

HIAP SENG INDUSTRIES LIMITED

(Company Registration No. 202200187H)
(Incorporated in the Republic of Singapore)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 607,500,000 NEW ORDINARY SHARES – RESULTS OF RIGHTS ISSUE

1. BACKGROUND

The board of directors (the “**Board**” or “**Directors**”) of Hiap Seng Industries Limited (the “**Company**”) refers to refers to the (a) announcement dated 11 October 2023 issued by Hiap Seng Engineering Limited (Judicial Managers appointed) (“**HSEL**”) in relation to the renounceable non-underwritten rights issue of up to 607,500,000 new ordinary shares in the capital of the Company (the “**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 (the “**Rights Issue**”); (b) circular dated 6 November 2023 issued by HSEL in relation to, among others, the Rights Issue; (c) announcement dated 24 January 2024¹ issued by the Company in relation to, among others, the approval-in-principle received from the SGX-ST on the Rights Issue; (d) announcement dated 16 February 2024 issued jointly by the Company and HSEL in relation to the completion of, among others, the Subscriber Transactions, the Debt Restructuring and the Transfer Listing; (e) announcement dated 19 February 2024 issued by the Company in relation to, among others, the lodgment of the Offer Information Statement (as defined below) and despatch and dissemination of documents; and (f) offer information statement dated 19 February 2024, in relation to, amongst other things, the Rights Issue (the “**Offer Information Statement**”).

Unless otherwise defined, capitalised terms used but not defined in this announcement shall have the meanings as ascribed to them in the Offer Information Statement.

2. RESULTS OF THE RIGHTS ISSUE

2.1. Level of Subscription

Based on the issued share capital of the Company as at the Record Date of 303,750,000 Shares, an aggregate of 607,500,000 Rights Shares were provisionally allotted to Entitled Shareholders, on the basis of two (2) Rights Shares for every one (1) Share, under the Rights Issue.

The Directors of the Company wish to announce that, as at the Closing Date of 5 March 2024 for the Rights Issue, valid acceptances and excess applications for a total of 331,075,614 Rights Shares were received (inclusive of an aggregate of 184,162,062 Rights Shares (comprising 141,577,278 Rights Shares and 42,584,784 Excess Rights Shares) accepted and applied for by the Undertaking Shareholder Entity pursuant to the Irrevocable Undertaking). This represents approximately 54.50% of the total number of Rights Shares offered under the Rights Issue.

Details of the valid acceptances and valid excess applications for the Rights Shares are therefore, as follows:

	Number of Rights Shares	As a percentage of the total number of Rights Shares available under the Rights Issue
Valid Acceptance	229,678,568	37.81%
Excess Application	101,397,046	16.69%
Total	331,075,614	54.50%

¹ The announcement was re-released on 5 February 2024 and 7 February 2024 to include additional information on the Rights Issue.

2.2. Allocation of Rights Shares for Excess Applications

A total of 377,821,432 Rights Shares not taken up by Entitled Shareholders and/or their renounees pursuant to the Rights Issue were allotted to satisfy the excess applications for the Rights Shares.

In compliance with its obligations under the Listing Manual, the Company had, in the allotment of any Excess Rights Shares, given preference to 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 (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.

2.3. Allotment and Issue of the Rights Shares

In the case of Entitled Depositors and Entitled Scripholders and their renounees (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.

In the case of Entitled Scripholders and their renounees 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.

2.4. “Nil-paid” rights in respect of Foreign Shareholders

As disclosed in the Offer Information Statement, no arrangements were 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.

3. NET PROCEEDS FROM THE RIGHTS ISSUE

After deducting estimated costs and expenses of approximately S\$180,000 incurred in connection with the Rights Issue, the Company has raised net proceeds of approximately S\$1,617,740.58 from the Rights Issue. In line with the information disclosed in the Offer Information Statement, the Company intends to utilise the net proceeds from the Rights Issue 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.

4. REFUND FOR INVALID OR UNSUCCESSFUL ACCEPTANCES AND EXCESS APPLICATIONS

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.

5. ISSUE AND LISTING OF THE RIGHTS SHARES

The 331,075,614 Rights Shares are expected to be allotted and issued on 11 March 2024 pursuant to the Rights Issue. The Company further expects that the Rights Shares will be listed and quoted on the Mainboard of the SGX-ST on or about 13 March 2024 and trading of such Rights Shares will commence with effect from 9.00 a.m. on 13 March 2024.

The Company will release an announcement to advise Shareholders on the date for the listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST in due course. The approval in-principle obtained from the SGX-ST on 19 January 2024 for the listing and quotation of the Rights Shares on the Mainboard of the SGX-ST is not to be taken as an indication of the merits of the Rights Shares, the Rights Issue, the Company and/or its subsidiaries.

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.

The Board of Directors of the Company would like to thank all Shareholders for their support for the Company by participating in the Rights Issue and enabling the successful completion of the Rights Issue.

BY ORDER OF THE BOARD

Khua Kian Hua
Executive Director

8 March 2024