HSEL had (a) on 12 June 2020, received a Writ of Summons and Statement of Claim filed by PCPL in the Magistrates Court of the Republic of Singapore in respect of which PCPL claimed that a sum of S$46,883.56 was payable pursuant to a settlement agreement entered into between PCPL and HSEL on 27 February 2020; and (b) on 29 June 2020, a Writ of Summons and Statement of Claim filed by Aedge Technologies Pte Ltd ("**ATPL**") in the High Court of the Republic of Singapore in respect of which ATPL claimed that a sum of $274,484.45 was payable pursuant to work done, manpower supplied, materials and consumables and equipment supplied and services rendered at a project site.

On 28 July 2020, applications to the Court were made to place HSEL and its subsidiary, HS Compression & Process Pte Ltd ("**HSCP**") under judicial management. On 15 September 2020, the Court granted HSEL's application in Case No. HC/OS 729 of 2020 for, among others, an order that HSEL be placed under judicial management for an initial period of 180 days and that the Judicial Managers be appointed. Since then, the aforementioned order has been extended by further orders of the Court on 8 March 2021, 6 September 2021, 7 March 2022, 29 August 2022, 7 March 2023 and 4 September 2023. The period of judicial management will expire on 2 March 2024, unless otherwise extended.

On 5 September 2020, HSEL announced that API has been placed under provisional liquidation. API was placed under voluntary liquidation on 4 September 2020 and is no longer considered as a subsidiary by HSEL.

On 27 October 2020, HSEL announced that Hiap Seng Engineering (Thailand) Co., Ltd. ("**HSE Thailand**"), a then 93% subsidiary of HSEL, entered into a conditional sale and purchase to dispose of its office building and factory at 27/58 Moo 8, Bueng, Sriracha, Chonburi 20230, Thailand (the "**Thai Property**") and certain furniture, office equipment and machinery located at the Thai Property for a total consideration of THB 300 million (the "**Disposal of Thai Property**"). The proceeds from the Disposal of Thai Property helped to ease liquidity constraints and generate cashflow. The Disposal of the Thai Property was completed on 18 January 2021.

FY2022

On 3 June 2021, HSEL announced that it had on 2 June 2021 entered into a conditional share purchase agreement to dispose of its entire 80% interest in Hiap Seng Engineering Limited FZC ("**HS FZC**"), a private company limited by shares incorporated under the laws of United Arab Emirates, at a consideration of AED 2,652,539. HS FZC was a non-core asset of the HSEL Group which had been loss-making and divesting it would improve the financial position of the HSEL Group. The disposal of HS FZC was completed in September 2021 and HS HZC ceased to be a subsidiary of HSEL.

On 3 September 2021, UOB (a secured creditor of HSEL) had with the consent of the Judicial Managers applied to Court for leave to enforce its first all monies legal mortgage dated 20 November 2002 over HSEL's JTC-industrial property at 4 Benoi Place, Singapore 629925 (the "**Benoi Property**"). The Benoi Property is charged to UOB and the net sale proceeds of the Benoi Property would be utilised to partially repay the amount owing to UOB. The Benoi Property is a non-core asset which is not critical to the principal business activities of the HSEL Group. It was announced on 25 March 2022 that the mortgagee sale of the Benoi Property was completed and the net proceeds of the sale had been utilised towards the partial reduction of the amount owing to UOB.

On 9 December 2021, Orion Tuas Shipyard Pte Ltd, a then wholly-owned subsidiary of HSEL, was placed under voluntary liquidation and is no longer considered as a subsidiary of HSEL. Since then, Orion Tuas Shipyard Pte Ltd has been liquidated and dissolved.

On 18 February 2022, HSEL announced, among other things, that the judicial managers of HSCP had made (a) a winding up application to the Court for, among other things, the winding up of HSCP, and (b) an application to the Court to discharge the judicial management of HSCP. HSCP was placed under compulsory liquidation on 7 March 2022.

HSE Thailand was placed under voluntary liquidation on 24 March 2022 and is no longer considered as a subsidiary of HSEL.

Subscription Agreement and related transactions

On 7 January 2022, HSEL announced, among other things, that the Judicial Managers had entered into the Subscription Agreement with the Company and the Subscribers in relation to the Subscription and Grant of Options. In addition, HSEL also announced on 7 January 2022 its intention to pursue several corporate actions together with the Subscriber Transactions, including but not limited to, the Debt Restructuring, the Transfer Listing and the Rights Issue. The Subscription Agreement was subsequently amended and supplemented by the Supplemental Agreement dated 25 March 2022 for the purposes of, among other things, streamline the exercise of the Options.

FY2023

Subscription Agreement

The Subscription Agreement was amended, modified and supplemented by the Supplemental Agreement dated 15 August 2022, for the purposes of, among other things, reflecting that the Transfer Listing shall be undertaken by HSEL and the Company in conjunction with (and expected to be completed together) with the Subscriber Transactions and the Debt Restructuring (unless otherwise agreed in writing by the parties to the Subscription Agreement) and to extend the longstop date thereunder.

Creditors' Scheme

At the meeting of the Scheme Creditors convened on 18 August 2022 in connection with the Creditors' Scheme, it was approved by creditors amounting to a majority in number and representing three-fourths in value of the creditors present and voting that:

(a) HSEL shall effect a pro rata distribution of a sum of S$2,500,000 in cash to the Scheme Creditors to the extent of each Approved Scheme Claim; and

(b) the issue of the Settlement Shares to the Scheme Creditors with Approved Scheme Claims in connection with the debt-to-equity conversion of the Scheme Debt, at S$0.00543 per Settlement Share, up to 1,353,591,160 Settlement Shares with an aggregate value of not more than S$7,350,000.

Pursuant to the terms of the Creditors' Scheme, on the completion of the Creditors' Scheme by performance in accordance with its terms, all liabilities of HSEL in relation to or in connection with the following scheme debt of the Scheme Creditors shall be deemed satisfied:

(a) HSEL's ascertained liabilities of S$6,330,000 due to UOB as at 15 September 2020 (when HSEL was placed under judicial management) (less any sum recovered from HSEL between 15 September 2020 and the date of recovery of any part of the requisite sum as defined in the UOB Restructuring Deed) which were proved by UOB in the Creditors' Scheme as an unsecured claim and admitted as an Approved Scheme Claim; and

(b) HSEL's liabilities of up to S$19,645,594.67 to other Scheme Creditors as at 15 September 2020 (subject to clause 4.5 of the Creditors' Scheme) which were proved in the Creditors' Scheme and admitted as Approved Scheme Claims.

On 24 August 2022, HSEL announced that it filed a sanction application to the Court to approve the Creditors' Scheme. The Creditors' Scheme was sanctioned by the Court on 29 August 2022. Pursuant to section 210(5) of the Companies Act 1967 (version as at 29 July 2020), a copy of the Order of Court dated 29 August 2022 was lodged with the Registrar of Companies on 31 August 2022 and took effect from the date of such lodgment.

UOB Restructuring Deed

On 18 August 2022, HSEL announced that it had entered into the UOB Restructuring Deed with UOB and the Subscribers. The UOB Restructuring Deed prescribes how HSEL's liabilities due to UOB would be discharged or provided for.

At as the ascertainment date on 15 September 2020 for the purposes of the Creditors' Scheme, the total amount owed to UOB amounted to S$26.6 million. During the period between the ascertainment date and the execution of the UOB Restructuring Deed on 18 August 2022, UOB enforced its rights under the security it held, including a mortgagee sale of HSEL's property pursuant to leave of Court granted on 6 September 2021 as noted above. There was also cash deduction made pursuant to UOB's enforcement of its security rights, with the consent of Judicial Managers, pursuant to Section 96(4)(e) of Insolvency, Restructuring and Dissolution Act 2018 of Singapore. The remaining balance is to be settled by way of (a) S$6.3 million in accordance with the terms and conditions of the Creditors' Scheme; and (b) the balance in accordance with the terms and conditions of the UOB Restructuring Deed (including the repayment of S$8.0 million from the proceeds of the Subscription).

The successful implementation and completion of the Subscription, the Debt Restructuring through the Creditors' Scheme and the UOB Restructuring Deed are expected to result in the immediate discharge, release and extinguishment of the Scheme Debt and balance amounts owing to UOB.

Since then, the longstop date of the UOB Restructuring Deed has been extended to 2 March 2024 (or such other date as may be mutually agreed between HSEL, UOB and the Subscribers).

1 April 2023 up to the Latest Practicable Date

Subscription Agreement

The Subscription Agreement was further amended and supplemented by the Supplemental Agreement dated 31 May 2023 and the Supplemental Agreement dated 6 October 2023, among other things, where the longstop date under the Subscription Agreement was extended to 2 March 2024 (or such other date as may be mutually agreed between the parties).

Transfer Listing

On 11 October 2023, HSEL announced that it had entered into an implementation agreement with the Company (the "**Implementation Agreement**"), pursuant to which HSEL and the Company have agreed on the terms of the Transfer Listing, and for such to be effected by way of a restructuring of HSEL (the "**Company Restructuring**") through the Shareholders' Scheme under which:

(a) all the Relevant HSEL Shares will be transferred to the Company (i) fully paid; (ii) free from all encumbrances; and (iii) together with all rights, benefits and entitlements attaching thereto as of the Shareholders' Scheme Record Date, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company on or after the Shareholders' Scheme Record Date; and

(b) the Company will:

(i) allot and issue such number of new Shares in the Company on the basis of one (1) new Share for every one (1) ordinary share in HSEL held by the shareholders of HSEL as at the Shareholders' Scheme Record Date;

(ii) on behalf of HSEL[3], allot and issue the Subscription Shares to the Subscribers[4] and the Settlement Shares to the Scheme Creditors,

all of which will (1) be duly authorised, validly issued, credited as fully paid; (2) be free from all encumbrances; (3) be together with all rights, benefits and entitlements attaching thereto as of the Shareholders' Scheme Record Date, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by HSEL on or after the Shareholders' Scheme Record Date; (4) rank *pari passu* in all respects with one another as well as the existing issued share of the Company as of the Effective Date; and (5) have the same rights, benefits and entitlements attaching thereto as the existing issued Share of the Company as of the Effective Date; and

(iii) on behalf of HSEL, grant the Options to the Subscribers, such Options to be subject to the terms and conditions of the Options as set out in the Subscription Agreement; and

[3] For the avoidance of doubt, the allotment and issue of the Subscription Shares, the Options and the Settlement Shares are for the benefit of HSEL pursuant to the Subscriber Transactions and the Debt Restructuring. Given HSEL is undertaking the Transfer Listing for the reasons as set out in the Circular, HSEL and the Company have agreed in the Implementation Agreement that the Company will allot and issue these Shares directly on behalf of HSEL to streamline the administrative procedures required. In relation thereto and for administrative documentation purposes, the Company and HSEL entered into a loan agreement on 11 October 2023, where the Company extended to HSEL an unsecured interest-free loan facility (with repayment terms at the discretion of HSEL) up to a maximum aggregate amount equal to S$15,350,000 (being the total amount of (a) S$8.00 million from the proceeds of the Subscription for the allotment and issue of the Subscription Shares, as used for the partial repayment of the principal amounts and interests under the then outstanding loans owed to UOB; and (b) S$7.35 million, being the cost of the Settlement Shares allotted and issued by the Company to the Scheme Creditors, including UOB).

[4] For the purposes of the Company Restructuring through the Shareholders' Scheme, Vibrant was allotted and issued one (1) less Subscription Share as Vibrant already held one (1) share of the Company as at the Shareholder's Scheme Record Date and undertook in writing to waive its rights to receive one (1) Subscription Share out of its entitlement to the Subscription Shares.

(c) the Company will assume all liabilities and obligations of HSEL in connection with the Options to be granted by HSEL to the Subscribers pursuant to the Grant of Options, and the new Shares to be allotted and issued to the Subscribers and the Scheme Creditors, respectively, pursuant to the Subscription and the Debt Restructuring.

The Shareholders' Scheme was approved at the Shareholders' Scheme Meeting held on 28 November 2023. The Shareholders' Scheme was sanctioned by the Court on 17 January 2024. A copy of the Order of Court dated 17 January 2024 was lodged with the Registrar of Companies on 2 February 2024 and took effect from the date of such lodgment.

Rights Issue

On 11 October 2023, it was announced that the Company, subject to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing, will undertake a renounceable non-underwritten rights issue of up to 607,500,000 Rights Shares at the Rights Issue Price of S$0.00543 for each Rights Share, on the basis of two (2) Rights Shares for every one (1) Share that Entitled Shareholders are entitled to based on their shareholdings in HSEL as at the Record Date, with fractional entitlements to be disregarded, further details of the rights issue are set out in this Offer Information Statement.

After the Latest Practicable Date

Update on the Subscriber Transactions, the Debt Restructuring and the Transfer Listing

Since the Latest Practicable Date, the Subscriber Transactions, the Debt Restructuring and the Transfer Listing have completed on 16 February 2024.

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing:

(i) in the case of the equity capital, the issued capital; or

(ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon.

Share Capital

As at the Latest Practicable Date, as the Subscriber Transactions, the Debt Restructuring and the Transfer Listing had not completed, the Company had an issued and paid-up share capital of S$1.00, comprising one (1) Share.

Since the Latest Practicable Date, the Subscriber Transactions, the Debt Restructuring and the Transfer Listing have completed on 16 February 2024. Pursuant to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing (assuming that none of the Options are exercised), the Company's issued and paid-up share capital as at the date of this Offer Information Statement is S$16,524,667.80, comprising 3,043,216,721 Shares.

Convertible Instruments

As at the Latest Practicable Date, there were no outstanding instruments convertible into, rights to subscribe for, or options in respect of Shares of the Company which carry voting rights affecting the issued Shares of the Company.

Since the Latest Practicable Date, the Subscriber Transactions, the Debt Restructuring and the Transfer Listing have completed on 16 February 2024. As at the date of this Offer Information Statement, pursuant to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing (assuming that none of the Options are exercised), the Company has 1,473,296,500 Options outstanding.

Treasury Shares and Debt Securities

As at the Latest Practicable Date and as at the date of this Offer Information Statement, pursuant to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing, there were no treasury shares and the Company did not have any issued and outstanding debt securities.

(e) where:

(i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or

(ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date

The interests of the Substantial Shareholders of the Company (a) as at the Latest Practicable Date; and (b) as at the date of this Offer Information Statement following the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing (but assuming the Rights Issue has not completed and that none of the Options are exercised), are as follows:

	As at the Latest Practicable Date[1]				As at the date of this Offer Information Statement pursuant to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing (but assuming the Rights Issue has not completed and that none of the Options are exercised)[2]			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
Substantial Shareholder	**No. of Shares**	**(%)[1]**	**No. of Shares**	**(%)[1]**	**No. of Shares**	**(%)[3]**	**No. of Shares**	**(%)[3]**
Vibrant	1	100%	–	–	1,104,972,375	36.3	–	–
Tian Yuan	–	–	–	–	368,324,125	12.1	–	–
UOB	–	–	–	–	330,158,996	10.8	–	–
Asia Process Industries Pte Ltd[4]	–	–	–	–	229,161,598	7.5	–	–
Khua Kian Hua[5]	–	–	–	–	–	–	1,104,972,375	36.3

Notes:

(1) Based on the information in the Register of Substantial Shareholders maintained by the Company pursuant to the Companies Act and the issued and paid-up share capital of the Company as at the Latest Practicable Date of one (1) Share held by Vibrant.

