



**HIAP HOE LIMITED**

Company Registration No. 199400676Z

**INCORPORATION OF ASSOCIATED COMPANY HHA PROPERTIES PTE. LTD.**

The Board of Directors of Hiap Hoe Limited (the "Company") wishes to announce that it has on 22 May 2008 incorporated an associated company known as HHA Properties Pte. Ltd. ("HHA") with a third party.

HHA has an issued and paid up capital of S\$20, 50% of which was contributed by the Company's wholly-owned subsidiary company, HH Properties Pte. Ltd.. The nature of business of HHA is that of investment holdings and property development.

The above transaction is not expected to have a material impact on the net earnings per share and net tangible assets per share of the Company for the current financial year ending 31 December 2008.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect interest in the matter.

By Order of the Board

Submitted by Lai Foon Kuen, Company Secretary on 22 May 2008 to the SGX-ST