CIRCULAR DATED 9 JUNE 2020

This Circular is important and requires your immediate attention. Please read it carefully.

If you are in doubt about its contents or the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of Hoe Leong Corporation Ltd. (the "**Company**"), you should forward this Circular together with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or the transferee or to the stockbroker, bank or agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness or accuracy of any of the statements or opinions made, reports contained and opinions expressed in this Circular.

Hoe Leong Corporation Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration Number 199408433W)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE RATIFICATION OF THE DISPOSAL OF ARKSTAR EAGLE 1 AND ARKSTAR EAGLE 3

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	22 June 2020 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	24 June 2020 at 11.00 a.m (or as soon as practicable following the conclusion or adjournment of the annual general meeting of the Company to be held at 10.00 a.m on the same day)
Place of Extraordinary General Meeting	:	The EGM will be held by electronic means in accordance with the manner as set out in the Notice at Page N-1 of this Circular

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context requires otherwise or unless otherwise stated:

"Arkstar Eagle 1"	:	A vessel named "Arkstar Eagle 1" which is owned by Markstar Marine Sdn Bhd, a wholly-owned subsidiary of the Company
"Arkstar Eagle 3"	:	A vessel named "Arkstar Eagle 3" which is owned by Arkstar Eagle 3 Pte. Ltd., a wholly-owned subsidiary of the Company
"Board"	:	The board of directors of the Company as at the date of this Circular or from time to time, as the case may be
"CDP	:	The Central Depository (Pte) Limited
"Circular"	:	This circular to Shareholders dated 9 June 2020 in relation to the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3
"Companies Act"	:	The Companies Act, Cap. 50 of Singapore, as may be amended, supplemented or modified from time to time
"Company"	:	Hoe Leong Corporation Ltd.
"Consideration for the Disposal of Arkstar Eagle 1"	:	US$0.85 million. Further details on the Consideration for the Disposal of Arkstar Eagle 1 are set out in **Section 2.7.1** of this Circular
"Consideration for the Disposal of Arkstar Eagle 3"	:	US$0.85 million. Further details on the Consideration for the Disposal of Arkstar Eagle 3 are set out in **Section 2.7.2** of this Circular
"Director"	:	A director of the Company as at the date of this Circular or from time to time, as the case may be
"Disposal of Arkstar Eagle 1 and Arkstar Eagle 3"	:	The disposal of Arkstar Eagle 1 held by the Vendor of Arkstar Eagle 1 to the Purchaser of the Arkstar Eagle Vessels and disposal of Arkstar Eagle 3 held by the Vendor of Arkstar Eagle 3 to the Purchaser of the Arkstar Eagle Vessels
"EGM"	:	The extraordinary general meeting of the Company to be convened and held, notice of which is set out on page N-1 of this Circular
"EPS"	:	Earnings per Share
"FY"	:	The financial year ended or ending 31 December, as the case may be
"Group"	:	The Company and its subsidiaries collectively
"Independent Valuer for Arkstar Eagle 1"	:	VesselsValue Limited
"Independent Valuer for Arkstar Eagle 3"	:	VesselsValue Limited

"Latest Practicable Date"	:	4 June 2020, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	:	The listing manual of the SGX-ST, as may be amended, supplemented or modified from time to time
"LPS"	:	Loss per Share
"MOA for Arkstar Eagle 1"	:	The conditional memorandum of agreement dated 7 October 2019 entered into between the Vendor of Arkstar Eagle 1 and the Purchaser of the Arkstar Eagle Vessels
"MOA for Arkstar Eagle 3"	:	The conditional memorandum of agreement dated 7 October 2019 entered into between the Vendor of Arkstar Eagle 3 and the Purchaser of the Arkstar Eagle Vessels
"Notice of EGM"	:	The notice of EGM which is set out on page N-1 of this Circular
"NTA"	:	Net tangible assets
"NTL"	:	Net tangible liabilities
"Proxy Form"	:	The proxy form in respect of the EGM which is attached to this Circular
"Purchaser of the Arkstar Eagle Vessels"	:	Allianz Offshore Shipmanagement Ltd
"Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3"	:	The ratification of the Proposed Disposal of Arkstar Eagle 1 and Arkstar Eagle 3
"S$" and "Singapore cents"	:	Singapore dollars and cents respectively, the lawful currency of Singapore
"Securities Accounts"	:	The securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
"SFA"	:	The Securities and Futures Act, Cap. 289 of Singapore, as may be amended, supplemented or modified from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	The registered holders of Shares, except that where the registered holder is CDP, the term "Shareholders" in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
"Shares"	:	Ordinary shares in the capital of the Company
"Substantial Shareholder"	:	A person who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company

"US$"	:	United States dollars, the lawful currency of the United States of America
"Valuation Certificate for Arkstar Eagle 1"	:	The valuation certificate issued by the Independent Valuer for Arkstar Eagle 1 on 19 September 2019 in relation to Arkstar Eagle 1 as set out in **Appendix A** to this Circular
"Valuation Certificate for Arkstar Eagle 3"	:	The valuation certificate issued by the Independent Valuer for Arkstar Eagle 3 on 19 September 2019 in relation to Arkstar Eagle 3 as set out in **Appendix B** to this Circular
"Vendor of Arkstar Eagle 1"	:	Markstar Marine Sdn Bhd
"Vendor of Arkstar Eagle 3"	:	Arkstar Eagle 3 Pte. Ltd.
"%"	:	Per centum or percentage

The terms "Depositor", "Depository Agent" and "Depository Register" shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The terms "associated company" and "subsidiary" shall have the same meanings ascribed to them in the Listing Manual and the Companies Act, as the case may be.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless the context requires otherwise.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to "persons" shall, where applicable, include corporations.

