



HIAP HOE LIMITED
(Company Registration Number: 199400676Z)

All terms are as defined in the Company's announcement on the proposed Share Consolidation on 16 November 2006.

PROPOSED SHARE CONSOLIDATION

Further to the announcement made by Hiap Hoe Limited (the "**Company**") on 16 November 2006, the board of directors of the Company wishes to announce that the Company has on 15 December 2006 received approval in-principle from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Consolidated Shares on the SGX-ST Dealing and Automated Quotation System, subject to

- (a) the approval of the shareholders by ordinary resolution at the extraordinary general meeting (the "**EGM**") of the Company to be convened to sanction or approve, *inter alia*, the proposed Share Consolidation; and
- (b) compliance with the SGX-ST's listing requirements and guidelines.

The SGX-ST's approval in-principle is not an indication of the merits of the Consolidated Shares, the Share Consolidation, the Company, its subsidiaries or its securities.

The draft circular containing, *inter alia*, the notice of the EGM and details of the Share Consolidation will be dispatched to Shareholders in due course.

BY ORDER OF THE BOARD

Submitted by Lim Siew Fay, Sophia, Company Secretary on 18 December 2006 to the SGX-ST