(2) The Subscriber Transactions, the Debt Restructuring and the Transfer Listing were completed on 16 February 2024 (after the Latest Practicable Date).

(3) Based on the Enlarged Share Capital of 3,043,216,721 Shares, with nil treasury shares and subsidiary holdings, taking into consideration the allotment and issue of (a) such number of new Shares of the Company equivalent to the Relevant HSEL Shares; (b) the Subscription Shares; and (c) the Settlement Shares. It should be noted Vibrant was allotted and issued one (1) less Subscription Share as Vibrant already held one (1) existing share in the Company and undertook in writing to waive its rights to receive one (1) Subscription Share out of its entitlement to the Subscription Shares. Please refer to paragraph 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement.

(4) Asia Process Industries Pte Ltd was placed under voluntary liquidation on 5 September 2020, was one (1) of the Scheme Creditors under the Creditors' Scheme and was allotted and issued 229,161,598 Settlement Shares under the Creditors' Scheme. As Asia Process Industries Pte Ltd is currently in liquidation, the Company does not consider it a subsidiary and therefore will not treat its shareholdings as subsidiary holdings.

(5) Upon the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing, Mr. Khua Kian Hua, who is a 30.0% shareholder of Vibrant, was appointed to the Board of the Company. Mr. Khua Kian Hua is deemed to have an interest in the Shares held by Vibrant by virtue of Section 7 of the Companies Act.

(f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group

As at the date of this Offer Information Statement and pursuant to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing, the Directors are not aware that any member of the Group is engaged in any legal or arbitration proceedings to which any member of the Group is a party (including those which are pending or known to be contemplated) which may have, or which have had in the 12 months immediately preceding the date of lodgment of this Offer Information Statement, a material effect on the financial position or profitability of the Group as a whole.

(g) where any securities, securities-based derivatives contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date:

(i) if the securities, securities-based derivatives contracts or equity interests have been issued for cash, state the prices at which the securities or securities-based derivatives contracts have been issued and the number of securities, securities-based derivatives contracts or equity interests issued at each price; or

(ii) if the securities, securities-based derivatives contracts or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities, securities-based derivatives contracts or equity interests

(i)

Neither the Company nor HSEL has issued any securities, securities-based derivatives contracts or equity interests for cash in the 12 months immediately preceding the Latest Practicable Date.

(ii)

Neither the Company nor HSEL has issued any securities, securities-based derivatives contracts or equity interests for services within the 12 months immediately preceding the Latest Practicable Date.

Notwithstanding the above, for the avoidance of doubt, it should be noted that in connection with the Subscriber Transactions, the Debt Restructuring and the Transfer Listing which were completed on 16 February 2024 (after the Latest Practicable Date), the Company:

(a) allotted and issued 303,750,000 new Shares of the Company on the basis of one (1) new Share for every one (1) ordinary share in HSEL held by the shareholders of HSEL as at the Shareholders' Scheme Record Date. Please note that the new Shares of the Company allotted and issued to existing shareholders of HSEL were in consideration for the transfer of their shares in HSEL to the Company in connection with the Transfer Listing (i.e., not for cash);

(b) on behalf of HSEL, allotted and issued 1,473,296,499[5] Subscription Shares to the Subscribers at an issue price of S$0.00543 per Subscription Share for total cash consideration of S$8,000,000;

(c) on behalf of HSEL, allotted and issued 1,266,170,221 Settlement Shares to the Scheme Creditors at an issue price of S$0.00543 per Settlement Share. Please note that the Settlement Shares allotted and issued to the Scheme Creditors were pursuant to a debt-to-equity conversion of the Scheme Debt (i.e., not for cash); and

(d) on behalf of HSEL, granted to the Subscribers 1,473,296,500 unlisted and transferrable Options for a nominal aggregate consideration of S$1.00, with each Option carrying the right to subscribe for one (1) Option Share at the relevant Exercise Price. Assuming full exercise of all Options, 1,473,296,500 Option Shares would be issued. The actual proceeds from the exercise of the Options are dependent on the number of Options validly exercised by the Subscribers and the relevant Exercise Period during which the Options were exercised. The gross proceeds are expected to be S$8,000,000 (assuming that all the Options are validly exercised during the First Exercise Period) and S$8,800,000 (assuming that all the Options are exercised during the Second Exercise Period).

Please also refer to paragraph 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement.

(h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

Save as disclosed below, the Company and the HSEL Group have not entered into any material contracts outside the ordinary course of business for the period of two (2) years immediately preceding the date of lodgment of this Offer Information Statement:

(a) the Subscription Agreement in connection with the Subscriber Transactions, as amended, modified and supplemented by the Supplemental Agreements, further details of which are set out paragraph 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement;

(b) the scheme document dated 4 July 2022 and the explanatory statement in connection with the Creditors' Scheme, further details of the Creditors' Scheme are set out in paragraph 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement;

[5] For the purposes of the Company Restructuring through the Shareholders' Scheme, Vibrant was allotted and issued one (1) less Subscription Share as Vibrant already held one (1) share of the Company as at the Shareholder's Scheme Record Date and undertook in writing to waive its rights to receive one (1) Subscription Share out of its entitlement to the Subscription Shares.

(c) the UOB Restructuring Deed dated 18 August 2022, as amended, modified and supplemented, which, among other things, prescribes for the discharge and provision of HSEL's liabilities due to UOB, further details of which are set out in paragraph 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement;

(d) the Irrevocable Undertaking in connection with the Rights Issue, as amended, modified and supplemented, further details of which are set out in paragraph 1(f) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue***" of this Offer Information Statement;

(e) the Implementation Agreement in connection with the Transfer Listing, further details of which are set out in paragraph 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement; and

(f) the Shareholders' Scheme document dated 6 November 2023 and the explanatory statement in connection with the Company Restructuring through the Shareholders' Scheme, further details of which are set out in paragraph 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 5 – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from:

(a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and

(b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

The Company was incorporated in Singapore on 2 January 2022 for the sole purpose of the Transfer Listing. Since its incorporation, the Company has not undertaken any business activities and has no assets or liabilities (other than for auditing, corporate secretarial and other administrative expenses incurred). On the completion of the Transfer Listing, the Company became an investment holding company owning 100.0% of the issued and paid-up share capital of HSEL and the listed vehicle in place of HSEL. HSEL and its subsidiaries are the operational companies carrying out their respective businesses.

Accordingly, the Company's financial history did not cover the businesses of HSEL and its subsidiaries as at the Latest Practicable Date. Therefore, no consolidated financial statements of the Group for the three most recent completed financial years are available.

In the interests of assisting investors in making an informed assessment, this Part includes selected audited consolidated financial information of the HSEL Group for FY2021, FY2022 and FY2023. Such selected financial information should be read together with the relevant annual reports, the consolidated audited accounts and consolidated financial statements of the relevant periods and related notes thereto, which are available on the website of the SGX-ST at https://www.sgx.com/securities/company-announcements?pagesize=20&value=HIAP%20SENG%20INDUSTRIES%20LIMITED&type=company.

As the Company was not in fact the holding company of HSEL and its subsidiaries for FY2021, FY2022 and FY2023, such financial information of the HSEL Group for the relevant periods may not be indicative of the actual consolidated results of operations, financial position and cash flows of the Group had the Company been the holding company of HSEL and its subsidiaries during the periods presented, or those that it will achieve in the future. Please also refer to the section entitled "***Risk Factors – Risks Relating to the Group's Business – Historical financial information of the HSEL Group may not be indicative of the Group's future results of operations.***" of this Offer Information Statement.

The audited consolidated statements of comprehensive income of the HSEL Group for FY2021, FY2022 and FY2023 are set out below:

	FY2023 S$'000	FY2022 S$'000 (Restated)	FY2021 S$'000
Continuing operations			
Revenue	18,601	26,753	29,392
Cost of services rendered	(15,525)	(20,898)	(31,447)
Gross profit / (loss)	3,076	5,855	(2,055)
Other income	1,401	1,239	1,190
Other (losses) / gains - net			
- Write back for impairment of financial assets and contract assets	(133)	65	(243)
- Others	(1,001)	5,210	4,340
Expenses			
- Administrative	(5,404)	(5,770)	(7,788)
- Finance	(497)	(875)	(1,265)
Share of profit / (loss) of associated companies	8	(12)	19
(Loss) / profit before income tax	(2,550)	5,712	(5,802)
Income tax expense	–	(87)	565
Total (loss) / profit from continuing operations	**(2,550)**	**5,625**	**(5,237)**
Discontinued operations			
Loss from discontinued operations	**–**	**–**	**(126)**
Total (loss) / profit	**(2,550)**	**5,625**	**(5,363)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation	665	573	523
Items that will not be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation	–	(8)	(22)
Financial assets, at FVOCI			
- Fair value losses – equity investments	94	113	(12)
Other comprehensive income / (loss), net of tax	759	678	489
Total comprehensive income	**(1,791)**	**6,303**	**(4,874)**
(Loss) / profit attributable to:			
Equity holders of the Company			
From continuing operations	(2,550)	5,781	(4,916)
From discontinued operations	–	–	(101)
Non-controlling interests	–	(156)	(346)
	(2,550)	**5,625**	**(5,363)**
Total comprehensive (loss) / income attributable to:			
Equity holders of the Company	(1,791)	6,467	(4,506)
Non-controlling interests	–	(164)	(368)
	(1,791)	**6,303**	**(4,874)**

	FY2023 S$	FY2022 S$ (Restated)	FY2021 S$
Basic and diluted (loss)/earnings per share (cents per share)	(0.8)	1.9	(1.6)
Basic and diluted (loss)/earnings per share after adjusting for the Rights Issue assuming the Maximum Subscription Scenario (cents per share)	(0.1)	0.2	(0.1)
Basic and diluted (loss)/earnings per share after adjusting for the Rights Issue assuming the Minimum Subscription Scenario (cents per share)	(0.1)	0.2	(0.2)
Dividend per Share (cents)	–	–	–

2. The data referred to in paragraph 1 of this Part must include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and must in addition include the following items:

(a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;

(b) earnings or loss per share; and

(c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

Please refer to paragraph 1 of this Part above.

3. Despite paragraph 1 of this Part, where –

(a) unaudited financial statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the unaudited consolidated financial statements of the relevant entity or unaudited combined financial statements of the group, have been published in respect of the most recently completed financial year; and

(b) the audited financial statements for that year are unavailable,

the data mentioned in paragraph 1 of this Part in respect of the most recently completed financial year may be provided from such unaudited financial statements, if the directors or equivalent persons of the relevant entity include a statement in the offer information statement that to the best of their knowledge, they are not aware of any reason which could cause the unaudited financial statements to be significantly different from the audited financial statements for the most recently completed financial year.

Not applicable. The audited financial statements for the most recently completed financial year of the HSEL Group, being FY2023, are available. Please also refer to paragraph 1 of this Part above.

4. In respect of:

(a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and

(b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

FY2023 vs FY2022 review

The revenue of the HSEL Group for FY2023 was lower by S$8.2 million from S$26.8 million in FY2022 to S$18.6 million, mainly due to the lower volume of shutdown activities carried out in FY2023. The decrease was offset with higher volume of maintenance services carried out in FY2023 which resulted in a lower gross profit margin reported for FY2023 of 16.5%.

The significant drop of S$6.4 million in other (losses)/gains for FY2023 compared to prior period was largely due to the absence of one-off gain on disposal of property of S$4.5 million, gain on disposal of subsidiaries of S$0.6 million and recognition of an impairment loss on property, plant and equipment of S$0.4 million in FY2023.

The administrative expenses of S$5.8 million in FY2022 were offset with a government grant of S$1.8 million. Excluding the government grant, administrative expenses for FY2022 would have totalled S$7.6 million, compared to S$5.4 million in FY2023. The drop in administration expenses in FY2023 was largely due to the disposal of subsidiaries in prior year and continued cost cutting measures undertaken by HSEL during the current financial year.

The finance costs decreased by S$0.4 million in FY2023 as a result of the set off of the loan made by the bank in March 2022.

FY2022 v FY2021 review

The HSEL Group recorded revenue of S$26.8 million in FY2022, a decrease of S$2.6 million from S$29.4 million in FY2021, mainly attributable to the scaling down of activities for subsidiaries in Thailand and UAE.

Despite the lower revenue, the HSEL Group recorded a gross profit of S$5.9 million in FY2022 compared to a gross loss of S$2.1 million in FY2021.

The increase in other gains-net of S$1.2 million from S$4.1 million in FY2021 to S$5.3 million in FY2022 was mainly due to a higher disposal gain of subsidiaries of S$0.6 million in FY2022 and a write back of an impairment of financial assets in FY2022 versus an impairment charge of S$0.2 million on financial assets made in FY2021.

The administrative costs reduced to S$5.8 million from S$7.8 million in FY2021 mainly due to the scaling down of activities for the HSEL Group's Thailand subsidiary, the compression and process business segment and the United Arab Emirates (UAE) branch.

Finance cost during the year had decreased by S$0.4 million as a result of partial repayment of loans made by HSEL during the financial period, which was partly financed by the sales proceeds of disposal of the fixed assets from the HSEL Group's Thailand subsidiary.

As a result of the above factors, the HSEL Group's profit attributable to shareholder increased from a loss of S$5.0 million in FY2021 to a profit of S$5.8 million in FY2022.

Financial Position

5. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of:

(a) the most recent completed financial year for which audited financial statements have been published; or

(b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated statement of financial position of the HSEL Group as at 31 March 2023 is set out below:

	31 March 2023 S$'000
ASSETS	
Current assets	
Cash and cash equivalents	18,744
Trade and other receivables	7,518
Other current assets	746
	27,008
Assets of disposal group classified as held-for-sale	–
	27,008
Non-current assets	
Investments in associated companies	270
Property, plant and equipment	3,887
Financial assets, at FVOCI	907
	5,064
Total assets	**32,072**
LIABILITIES	
Current liabilities	
Trade and other payables	33,711
Contract liabilities	7
Borrowings	14,696
Lease liabilities	862
	49,276
Non-current liability	
Lease liabilities	148
	148
Total liabilities	**49,424**
NET LIABILITIES	**(17,352)**

	31 March 2023 S$'000
EQUITY	
Capital and reserves attributable to equity holders of the Company	
Share capital	36,178
Other reserves	1,565
Accumulated losses	(55,095)
Total equity	**(17,352)**

6. The data referred to in paragraph 5 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:

(a) number of shares after any adjustment to reflect the sale of new securities or securities-based derivatives contracts;

(b) net assets or liabilities per share; and

(c) net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

	31 March 2023
Before the Rights Issue[1]	
NAV attributable to Shareholders (S$'000)	(17,352)
Number of Shares before the Rights Issue	303,750,000
NAV per Share (cents)	(5.7)
After the Rights Issue (under the Minimum Subscription Scenario)[2], [3]	
NAV attributable to Shareholders (S$'000)[4]	15,821
Add: Net proceeds from the Rights Issue (S$'000)	820
Adjusted NAV after the Rights Issue (S$'000)	16,641
Number of Shares after the Rights Issue	3,227,378,783
Adjusted NAV per Share after the Rights Issue (Singapore cents)	0.52
After the Rights Issue (under the Maximum Subscription Scenario)[2], [5]	
NAV attributable to Shareholders (S$'000)[4]	15,821
Add: Net proceeds from the Rights Issue (S$'000)	3,120
Adjusted NAV after the Rights Issue (S$'000)	18,941
Number of Shares after the Rights Issue	3,650,716,721
Adjusted NAV per Share after the Rights Issue (Singapore cents)	0.52

Notes:

(1) Based on the share capital of the Company of 303,750,000 Shares as at the Record Date of 303,750,000 Shares, including nil treasury shares and subsidiary holdings, prior to the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing.