Any reference to a time of day or date in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

Any discrepancies in the figures in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Exchange Rates

For the purpose of this Circular, unless otherwise stated, the following exchange rates obtained from the Monetary Authority of Singapore on the Latest Practicable Date shall be applied throughout this Circular:

(a) US$1 : S$1.4018

Hoe Leong Corporation Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration Number 199408433W)

Board of Directors:		**Registered Office:**
Liew Yoke Pheng, Joseph	(Executive Chairman, Executive Director and Chief Executive Officer)	6 Clementi Loop EAC Building Singapore 129814
Choy Bing Choong	(Lead Independent Non-Executive Director)	
Ang Mong Seng	(Independent Non-Executive Director)	
Lee Chin Chai	(Independent Non-Executive Director)	

9 June 2020

To: The Shareholders of Hoe Leong Corporation Ltd.

Dear Sir/Madam,

THE RATIFICATION OF THE DISPOSAL OF ARKSTAR EAGLE 1 AND ARKSTAR EAGLE 3

1. INTRODUCTION

1.1 Extraordinary General Meeting

The Board is convening an EGM to seek Shareholders' approval for the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3.

1.2 Classification of Transactions

1.2.1 <u>The Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3</u>

Based on the relative figures computed on the bases set out in Rule 1006 of the Listing Manual, the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is classified as a "major transaction" under Chapter 10 of the Listing Manual. Accordingly, the Company is seeking Shareholders' approval for the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3. Further details on the relative figures computed on the bases set out in Rule 1006 of the Listing Manual relating to the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 are set out in **Section 2.8** of this Circular.

1.3 Circular

1.3.1 The purpose of this Circular is to provide Shareholders with relevant information relating to, and to seek Shareholders' approval for, the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3. Shareholders' approval will be sought at the EGM to be convened and held, notice of which is set out on page N-1 of this Circular.

1.3.2 The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements or opinions made, reports contained and opinions expressed in this Circular.

2. THE RATIFICATION OF THE DISPOSAL OF ARKSTAR EAGLE 1 AND ARKSTAR EAGLE 3

2.1 Introduction

2.1.1 On 8 October 2019, the Company announced, *inter alia*, that:

(a) the Vendor of Arkstar Eagle 1 had, on 7 October 2019, entered into the MOA for Arkstar Eagle 1 with the Purchaser of the Arkstar Eagle Vessels in relation to, *inter alia*, the disposal of Arkstar Eagle 1; and

(b) the Vendor of Arkstar Eagle 3 had, on 7 October 2019, entered into the MOA for Arkstar Eagle 3 with the Purchaser of the Arkstar Eagle Vessels in relation to, *inter alia*, the disposal of Arkstar Eagle 3.

2.1.2 The Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is classified as a “major transaction” under Chapter 10 of the Listing Manual. Accordingly, the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is conditional upon approval by Shareholders in general meeting pursuant to Rule 1014(2) of the Listing Manual.

2.1.3 On 20 December 2019, the Company announced, *inter alia*, that:

(a) the Company made an application to the SGX-ST on 13 November 2019 to seek a waiver from the SGX-ST of the requirement for the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 to be made conditional upon approval by Shareholders in general meeting pursuant to Rule 1014(2) of the Listing Manual for, *inter alia*, the following reasons:

(i) Shareholders holding more than 50% of the total number of Shares in the issued and paid-up share capital of the Company have undertaken to vote in favour of the resolution(s) to approve the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3;

(ii) the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is time-sensitive;

(iii) the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is in the ordinary course of business and the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 represents a reduction in the risk profile of the Group; and

(iv) the Company will enjoy administrative cost savings if it is not required to convene an extraordinary general meeting for the purposes of seeking Shareholders’ approval for the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3; and

(b) the Company had, on 20 December 2019, received an email from the SGX-ST setting out, *inter alia*, that the SGX-ST has no objection to the Company’s application for a waiver (the “**20 December 2019 Waiver**”) with regard to compliance with Rule 1014(2) of the Listing Manual subject to, *inter alia*, the following:

(i) the Company announcing the 20 December 2019 Waiver granted, the reasons for seeking the 20 December 2019 Waiver, the conditions as required under Rule 107 of the Listing Manual and if the 20 December 2019 Waiver conditions have been satisfied. If the 20 December 2019 Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;

(ii) submission of a written confirmation from the Company that the 20 December 2019 Waiver does not contravene any laws and regulations governing the Company and the Constitution of the Company;

(iii) the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 being subject to ratification by Shareholders in a general meeting as soon as practicable, and not later than 30 April 2020; and

(iv) irrevocable undertakings from the Substantial Shareholders holding more than 50% of the total number of Shares in the issued and paid-up share capital of the Company to (aa) vote in favour of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3; and (bb) continue to hold more than 50% of the total number of Shares in the issued and paid-up share capital of the Company before and up to the date of the EGM.

2.1.4 Save for the 20 December 2019 Waiver condition set out in **Section 2.1.3(b)(iii)** of this Circular, all the 20 December 2019 Waiver conditions have been met as at the Latest Practicable Date.

2.1.5 On 4 March 2020 and 13 March 2020, the Company announced, *inter alia*, the completion of the Disposal of Arkstar Eagle 3 and Arkstar Eagle 1 respectively.

2.2 Information on the Purchaser of the Arkstar Eagle Vessels

The information on the Purchaser of the Arkstar Eagle Vessels provided below was provided to the Company by the Purchaser of the Arkstar Eagle Vessels. In respect of such information, the Board has not conducted an independent review or verification of the accuracy and correctness of the statements and information below. The Board's responsibility is limited to the proper extraction and reproduction herein in the context that is being disclosed in this Circular.

The Purchaser of the Arkstar Eagle Vessels, Allianz Offshore Shipmanagement Ltd, is a company incorporated in Saint Vincent and The Grenadines on 21st July 2017. The Purchaser of the Arkstar Eagle Vessels is principally in the business of Ship Management.

2.3 Information on Arkstar Eagle 1 and Arkstar Eagle 3

2.3.1 Information on Arkstar Eagle 1

Name	:	Arkstar Eagle 1
International Maritime Organisation Vessel Identification Number	:	9486099
Flag	:	Malaysia
Type of Vessel	:	Anchor Handling Tug Supply Vessel (Small)
Year Built	:	2009
Cargo Capacity of Vessel	:	Deadweight Tonnage of 1,200 megatonnes
Encumbrances	:	Arkstar Eagle 1 has been mortgaged to Sing Investments & Finance Limited.

