

HOE LEONG CORPORATION LTD.

(Company registration number 199408433W)

(Incorporated in the Republic of Singapore)

WINDING UP PETITION AGAINST

(A) SEMUA CHEMICAL SHIPPING SDN BHD; AND

(B) SEMUA SHIPPING SDN BHD

The board of directors ("**Board**") of Hoe Leong Corporation Ltd. ("**Company**") wishes to announce that two of the Company's material associates, Semua Chemical Shipping Sdn Bhd ("**Semua Chemical**") and Semua Shipping Sdn Bhd ("**Semua Shipping**"), have received winding up petitions by NFC Labuan Shipleasing I Ltd ("**NFC**") under the relevant provisions of the Malaysian Companies Act 1965. The winding up petitions are scheduled to be heard at the High Court of Kuala Lumpur on 29 July 2016.

Semua Chemical and Semua Shipping will be contesting the winding up petitions.

Semua Chemical leased two chemical vessels, Semua Perdana and Semua Perkasa, from NFC on 25 February 2008. In connection with this, Semua Shipping had on 29 April 2009 issued deeds of guarantee and indemnity ("**Corporate Guarantees**") to NFC for the bareboat charters of Semua Chemical. On 19 May 2014, NFC terminated the leases and made various claims under the Perdana bareboat charter agreement and the Perkasa bareboat charter agreement in the aggregate sum of USD6,377,034 and USD6,687,238 respectively. The winding up petition served on Semua Shipping relates to the Corporate Guarantees issued for Semua Chemical.

Separately, further to the Company's announcement of 5 May 2016, the Company has received a proposal for the restructuring of the business of the Semua group of companies ("**Semua Group**"). The Board is considering the proposal with the Company's legal advisers. If the proposal is carried out successfully, it will result in the Company eventually exiting the business carried out through the Semua Group joint venture

The Company will make further announcements on any material developments, as and when necessary.

The Company will be reviewing the financial impact of the aforementioned matters in its interim result statement for Q2 FY2016.

ON BEHALF OF THE BOARD

Kuah Geok Lin

Chairman and Chief Executive Officer

30 May 2016