

**RESPONSE TO QUESTIONS FROM A SHAREHOLDER ON ANNUAL REPORT FOR THE
FINANCIAL YEAR ENDED 31 DECEMBER 2023**

The Board of Directors (the “**Board**”) of Hoe Leong Corporation Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) would like to thank the shareholder for submitting the following questions in advance of the Annual General Meeting of the Company which will be held at Devan Nair Institute for Employment and Employability, 80 Jurong East Street 21, #01-04, Singapore 609607 on Tuesday, 30 April 2024 at 9.30 a.m..

The Company has endeavored to address all substantial and relevant questions received up to 5.00 p.m. on Tuesday, 23 April 2024. Please refer to responses below.

Question 1:

CORPORATE GOVERNANCE REPORT FY2023 is not accurate.

Mr Liew Yoke Pheng Joseph and Mr Choy Bing Choong only resigned on 31 October 2023 and 30 September 2023 respectively, why these information were missing from:

- (a) Composition of Board and Board Committees**
- (b) number of Board and Board Committees meetings held and attended for during FY2023**

Company’s response:

We are committed to transparency and accuracy in our reporting, and appreciate the feedback of the shareholder in helping us improve our disclosure.

- (a) The table at page 32 of the 2023 Annual Report depicts the composition of the Board and Board Committees as at 31 December 2023 although we could have been more specific with the disclosure. The respective dates of resignation of Mr Liew Yoke Pheng Joseph and Mr Choy Bing Choong as director of the Company have been disclosed on page 45 of the 2023 Annual Report.
- (b) On page 33 of the 2023 Annual Report, the number of Board and Board committees meetings held and attended by the two former directors, namely, Mr Choy Bing Choong (who had resigned on 30 September 2023) and Mr Liew Yoke Pheng Joseph (who had resigned on 31 October 2023) has been inadvertently omitted. Accordingly, the table on page 33 of the 2023 Annual Report is revised (with the addition of the two highlighted rows) and should be read as follows.

Directors	Board (No. of meetings held: 4)	AC (4)	NC (2)	RC (4)	Annual General Meeting (1)
	Number of meetings attended by members (Excluding attendance by invitation of the Board Committee, where applicable)				
Yeo Puay Hin	4	N. A.	N.A.	N.A.	1
Lee Chin Chai	4	4	2	4	1
Wee Sung Leng	4	4	N.A.	4	1
Kuan Cheng Tuck*	1	1	-	1	-
Choy Bing Choong**	3	3	2	3	1
Liew Yoke Pheng Joseph***	3	N. A.	2	N. A.	1

* Mr Kuan Cheng Tuck was appointed on 2 October 2023.

** Mr Choy Bing Choong resigned on 30 September 2023.

*** Mr Liew Yoke Pheng Joseph resigned on 31 October 2023.

N.A. – Not applicable

Question 2:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

For the Profit before income tax : S\$457,000, does it include any one off, non-recurring and exception (*sic*) items?

Company's response:

The financial statements of the Group have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”). As SFRS(I) does not specify or prescribe the classification of “one-off, non-recurring, or exceptional” items, we do not separately identify, present or disclose items of income and expenses in a such a manner in the statutory financial statements. In this regard, the Group has adopted the “function of expense” method to present its consolidated statement of profit or loss with certain material or significant items disclosed in Note 19 to the financial statements (see page 106 of the 2023 Annual Report).

Notwithstanding the above, we have categorized certain income statement items as “one-off, non-recurring, or exceptional” for internal management reporting and decision-making purposes, and such accounting classifications are not publicly disclosed.

Question 3:

What plan does the management has (*sic*) to sustain the operations?

Company's response:

The Group is poised for strategic growth, with plans to expand into new region within North America and Europe markets while maintaining momentum in existing markets like Australia and Indonesia. In parallel, our business development team is actively exploring opportunities to broaden our solution portfolio with selected clients, driving increased adoption and average customer spending on the Group's products and services. Furthermore, the Group will be transitioning away from the stockist model and gradually clearing older inventory to achieve cost savings and bolster our operating cash flows.

By Order of the Board

Yeo Puay Hin
Executive Director and Chief Executive Officer
24 April 2024