2.3.2 Information on Arkstar Eagle 3

Name	:	Arkstar Eagle 3
International Maritime Organisation Vessel Identification Number	:	9522489
Flag	:	Singapore
Type of Vessel	:	Anchor Handling Tug Supply Vessel (Small)
Year Built	:	2009
Cargo Capacity of Vessel	:	Deadweight Tonnage of 1,200 megatonnes
Encumbrances	:	Arkstar Eagle 3 has been mortgaged to RHB Bank Berhad.

2.3.3 Financial Information on Arkstar Eagle 1 and Arkstar Eagle 3

Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019:

(a) the book value of Arkstar Eagle 1 was S$1,091,017 as at 31 December 2019;

(b) the book value of Arkstar Eagle 3 was S$1,059,247 as at 31 December 2019;

(c) the net losses attributable to Arkstar Eagle 1 was S$2,086,292 as at 31 December 2019; and

(d) the net losses attributable to Arkstar Eagle 3 was S$1,914,637 as at 31 December 2019.

Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019, Arkstar Eagle 1 had a net asset value of S$1,091,017. The Consideration for the Disposal of Arkstar Eagle 1 is US$850,000 (equivalent to approximately S$1,191,530) and the estimated expenses for the disposal of Arkstar Eagle 1 is about S$38,711. Accordingly, the estimated gain on disposal of Arkstar Eagle 1 computed as at 31 December 2019 is about S$61,802.

Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019, Arkstar Eagle 3 had a net asset value of S$ 1,059,247. The Consideration for Disposal of Arkstar Eagle 3 is US$850,000 (S$1,191,530) and the estimated expenses for the disposal of Arkstar Eagle 3 is S$38,296. Accordingly, the estimated gain on disposal of Arkstar Eagle 3 computed as at 31 December 2019 is about S$93,987.

The total gain on disposal after completion of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 amounts to approximately S$156,000.

The impairment amount of Arkstar Eagle 1 and Arkstar Eagle 3 are as follows:

	Arkstar Eagle 1 S$('000)	**Arkstar Eagle 3 S$('000)**	**Total S$('000)**
FY2019	1,523	1,457	**2,980**
FY2018	641	594	**1,235**
FY2017	8,674	8,577	**17,251**
FY2016	Nil	Nil	**-**

2.3.4 Information on the Independent Valuer for Arkstar Eagle 1 and Arkstar Eagle 3

The Company commissioned VesselsValue Limited ("**VesselsValue**"), to conduct an independent valuation on the market value of Arkstar Eagle 1 and Arkstar Eagle 3.

Headquartered in London, United Kingdom, and founded in 2011, VesselsValue is a leading online vessel valuation, tracking and market intelligence service provider to the maritime and offshore sectors. VesselsValue's offerings cover, amongst other data provision services, daily automated valuations of the global fleet of Bulkers, Tankers, Containers, Gas Carriers and Offshore vessels.

Clients of VesselsValue include leading international shipping lenders, publicly listed shipowners, ship operators, trading houses and national governments.

Additional information about VesselsValue can be found at its website http://www.vesselsvalue.com.

2.3.5 Valuation of Arkstar Eagle 1

The Company commissioned the Independent Valuer for Arkstar Eagle 1, VesselsValue Limited, to conduct an independent valuation on the market value of Arkstar Eagle 1.

According to the Valuation Certificate for Arkstar Eagle 1 which was issued by the Independent Valuer for Arkstar Eagle 1 on 19 September 2019:

(a) Arkstar Eagle 1 had a market value of US$0.58 million as at a valuation date of 18 September 2019 based on the fair market price that Arkstar Eagle 1 would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt, charter free delivery at an acceptable worldwide delivery port, for cash payment under normal commercial terms.

(b) The Independent Valuer for Arkstar Eagle 1 valued Arkstar Eagle 1 using 5 factors – the type of vessel, the features of the vessel, the age of the vessel, the cargo capacity of the vessel and the freight earnings of the vessel.

A copy of the Valuation Certificate for Arkstar Eagle 1 is set out in **Appendix A** to this Circular. Shareholders are advised to refer to the full text of the Valuation Certificate for Arkstar Eagle 1 for further details.

2.3.6 Valuation of Arkstar Eagle 3

The Company commissioned the Independent Valuer for Arkstar Eagle 3, VesselsValue Limited, to conduct an independent valuation on the market value of Arkstar Eagle 3.

According to the Valuation Certificate for Arkstar Eagle 3 which was issued by the Independent Valuer for Arkstar Eagle 3 on 19 September 2019:

(a) Arkstar Eagle 3 had a market value of US$0.59 million as at a valuation date of 18 September 2019 based on the fair market price that Arkstar Eagle 3 would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt, charter free delivery at an acceptable worldwide delivery port, for cash payment under normal commercial terms.

(b) The Independent Valuer for Arkstar Eagle 3 valued Arkstar Eagle 3 using 5 factors – the type of vessel, the features of the vessel, the age of the vessel, the cargo capacity of the vessel and the freight earnings of the vessel.

A copy of the Valuation Certificate for Arkstar Eagle 3 is set out in **Appendix B** to this Circular. Shareholders are advised to refer to the full text of the Valuation Certificate for Arkstar Eagle 3 for further details.

2.4 Intended Use of Net Proceeds from the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3

2.4.1 The Consideration for the Disposal of Arkstar Eagle 1 represents an excess of approximately S$62,000 over the book value of Arkstar Eagle 1 as at 31 December 2019 of approximately S$1,091,000.

2.4.2 The Consideration for the Disposal of Arkstar Eagle 3 represents an excess of approximately S$94,000 over the book value of Arkstar Eagle 3 as at 31 December 2019 of approximately S$1,059,000.

2.4.3 The net proceeds from the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3, after deducting estimated costs and expenses of approximately S$77,006 incurred or to be incurred in connection with the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3, is approximately S$2.34 million.[1] The Company has utilised the entire net proceeds of approximately S$2.34 million from the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 towards partial repayment of the existing bank borrowings due to Sing Investments & Finance Limited and RHB Bank Berhad.

