



## **HIAP SENG ENGINEERING LTD**

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

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### **NEWS RELEASE**

#### **HIAP SENG ANNOUNCES LEASE EXTENSIONS AT 24, 28 AND 30 TUAS CRESCENT**

**Singapore, September 12, 2018** – Hiap Seng Engineering Ltd (“Hiap Seng” or the “Group”), a specialist integrated engineering group for the oil-and-gas, petrochemical and pharmaceutical industries, today announced it has accepted an offer of further extensions of leases (“Further Term”), expiring on August 15, 2038 from JTC Corporation for its properties at 24, 28 and 30 Tuas Crescent (collectively “the Lots”), for leases expiring/expired on May 31, 2019, August 15, 2018 and May 31, 2019, respectively.

The Lots consist of Private Lot A0520202 at 24 Tuas Crescent; Private Lot A0520200 and A0520201 at 28 Tuas Crescent as well as Private Lot A0520203 at 30 Tuas Crescent. The respective lots have a final survey area of 6,199.6 square metres, 20,280.4 square metres, 20,297.7 square metres and 8,958.8 square metres, totalling 55,736.5 square metres under survey.

The land rental for the Further Term, if granted, shall be at an initial rate based on the market prevailing or about the commencement of the Further Term, and shall be subject to revision every year to market rent. The increase, if any, shall not exceed 5.5% of the land rent for each immediately preceding year.

Hiap Seng has accepted the offer, subject to the fulfilment of terms and conditions. Hiap Seng shall fulfil its declared aggregate investment on plant and machinery at the Lots of at least S\$18,055,000, of which S\$14,736,000 must consist of new investments on plant and machinery, and the remainder may consist of the net book value of the existing plant and machinery, all within the development period, by August 13, 2021.

Additionally, Hiap Seng shall ensure that at least 86.5% of the total land area is developed, excluding driveways/parking spaces, statutory building setbacks/buffers, vacant land/greens for safety distances and land reserved for future expansions, if any.

Mr. Frankie Tan, Executive Chairman of Hiap Seng said, "We are pleased with the outcome of the negotiations with JTC Corporation to extend the leases, and will remain committed to further strengthen our business through prudent cost measures and maintenance as well as capital expenditure. The renewal of the leases is testament to JTC's confidence in Hiap Seng's ability to continually make investments to fund for the Group's growth plans."

## **Corporate Profile**

Established in 1971 and a Mainboard-listed company, Hiap Seng is a specialist integrated engineering group for the oil-and-gas, petrochemical and pharmaceutical industries and is one of Singapore's leading engineering groups serving the oil-and-gas, petrochemical and pharmaceutical industries.

The Group provides engineering services covering engineering, procurement & construction (EPC) projects and plant maintenance services for the oil-and-gas, petrochemical, and pharmaceutical industries in Singapore and beyond.

The Group operates six well-equipped fabrication yards in Singapore, Thailand and UAE with a total land area of about 2.3 million sq ft and a workforce of about 1,200 well-trained and skilled employees.

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***For CDR***

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