



HIAP HOE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400676Z)

RESPONSE TO SGX QUERIES REGARDING THE COMPANY'S FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The board of directors (the “**Board**” or the “**Directors**”) of Hiap Hoe Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce the following in response to further queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) relating to the Company’s financial statements for the financial year ended 31 December 2022 (“**2HY2022**”) (“**Financial Statement Announcement**”).

SGX Queries

Listing Rule 704(17) states that any acquisition of:—

- (a) shares resulting in the issuer holding 10% or more of the total voting rights of a quoted company; and
- (b) except for an issuer which is a bank, finance company, securities dealing company or approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must state:—
 - (i) the issuer's aggregate cost of investment in quoted securities before and after the acquisition, and such amounts as a percentage of the latest audited consolidated net tangible assets of the issuer;
 - (ii) the total market value of its investment in quoted securities before and after the acquisition; and
 - (iii) the amount of any provision for diminution in value of investment in quoted securities.

An issuer should not include the issuer's holdings in its subsidiaries and associated companies listed or quoted on the Exchange or on a foreign stock exchange when computing its investment in quoted securities.

Listing Rule 704(18) states that any sale of:—

- (a) shares resulting in the issuer holding less than 10% of the total voting rights of a quoted company; and
- (b) except for an issuer which is a bank, a finance company, a securities dealing company or an approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment in quoted securities falling below each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must contain the same information as required under Rule 704(17)(b)(i) to (iii), relating to a sale instead of an acquisition.

In this regard:

- 1) Please confirm whether Listing Rule 704(17)(a)(b) and Listing Rule 704(18)(a)(b) have been complied with.

- 2) Please confirm whether the Board has established an investment policy and risk management policy with regard to the “Other Investments” made by the Group. Have these investment and risk management policies been approved by the Company’s Audit & Risk Committee?

Responses

- 1) The Company confirms that it has complied with Listing Rule 704(17)(a)(b) and Listing Rule 704(18)(a)(b).
- 2) The Company confirms that it has investment and risk management guidelines and practices with regard to the “Other Investments” made by the Group. The Group’s investment and risk management guidelines and practices have also been approved and are reviewed from time to time by the Company’s Audit and Risk Committee and Board of Directors.

By Order of the Board

Ong Beng Hong
Joint Company Secretary
28 March 2023