2.4.4 The estimate expenses costs and expenses for the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 have increased by about S$48,000 from about S$29,000 since the announcement dated 8 October 2019.

2.4.5 This was mainly due to legal fees relating to the discharge of the mortgage of about S$12,100 and legal fee relating to the legalization of documents of about S$3,700 which were not originally contemplated; additional advisory costs due to more time required in dealing with regulatory authorities of about S$16,400, cost of preparing circular to shareholders to ratify the disposal of about S$10,400 not originally contemplated, and additional legal fees incurred in the preparation of a memorandum of agreement and escrow agent fees of about S$5,400.

2.5 Rationale for the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3

2.5.1 The principal business activities of the Group comprise (a) trading and distribution of a range of equipment parts for both heavy equipment and industrial machinery (the "**Equipment Business**"); and (b) chartering of vessels (the "**Vessel Chartering Business**").

2.5.2 Due to the continued downturn in the oil and gas exploration and production sector, the Group's Vessel Chartering Business is experiencing low charter rates for its vessels and certain of its vessels have not been chartered for extended periods. As a result, the Group's Vessel Chartering Business recorded losses as at 31 December 2019 and is likely to continue to record losses in the near future. Customers of the Group's Vessel Chartering Business are also delaying payment of the chartering fees which has had an adverse impact on the cash flow of the Group's Vessel Chartering Business. The global trade tensions continue to persist and this casts an uncertainty over the outlook and prospects for the Group's Vessel Chartering Business. In addition, the weak average crude oil prices over the last few years between US$50 and S$60 which has been challenging for many crude oil producers worldwide due to the high cost of production in certain countries coupled with the weak demand for and oversupply of vessels comparable to the Group's vessels has resulted in a deterioration in market value of the Group's vessels. As such, the Group is looking at divesting its Vessel Chartering Business and refocusing on its Equipment Business.

[1] In the Company's announcement dated 8 October 2019, the estimated expenses for the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 was approximately, S$29,000. The Company wishes to clarify that the estimated costs and expenses for the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is approximately S$77,006 instead of S$29,000.

2.6 Principal Terms of the MOA for Arkstar Eagle 1 and the MOA for Arkstar Eagle 3

2.6.1 MOA for Arkstar Eagle 1

According to the MOA for Arkstar Eagle 1:

(a) The MOA for Arkstar Eagle 1 shall be effective upon the following conditions being met:

(i) account receivables of US$159,937.33 due and owing to the Vendor of Arkstar Eagle 1 being paid to the Vendor of Arkstar Eagle 1;

(ii) remaining bunker costs on board Arkstar Eagle 1 being invoiced by the Vendor of Arkstar Eagle 1 and being paid by the Purchaser of the Arkstar Eagle Vessels into an escrow account;

(iii) Sing Investments & Finance Limited's approval for the disposal of Arkstar Eagle 1 from the Vendor of Arkstar Eagle 1 to the Purchaser of the Arkstar Eagle Vessels as evidence by a written letter being obtained; and

(iv) the Company obtaining such approvals, confirmations and/or waivers from the SGX-ST in connection with the MOA for Arkstar Eagle 1 and the transactions contemplated therein as may be necessary, including but not limited to a waiver of Rule 1014 of the Listing Manual, and such approvals, confirmations and/or waivers not having been amended or revoked before the completion date. If the approvals, confirmations and/or waivers are subject to conditions, such conditions being fulfilled on or before the completion date.

(b) The Vendor of Arkstar Eagle 1 warrants that Arkstar Eagle 1, at the time of delivery, is free from all charters, encumbrances, registered mortgages and maritime liens or any other debts whatsoever and is not subject to port state or other administrative detentions. The Vendor of Arkstar Eagle 1 undertakes to indemnify the Purchaser of the Arkstar Eagle Vessels against all consequences of claims made against Arkstar Eagle 1 which have been incurred prior to the time of delivery.

(c) The Purchaser of the Arkstar Eagle Vessels shall have the option of cancelling the MOA for Arkstar Eagle 1 if the Vendor of Arkstar Eagle 1 fails to complete the disposal of Arkstar Eagle 1 from the Vendor of Arkstar Eagle 1 to the Purchaser of the Arkstar Eagle Vessels within 90 days of signing of the MOA for Arkstar Eagle 1.

(d) The MOA for Arkstar Eagle 1 shall be governed by and construed in accordance with the laws of Singapore and any and all disputes arising out of or in connection with the MOA for Arkstar Eagle 1 shall be referred to and finally resolved by arbitration in Singapore administered by the Singapore Chamber of Maritime Arbitration in accordance with the Arbitration Rules of the Singapore Chamber of Maritime Arbitration for the time being in force at the commencement of the arbitration.

2.6.2 MOA for Arkstar Eagle 3

According to the MOA for Arkstar Eagle 3:

(a) The MOA for Arkstar Eagle 3 shall be effective upon the following conditions being met:

(i) account receivables of US$305,395.52 due and owing to the Vendor of Arkstar Eagle 3 being paid to the Vendor of Arkstar Eagle 3;

(ii) remaining bunker costs on board Arkstar Eagle 3 being invoiced by the Vendor of Arkstar Eagle 3 and being paid by the Purchaser of the Arkstar Eagle Vessels into an escrow account;

(iii) RHB Bank Berhad's approval for the disposal of Arkstar Eagle 3 from the Vendor of Arkstar Eagle 3 to the Purchaser of the Arkstar Eagle Vessels as evidence by a written letter being obtained; and

(iv) the Company obtaining such approvals, confirmations and/or waivers from the SGX-ST in connection with the MOA for Arkstar Eagle 3 and the transactions contemplated therein as may be necessary, including but not limited to a waiver of Rule 1014 of the Listing Manual, and such approvals, confirmations and/or waivers not having been amended or revoked before the completion date. If the approvals, confirmations and/or waivers are subject to conditions, such conditions being fulfilled on or before the completion date.

