



HIAP HOE LIMITED

(Incorporated in Singapore on 28 January 1994)

(Company Registration Number: 199400676Z)

PROPOSED PLACEMENT (THE "PLACEMENT") OF UP TO 26,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF HIAP HOE LIMITED ("PLACEMENT SHARES")

Receipt of approval-in-principle from the Singapore Exchange Securities Trading Limited ("SGX-ST")

Further to the announcement dated 17 May 2007, the Directors of Hiap Hoe Limited (the "**Company**") are pleased to announce that UOB Kay Hian Private Limited, as placement agent, has procured subscribers for all 26,000,000 Placement Shares in connection with the Placement and the SGX-ST has granted approval in-principle on 25 May 2007 for the listing and quotation on the Official List of the SGX-ST Dealing and Automated Quotation System of the 26,000,000 Placement Shares to be issued pursuant to the Placement.

It should be noted that the in-principle approval of the SGX-ST for the listing and quotation of the Placement Shares is not an indication of the merits of the Placement.

The Company will make announcement once the Placement has been completed.

As mentioned in the Company's announcement dated 17 May 2007, when completed, the Placement will increase the existing issued share capital of the Company to S\$130,226,520 comprising 300,975,065 ordinary shares in the capital of the Company (based on the issued share capital of the Company as at 11 May 2007, and assuming that none of the warrants issued or employee share options granted by the Company are exercised).

BY ORDER OF THE BOARD

Teo Ho Beng
Director

25 May 2007