(2) Based on an additional 1,473,296,500 Subscription Shares and 1,266,170,221 Settlement Shares issued upon the completion of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing, which are inter-conditional, but assuming none of the Options are exercised.

(3) Based on an additional 184,162,062 Rights Shares issued in the Minimum Subscription Scenario.

(4) Profit includes S$18.7 million from the extinguishment of remaining debt under the Creditors' Scheme and balance of amounts owing to UOB.

(5) Based on an additional 423,337,938 Rights Shares issued in the Maximum Subscription Scenario.

Liquidity and Capital Resources

7. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of:

(a) the most recent completed financial year for which financial statements have been published; and

(b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated statement of cash flows of the HSEL Group for FY2023 is set out below:

	FY2023 S$'000
Cash flows from operating activities	
Total (loss)	(2,550)
Adjustments for:	
- Allowance for impairment of financial assets and contract assets	133
- Depreciation of property, plant and equipment	1,791
- Net gain on disposal of property, plant and equipment	(50)
- Property, plant and equipment written off	378
- Unrealised currency translation losses	683
- Interest expense	497
- Interest income	(111)
- Share of loss/(profit) of associated companies	(8)
	763
Change in working capital, net of effects from disposals of subsidiaries:	
- Contract assets	964
- Trade and other receivables	1,993
- Other current assets	122
- Contract liabilities	(106)
- Trade and other payables and provisions	684
Cash generated from operations	4,420
Net cash provided by/(used in) operating activities	**4,420**
Cash flows from investing activities	
Proceeds from disposal of property, plant and equipment	55
Purchases of property, plant and equipment	(58)
Interest received	111
Net cash provided by/(used in) investing activities	**108**
Cash flows from financing activities	
Interest paid	(16)
Repayment of principal portion of lease liabilities	(843)
Net cash used in financing activities	**(859)**
Cash and cash equivalents	
Net increase/(decrease) in cash and cash equivalents	3,669
Beginning of financial year	15,120
Effects of currency translation on cash and cash equivalents	(45)
End of financial year	**18,744**

FY2023

Despite a net loss of S$2.6 million, the HSEL Group recorded a net increase in cash position of S$3.7 million arising from positive cashflow from operating activities of S$4.4 million and investing activities of S$0.1 million, which was offset with the cash outflow in financing activities of S$0.9 million.

8. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for at least the next 12 months and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided. When ascertaining whether working capital is sufficient, any financing facilities which are not available as at the date of lodgment of the prospectus must not be included, but net proceeds from the offer may be taken into account if the offer is fully underwritten. Where the offer is not fully underwritten, minimum net proceeds may be included only if it is an express condition of the offer that minimum net proceeds are to be raised and that the application moneys will be returned to investors if the minimum net proceeds are not raised.

In the reasonable opinion of the Directors, barring unforeseen circumstances, as at the date of this Offer Information Statement, after taking into consideration:

(a) the Group's internal resources and operating cash flows;

(b) the proceeds of S$8,000,000 from the Subscription, which were utilised for the partial settlement in cash of the principal amounts and interests under the loans owing to UOB; and

(c) the implementation and completion of the Debt Restructuring (including the allotment and issue of the Settlement Shares) through the Creditors' Scheme and the UOB Restructuring Deed, which resulted in the immediate discharge, release and extinguishment of the Scheme Debt and balance amounts owing to UOB,

the working capital available to the Group is sufficient for at least the next 12 months.

The Undertaking Shareholder Entity has executed the Irrevocable Undertaking in favour of the Company pursuant to which it has irrevocably undertaken to, among others, subscribe and pay in full for its *pro rata* entitlement of 141,577,278 Rights Shares and up to 42,584,784 Excess Rights Shares (subject to availability) in addition to its pro rata entitlement under the Rights Issue, provided that the total amount to be paid by the Undertaking Shareholder Entity shall be a total of S$1,000,000.

Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Rights Issue will strengthen the financial position and capital base of the Group. The Rights Issue will also provide the shareholders with an opportunity to participate in the Group going forward and reduce the dilutive effect arising from the Subscriber Transactions and the Debt Restructuring.

For more details on the Irrevocable Undertaking, please refer to the section entitled "***Summary of the Rights Issue***" and paragraph 1(f) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue***" of this Offer Information Statement.

9. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the relevant entity, provide:

(a) a statement of that fact;

(b) details of the credit arrangement or bank loan; and

(c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).

To the best knowledge of the Directors, as at the date of this Offer Information Statement and pursuant to the completion of the Subscriber Transactions, the Debt Restructuring and Transfer Listing, the Directors are not aware of any breach by any entity in the Group of any terms and conditions or covenants associated with any credit arrangement or bank loan, which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the Company.

Trend Information and Profit Forecast or Profit Estimate

10. Discuss: -

(a) the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, for the next 12 months from the latest practicable date; and

(b) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources for at least the current financial year, or that may cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements and are subject to certain risks. Please refer to the section entitled "***Cautionary Note on Forward-Looking Statements***" of this Offer Information Statement for further details. Please also refer to the section entitled "***Risk Factors***" of this Offer Information Statement for further details on the risks relating to the Group's business and the Rights Issue.

The Group expects the oil and gas industry, particularly in Singapore, to continue to experience its share of challenges and uncertainties which may result in oil majors cutting their spending on capital expenditure and putting their long-term projects on hold. Economic, geopolitical, trade, policy and financial factors are expected to exacerbate the issue on spending curb which may in turn trigger a readjustment in the broader energy market. Oil majors are expected to continue to be focussed on issues such as energy security, supply diversification, green energy and low-carbon transition.

The current trend for the transition to green energy is expected to continue. To position itself to capitalise on emerging opportunities arising from such transition to green energy, the Group intends to continue to strengthen its maintenance capacities to assist the process industry in its green transition.

Rising global inflation is expected to continue to impact the Group's costs of operations. Volatile energy prices, agriculture shortages, droughts, war (such as the Russian-Ukraine war and the Israel-Hamas war), refugee crises, sanctions and precautions on new COVID-19 variant outbreaks have resulted in a global trend in increased inflation. Notwithstanding, the Group's maintenance services are expected to provide a steady revenue stream (albeit at lower margins) pursuant to long-term contracts undertaken.

Although market conditions are generally expected to remain volatile and uncertain in the next few years, the Group intends to continue to leverage on its technical expertise, foster stronger relationships with its customers and partners and embrace digitalisation and innovation to better navigate the evolving landscape, capitalise on emerging opportunities and drive the Group's growth and profitability.

Certain business factors or risks which could materially affect the Group's business, results of operations, financial condition and prospects are set out in the section entitled "***Risk Factors***" of this Offer Information Statement. There are uncertainties, demands, commitments or events that may have a material and adverse impact on the business, results of operations, financial condition and prospects of the Group, should they take place. The section entitled "***Risk Factors***" of this Offer Information Statement is only a summary, and is not an exhaustive description, of all uncertainties, demands, commitments or events. There may be additional uncertainties, demands and commitments or events not presently known to the Group or that the Group may currently deem immaterial, which could affect its business, profitability, financial position and/or results of operations.

Save as disclosed in this Offer Information Statement and, in particular, the sections entitled "***Risk Factors***" and "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects***" in this Offer Information Statement, the annual reports, circulars and SGXNet announcements of the Company and HSEL, and barring any unforeseen circumstances, the Directors are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the Group.

11. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

12. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.

Not applicable. No profit forecast or profit estimate is disclosed in this Offer Information Statement.

13. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 12 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

14. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 13 of this Part –

(a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or

(b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

15. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –

(a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, prepared on the basis of an examination by that issue manager or person of the evidence supporting the assumptions mentioned in paragraph 12 of this Part, to the effect that no matter has come to the attention of that issue manager or person which gives that issue manager or person reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or

(b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Significant Changes

16. Disclose any event that has occurred from the end of –

(a) the most recent completed financial year for which financial statements have been published; or

(b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate statement to that effect.

Save as disclosed in this Offer Information Statement or as may have been publicly announced by HSEL or the Company (as the case may be) via SGXNet, the Directors are not aware of any event which has occurred since 31 March 2023 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

Meaning of "published"

17. In this Part, "published" includes publication in a prospectus, in an annual report or on the SGXNet.

Noted.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 6 – THE OFFER AND LISTING

Offer and Listing Details

1. Indicate the price at which the securities or securities-based derivatives contracts are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, state the method by which the offer price is to be determined and explain how the relevant entity will inform investors of the final offer price.

The Issue Price is S$0.00543 for each Rights Share, payable in full upon acceptance and/or application.

The expenses incurred by the Company in the Rights Issue will not be specifically charged to subscribers of the Rights Shares. The expenses incurred in the Rights Issue will be deducted from the gross proceeds received by the Company from the Rights Issue.

However, a non-refundable administrative fee of S$2 will be incurred for each successful Electronic Application made through the ATMs of the respective Participating Banks and Accepted Electronic Service, and such administrative fee will be borne by the subscribers of the Rights Shares.

2. If there is no established market for the securities or securities-based derivatives contracts being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.

The shares of HSEL were suspended from trading on the Mainboard of the SGX-ST on 28 November 2019. Pursuant to the completion of the Transfer Listing, the Company became an investment holding company owning 100.0% of the issued and paid-up share capital of HSEL and the listed vehicle in place of HSEL. Trading of the Company's Shares on the Mainboard of the SGX-ST commenced after the Latest Practicable Date on 19 February 2024. The Rights Shares, when issued, will be listed, quoted and traded on the Mainboard of the SGX-ST. Please refer to paragraphs 8(b) and 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement.

The Issue Price is determined to be in line with the Subscription Price, the Option Price and the issue price of the Settlement Shares to enable existing shareholders to participate in the recapitalisation of HSEL (and consequently the Company on the completion of the Transfer Listing) at a similar price to the Subscribers and the Scheme Creditors.

In particular, the Subscription Price of S$0.00543 per Subscription Share was mutually agreed between HSEL and the Subscribers on a willing-buying, willing-seller basis, taking into consideration a *pro forma* pre-money valuation of S$1.65 million attributable to existing shareholders of HSEL and the 303,750,000 existing shares of HSEL, resulting in a pre-money valuation of S$0.00543 per Share and the Subscription Price of the Subscription Shares.

The pre-money valuation of S$1.65 million was calculated by the Judicial Managers (as part of the restructuring exercise undertaken by the HSEL Group) with reference to:

(a) HSEL's pre-money valuation of S$9.0 million was calculated on a net asset value basis and attributable to the pre-Judicial Management creditors of HSEL (being Settlement Shares of an aggregate value of S$7.35 million which were allotted and issued to the Scheme Creditors) and the existing shareholders (being the balance of the value attributable to existing shareholders of S$1.65 million), based on a *pro forma* balance sheet for HSEL for the financial year ended 30 June 2021, adjusted for the financial effects of the Creditors' Scheme (including the distribution of S$2.5 million in cash to the Scheme Creditors in satisfaction of a portion of the Scheme Debt).

This comprised:

(i) S$5.2 million of current assets;

(ii) S$12.9 million of non-current assets, of which S$8.4 million is ascribed to the Tuas Properties (the value of which would be zero without any proposed investment into HSEL due to failure to fulfil the JTC Investment Criteria); and

(iii) S$9.1 million of liabilities (consisting of remaining amounts of a loan from UOB (of S$8.0 million which was repaid by the proceeds from the Subscription) and post-Judicial Management trade payables of S$1.1 million incurred and to be paid in the ordinary course of business (which amounted to approximately a month of working capital when such amount was computed for the basis of the pre-money valuation)); and

(b) out of the S$9.0 million attributable to the pre-Judicial Management creditors of HSEL and existing shareholders, Settlement Shares of an aggregate value of S$7.35 million which were allotted and issued to the Scheme Creditors. This was determined by the Judicial Managers and agreed to by the Scheme Creditors at the Creditors' Scheme meeting held on 18 August 2022. The significant portion of HSEL's value allocated to the Scheme Creditors was to persuade the Scheme Creditors with Approved Scheme Claims to convert their debts into equity and vote in favour of the Creditors' Scheme, which was a crucial step in fulfilling of the condition precedent to the Subscriber Transactions.

The Option Price was mutually agreed between HSEL, the Company and the Subscribers on a willing-buyer, willing-seller basis, to be the same as the Subscription Price. The issue price of the Settlement Shares is in line with the Subscription Price and the Option Price.

3. If:

(a) any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered; and

(b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Save for the Rights Issue, none of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of the Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the sections entitled "***Offering, Selling and Transfer Restrictions***" and "***Eligibility of Shareholders to Participate in the Rights Issue***" of this Offer Information Statement for further details.

4. If securities or securities-based derivatives contracts of the same class as those securities or securities-based derivatives contracts being offered are listed for quotation on any approved exchange –

(a) in a case where the first-mentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities or securities-based derivatives contracts –

(i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and

(ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or

(b) in a case where the first-mentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities or securities-based derivatives contracts –

(i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and

(ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;

(c) disclose any significant trading suspension that has occurred on the approved exchange during the 3 years immediately preceding the latest practicable date or, if the securities or securities-based derivatives contracts have been listed for quotation for less than 3 years, during the period from the date on which the securities or securities-based derivatives contracts were first listed to the latest practicable date; and

(d) disclose information on any lack of liquidity, if the securities or securities-based derivatives contracts are not regularly traded on the approved exchange.

(a) Not applicable. Please refer to disclosure in respect of paragraph 4(b) of this Part 6 below.

(b) As mentioned in paragraph 2 of this Part 6 above, the shares of HSEL were suspended from trading on the Mainboard of the SGX-ST on 28 November 2019. Pursuant to the Transfer Listing, the Company became the investment holding company of HSEL and its subsidiaries as well as the listed vehicle in place of HSEL. The trading suspension was lifted after the completion of the Transfer Listing and trading of the Company's Shares on the Mainboard of the SGX-ST commenced after the Latest Practicable Date on 19 February 2024. The Rights Shares, when issued, will be listed, quoted and traded on the Mainboard of the SGX-ST. Accordingly, the highest and lowest market prices and the volume of shares of HSEL traded on the Mainboard of the SGX-ST for (i) each of the last 12 calendar months immediately

preceding the Latest Practicable Date; and (ii) the period from the beginning of the calendar month in which the Latest Practicable Date falls up to the Latest Practicable Date are not available as the trading of shares on HSEL was suspended during such relevant period.

