



Hiap Hoe Limited
(Registration No. : 199400676Z)

MEMORANDUM OF UNDERSTANDING WITH PROBUILD CONSTRUCTIONS (AUST) PTY LTD FOR THE PROPOSED DEVELOPMENT OF THE PROPERTIES OF THE GROUP LOCATED AT:

- (I) 6-22 PEARL RIVER ROAD, DOCKLANDS, VICTORIA, AUSTRALIA; AND**
(II) 380 LONSDALE STREET, MELBOURNE, VICTORIA, AUSTRALIA

Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the meanings ascribed to them in the announcements of the Company:

- (i) *dated 1 August 2013, 16 August 2013, 21 August 2013 and 28 August 2013, relating to the Group's acquisition of the property located at 6-22 Pearl River Road, Docklands, Victoria, Australia (the "**6-22 Pearl River Road Property**")*; and
- (ii) *dated 4 September 2013, 5 September 2013 and 3 October 2013, relating to the Group's acquisition of the property located at 380 Lonsdale Street, Melbourne, Victoria, Australia (the "**380 Lonsdale Street Property**")*,

*(collectively, the "**Announcements**".)*

The Board of Directors of Hiap Hoe Limited (the "**Company**", and with its subsidiaries, the "**Group**") is pleased to announce that, further to the Announcements and in relation to the 6-22 Pearl River Road Property and 380 Lonsdale Street Property (the "**Properties**"), the Company has on 2 October 2013 entered into a non-binding memorandum of understanding (the "**MOU**") with Probuild Constructions (Aust) Pty Ltd ("**Probuild**"), pursuant to which the Company and Probuild have reached an understanding to explore the possibility of participating in a joint venture (the "**Proposed Joint Venture**") for the proposed development of the Properties (the "**Projects**").

Under the terms of the MOU, the Company, either itself or through its Australian subsidiary, is expected to undertake the role of the developer, and Probuild is expected to undertake the role of the head contractor, of the Projects. The Company will engage in active discussion with Probuild to reach in-principle agreement on the salient terms of the Proposed Joint Venture and the Projects, with the view towards the signing of detailed definitive agreements.

Probuild is an Australian national company with expertise in project delivery, construction planning and management. The Board believes that the Group will stand to benefit from a

joint venture with an established local partner for the Projects, which will help the Group increase its presence in Australia.

The MOU represents a non-binding agreement between the Company and Probuild, and is subject to, among others, any competitive tender process or other procurement methodology that may be undertaken by the Company for the Projects.

The Company will keep shareholders updated and make further announcements upon the execution of definitive agreements in relation to the Proposed Joint Venture.

By Order of the Board

Submitted by Lai Foon Kuen, Company Secretary on 3 October 2013 to the SGX-ST.