(b) The Vendor of Arkstar Eagle 3 warrants that Arkstar Eagle 3, at the time of delivery, is free from all charters, encumbrances, registered mortgages and maritime liens or any other debts whatsoever and is not subject to port state or other administrative detentions. The Vendor of Arkstar Eagle 3 undertakes to indemnify the Purchaser of the Arkstar Eagle Vessels against all consequences of claims made against Arkstar Eagle 3 which have been incurred prior to the time of delivery.

(c) The Purchaser of the Arkstar Eagle Vessels shall have the option of cancelling the MOA for Arkstar Eagle 3 if the Vendor of Arkstar Eagle 3 fails to complete the disposal of Arkstar Eagle 3 from the Vendor of Arkstar Eagle 3 to the Purchaser of the Arkstar Eagle Vessels within 90 days of signing of the MOA for Arkstar Eagle 3.

(d) The MOA for Arkstar Eagle 3 shall be governed by and construed in accordance with the laws of Singapore and any and all disputes arising out of or in connection with the MOA for Arkstar Eagle 3 shall be referred to and finally resolved by arbitration in Singapore administered by the Singapore Chamber of Maritime Arbitration in accordance with the Arbitration Rules of the Singapore Chamber of Maritime Arbitration for the time being in force at the commencement of the arbitration.

2.7 Consideration for the Disposal of Arkstar Eagle 1 and Consideration for the Disposal of Arkstar Eagle 3

2.7.1 <u>Consideration for the Disposal of Arkstar Eagle 1</u>

The Consideration for the Disposal of Arkstar Eagle 1 is US$0.85 million. The Consideration for the Disposal of Arkstar Eagle 1 shall be paid in cash and shall be paid into an escrow account within 5 banking days after the MOA for Arkstar Eagle 1 is signed by the Vendor of Arkstar Eagle 1 and the Purchaser of the Arkstar Eagle Vessels.

The Consideration for the Disposal of Arkstar Eagle 1 held in the escrow account shall be released to the Vendor of Arkstar Eagle 1 in accordance with the joint written instructions of the Vendor of Arkstar Eagle 1 and the Purchaser of the Arkstar Eagle Vessels pursuant to the terms of the escrow agreement.

The Consideration for the Disposal of Arkstar Eagle 1 held in the escrow account amounting to US$0.85 million has been released and paid to the Vendor of Arkstar Eagle 1 as at the Latest Practicable Date.

The Consideration for the Disposal of Arkstar Eagle 1 was arrived at arm's length and on a willing-buyer-willing-seller basis, after taking into account, *inter alia*, the following:

(a) the market value of US$0.58 million for Arkstar Eagle 1 based on the Valuation Certificate for Arkstar Eagle 1; and

(b) the prevailing economic conditions.

2.7.2 Consideration for the Disposal of Arkstar Eagle 3

The Consideration for the Disposal of Arkstar Eagle 3 is US$0.85 million. The Consideration for the Disposal of Arkstar Eagle 3 shall be paid in cash and shall be paid into an escrow account within 5 banking days after the MOA for Arkstar Eagle 3 is signed by the Vendor of Arkstar Eagle 3 and the Purchaser of the Arkstar Eagle Vessels.

The Consideration for the Disposal of Arkstar Eagle 3 held in the escrow account shall be released to the Vendor of Arkstar Eagle 3 in accordance with the joint written instructions of the Vendor of Arkstar Eagle 3 and the Purchaser of the Arkstar Eagle Vessels pursuant to the terms of the escrow agreement.

The Consideration for the Disposal of Arkstar Eagle 3 held in the escrow account amounting to US$0.85 million has been released and paid to the Vendor of Arkstar Eagle 3 as at the Latest Practicable Date.

The Consideration for the Disposal of Arkstar Eagle 3 was arrived at arm's length and on a willing-buyer-willing-seller basis, after taking into account, *inter alia*, the following:

(a) the market value of US$0.59 million for Arkstar Eagle 3 based on the Valuation Certificate for Arkstar Eagle 3; and

(b) the prevailing economic conditions.

2.8 Relative Figures computed on the bases set out in Rule 1006 of the Listing Manual for the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3

2.8.1 The relative figures computed on the bases set out in Rule 1006 of the Listing Manual for the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 are as follows:

		Arkstar Eagle 1 (%)	Arkstar Eagle 3 (%)	Aggregate (%)
Rule 1006(a) of the Listing Manual	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.[(1)]	15.28 [(2)]	14.83 [(3)]	30.12 [(4)]
Rule 1006(b) of the Listing Manual	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.[(5)]	12.36[(6)]	11.34[(7)]	23.70[(8)]
Rule 1006(c) of the Listing Manual	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued Shares excluding treasury shares.	10.61[(9)]	10.61[(10)]	21.22[(11)]
Rule 1006(d) of the Listing Manual	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable[(12)]		
Rule 1006(e) of the Listing Manual	The aggregate volume or amount proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil or gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the SGX-ST may permit valuations to be used instead of volume or amount.	Not Applicable[(13)]		

Notes:

(1) "Net assets" means total assets less total liabilities.

(2) Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019, the net asset value of Arkstar Eagle 1 was S$1,091,000 as at 31 December 2019 which represents approximately 15.28% of the Group's net asset value of approximately S$7,139,000 as at 31 December 2019.

(3) Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019, the net asset value of Arkstar Eagle 3 was S$1,059,000 as at 31 December 2019 which represents approximately 14.83% of the Group's net asset value of approximately S$7,139,000 as at 31 December 2019.

(4) Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019, the aggregate net asset value of Arkstar Eagle 1 and Arkstar Eagle 3 was S$2,150,000 as at 31 December 2019 which represents approximately 30.12% of the Group's net asset value of approximately S$7,139,000 as at 31 December 2019.

(5) "Net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.

(6) Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019, the net losses attributable to Arkstar Eagle 1 was S$2,086,000 as at 31 December 2019 which represents approximately 12.36% of the Group's net losses of approximately S$16,881,000 as at 31 December r 2019.

(7) Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019, the net losses attributable to Arkstar Eagle 3 was S$1,915,000 as at 31 December 2019 which represents approximately 11.34% of the Group's net losses of approximately S$16,881,000 as at 31 December 2019.