For information purposes only, the price range and volume of shares of HSEL traded on the Mainboard of the SGX-ST for the month of November 2019[4] are as follows:

	Price Range		Volume of shares of HSEL traded[3]
Month	**High (S$)[1]**	**Low (S$)[2]**	**(million)**
November 2019[4]	0.025	0.018	1.14

*Source: https://sginvestors.io/ ("**SG Investors**"). SG Investors has not consented for the purposes of Section 249 and Section 277 of the SFA to the inclusion of the information above which is publicly available, and is thereby not liable for these statements under Section 253 and Section 254 of the SFA. The Company has included the above information in its proper form and content and has not verified the accuracy of the content of these statements. The Company is not aware of any disclaimers made by SG Investors in relation to these quotes.*

Notes:

(1) Based on the highest market price for the shares of HSEL in a particular month/period.

(2) Based on the lowest market price for the shares of HSEL in a particular month/period.

(3) Based on the total volume of shares of HSEL traded in a particular month/period.

(4) Trading in the shares of HSEL was suspended since 28 November 2019 when HSEL engaged a financial consultant to undertake a financial review and viability assessment on the HSEL Group as the then existing board of directors of HSEL was not able to conclude if the HSEL Group could operate as a going concern. The trading suspension was lifted after the Latest Practicable Date following completion of the Transfer Listing, and trading of the Company's Shares commenced on 19 February 2024.

(c) As mentioned above, the trading shares of HSEL was suspended on 28 November 2019. The trading suspension was lifted after the Latest Practicable Date following completion of the Transfer Listing pursuant to which, among other things, the Company became the listed vehicle in place of HSEL, and trading of the Company's Shares commenced on 19 February 2024. Please refer to paragraph 2 of this Part 6 above and paragraphs 8(b) and 8(c) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information***" of this Offer Information Statement.

(d) Please refer to disclosure in respect of paragraphs 4(b) and 4(c) of this Part above.

5. Where the securities or securities-based derivatives contracts being offered are not identical to the securities or securities-based derivatives contracts already issued by the relevant entity, provide –

(a) a statement of the rights, preferences and restrictions attached to the securities or securities-based derivatives contracts being offered; and

(b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities or securities-based derivatives contracts, to rank in priority to or equally with the securities or securities-based derivatives contracts being offered.

Not applicable. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Rights Shares.

The Rights Shares are to be issued pursuant to specific approval granted by the Shareholders at the EGM held on 28 November 2023.

Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities or securities-based derivatives contracts that are to be offered otherwise than through underwriters. If the securities or securities-based derivatives contracts are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.

Basis of Provisional Allotment

The Rights Issue is made on a renounceable non-underwritten basis to Entitled Shareholders on the basis of two (2) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded. Based on the share capital of HSEL of 303,750,000 Shares as at the Record Date, up to 607,500,000 Rights Shares will be issued.

The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Rights Shares.

Entitled Shareholders

Entitled Shareholders will be allotted Rights on the basis of their shareholdings as at the Record Date. Entitled Shareholders are at liberty to accept, decline or renounce their Rights and are eligible to apply for Excess Rights Shares. Entitled Depositors are also able to trade their Rights on the SGX-ST during the Rights Trading Period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the provisional entitlements of Entitled Shareholders and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders or their respective renouncee(s) or Purchaser(s) and any Rights Shares that are not otherwise allotted for whatever reason in accordance with the terms and conditions in this Offer Information Statement, the ARE, the PAL, the ARS and (if applicable) the Constitution, be aggregated and used to satisfy Excess Rights Shares applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, including the Undertaking Shareholder Entity, will rank last in priority for rounding of odd lots and allotment of Excess Rights Shares.

The Rights Shares are not offered through the selling efforts of any broker or dealer.

Foreign Shareholders

As there may be prohibitions or restrictions against the offering of the Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. In particular, Foreign Shareholders will not be eligible to participate in the Rights Issue. No provisional allotment of Rights Shares will be made to Foreign Shareholders, and no purported acceptance of or application for Rights Shares by Foreign Shareholder will be valid. No arrangements will be made for the Rights which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil-paid" on the Mainboard of the SGX-ST. Please refer to the sections entitled "***Eligibility of Shareholders to Participate in the Rights Issue***" and "***Offering, Selling and Transfer Restrictions***" of this Offer Information Statement for further details.

The Rights and the Rights Shares are being offered and sold only outside the United States in "offshore transactions" in reliance on Regulation S under the Securities Act.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities or securities-based derivatives contracts being underwritten by each underwriter.

Not applicable. The Rights Issue is not underwritten by a financial institution. Please refer to the section entitled "***Summary of the Rights Issue***" and paragraph 1(f) of the section entitled "***Disclosure Requirements Under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue***" of this Offer Information Statement for further details on the Irrevocable Undertaking.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 7 – ADDITIONAL INFORMATION

Statements by Experts

1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.

Not applicable. No statement or report attributed to a person as an expert is included in this Offer Information Statement.

2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert —

(a) state the date on which the statement was made;

(b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and

(c) include a statement that the expert has given, and has not withdrawn, his or her written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 33(2) applies.

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

Consents from Issue Managers and Underwriters

4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his or her written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.

Not applicable. No issue manager or underwriter was appointed for the Rights Issue.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Other Matters

5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly —

(a) the relevant entity's business operations or financial position or results; or

(b) investments by holders of securities or securities-based derivatives contracts in the relevant entity.

Saved as disclosed in this Offer Information Statement or as may have been publicly announced by HSEL or the Company (as the case may be) via SGXNet, as at the date of this Offer Information Statement, the Directors are not aware of any other matters which could materially affect, directly or indirectly, the Group's business operations or financial position or results or investments by the holders of securities or securities-based derivative contracts in the Company.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 8 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Guarantor Entity, Advisers and Agents

1. Provide the name and address of each paying agent of the relevant entity.

Not applicable.

2. In the case of a guaranteed debenture issue, provide –

(a) the name and address of the guarantor entity; and

(b) the names and addresses of each of the directors or equivalent person of the guarantor entity.

Not applicable.

3. Provide the name and address of the trustee, fiscal agent or any other representative for the debenture holders, and the main terms of the document governing such trusteeship or representation, including provisions concerning the functions, rights and obligations of the trustee, fiscal agent or representative. Disclose any conditions precedent or other requirements that are to be satisfied before the trustee, fiscal agent or representative will –

(a) enforce a lien against the property of the relevant entity;

(b) act on behalf of the debenture holders; or

(c) take any action at the request of the debenture holders.

Not applicable.

4. If, in the reasonable opinion of the directors or equivalent persons, the trustee or representative for the debenture holders has a material relationship with the relevant entity which could cause a conflict to arise between the trustee's or representative's interest as a trustee or representative for the debenture holders and the trustee's or representative's other interests, describe the nature and terms of such relationship and explain why the directors or equivalent persons of the relevant entity still consider the appointment to be appropriate.

Not applicable.

Offer Statistics

5. State –

(a) where the amount of subscriptions that are being sought is fixed at the date of lodgment of the offer information statement –

(i) that amount; and

(ii) where applicable, that that amount may be reduced and how and when the relevant entity will inform investors of the final amount of subscriptions sought;

(b) where the amount of subscriptions that are being sought is not fixed at the date of lodgment of the offer information statement –

(i) the range of that amount; and

(ii) how and when the relevant entity will inform investors of the final amount of subscriptions sought;

(c) the nature and denomination of the debentures or units of debentures, as the case may be, being offered

(d) where the number of debentures or units of debentures being offered is fixed at the date of lodgment of the offer information statement –

(i) that number; and

(ii) where applicable, that that number may be reduced, and how and when the relevant entity will inform investors of the final number of debentures or units of the debentures, as the case may be, offered;

(e) where the number of debentures or units of debentures being offered is not fixed at the date of lodgment of the offer information statement –

(i) the range of that number; and

(ii) how and when the relevant entity will inform investors of the final number of debentures or units of debentures, as the case may be, offered;

(f) where the debentures or units of debentures, as the case may be, are offered at a discount or premium, the face value of the debentures or units of debentures being offered and the discount or premium; and

(g) the currency of the issue and, if the issue is payable in any other currency, that fact.

Not applicable.

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6. If the amount of the debentures or units of debentures, as the case may be, being offered can be increased, such as by the exercise of an underwriter's over-allotment option or "greenshoe option", state the exercise period of and amount under that option. To avoid doubt, the amount of subscriptions to be stated under paragraph 5(a) or (b) of this Part and the number of debentures or units of debentures being offered to be stated under paragraph 5(d) or (e) of this Part must not include any amount of debentures or units of debentures being offered that can be increased under such an option.

Not applicable.

<u>Principal Terms and Conditions</u>

7. Provide the following information on the debentures or units of debentures, as the case may be, being offered:

(a) where the yield is fixed at the date of lodgment of the offer information statement, that yield and a summary of the method by which that yield is calculated;

(b) where the yield is not fixed at the date of lodgment of the offer information statement –

(i) how and when the relevant entity will inform investors of the final yield; and

(ii) a statement that subscriptions from investors (other than any institutional investor, relevant person as defined in section 275(2) of the Act, or person who intends to subscribe for the debentures or units of debentures, as the case may be, at a consideration of at least $200,000) will be accepted only after the final yield is made known to the investors;

(c) where the nominal interest rate is set at the date of lodgment of the offer information statement, the nominal interest rate and –

(i) if the nominal interest rate is a floating rate, how the rate is calculated; and

(ii) if several or variable interest rates are provided for, the conditions for changes in the rate;

(d) where the nominal interest rate is not set at the date of lodgment of the offer information statement –

(i) how and when the relevant entity will inform investors of the final nominal interest rate; and

(ii) a statement that subscriptions from investors (other than any institutional investor, relevant person as defined in section 275(2) of the Act, or person who intends to subscribe for the debentures or units of debentures, as the case may be, at a consideration of at least $200,000) will be accepted only after the nominal interest rate is made known to the investors;

(e) the issue and redemption prices;

(f) the date from which interest accrues, and the interest payment dates;

(g) the procedures for, and validity period of, claims for payment of interest and repayment of the principal sum;

(h) if the principal sum of, or the interest on, the debentures or units of debentures, as the case may be, is payable in any currency other than the currency of the issue, that fact;

(i) where the principal sum of, or the interest on, the debentures or units of debentures, as the case may be, may be paid in more than one currency –

(i) the persons who have the power to determine –

(A) the currency or currencies in which payment is to be made; and

(B) the applicable currency exchange rates; and

(ii) the basis on which each determination in sub-paragraph (i) will be made;

(j) the final repayment date and, where there is any option for early repayment –

(i) that fact;

(ii) whether the option is exercisable at the option of the relevant entity or of the holder of the debentures or units of debentures; and

(iii) the early repayment date;

(k) details of the arrangements for the amortisation or early redemption of the debentures or units of debentures, as the case may be, including procedures to be adopted;

(l) a description of any subordination or seniority of the issue to other debts of the relevant entity already incurred or to be incurred;

(m) where the rights of the holders of the debentures or units of debentures, as the case may be, will be subordinated to other security holders or creditors –

(i) the aggregate amount of outstanding indebtedness that ranks in priority to the debentures or units of debentures being offered, as of the latest practicable date; or

(ii) where there is no limit on the creation of additional indebtedness that ranks in priority to the debentures or units of debentures being offered, that fact;

(n) the rights conferred upon the holders of the debentures or units of debentures, as the case may be, including rights in respect of interest and redemption, and whether these rights may be materially limited or qualified by the rights of any other class of security holders or creditors;

(o) the particulars of any security, including provisions relating to the release or substitution of the security, if applicable, and where the security is in the form of a fixed asset, any requirement for the maintenance of that asset;

(p) the particulars of any significant covenant, including those concerning subsequent issues of other forms, or subsequent series of debentures or units of debentures;

(q) a statement as to whether or not the relevant entity has any right to create any additional charge over any of the assets subject to a charge to secure the repayment of the debentures or units of debentures, as the case may be, being an additional charge that will rank in priority to or equally with the charge to secure the repayment of the debentures or units of debentures, as the case may be, and, if there is any such right, particulars of its nature and extent;

(r) the nature and scope of any guarantee, surety or commitment intended to ensure that the issue will be duly serviced with regard to both the principal sum of and the interest on the debentures or units of debentures, as the case may be; and the material terms and conditions of any such guarantee, surety or commitment (including all conditions for the application of that guarantee, surety or commitment);

(s) any legislation under which the debentures or units of debentures, as the case may be, have been created, and the governing law and the competent courts in the event of litigation;

(t) definition of events constituting defaults, the remedies available in the event of default, and the effect (if any) of a default on the acceleration of the maturity of the debentures or units of debentures, as the case may be;

(u) information on when holders of the debentures or units of debentures are able to take action to enforce their claims;

(v) the procedures and actions to be taken by the relevant entity, guarantor entity, trustee, fiscal agent or any other representative for the debenture holders (as the case may be) in the event of a default or potential event of default, including –

(i) the communication plans with debenture holders;

(ii) whether any meeting of debenture holders will be convened by the relevant entity, guarantor entity, trustee, fiscal agent or other representative for the debenture holders;

(iii) whether the trustee, fiscal agent or any other representative for the debenture holders is bound to take steps to ascertain whether there is an event of default or a potential event of default; and

(iv) the conditions to be fulfilled in order for the trustee or other representative for the debenture holders to take action on behalf of those debenture holders or at the request of those debenture holders, including any threshold of approval or instruction and any pre-funding or indemnification requirement;

(w) provisions setting out how the terms and conditions of the debentures or units of debentures, as the case may be, or the rights of the holders of the debentures or units of debentures, may be modified;

(x) the consequences of any failure to make payments that does not constitute an event of default, and the remedies available (under the terms of the debentures or units of debentures, as the case may be, or the applicable law) for any such failure.

Not applicable.

Credit Rating

8. If the relevant entity, its guarantor entity or the debentures or units of debentures being offered have been given a credit rating by a credit rating agency, disclose –

(a) the name of the credit rating agency;

(b) the credit rating (including whether it is a short-term or long-term credit rating);

(c) whether any fee or benefit of any kind has been paid by the relevant entity, its guarantor entity or any of their related parties to the credit rating agency, in consideration for the credit rating assessment; and

(d) the date on which the credit rating was given.

Not applicable.

