



Hiap Hoe Limited
(Registration No. : 199400676Z)

REPLY TO SGX QUERIES ON THE USE OF PROCEEDS

The Board of Directors of Hiap Hoe Ltd. (the "Company") wishes to provide additional information in response to the query received from the SGX-ST on 16 April 2009 with respect to the use of proceeds arising from Rights Issue :

Query:

Under Listing Rules 815 and 877(8), an Issuer "must announce any significant disbursement of the proceeds raised from the rights issue". The Company had not periodically disclosed to Shareholders the specific utilization of the proceeds when the funds from its Rights Issue were disbursed. Please disclose and quantify accordingly.

Company's reply:

The proceeds from Rights Issue were fully utilized and materially disbursed as follows:

Repayment of short-term loans and loan interest to financial institutions	\$ 8,276,000
Advancement to a joint venture company for partial payment of land acquisition of a 99-year leasehold land parcel at Balestier Road / Ah Hood Road.	\$ 9,068,000

BY ORDER OF THE BOARD

Submitted by Lai Foon Kuen, Company Secretary on 17 April 2009 to the SGX-ST