(8) Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019, the aggregate net losses attributable to Arkstar Eagle 1 and Arkstar Eagle 3 was S$4,001,000 as at 31 December 2019 which represents approximately 23.70% of the Group's net losses of approximately S$16,881,000 as at 31 December 2019.

(9) The Consideration for the Disposal of Arkstar Eagle 1 is US$0.85 million (equivalent to approximately S$1,192,000) which represents approximately 10.61% of the Company's market capitalisation of S$11,238,865.16 on 28 August 2019, being the last full market day on which trades were done prior to the trading halt and the suspension of the securities of the Company. The Company's market capitalisation was determined by multiplying the number of Shares in issue (5,619,432,579 Shares) by the weighted average price of such Shares transacted on 28 August 2019 (S$0.002).

(10) The Consideration for the Disposal of Arkstar Eagle 3 is US$0.85 million (equivalent to approximately S$1,192,000) which represents approximately 10.61% of the Company's market capitalisation of S$11,238,865.16 on 28 August 2019, being the last full market day on which trades were done prior to the trading halt and the suspension of the securities of the Company. The Company's market capitalisation was determined by multiplying the number of Shares in issue (5,619,432,579 Shares) by the weighted average price of such Shares transacted on 28 August 2019 (S$0.002).

(11) The Consideration for the Disposal of Arkstar Eagle 1 and the Consideration for the Disposal of Arkstar Eagle 3 in aggregate amount to US$1.70 million (equivalent to approximately S$2,384,000) which represents approximately 21.22% of the Company's market capitalisation of S$11,238,865.16 on 28 August 2019, being the last full market day on which trades were done prior to the trading halt and the suspension of the securities of the Company. The Company's market capitalisation was determined by multiplying the number of Shares in issue (5,619,432,579 Shares) by the weighted average price of such Shares transacted on 28 August 2019 (S$0.002).

(12) The Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is a disposal of assets not an acquisition of assets.

(13) The Company is not a mineral, oil and gas company.

2.8.2 As the relative figures computed on the bases set out in Rule 1006 exceeds 20%, the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is classified as a "major transaction" under Chapter 10 of the Listing Manual. Accordingly, the Company is seeking Shareholders' approval for the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3.

2.9 Financial Effects of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3

2.9.1 The financial effects of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 on the NTA per Share and the EPS of the Group have been prepared based on the audited consolidated financial statements of the Group for FY2019.

2.9.2 For the purpose of illustrating the financial effects of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3, the financial effects have been prepared based on, *inter alia*, the following assumptions:

(a) the financial effects on the NTA per Share of the Group are computed assuming that the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 was completed on 31 December 2019;

(b) the financial effects on the EPS of the Group are computed assuming that the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 was completed on 1 January 2019; and

(c) the costs and expenses incurred and to be incurred in connection with the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 shall be disregarded.

2.9.3 Financial Effects on the NTA per Share of the Group

	Before Completion of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3	After Completion of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3
NTA ('000)	S$7,139	S$7,295(1)
Number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings	5,619,433	5,619,433
NTA per Share (Singapore cents)	0.13	0.13

Note:

(1) The NTA after completion of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is derived after taking into consideration the losses incurred on the total impairment of Arkstar Eagle 1 and Arkstar Eagle 3 from FY2016 to FY2019 of approximately S$21,466,000 as disclosed in Paragraph 2.3.3 above.

2.9.4 Financial Effects on the EPS of the Group

	Before Completion of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3	After Completion of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3
Net Profit ('000)	S$8,993	S$9,149(1)
Weighted average number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings	3,867,147	3,867,147
EPS (Singapore cents)	0.23	0.24

Note:

(1) The net profit after completion of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is derived after taking into consideration the losses incurred on the total impairment of Arkstar Eagle 1 and Arkstar Eagle 3 from FY2016 to FY2019 of approximately S$21,466,000 as disclosed in Paragraph 2.3.3 above.

2.9.5 The financial effects presented above are for illustrative purposes only and are not intended to reflect the actual future results and/or financial position of the Company and/or the Group upon completion of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3. No representation is made as to the actual future results and/or financial position of the Company and/or the Group.

2.10 Service Contracts in connection with the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3

No person is proposed to be appointed as a director of the Company in connection with the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 and no service contracts in relation thereto is proposed to be entered into by the Company.

3. CONSENTS

3.1 Independent Valuer for Arkstar Eagle 1

The Independent Valuer for Arkstar Eagle 1 has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name, the Valuation Certificate for Arkstar Eagle 1 as set out in **Appendix A** to this Circular and all references thereto in the form and context in which they appear in this Circular.

3.2 Independent Valuer for Arkstar Eagle 3

The Independent Valuer for Arkstar Eagle 3 has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name, the Valuation Certificate for Arkstar Eagle 3 as set out in **Appendix B** to this Circular and all references thereto in the form and context in which they appear in this Circular.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

	Direct Interest		**Deemed interest**		**Total interest**	
	Number of Shares	**%(1)**	**Number of Shares**	**%(1)**	**Number of Shares**	**%(1)**
Directors						
Liew Yoke Pheng, Joseph	-	-	-	-	-	-
Choy Bing Choong	-	-	-	-	-	-
Ang Mong Seng	-	-	175,000	0.0031	175,000	0.0031
Lee Chin Chai	-	-	-	-	-	-
Substantial Shareholders (other than Directors)						
Hoe Leong Co. (Pte.) Ltd.	1,589,854,677	28.29	-	-	1,589,854,677	28.29
James Kuah Geok Lin(2)	15,506,617	0.28	1,589,854,677	28.29	1,605,361,294	28.57
Paul Kuah Geok Khim(2)	15,314,117	0.27	1,589,854,677	28.29	1,605,168,794	28.56
Quah Yoke Hwee (2)	15,314,117	0.27	1,589,854,677	28.29	1,605,168,794	28.56
Madam Kuah Geok Khim(2)	7,400,592	0.13	1,589,854,677	28.29	1,597,255,269	28.42
Australia and New Zealand Banking Group Limited	290,105,850	5.16	-	-	290,105,850	5.16
CIMB Bank Berhad	452,285,350	8.05	-	-	452,285,350	8.05

	Direct Interest		Deemed interest		Total interest	
	Number of Shares	%(1)	Number of Shares	%(1)	Number of Shares	%(1)
DBS Bank Ltd.	916,972,699	16.32	-	-	916,972,699	16.32
DBS Group Holdings Ltd(3)	-	-	916,972,699	16.32	916,972,699	16.32
Temasek Holdings (Private) Limited(3)	-	-	916,972,699	16.32	916,972,699	16.32
United Overseas Bank Limited(4)	1,610,543,486	28.66	-	-	1,610,543,486	28.66

Notes:

(1) Based on 5,619,432,579 Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings, as at the Latest Practicable Date.