9. If a credit rating is disclosed under paragraph 8 of this Part, provide the following information:

(a) a statement whether the credit rating is current as of the date of lodgment of the offer information statement;

(b) a statement that the credit rating is not a recommendation to invest in the debentures or units of debentures, as the case may be, and that investors should perform their own evaluation as to whether the investment is appropriate;

(c) a statement that the credit rating may be revised or withdrawn at any time;

(d) a statement that the credit rating is a statement of opinion;

(e) a statement stating the specific publicly available sources where the following information can be obtained:

(i) the rating methodology used by the credit rating agency;

(ii) the relative ranking of the credit rating;

(iii) an explanation of the meaning and limitations of the credit rating;

(iv) if the credit rating is a "preliminary", "provisional" or "expected" rating, the status of that designation and its implications on the relevant entity or the debentures or units of debentures being offered or, in the case of a guaranteed debenture issue, its implications on the relevant entity, its guarantor entity or the debentures or units of debentures being offered;

(f) if the credit rating is a "preliminary", "provisional" or "expected" rating, a statement undertaking to announce the final rating when it is available;

(g) if the credit rating is below BBB by Fitch Ratings, Baa by Moody's Investors Service, BBB by Standard and Poor's Ratings Services, or an equivalent rating by any other credit rating agency, provide the following statement:

"This rating is a non-investment grade credit rating."

Not applicable.

10. If all of the relevant entity, its guarantor entity, and the debentures or units of debentures (as the case may be) being offered have not been given a credit rating by a credit rating agency, state that fact, and provide a statement that not having a credit rating means that no independent assessment by a credit rating agency of the default risk of the relevant entity, its guarantor entity, and the debentures or units of debentures (as the case may be) being offered has been made.

Not applicable.

Secured Debentures

11. Provide, in relation to an offer of secured debentures or certificates of debenture stock, a summary by the auditors of the relevant entity showing, in tabular form –

(a) the aggregate value of the tangible assets owned by the relevant entity;

(b) the aggregate value of the tangible assets owned by each, or jointly owned by 2 or more, of its guarantor entities; and

(c) the aggregate value of the tangible assets jointly owned by the relevant entity and one or more of its guarantor entities,

which have been charged to secure the repayment of all or any moneys payable in respect of the secured debentures or certificates of debenture stock, including an explanation of any adjustment made for the purpose of providing a true and fair view of those assets.

Not applicable.

12. Show also, in the summary –

(a) the amounts outstanding of the aggregate amounts borrowed by the relevant entity and by each of its guarantor entities, distinguishing between those amounts outstanding which will rank for repayment in priority to the amount under the proposed issue and those amounts outstanding which will rank for repayment equally with the amount under the proposed issue;

(b) where any charge is for a liability the amount of which may vary from time to time, the actual amount of the liability as at the date on which the summary is made and any further amount which may be advanced under that charge; and

(c) the aggregate amount of advances by the relevant entity to related corporations or related entities of the relevant entity, distinguishing between advances which are secured and advances which are unsecured.

Not applicable.

13. The auditors of the relevant entity may explain or qualify, by way of notes or otherwise, any of the matters set out in the summary.

Not applicable.

14. Where the tangible assets mentioned in paragraph 11 of this Part are in the form of property, provide information on a report of the valuation of the interest of the relevant entity and each of its guarantor entities in each property charged, showing the nature and extent of the interest of the relevant entity and of each of its guarantor entities, such report to be made not more than 6 months before the date of lodgment of the offer information statement by an independent qualified valuer.

Not applicable.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Documents for Inspection

15. Provide a statement that, for a period of at least 6 months after the date of lodgment of the offer information statement, the trust deed, fiscal agency agreement or any other document constituting the debentures or units of debentures (or a copy of the trust deed, fiscal agency agreement or other document) and in the case of a guaranteed debenture issue, the guarantee and other related documents (or a copy of the guarantee and related documents), may be inspected by any person at a specified place in Singapore.

Not applicable.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 9 – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Information on Convertible Debentures

1. Provide information concerning the nature of the securities, securities-based derivatives contracts, equity interests or property offered by way of conversion, exchange, subscription or purchase and the rights attached to the securities, securities-based derivatives contracts, equity interests or property including, in particular, the voting rights, entitlement to share in profits and, in the event of liquidation, any surplus and any other special rights.

Not applicable.

2. Provide information on the terms, conditions and procedures for conversion, exchange, subscription or purchase and details of the circumstances under which they may be amended, including the following information:

(a) the total number or value of securities, securities-based derivatives contracts, equity interests or property which is the subject of the conversion, exchange, subscription or purchase;

(b) the period during which the conversion, exchange, subscription or purchase right may be exercised and the date on which this right commences;

(c) the amount payable on the exercise of the conversion, exchange, subscription or purchase right;

(d) any arrangement for the transfer or transmission of the conversion, exchange, subscription or purchase right;

(e) the rights of the holders of the debentures or units of debentures in respect of the conversion, exchange, subscription or purchase right on the liquidation of the entity the securities, securities-based derivatives contracts, equity interests or property of which is the subject of the conversion, exchange, subscription or purchase;

(f) any arrangement for the variation in the subscription price of the securities, securities-based derivatives contracts, equity interests or property which is the subject of the conversion, exchange, subscription or purchase, or in the exercise price of the convertible debentures, or in the number or value of securities, securities-based derivatives contracts, equity interests or property which is the subject of the conversion, exchange, subscription or purchase, in the event of any alteration in the capital of the entity the securities, securities-based derivatives contracts, equity interests or property of which is the subject of the conversion, exchange, subscription or purchase; and

(g) if there is no established market for the securities, securities-based derivatives contracts, equity interests or property which is the subject of the conversion, exchange, subscription or purchase, the manner of determining the subscription or exercise or conversion price, including who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.

Not applicable.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 10 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE

1. Provide –

(a) the particulars of the rights issue;

(b) the last day and time for splitting of the provisional allotment of the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

(c) the last day and time for acceptance of and payment for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

(d) the last day and time for renunciation of and payment by the renouncee for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

(e) the terms and conditions of the offer of securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

Please refer to the section entitled "***Summary of the Rights Issue***" of this Offer Information Statement for the particulars of the Rights Issue.

Last date and time for splitting and trading of Rights	:	Friday, 28 February 2024 at 5.00 p.m.
Last date and time for acceptance of and payment for the Rights Shares and/or application and payment for Excess Rights Shares	:	Friday, 5 March 2024 at 5.30 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)
Last date and time for application and payment for Rights Shares by renouncees	:	Friday, 5 March 2024 at 5.30 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)

The above is qualified by, and should be read in conjunction with, the section entitled "***Indicative Timetable of Key Events***" of this Offer Information Statement.

Entitled Depositors who wish to renounce their Rights in favour of a third party should note that CDP requires three (3) Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for the renouncee to accept his/her/its Rights.

The allotment and issue of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular **Appendices A to C** to this Offer Information Statement, and in the ARE, the ARS and the PAL.

(f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

To show support for the Subscriber Transactions, the Debt Restructuring and the Transfer Listing as well as to demonstrate commitment to and confidence in the Group, the Undertaking Shareholder Entity has provided the Irrevocable Undertaking pursuant to which the Undertaking Shareholder Entity has irrevocably undertaken, among other things, that it shall in accordance with the terms of the Rights Issue and in any case not later than the last time and date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue (to be determined at the sole discretion of HSEL or the Company, as the case may be):

(a) subscribe and pay for all of the Rights Shares which it is entitled to by virtue of its 70,788,639 Shares held, amounting to approximately S$768,765; and

(b) subscribe and pay for such number of additional Rights Shares (fractional entitlements to be disregarded) which have not been subscribed for by other shareholders pursuant to their entitlements under the Rights Issue, amounting to approximately S$231,235,

provided always that the total amount to be paid by the Undertaking Shareholder Entity for the Rights Shares as described in (a) and (b) above shall be a total of S$1,000,000.

The Irrevocable Undertaking shall terminate upon the earliest of the following:

(a) if, for whatsoever reason, other than as a result of the breach of any provisions by the Undertaking Shareholder Entity under the Irrevocable Undertaking, any of the Subscriber Transactions, the Debt Restructuring and the Transfer Listing or the Rights Issue are not completed, upon the release of an announcement by the Company through the SGXNet of such decision;

(b) the completion date of the Rights Issue; and

(c) 2 March 2024 (or such other date as the parties to the Irrevocable Undertaking may mutually agree upon in writing).

(g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

In view of the Irrevocable Undertaking by the Undertaking Shareholder, the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees, and there being no minimum amount that must be raised from the Rights Issue, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 11 – ADDITIONAL INFORMATION REQUIRED FOR OFFER INFORMATION STATEMENT FOR PURPOSES OF SECTION 277(1AC)(A)(I) OF THE SFA

1. An offer information statement for the purposes of section 277(1AC)(*a*)(i) of the SFA must contain information in respect of both the subsidiary mentioned in section 277(1AB) of the SFA and the listed entity mentioned in section 277(1AB) of the SFA, in respect of the information required under the following provisions of this Schedule:

(a) paragraph 1(*c*) of Part 1;

(b) paragraph 1 of Part 2;

(c) paragraphs 5, 6 and 8 of Part 4;

(d) paragraphs 1 to 16 of Part 5;

(e) paragraph 5 of Part 7;

(f) paragraphs 4 and 8 to 14 of Part 8.

2. For the purposes of paragraph 1 of this Part, a reference in a provision of this Schedule mentioned in paragraph 1 to the relevant entity is a reference to both the subsidiary mentioned in section 277(1AB) of the SFA and the listed entity mentioned in section 277(1AB) of the SFA.

Not applicable.

1. Provide a review of the working capital for the last three financial years and the latest half year, if applicable.

As mentioned in Part 5 above, after the Latest Practicable Date, the Company became the investment holding company owning 100.0% of the issued and paid-up share capital of HSEL, and in turn, the listed vehicle in place of HSEL on the completion of the Transfer Listing on 16 February 2024. Accordingly, the Company's financial history as at the Latest Practicable Date did not cover the businesses of HSEL and its subsidiaries. In addition, no consolidated financial statements of the Group have been prepared.

In the interests of assisting investors make an informed assessment, we set out below a summary of the working capital of the HSEL Group as at 31 March 2021, 31 March 2022 and 31 March 2023:

	Audited As at 31 March 2023 S$'000	Audited As at 31 March 2022 S$'000 (Restated)	Audited As at 31 March 2021 S$'000 (Restated)
Total current assets	27,008	26,596	32,423
Total current liabilities	(49,276)	(48,184)	(64,177)
Net working capital	(22,268)	(21,588)	(31,754)
Exclude net working capital for disposal group classified as held-for-sale	–	–	(2,124)
Net working capital	(22,268)	(21,588)	(33,878)

FY2023 vs FY2022

The HSEL Group's net working capital deficit increased by S$0.7 million mainly due to the provision of the professional fees in relation to the cost and expenses of the judicial management and restructuring exercise undertaken by HSEL.

FY2022 vs FY2021

Excluding the net working capital for an entity which was classified as held for sale as at 31 March 2021, and subsequently disposed of in FY2022, the HSEL Group's net working capital deficit decreased by S$12.3 million, from S$33.9 million to S$21.6 million as at 31 March 2022 was mainly due to the improvement in cash position, trade & other receivables balance and repayment of bank borrowings of approximately S$10.4 million, which was partly financed by the sales proceeds from the disposal of HSEL's property arising from mortgage sales.

It should be noted that as the Company was not in fact the holding company of HSEL and its subsidiaries for FY2021, FY2022 and FY2023, such financial information of the HSEL Group for the relevant periods may not be indicative of the actual consolidated results of operations, financial position and cash flows of the Group had the Company been the holding company of HSEL and its subsidiaries during the periods presented, or those that the Group will achieve in the future. Please refer to the section entitled "***Risk Factors – Risks Relating to the Group's Business – Historical financial information of the HSEL Group may not be indicative of the Group's future results of operations.***" of this Offer Information Statement.

2. Convertible Securities

(i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Listing Manual.

(ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.

Not applicable. The Rights Issue does not involve the issue of convertible securities such as company warrants or convertible debt.

3. Responsibility Statement by the Financial Adviser

As provided in Appendix 8.2 of the Listing Manual, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATIONS BY ENTITLED DEPOSITORS

1. INTRODUCTION

1.1. Entitled Depositors are entitled to access and download this Offer Information Statement electronically and receive the OIS Notification Letter and the ARE which form part of this Offer Information Statement. This Offer Information Statement (including the ARE) and the OIS Notification Letter will not be despatched or disseminated to Foreign Shareholders. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank or an Accepted Electronic Service shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX Investor Portal, the SGX-SFG Service or through other electronic methods designated by CDP from time to time.

1.2. The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded).

The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the Rights and payment for Excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

1.3. If an Entitled Depositor wishes to accept his/her/its provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares in addition to the Rights Shares which have been provisionally allotted to him/her/it, he/she/it may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of your Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the last time and date for acceptance, (if applicable) application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or this Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/HER/IT BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/she/it accepts and (if applicable) apply through an ATM of a Participating Bank or through an accepted electronic payment service (such as PayNow) or electronic service delivery networks ("**Accepted Electronic Service**")) or **BY CREDITING HIS/HER/ITS DESIGNATED BANK ACCOUNT VIA CDP'S DIRECT CREDITING SERVICE AT HIS/HER/ITS OWN RISK;** in the event he/she/it is not subscribed to CDP's Direct Crediting Service, any monies to be paid shall be credited to his/her/its Cash Ledger and subject to the terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein) (such retention by CDP being a good discharge of the Company's and CDP's obligations), as the case may be, (in each case) **AT HIS/HER/ITS OWN RISK** or in such other manner as he/she/it may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/she/it accepts and (if applicable) apply through

CDP). CDP will process such refunds within such timeline as shall be indicated by CDP from time to time, taking into account the processing time required by the relevant bank or service delivery network for the relevant payment method. Entitled Depositors should take note that processing times for payments through Telegraphic Transfer may require more time to be processed than for other payment methods (ranging from 1 to 30 days depending on the relevant bank's practice).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS/HER/ITS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS/HER/ITS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR AN ACCEPTED ELECTRONIC SERVICE. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION VIA THE SGX-SFG SERVICE.

Where an acceptance, (if applicable) application and/or payment does not conform strictly to the terms set out in this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be authorised and entitled to process each application submitted for the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Depositor, on its own, without regard to any other application and payment that may be submitted by the same Entitled Depositor. For the avoidance of doubt, insufficient payment for an application may render the application invalid, and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

1.4. Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renouncees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE and/or the ARS has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

1.5. Details on the acceptance for provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares are set out in paragraphs 2 to 4 of this Appendix A. By subscribing in the Rights Issue, an Entitled Depositor, a renouncee or a Purchaser will be deemed to warrant, represent, agree and acknowledge that (a) he/she/it, and any account on whose behalf he/she/it is subscribing, are, (i) outside the United States (within the meaning of Regulation S under the Securities Act) and (ii) acquiring the Rights and/or the Rights Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S under the Securities Act; (b) the Rights and/or the Rights Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S under the Securities Act; and (c) the Company, the Company's advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1. Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service

Instructions for Electronic Applications through an ATM of a Participating Bank or an Accepted Electronic Service to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the Participating Banks. Please refer to **Appendix B** to this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

Instructions for Electronic Applications through an Accepted Electronic Service are set out in the ARE.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, HE/SHE/IT WOULD HAVE IRREVOCABLY AUTHORISED THE RELEVANT BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS/HER/ITS BANK ACCOUNT IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM/HER/IT BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR AN ACCEPTED ELECTRONIC SERVICE, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS/HER/ITS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN ITS/THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2. Acceptance/Application through Form Submitted to CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through a form submitted to CDP, he/she/it must:

(a) complete and sign the ARE. In particular, he/she/it must state in Part (C)(i) of the ARE the total number of Rights Shares provisionally allotted to him/her/it which he/she/it wishes to accept and (if applicable) the number of Excess Rights Shares applied for, and in Part (C)(ii) of the ARE the 6 digits of the Cashier's Order or Banker's Draft; and

(b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **HIAP SENG INDUSTRIES LIMITED, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**, in each case so as to arrive not later than **5.30 P.M. ON 5 MARCH 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – HIAP SENG IND RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3. **Acceptance/Application through the SGX-SFG Service (for Depository Agents only)**

Depository Agents may accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through the SGX-SFG Service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances and (if applicable) applications on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed, signed and submitted to CDP.

