



HONG LAI HUAT GROUP LIMITED

(Incorporated in the Republic of Singapore)

Reg. No. 199905292D

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UPDATE ON THE PROPOSED PLACEMENT

The Board of Directors (the “**Board**”) of Hong Lai Huat Group Limited (the “**Company**”) refers to the Company’s announcements dated 20 January 2025 (the “**20 January Announcement**”), 23 January 2025 and 7 February 2025.

Unless otherwise defined, terms used herein shall bear the same meanings as defined in the 20 January Announcement.

The Company was informed by SGX RegCo that it had received feedback from shareholders of the Company that they would like to have certainty as to the issue price of the Placement Shares prior to voting on the Proposed Placement and the Whitewash Resolution at the EGM to be convened by the Company.

Approval of the Securities Industry Council (the “**Council**”) was sought to replace the Pricing Formula for the Proposed Placement with a fixed issue price of S\$0.03 per Placement Share (the “**Fixed Issue Price**”). The Fixed Issue Price will be subject to the following conditions: -

- i. The review and opinion of an independent financial adviser, whose opinion will be disseminated to shareholders of the Company prior to the EGM to be convened to approve the Whitewash Resolution and the Proposed Placement; and
- ii. Should the Fixed Issue Price exceed a 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the supplemental agreement substituting the Fixed Issue Price is contracted, the Company will seek specific shareholders’ approval of the Fixed Issue Price in accordance with Rule 811 of the Mainboard Rules.

Council has on 17 March 2025 communicated that it has no objection to the proposed replacement of the Pricing Formula with the Fixed Issue Price.

All conditions to the Whitewash Waiver required by Council as announced in the 20 January Announcement shall continue to apply.

The Company will make the necessary announcements as and when there are material developments in relation to the Proposed Placement.

BY ORDER OF THE BOARD

Dato’ Dr Ong Bee Huat, PBM
Executive Deputy Chairman and Chief Executive Officer
18 March 2025