(2) Hoe Leong Co. (Pte.) Ltd. holds 1,589,854,677 Shares in the issued and paid-up share capital of the Company. Mr James Kuah Geok Lin, Mr Paul Kuah Geok Khim, Mr Quah Yoke Hwee and Madam Kuah Geok Khim are deemed to have an interest in the Shares held by Hoe Leong Co. (Pte.) Ltd..

(3) DBS Bank Ltd. holds 916,972,699 Shares in the issued and paid-up share capital of the Company. DBS Group Holdings Ltd and Temasek Holdings (Private) Limited are deemed to have an interest in the Shares held by DBS Bank Ltd..

(4) United Overseas Bank Limited is deemed to have an interest in the Shares held in a nominee account with United Overseas Bank Nominees (Private) Limited.

Save as disclosed, none of the Directors and/or the Substantial Shareholders have any interest, direct or indirect, in the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 other than through their respective shareholdings in the Company, if any.

5. DIRECTORS' RECOMMENDATION

5.1 The Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3

The Board, having considered, *inter alia*, the rationale and information relating to the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 as set out in **Section 2** of this Circular, is of the opinion that the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 is in the best interests of the Company. Accordingly, the Board recommends that Shareholders vote in favour of the Ordinary Resolution relating to the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 at the EGM.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page N-1 of this Circular, will be held at the place and time as set out in the Notice of EGM for the purpose of considering and if thought fit, passing, with or without any modification, the Ordinary Resolution relating to the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3 as set out in the Notice of EGM.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event, so as to arrive at the registered office of the Company located at 6 Clementi Loop, EAC Building, Singapore 129814 not less than 48 hours before the time fixed for holding the EGM.

The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time fixed for holding the EGM.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company located at 6 Clementi Loop, EAC Building, Singapore 129814 during normal business hours from the date of this Circular up to and including the date of the EGM:

(a) the Constitution of the Company;

(b) the MOA for Arkstar Eagle 1;

(c) the MOA for Arkstar Eagle 3;

(d) the Valuation Certificate for Arkstar Eagle 1; and

(e) the Valuation Certificate for Arkstar Eagle 3.

Shareholders may inspect the documents electronically by submitting their request to Ms Yap Suat Kam at skyap@hoeleong.com. Shareholders should provide the following details for verification purposes:

(a) Full name of the shareholder

(b) NRIC, passport or company registration number (as applicable)

Please note that only persons who have been verified as shareholders of the Company will be provided with copies of the documents for inspection via email.

Yours faithfully,
For and on behalf of the Board of Directors of
Hoe Leong Corporation Ltd.

Liew Yoke Pheng, Joseph
Executive Director and Chief Executive Officer

APPENDIX A
VALUATION CERTIFICATE FOR ARKSTAR EAGLE 1

VesselsValue™

Lyric House
149 Hammersmith Road
London W14 0QL
+44 20 3026 5555
info@vesselsvalue.com

Market Valuation Certificate

Category	Single Vessel
Issue Date	19 Sep 2019
Methodology Version	VV3
Valuation Date	18 Sep 2019
Issued To	Arkstar Offshore Pte Ltd

Market Value	Vessel	Ship Status
$0.58m	**Arkstar Eagle 1** Ex Arkstar Emerald	**Live**

All valuations in this certificate are in US Dollars (USD) subject to the Disclaimer attached.

Type	AHTS (Small)	**Bollard Pull**	65 MT
IMO	9486099	**Deck Area**	315 m^2 Actual
Flag	Malaysia	**Helideck**	
DWT	1,200 MT	**DP Class**	1
LDT	1,287 MT e	**Deck Strength**	7 MT/m^2
Built	15 Jun 2009 Guijiang Shipbuilding Company China	**Class**	ABS
LOA / Beam / Draft	57.5m / 13.8m / 4.8m	**Ice Class**	
Main Engine	2 × Caterpillar 3516BHD 1,920 kW @ 1600 RPM V-Type		
Geared	No		

Previous 10 Sales in Sector

Sale Date	Price	Sold Name	Type	Size	Blt	Yard
05 Jul 2019	$9.50m	VOS Character	AHTS (Medium)	6,500 BHP	'19	Fujian Southeast
05 Jul 2019	$9.50m	VOS Chance	AHTS (Medium)	6,500 BHP	'19	Fujian Southeast
01 May 2019	$4.50m	Crest Meridian 1	AHTS (Medium)	8,158 BHP	'16	Nantong Tongshun
07 Mar 2019	$0.90m	Bourbon Arethuse	AHTS (Small)	3,218 BHP	'08	Bharati
28 Feb 2019	$9.50m	VOS Charm	AHTS (Medium)	6,500 BHP	'19	Fujian Southeast
31 Jan 2019	$5.01m	Swissco Onyx	AHTS (Medium)	7,200 BHP	'15	CSSC OME
04 Jan 2019	$0.70m	VOS Olympian	AHTS (Small)	5,500 BHP	'06	Jaya Asiatic
07 Dec 2018	$0.83m	Swissco Sapphire	AHT (Small)	4,750 BHP	'07	Panyu Lingshan Ship
07 Dec 2018	$3.65m	Swissco Pearl	AHTS (Small)	5,150 BHP	'14	Xin Yue Feng
30 Aug 2018	$1.10m	Everest	AHTS (Small)	5,150 BHP	'10	Berjaya Dockyard

APPENDIX A
VALUATION CERTIFICATE FOR ARKSTAR EAGLE 1

VesselsValue™

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149 Hammersmith Road
London W14 0QL
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Methodology

The vessel's market value is estimated using five factors:

1. Type

Each ship type is modelled independently.