2.4. **Insufficient Payment**

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue. With respect to applications made via an Accepted Electronic Service, remittances may be rejected and refunded at CDP's discretion if they do not match the quantity of Rights Shares accepted by the Entitled Depositor indicated through such Accepted Electronic Service.

2.5. **Acceptance of Part of Rights and Trading of Rights**

An Entitled Depositor may choose to accept his/her/its provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his/her/its provisional allotment of Rights Shares and trade the balance of his/her/its provisional allotment of Rights Shares on the SGX-ST, he/she/it should:

(a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he/she/it wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or

(b) accept and subscribe for that part of his/her/its provisional allotment of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his/her/its provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotments trading period should note that the Rights will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the unit share market of the SGX-ST during the provisional allotments trading period.

2.6. **Sale of Rights**

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers whose mailing addresses maintained with CDP are in Singapore. Purchasers should note that CDP will, for and on behalf of the Company, send the OIS Notification Letter with the ARS, accompanied by other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of

Rights Shares may be rejected. Purchasers who do not receive the OIS Notification Letter or the ARS, accompanied by other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Purchasers should also note that if they make any purchase on or around the last trading day of the provisional allotments of the Rights Shares, the OIS Notification Letter with the ARS and other accompanying documents might not be despatched in time for the subscription of the Rights Shares. Purchasers may obtain a copy from CDP. Alternatively, Purchasers may accept and subscribe for their Rights by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement (including the ARE), the OIS Notification Letter and other accompanying documents will not be despatched or disseminated to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Foreign Purchasers are advised that their participation in the Rights Issue nay be restricted or prohibited by the laws of the jurisdiction in which they are located or resident.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7. **Renunciation of Rights**

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the "*Terms and Conditions for Operations of Securities Accounts with CDP*", as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renouncee by ordinary post and **AT HIS/HER/ITS OWN RISK**, to his/her/its Singapore address as maintained in the records of CDP and for the renouncee to accept his/her/its provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renouncee is **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his/her/its provisional allotments of Rights Shares by way of the ARE and/or the ARS and also by way of Electronic Application(s) and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his/her/its instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him/her/it and/or application for Excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARES AT AN ISSUE PRICE OF S$0.00543)

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of his/her/its Securities Account as at the Record Date, the Entitled Depositor will be provisionally allotted 20,000 Rights Shares as set out in his/her/its ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	Procedures to be taken
(a) Accept his/her/its entire provisional allotment of 20,000 Rights Shares and (if applicable) apply for Excess Rights Shares	**By way of Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service** (1) Accept his/her/its entire provisional allotment of 20,000 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank not later than **9.30 p.m. on 5 March 2024** or an Accepted Electronic Service as described herein not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or **Through CDP** (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his/her/its provisional allotment of 20,000 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S$108.60 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore, and made payable to "**CDP — HIAP SENG IND RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE**, **A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by post, at his/her/its own risk, in the self-addressed envelope provided to **HIAP SENG INDUSTRIES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**, in each case so as to arrive not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

Alternatives	Procedures to be taken
	NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.
(b) Accept a portion of his/her/its provisional allotments of Rights Shares, for example 10,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.	**By way of Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service** (1) Accept his/her/its provisional allotments of 10,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank not later than **9.30 p.m. on 5 March 2024** or an Accepted Electronic Service as described herein not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or **Through CDP** (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his/her/its provisional allotments of 10,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S$54.30, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). The balance of the provisional allotments of 10,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotments trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market in board lots, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.
(c) Accept a portion of his/her/its provisional allotment of Rights Shares, for example 10,000 provisionally allotted Rights Shares, and reject the balance.	**By way of Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service** (1) Accept his/her/its provisional allotment of 10,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank not later than **9.30 p.m. on 5 March 2024** or an Accepted Electronic Service as described herein not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

Alternatives	Procedures to be taken
	Through CDP
	(2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his/her/its provisional allotment of 10,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S$54.30, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). The balance of the provisional allotment of 10,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 5 March 2024** or an Accepted Electronic Service as described herein not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or if an acceptance is not made through CDP by **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1. Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT (AS THE CASE MAY BE) FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

(A) 9.30 P.M. ON 5 MARCH 2024 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND

(B) 5.30 P.M. ON 5 MARCH 2024 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP, THE SGX-SFG SERVICE OR AN ACCEPTED ELECTRONIC SERVICE.

If acceptance of and (if applicable) excess application and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received (a) through an ATM of a Participating Bank by **9.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or (b) through CDP or an Accepted Electronic Service by **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any,

or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All unsuccessful application monies received by CDP in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by crediting their designated bank accounts with the relevant Participating Bank (if he/she/it accepts and (if applicable) apply through an ATM of a Participating Bank) or through an Accepted Electronic Service or by crediting his/her/its designated bank account via CDP's Direct Crediting Service **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)**. In the event that he/she/it is not subscribed to CDP's Direct Crediting Service, any monies to be paid shall be credited to his/her/its Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein) (such retention by CDP being a good discharge of the Company's and CDP's obligations), as the case may be, (in each case) AT **HIS/HER/ITS OWN RISK** or in such other manner as he/she/it may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/she/it accepts and (if applicable) apply through CDP).

IF AN ENTITLED DEPOSITOR OR A PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE/SHE/IT SHOULD TAKE, HE/SHE/IT SHOULD CONSULT HIS/HER/ITS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2. **Appropriation**

Without prejudice to paragraph 1.3 of this Appendix A, an Entitled Depositor should note that:

(a) by accepting his/her/its provisional allotment of Rights Shares and/or (if applicable) applying for Excess Rights Shares, he/she/it acknowledges that, in the case where the amount of remittance payable to the Company in respect of his/her/its acceptance of the Rights Shares provisionally allotted to him/her/it and (if applicable) in respect of his/her/its application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, the Company and/or CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his/her/its acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his/her/its application for Excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;

(b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares and/or Excess Rights Shares in relation to the Rights Issue made through CDP, he/she/it would have irrevocably authorised the Company and CDP, in applying the amounts payable for his/her/its acceptance of the Rights Shares and (if applicable) his/her/its application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares and/or Excess Rights Shares in relation to the Rights Issue made through CDP; and

(c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him/her/it by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his/her/its instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3. **Availability of Excess Rights Shares**

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares (if any) and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE**. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, including the Undertaking Shareholder Entity, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within three (3) Market Days after the commencement of the trading of the Rights Shares, (a) by crediting their bank accounts with a Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or (b) by crediting their designated bank accounts via CDP's Direct Crediting Service **AT THEIR OWN RISK**. In the event they are not subscribed to CDP's Direct Crediting Service, any monies to be paid shall be credited to their Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein) (such retention by CDP being a good discharge of the Company's and CDP's obligations), as the case may be, (in each case) **AT THEIR OWN RISK** or in such other manner as they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if they accept and (if applicable) apply through CDP).

5.4. **Deadlines**

It should be particularly noted that unless:

(a) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 5 March 2024** or an Accepted Electronic Service and payment of the full amount payable for such Right Shares is effected by **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company);

(b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – HIAP SENG IND RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK,** to **HIAP SENG INDUSTRIES LIMITED, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597**, **SINGAPORE 903147** by **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(c) acceptance is made by a Depository Agent via the SGX-SFG Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent for the Rights Shares is effected by **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned to the Entitled Depositors or the Purchasers or the Depository Agent (as the case may be) without interest or any share of revenue or other benefit arising therefrom by crediting their designated bank accounts with the relevant participating bank (if he/she/they accept and (if applicable) apply through an ATM of the Participating Banks) or through an Accepted Electronic Service or by crediting via CDP's Direct Crediting Service ("**DCS**") or by means of telegraphic transfer where refunds are to be made to a Depository Agent and at the **ENTITLED DEPOSITOR'S OR PURCHASER'S OR DEPOSITORY AGENT'S OWN RISK (AS THE CASE MAY BE)**. In the event that the Entitled Depositor or Purchaser is not subscribed to CDP's DCS, any moneys to be returned or refunded shall be credited to his/her/its Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein) (such retention by CDP being a good discharge of the Company's and CDP's obligations), as the case may be, (in each case**) AT HIS/HER/ITS OWN RISK** or in such other manner as he/she/it may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/she/it accepts and (if applicable) apply through CDP).

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5. **Certificates**

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Shares and Excess Rights Shares credited to your Securities Account.

5.6. **General**

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access Service. Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or the ARS is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained therein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or the ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises.

All communications, notices, documents and remittances to be delivered or sent to you will be sent **BY ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

5.7. **Personal Data Privacy**

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Entitled Depositor, a renouncee or a Purchaser (a) consents to the collection, use and disclosure of his/her personal data by the Company, the Share Registrar, CDP, CPF Board, the Participating Banks and SGX-ST or any of their affiliates or any persons acting on their behalf (the "**Relevant Persons**") for the purpose of facilitating his/her application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (b) warrants that where he/she discloses the personal data of another person, such disclosure is in compliance with applicable law, and (c) agrees that he/she will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his/her breach of warranty.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATIONS BY ENTITLED DEPOSITORS

PROCEDURES TO COMPLETE THE ARE/ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares currently held by you **XX,XXX**

This is your shareholdings as at the Record Date.

Shares as at
5.00 P.M. ON 15 FEBRUARY 2024
(Record Date)

This is the date to determine your Rights Shares entitlements.

Number of Rights Shares provisionally allotted **XX,XXX**

This is your number of Rights Shares entitlement.

Issue Price **S$0.00543** per Rights Share

This is the price that you need to pay when you subscribe for one (1) Rights Share.

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

This is the last date and time to subscribe for the Rights Shares through ATMs of the Participating Banks and CDP (as the case may be).

1.	**Online via SGX Investor Portal**	Access event via Corporate Actions Form Submission on investors.sgx.com or log in to your Portfolio on investors.sgx.com to submit your application via electronic application form. Make payment using PayNow by **5.30 p.m. on 5 March 2024**. You do not need to return this form.
2.	**ATM**	Follow the procedures set out on the ATM screen of a Participating Bank. Submit your application by **9.30 p.m. on 5 March 2024**. Participating Banks are UOB and DBS.
3.	**Form**	Complete section C below and submit this form by **5.30 p.m. on 5 March 2024**, together with BANKER'S DRAFT/CASHIER'S ORDER payable to "**CDP – HIAP SENG IND RIGHTS ISSUE ACCOUNT**". Write your name and securities account number on the back of the Banker's Draft/Cashier's Order.

You can apply for your Rights Shares through ATMs of the Participating Banks.

This is the payee name to be issued on your Cashier's Order where Hiap Seng Ind is the name of the issuer.

Note:

Please refer to the ARE/ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, list of Participating Banks and payee name on the Banker's Draft or Cashier's Order.

3. Application via SGX Investor Portal

SGX Group

User Guide to apply and pay for Rights via SGX Investor Portal

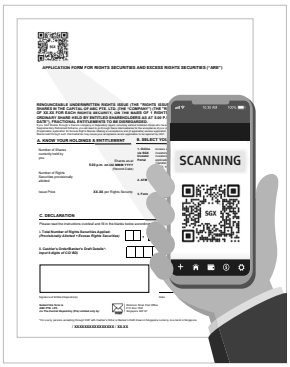
Before you proceed to apply for rights via Investor Portal, please ensure that you have the following:

1. Singpass (Singaporeans/PRs/Work Pass Holders) or CDP Internet User ID (Foreigners/ Corporates)
2. Daily limit to meet your transfer request (up to S$200,000 per transaction for PayNow, capped at a daily fund transfer limit set with your bank, whichever is lower)
3. Notification to alert you on the transfer, refund and submission status. Please turn on the setting in your bank account notifications and update your email address with CDP.

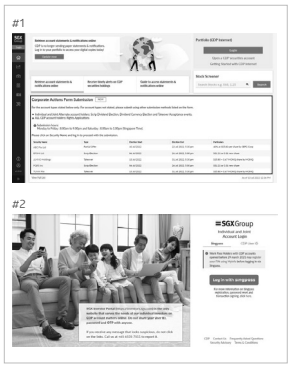
Note:

1. Please ensure that your applications and payments are received by CDP before 5.30pm (Singapore Time) on the event close date. Otherwise, CDP will reject the application.
2. Payment from rejected applications will be refunded to your originating bank account. Banks might impose fees to process refunds. The fees will be deducted from the refund amount. Please check with your bank on the charges and status of your refund.
3. CDP will determine the number of rights applied using total payment received on each day, ignoring resultant fractional cent payable if any.
4. Post allocation, CDP will refund any excess amount to your Direct Crediting Service (DCS) bank account.
5. A transaction fee of S$2 (inclusive of GST) applies for PayNow. It is non-refundable once the instruction is submitted successfully, regardless of the amount of rights allotted.

