

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

ANNOUNCEMENT

Profit Guidance for 4QFY2018 and FY2018 ended 31 March 2018

The Board of Directors of Hiap Seng Engineering Ltd (the "Company") wishes to announce that, following a preliminary review of the unaudited financial results of the Company and its subsidiaries (the "Group") for 4QFY2018 and FY2018 ended 31 March 2018, the Group is expected to record net losses for both periods.

The weaker than expected financial performance for the above periods is attributable to lower revenue and higher than expected operating costs.

Further details of the Group's performance will be disclosed when the Group releases its 4QFY2018 and FY2018 financial statements by 30 May 2018.

By Order of the Board

Tan Hak Jin Joint Company Secretary 16 May 2018