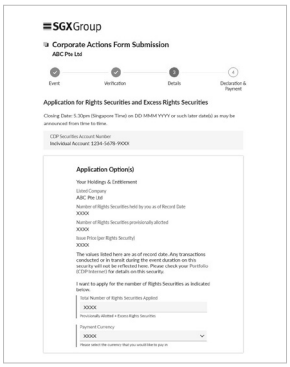
Step 1 Scan QR code using your mobile or visit Investor Portal at investors.sgx.com



Step 2 Select the event or log in to your Portfolio



Step 3 Enter the number of rights and confirm payment amount

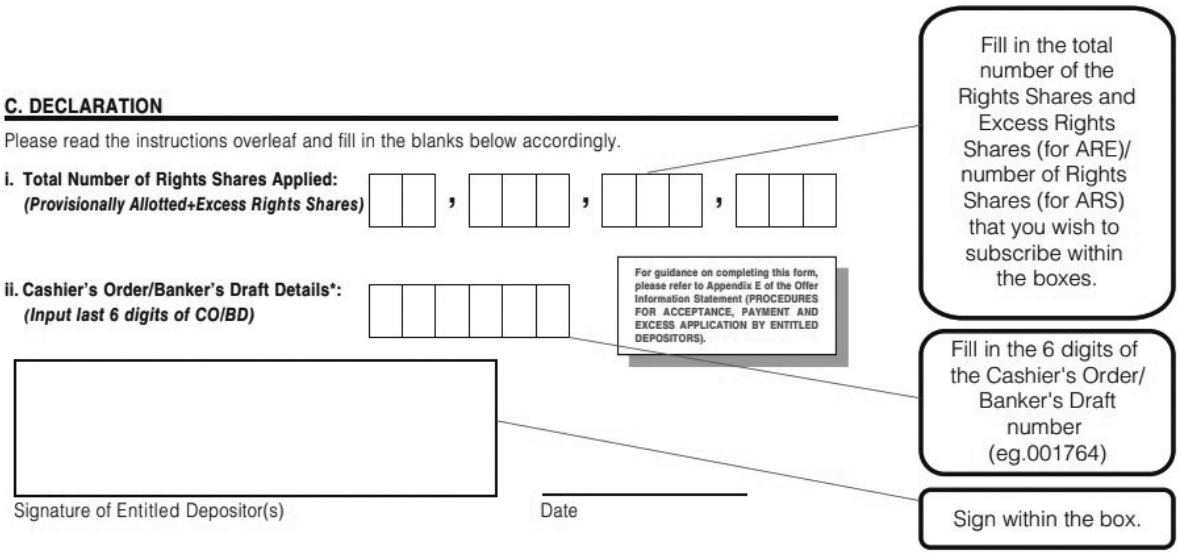


Step 4 Scan QR code using your bank mobile app and submit application along with payment



4. Application via Form

Declaration



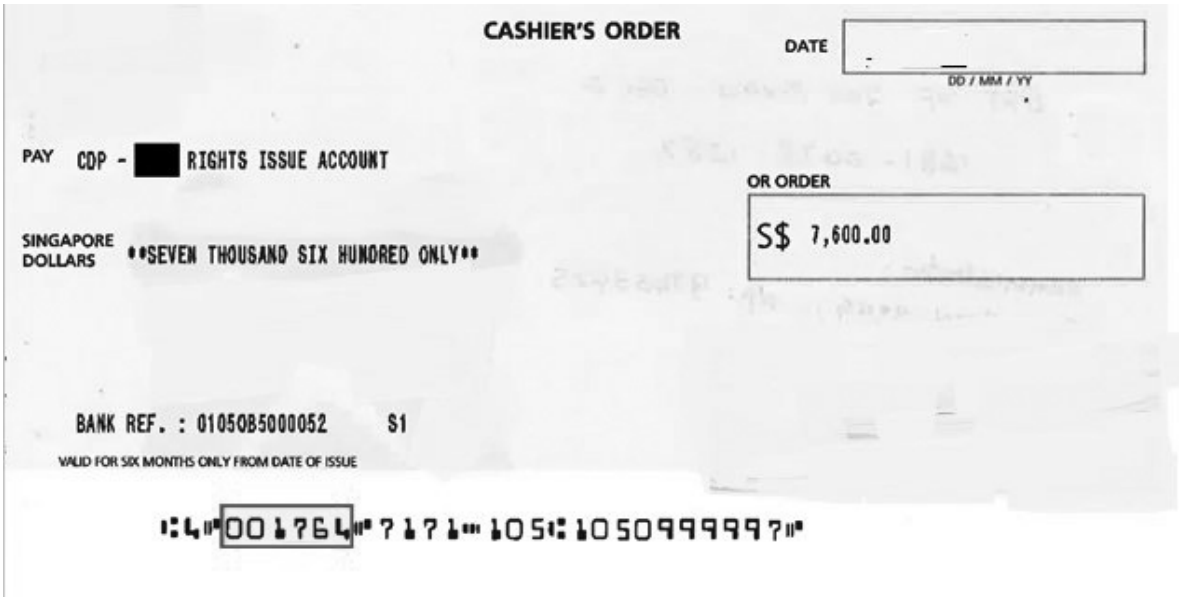
Notes:

(a) If the total number of Rights Shares applied exceeds the provisional allotted holdings in your CDP Securities Account as at Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.

(b) The total number of Rights Shares applied will be based on cash amount stated in your Cashier's Order / Banker's Draft. The total number of Rights Shares will be appropriated accordingly if the applied quantity exceeds this amount.

(c) Please note to submit one (1) Cashier's Order or Banker's Draft per application form.

5. Sample of a Cashier's Order



CASHIER'S ORDER

DATE

DD / MM / YY

PAY CDP - [redacted] RIGHTS ISSUE ACCOUNT

OR ORDER

SINGAPORE DOLLARS **SEVEN THOUSAND SIX HUNDRED ONLY**

S$ 7,600.00

BANK REF. : 01050B5000052 S1

VALID FOR SIX MONTHS ONLY FROM DATE OF ISSUE

APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

The procedures for Electronic Applications through ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks.

Please read carefully the terms and conditions of this Offer Information Statement, the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks and the terms and conditions for Electronic Applications through an ATM of a Participating Bank set out below before making an Electronic Application through an ATM of a Participating Bank. An ATM card issued by one Participating Bank cannot be used to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application through an ATM of a Participating Bank which does not strictly conform to the instructions set out on the screens of the ATM of a Participating Bank through which the Electronic Application is made will be rejected.

All references to "Rights Issue" and "Rights Application" on the ATM screens of the Participating Banks shall mean the offer of Rights Shares under the Rights Issue and the acceptance of Rights and (if applicable) the application for Excess Rights Shares, respectively. All references to "Document" on the ATM screens of the Participating Banks shall mean this Offer Information Statement.

Any reference to the "**Electronic Applicant**" in the terms and conditions for Electronic Applications through an ATM of a Participating Bank and the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks shall mean the Entitled Depositor or his/her/its renouncee or the Purchaser of the provisional allotments of Rights Shares or (as the case may be) who applies for the Excess Rights Shares through an ATM of a Participating Bank.

An Electronic Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he/she/it can make an Electronic Application through an ATM of that Participating Bank. The actions that the Electronic Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his/her/its Electronic Application transaction through an ATM of a Participating Bank, the Electronic Applicant will receive an ATM transaction slip, confirming the details of his/her/its Electronic Application. The ATM transaction slip is for retention by the Electronic Applicant and should not be submitted with any ARE and/or ARS.

An Electronic Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he/she/it enters his/her/its own Securities Account number when using the ATM card issued to him/her/it by that Participating Bank in his/her/its own name. Using his/her/its own Securities Account number with an ATM card which is not issued to him/her/it by that Participating Bank in his/her/its own name will render his/her/its acceptance or (as the case may be) excess application liable to be rejected.

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptances of the provisional allotments of Rights Shares and (if applicable) applications for excess Rights Shares must be done through their respective CPF agent banks with whom they hold their CPF Investments Account, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, respectively. ANY ACCEPTANCE AND/OR (IF APPLICABLE) APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED PERSONS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED. The above-mentioned persons, where applicable, will receive notification letter(s) from their respective approved CPF agent banks with whom they hold their CPF Investments Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the provisional allotments of Rights Shares and (if applicable) applications for excess Rights Shares to their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS

accounts, and their respective finance companies or Depository Agents, as the case may be. CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents should refer to the section entitled "*Important Notice to CPFIS Members, SRS Investors and Investors who hold Shares through a Finance Company and/or Depository Agent*" of this Offer Information Statement for details relating to the application procedure for them.

For renouncees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the provisional allotments of Rights Shares must be done through their respective finance companies or Depository Agents, as the case may be. ANY ACCEPTANCE MADE DIRECTLY BY SUCH RENOUNCEES AND PURCHASERS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED. Such renouncees and Purchasers will receive notification letter(s) from their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the provisional allotments of Rights Shares to their respective finance companies or Depository Agents, as the case may be. Such renouncees or Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date.

The Electronic Application through an ATM of a Participating Bank shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

(1) In connection with his/her/its Electronic Application for the Rights Shares, the Electronic Applicant is required to confirm statements to the following effect in the course of activating the ATM for his/her/its Electronic Application:

(a) that he/she/it has access to the electronic version of this Offer Information Statement and/or possession of the OIS Notification Letter and/or its accompanying documents and has read, understood and agreed to all the terms and conditions of acceptance of and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and

(b) that he/she/it consents to the disclosure of his/her/its Securities Account maintained in CDP's record, including, without limitation, his/her/its name(s), his/her NRIC number(s) or passport number(s), Securities Account number(s), address(es), nationality and application details (the "**Relevant Particulars**") from his account with that Participating Bank to the Share Registrar, CDP, the SGX-ST, the Company and any other relevant parties (the "**Relevant Parties**") as CDP may deem fit for the purpose of the Rights Issue and his/her/its acceptance and/or (if applicable) excess application.

His/Her/Its application will not be successfully completed and cannot be recorded as a completed transaction unless he/she/it presses the "**Enter**" or "**OK**" or "**Confirm**" or "**Yes**" key, as the case may be. By doing so, the Electronic Applicant shall be treated as signifying his/her/its confirmation of each of the two (2) statements above. In respect of statement 1(b) above, his/her/its confirmation, by pressing the "**Enter**" or "**OK**" or "**Confirm**" or "**Yes**" key, as the case may be, shall signify and shall be treated as his/her/its written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act 1970 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

(2) An Electronic Applicant may make an Electronic Application through an ATM of a Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his/her/its bank account with such Participating Bank.

(3) The Electronic Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of the Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares represented by the provisional allotment of the Rights Shares as may be standing to the credit of the "Free Balance" of his/her/its Securities Account as at the Closing Date (whichever is the lesser number). In the event that the Company decides to allot any lesser number of such Excess Rights Shares or not to allot any number of Excess Rights Shares to the Electronic Applicant, the Electronic Applicant agrees to accept the decision as conclusive and binding.

(4) If the Electronic Applicant's Electronic Application is successful, his/her/its confirmation (by his/her/its action of pressing the "**Enter**" or "**OK**" or "**Confirm**" or "**Yes**" key, as the case may be, on the ATM screen) of the number of Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his/her/its acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied for that may be allotted to him/her/it.

(5) In the event that the Electronic Applicant accepts the Rights Shares and (if applicable) instructions to apply for Excess Rights Shares together with payment therefor both by way of the ARE and/or the ARS (as the case may be) and/or by way of acceptance through Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, the Company and/or CDP shall be authorised and entitled to accept the Electronic Applicant's instructions in whichever mode or a combination thereof as they may, in their/its absolute discretion, deem fit. In determining the number of Rights Shares which the Electronic Applicant has validly given instructions to accept, the Electronic Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the aggregate number of provisionally allotted Rights Shares which have been accepted by the Electronic Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, and the number of Rights Shares represented by the provisional allotment of the Rights Shares standing to the credit of "Free Balance" of his/her/its Securities Account which is available for acceptance and payment as at the Closing Date. The Company and/or CDP, in determining the number of Rights Shares for which the Electronic Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE and/or the ARS or by way of the acceptance through Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, which the Electronic Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of his/her/its acceptance.

(6) If applicable, in the event that the Electronic Applicant applies for Excess Rights Shares both by way of the ARE and by way of an application through Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service, the Company and/or CDP shall be authorised and entitled to accept the Electronic Applicant's instructions in whichever mode or a combination thereof as they may, in their/its absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Electronic Applicant has validly given instructions to apply for, the Electronic Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he/she/it has applied by way of the ARE and/or by Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service. The Company and/or CDP, in determining the number of Excess Rights Shares which the Electronic Applicant has given valid instructions to apply for, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the Excess Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application through Electronic Application through an ATM of a Participating Bank, which the Electronic Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his/her/its application.

(7) The Electronic Applicant irrevocably requests and authorises the Company to:

(a) register or to procure the registration of the Rights Shares and (if applicable) the Excess Rights Shares allotted to the Electronic Applicant in the name of CDP for deposit into his/her/its Securities Account;

(b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his/her/its Electronic Application in respect of the Rights Shares not be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Electronic Applicant's bank account with his/her/its Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares; and

(c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his/her/its Electronic Application for Excess Rights Shares be accepted in part only, by automatically crediting the Electronic Applicant's bank account with his/her/its Participating Bank with the relevant amount within three (3) business days after the commencement of the trading of the Rights Shares.

(8) **BY MAKING AN ELECTRONIC APPLICATION, THE ELECTRONIC APPLICANT CONFIRMS THAT HE/SHE/IT IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS NOMINEE OF ANY OTHER PERSON.**

(9) By making an Electronic Application through an ATM of a Participating Bank and subscribing in the Rights Issue, the Electronic Applicant will be deemed to warrant, represent, agree and acknowledge that (a) he/she/it, and any account on whose behalf he/she/it is subscribing, are, (i) outside the United States (within the meaning of Regulation S under the Securities Act) and (ii) acquiring the provisional allotments of Rights Shares and/or the Rights Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S under the Securities Act; (b) the provisional allotments of Rights Shares and/or the Rights Shares have not been and will not be registered under the Securities Act and accordingly, are being offered and sold only outside the United States in an "offshore transaction" as defined in, and in reliance on, Regulation S under the Securities Act; and (c) the Company, the Company's advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

(10) The Electronic Applicant irrevocably agrees and acknowledges that the submission of his/her/its Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Company and/or the Share Registrar) and any other events whatsoever beyond the control of CDP, the Participating Banks, the Company and/or the Share Registrar, and if, in any such event, CDP, the Participating Banks, the Company and/or the Share Registrar do not record or receive the Electronic Applicant's Electronic Application by **9.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Electronic Applicant shall be deemed not to have made an Electronic Application and the Electronic Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Company, the Directors and/or the Share Registrar and their respective officers in respect of any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.

(11) **ELECTRONIC APPLICATIONS MAY ONLY BE MADE THROUGH AN ATM OF A PARTICIPATING BANK FROM MONDAY TO SATURDAYS (EXCLUDING PUBLIC HOLIDAYS) BETWEEN 7.00 A.M. TO 9.30 P.M.**

(12) Electronic Applications through ATMs of Participating Banks shall close at **9.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(13) All particulars of the Electronic Applicant in the records of his/her/its Participating Bank at the time he/she/it makes his/her/its Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Electronic Applicant after the time of the making of his/her/its Electronic Application through an ATM of the relevant Participating Bank, the Electronic Applicant shall promptly notify his/her/its Participating Bank.

(14) The Electronic Applicant must have sufficient funds in his/her/its bank account(s) with his/her/its Participating Bank at the time he/she/it makes his/her/its Electronic Application through an ATM of the relevant Participating Bank, failing which his/her/its Electronic Application will not be completed. Any Electronic Application made through ATMs of the Participating Banks that does not strictly conform to the instructions set out on the ATM screens of the Participating Banks will be rejected.

(15) Where an Electronic Application through an ATM of a Participating Bank is not accepted, it is expected that the full amount of the acceptance/application monies will be returned or refunded in Singapore currency (S$) (without interest or any share of revenue or other benefit arising therefrom) to the Electronic Applicant by being automatically credited to the Electronic Applicant's bank account with the relevant Participating Bank within three (3) business days after the commencement of trading of the Rights Shares. An Electronic Application through an ATM of a Participating Bank may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.

(16) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application through an ATM of a Participating Bank, the Electronic Applicant agrees that:

(a) his/her/its Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary or replacement document referred to in Section 241 of the SFA is lodged with the Authority);

(b) he/she/it warrants, represents, agrees and acknowledges that (a) he/she/it, and any account on whose behalf he/she/it is subscribing, are, (A) outside the United States (within the meaning of Regulation S under the Securities Act) and (B) acquiring the Rights and/or the Rights Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S under the Securities Act; (b) the Rights and/or the Rights Shares have not been and will not be registered under the Securities Act and accordingly, are being offered and sold only outside the United States in an "offshore transaction" as defined in, and in reliance on, Regulation S under the Securities Act; and (c) the Company, the Company's advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements;

(c) he/she/it represents, warrants and undertakes that he/she/it can subscribe for the Rights Shares in accordance with all applicable laws and regulations;

(d) his/her/its Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he/she/it irrevocably submits to the exclusive jurisdiction of the Singapore courts;

(e) none of the Company, CDP, the Participating Banks nor the Share Registrar shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his/her/its Electronic Application to the Company, CDP or the Participating Banks due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 10 above or to any cause beyond their respective control;

(f) any interest, share of revenue or other benefit accruing on or arising from in connection with any acceptance and (if applicable) application monies shall be for the benefit of the Company and none of the Company, CDP, or any other persons involved in the Rights Issue shall be under any obligation to account for such interest, share of revenue or other benefit to him/her/it or any other person;

(g) in accepting his/her/its provisional allotments of Rights Shares, reliance has been placed solely on the information contained in this Offer Information Statement and that none of the Company, CDP, or any other person involved in the Rights Issue shall have any liability in respect of any information not so contained, except for any liability which cannot by law be excluded;

(h) has not relied on any information, representation or warranty supplied or made by or on behalf of the Relevant Persons;

(i) he/she/it has access to all information he/she/it believes is necessary or appropriate in connection with his/her/its subscription of Rights Shares;

(j) he/she/it has not relied on any investigation that any of the Relevant Persons may have conducted with respect to the Rights Shares or the Company, and none of such persons has made any representation to him/her/it, express or implied, with respect to the Rights Shares or the Company;

(k) except for any liability which cannot by law be excluded, he/she/it will not hold any of the Relevant Persons responsible for any misstatements or omissions from any publicly available information concerning the Company and none of the Relevant Persons owes or accepts any duty, liability or responsibility to him/her/it, whether in contract or in tort (including, without limitation, negligence and breach of statutory duty) or otherwise and shall not be liable in respect of any loss, damage or expense whatsoever in relation to the Rights Issue;

(l) he/she/it will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares and (if applicable) his/her/its application for Excess Rights Shares;

(m) in respect of the Rights Shares and/or Excess Rights Shares for which his/her/its Electronic Application has been successfully completed and not rejected, acceptance of the Electronic Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and

(n) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application with respect to enforcement against the Electronic Applicant, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

(16) The Electronic Applicant should ensure that his/her/its personal particulars as recorded by both CDP and the Participating Banks are correct and identical. Otherwise, his/her/its Electronic Application may be liable to be rejected. The Electronic Applicant should promptly inform CDP of any change in his/her/its address, failing which the notification letter on successful allotment and/or other correspondence will be sent to his/her/its address last registered with CDP.

(17) The existence of a trust will not be recognised. Any Electronic Application by an Electronic Applicant must be made in his/her/its own name and without qualification. The Company will reject any application by any person acting as nominee.

(18) In the event that the Electronic Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for Excess Rights Shares, as the case may be, by way of the ARE or the ARS and/or by way of Electronic Application through the ATMs of a Participating Bank and/or through an Accepted Electronic Service, the provisionally allotted Rights Shares and/or Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares by any one (1) or a combination of the following:

(a) by crediting the Electronic Applicant's designated bank account via CDP's Direct Crediting Service **AT HIS/HER/ITS OWN RISK** if he/she/it accepts and (if applicable) applies through CDP. In the event that such Electronic Applicant is not subscribed to CDP's Direct Crediting Service, any monies to be paid shall be credited to his/her/its Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein) (such retention by CDP being a good discharge of the Company's and CDP's obligations), as the case may be, (in each case) **AT HIS/HER/ITS OWN RISK** (the retention by CDP being a good discharge of the Company's and CDP's obligations) or in such other manner as he/she/it may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/she/it accepts and (if applicable) apply through CDP); and/or

(b) by crediting the Electronic Applicant's bank account with the relevant Participating Bank **AT HIS/HER/ITS OWN RISK** if he/her/it accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge of the Company's and CDP's obligations, if any, thereunder.

(19) The Electronic Applicant acknowledges that, in determining the total number of Rights Shares represented by the provisional allotments of Rights Shares which he/she/it can validly accept, the Company and CDP are entitled and the Electronic Applicant authorises the Company and CDP to take into consideration:

(a) the total number of Rights Shares represented by the provisional allotments of Rights Shares which the Applicant has validly accepted, whether under the ARE and/or the ARS or any other form of application (including an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service) for the Rights Shares;

(b) the total number of Rights Shares represented by the provisional allotments of Rights Shares standing to the credit of the "Free Balance" of the Electronic Applicant's Securities Account which is available for acceptance; and

(c) the total number of Rights Shares represented by the provisional allotments of Rights Shares which has been disposed of by the Electronic Applicant.

The Electronic Applicant acknowledges that CDP's and/or the Company's determination shall be conclusive and binding on him/her/it.

(20) The Electronic Applicant irrevocably requests and authorises the Company and/or CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotments of Rights Shares accepted by the Electronic Applicant and (if applicable) the Excess Rights Shares which the Electronic Applicant has applied for.

(21) With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Constitution of the Company and/or other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, or where the "Free Balance" of the Electronic Applicant's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares subscribed as at the Closing Date, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittance at any time after receipt in such manner as it may deem fit.

(22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the Rights Shares, and where applicable, application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Electronic Applicant, on its own, without regard to any other application and payment that may be submitted by the same Electronic Applicant. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

APPENDIX C – PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

1.1. Entitled Scripholders are entitled to access and download this Offer Information Statement electronically and receive the OIS Notification Letter with the following documents which are enclosed with the OIS Notification Letter, and are deemed to constitute a part of, this Offer Information Statement:

PAL incorporating:-

Form of Acceptance	FORM A
Request for Splitting	FORM B
Form of Renunciation	FORM C
Form of Nomination	FORM D
Excess Rights Shares Application Form	FORM E

1.2. The provisional allotment of the Rights Shares is governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Constitution of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Excess Rights Shares in excess of their provisional allotments of Rights Shares under the Rights Issue.

1.3. Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split their provisional allotments of Rights Shares are set out in this Offer Information Statement as well as the PAL.

1.4. With regard to any acceptance of the provisional allotments of Rights Shares, (if applicable) application for Excess Rights Shares and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their/its absolute discretion, accept, reject, treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem(s) fit.

1.5. The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

1.6. **Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**

1.7. Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

1.8. By subscribing in the Rights Issue, an Entitled Scripholder or a renouncee will be deemed to warrant, represent, agree and acknowledge that (a) he/she/it, and any account on whose behalf he/she/it is subscribing, are, (i) outside the United States (within the meaning of Regulation S under the Securities Act) and (ii) acquiring the Rights and/or the Rights Shares in any "offshore transaction" as defined in, and in reliance on, Regulation S under the Securities Act; (b) the Rights and/or the Rights Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States on Regulation S under the Securities Act; and (c) the Company, the Company's advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

2. FORM OF ACCEPTANCE (FORM A)

2.1. Acceptance

An Entitled Scripholder who wishes to accept his/her/its entire provisional allotments of Rights Shares or to accept any part of it and decline the balance should:

(a) complete and sign the Form A of the PAL for the number of Rights Shares which he/she/it wishes to accept; and

(b) forward the PAL **AT HIS/HER/ITS OWN RISK**, in its entirety, duly completed and signed, together with payment in the prescribed manner to **HIAP SENG INDUSTRIES LIMITED, C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 1 HARBOURFRONT AVENUE, #14-07, KEPPEL BAY TOWER, SINGAPORE 098632** so as to arrive not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2. Insufficient Payment

If:

(a) no remittance is attached for the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder and (if applicable) the Excess Rights Shares applied for by the Entitled Scripholder; or

(b) the remittance submitted together with the PAL, is less than the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder and (if applicable) the Excess Rights Shares applied for by the Entitled Scripholder,

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix C entitled "**Appropriation**" which sets out the circumstances and manner in which the Company and/or the Share Registrar shall be authorised and entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3. **Appropriation**

An Entitled Scripholder should note that by accepting his/her/its provisional allotment of Rights Shares, he/she/it acknowledges that, the Company and the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore to be applied towards the payment of his/her/its acceptance of Rights Shares.

3. REQUEST FOR SPLITTING (FORM B), FORM OF RENUNCIATION (FORM C) AND FORM OF NOMINATION (FORM D)

3.1. Entitled Scripholders who wish to accept a portion of their provisional allotment of Rights Shares and renounce the balance of their provisional allotment of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one (1) person, should first, using Form B, request to have their provisional allotments under the PAL split into separate PALs ("**Split Letters**") according to their requirements.

3.2. The duly completed and signed Form B together with the PAL, in its entirety, should then be returned to **HIAP SENG INDUSTRIES LIMITED, C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 1 HARBOURFRONT AVENUE, #14-07, KEPPEL BAY TOWER, SINGAPORE 098632**, not later than **5.00 p.m. on 28 February 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B is received after **5.00 p.m. on 28 February 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3.3. The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing and signing Form C before delivery to the renouncee(s). Entitled Scripholders should complete and sign Form A of the Split Letter(s) representing that part of their provisional allotments they intend to accept, if any, and forward the said Split Letter(s) together with payment in the prescribed manner to **HIAP SENG INDUSTRIES LIMITED, C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 1 HARBOURFRONT AVENUE, #14-07, KEPPEL BAY TOWER, SINGAPORE 098632** so as to arrive not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3.4. Entitled Scripholders who wish to renounce their entire provisional allotment of Rights Shares in favour of one (1) person, or renounce any part of it in favour of one (1) person and decline the balance, should complete Form C for the number of provisional allotment of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renouncee(s). **Entitled Scripholders are to deliver the OIS Notification Letter to the renouncees together with the PAL**.

3.5. The renouncee(s) should complete and sign Form D and forward Form D, together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner, to reach **HIAP SENG INDUSTRIES LIMITED, C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 1 HARBOURFRONT AVENUE, #14-07, KEPPEL BAY TOWER, SINGAPORE 098632** so as to arrive not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3.6. Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his/her/its favour by completing and signing Form A and the Consolidated Listing Form in Form D of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renouncee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D of only one (1) PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).**

4. PAYMENT

4.1. Payment in relation to the PALs for Rights Shares must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**HIAP SENG IND RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or accepting party clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. The completed and signed PAL and remittance should be addressed and forwarded **AT THE SENDER'S OWN RISK** to **HIAP SENG INDUSTRIES LIMITED, C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 1 HARBOURFRONT AVENUE, #14-07, KEPPEL BAY TOWER, SINGAPORE 098632** by **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED**.

4.2. If acceptance and (if applicable) excess application and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance and such provisional allotment of Rights Shares not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return or refund all unsuccessful application monies received in connection therewith **BY ORDINARY POST AND AT THE RISK OF THE ENTITLED SCRIPHOLDERS OR THEIR RENOUNCEE(S), AS THE CASE MAY BE**, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of the trading of the Rights Shares.

5. APPLICATION FOR EXCESS RIGHTS SHARES (FORM E)

5.1. Form E contains full instructions with regard to Excess Rights Shares application, and payment and the procedures to be followed if you wish to apply for Rights Shares in excess of your provisional allotment of Rights Shares. Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing, signing the Form E of the PAL and forwarding it together with the PAL for Rights Shares in its entirety with a **SEPARATE SINGLE REMITTANCE** for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner as set out above to **HIAP SENG INDUSTRIES LIMITED, C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 1 HARBOURFRONT AVENUE, #14-07, KEPPEL BAY TOWER, SINGAPORE 098632** so as to arrive not later than **5.30 p.m. on 5 March 2024** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

5.2. Applications for Excess Rights Shares are subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Scripholders, the original allottee(s) or their respective renouncee(s), or the Purchaser(s) of the provisional allotment of Rights Shares, the aggregate fractional entitlements of the Rights Shares and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, the PAL, Form E and (if applicable) the Constitution of the Company.

5.3. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation on the Board (direct or through a nominee), including the Undertaking Shareholder Entity, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to reject, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renouncees) shall be entitled to apply for Excess Rights Shares in excess of their provisional allotments.

5.4. In the event that the number of the Excess Rights Shares allotted to Entitled Scripholders is less than the number of Excess Rights Shares applied for, Entitled Scripholders shall be deemed to have accepted the number of Excess Rights Shares actually allotted to them. If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, it is expected that the amount paid on application or the surplus of the application monies for Excess Rights Shares received by the Company, as the case may be, will be returned or refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares, by means of a crossed cheque drawn on a bank in Singapore and sent, **BY ORDINARY POST** to their mailing addresses as maintained with the Share Registrar **AT THEIR OWN RISK**.

6. GENERAL

6.1. No acknowledgements or receipts will be issued in respect of any acceptances, remittances, applications or payments received.

6.2. **Entitled Scripholders who are in any doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.**

6.3. Upon listing and quotation on the Mainboard of the SGX-ST, the Rights Shares, when issued will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited*", as the same may be amended from time to time. A copy of the above is available from CDP.

6.4. **To facilitate scripless trading, Entitled Scripholders and their renouncees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and (if applicable) the excess Rights Shares that may be allotted to them can be credited by CDP into their Securities Accounts. Entitled Scripholders and their renouncees who wish to accept and/or (if applicable) apply for the excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renouncees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title. These physical share certificates will be sent BY ORDINARY POST to person(s) entitled thereto AT HIS/HER/THEIR OWN RISK**.

6.5. If the Entitled Scripholders' addresses stated in the PAL are different from their addresses maintained in the records of CDP, they must inform CDP of their updated addresses promptly, failing which the notification letter on successful allotments and other correspondences will be sent to their addresses last registered with CDP.

6.6. A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his/her/its share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his/her/its existing share certificate(s), together with the duly executed instrument(s) of transfer (including any applicable fees) in favour of CDP, and have his/her/its Securities Account credited with the number of Rights Shares and/or existing Shares, as the case may be, before he/she/it can effect the desired trade.

6.7. **THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES ACCEPTED/APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.**

6.8. **THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES UNDER THE RIGHTS ISSUE IS 5.30 P.M. on 5 MARCH 2024 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).**

7. PERSONAL DATA PRIVACY

By completing and delivering the PAL, an Entitled Scripholder or a renouncee (a) consents to the collection, use and disclosure of his/her personal data by the Relevant Persons for the purpose of facilitating his/her application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (b) warrants that where he/she discloses the personal data of another person, such disclosure is in compliance with applicable law, and (c) agrees that he/she will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his/her breach of warranty.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its Subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/ or reproduced in this Offer Information Statement in its proper form and context.

Dated 19 February 2024

For and on behalf of

HIAP SENG INDUSTRIES LIMITED

Sebastian Tan Cher Liang
Independent Chairman

Khua Kian Hua
Executive Director

Tan Phuay Hung, Max
Executive Director and Chief Executive Officer

Piti Pramotedham
Independent Director

David Ong Kim Huat
Independent Director