2. Features

Relative scores are assigned to all features recorded in the vessel database.

3. Age and 4. Cargo Capacity

The nonlinear dependences of value on age and cargo capacity are modelled using mathematical functions with adjustable parameters which allow them to assume a variety of shapes. Constraints are imposed on these parameters by application of economic principles and broking expertise.

5. Freight earnings

Time charters, spot freight rates and forward freight agreements are used to create indicators of freight market sentiment for each ship type. Signal processing techniques are applied to these indicators to maximise their correlation with vessel values.

Algorithms

The model is calibrated using confirmed sales prior to the date of valuation. Sales in circumstances which make them unreflective of fair market value (e.g. with charter) are excluded. Calibration is performed by computational algorithms which automatically adjust the parameters of the mathematical functions to best fit the sales data using multiple, nonlinear, constrained and weighted regression analysis. The software is run daily to ensure valuations reflect the latest sales and earnings information.

Glossary of Terms

Age - Age of a vessel at the time of sale.

Built - Year in which the vessel was delivered from its shipyard.

Category - Indicates whether the valuation is for a single vessel or portfolio of vessels.

Certificate Number - Unique identification code for each valuation certificate.

Features - a property of a vessel that has been given a score eg builder.

Historical Values - Market values of the vessel or portfolio prior the Issue Date. These are expressed for the first day of each month displayed.

IMO - International Maritime Organisation vessel identification number.

Issue Date - Date of creation of the valuation certificate.

Issued to - Email of the registered subscriber to VesselsValue.com by whom the valuation certificate was requested.

Market Value - An estimate of fair market price, in US Dollars (USD), as at the valuation date only and is based on the price VesselsValue estimates as its opinion in good faith that the vessel would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt charter free delivery at an acceptable worldwide delivery port, for cash payment on standard sale terms. Please see disclaimer below for more information.

Method - Indicates the valuation method used.

Monthly values - are as at 1st of the month.

Name - Current name of vessel or portfolio.

Previous 10 Sales in Sector - The previous 10 (ten) sales prior to the valuation date (in the same sector as the valued vessel).

Price - Approximate price, in US Dollars (USD), at which a vessel was sold.

Sale Date - Approximate date on which a vessel was sold.

Size - Cargo carrying capacity of the vessel in units appropriate to the Type (e.g. DWT, TEU, CBM, CUFT, etc.).

Sold Name - Name under which a vessel was sold.

Status :
Cancelled - Newbuilding terminated prior to launch
Dead - Scrapped or lost
Launched - Newbuilding on the water but not yet delivered
Live - Existing vessel trading or laid up
Newbuild - On order or under construction

Type - Type of vessel (e.g. VLCC, Capesize, etc.)

Valuation Date - Date for which valuation of the vessel or portfolio applies. This can be the same date as the Issue Date (in the case of a current valuation) or it can be prior to the Issue Date (in the case of a historical valuation).

Yard - Shipyard in which the vessel was built.

Methodology Version - The version of valuation methodology that this certificate was generated using.

APPENDIX A
VALUATION CERTIFICATE FOR ARKSTAR EAGLE 1

VesselsValue™

Lyric House
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Disclaimer

In accordance with your request and subject to our Terms and Conditions (set forth at www.vesselsvalue.com/terms), we have made an assessment of the vessels by applying the Methodology described in the certificate. Any changes or corrections or altering of the methodology could result in different valuations for the same vessel on the same valuation date but on different issue dates.

The Market Value provided is an estimate of fair market price, in US Dollars (USD) and is based on the price that the vessel would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt, charter free delivery at an acceptable worldwide delivery port, for cash payment under normal commercial terms. For the purposes of that opinion it is assumed that the vessel is in good, sound and seaworthy condition, free of maritime liens and all debts whatsoever, fully classed to the requirements of her present classification society, free of class recommendations, with clean and valid trading certificates, and where relevant to type and age of vessel with full oil majors, Rightship and any other relevant approvals in place.

VesselsValue has neither made a physical inspection of the vessel(s) nor inspected her class records. All statements made in these valuations are derived from technical and other relevant information available to VesselsValue at the date of the valuation and based on these assumptions. Any person contemplating entering a transaction of any nature whatsoever or otherwise having regard to these valuations should satisfy himself by inspection of the vessels and their records, or other independent means as to the correctness of statements made in these valuations.

The estimated Market Value and Demolition Value are for the valuation date only and no assurance is given that the value will be sustained or is realisable in any actual transaction.

The vessels have been valued individually. If two or more ships were to have been placed on the market at the same time, no assurance is given that the amount realisable would have been equal to the total of the individual values.

If the Market Value is lower than the Demolition Value the latter is displayed and denoted by a 'd'. The estimated Demolition Value is calculated by multiplying the lightweight in long tons by the current demolition price assuming delivery to a ship breaking yard in the Indian subcontinent but with all other terms per above.

The Demolition Value provided is an estimate of fair demolition market price in US Dollars (USD). It is calculated by multiplying the lightweight in long tons by the current demolition price, assuming delivery to a ship breaking yard in the Indian subcontinent as at the valuation date only, based on a hypothetical transaction between a willing seller and a willing demolition cash buyer on standard demolition sale terms, with delivery at the ship breaking anchorage, and that the vessel is in good, sound and seaworthy condition with all machinery and items onboard and in working condition, free of maritime liens and all debts whatsoever and in the case of tankers in a gas free for man entry only condition.

No person other than the named addressee of this valuation shall have any rights whatsoever against Vessels Value Limited as arising out of or relating to this valuation under the Contract (Rights of Third Parties) Act 1999 or otherwise

Analyst, VesselsValue

VesselsValue Ltd
Company No. 7316511

APPENDIX B
VALUATION CERTIFICATE FOR ARKSTAR EAGLE 3

VesselsValue™

Lyric House
149 Hammersmith Road
London W14 0QL
+44 20 3026 5555
info@vesselsvalue.com

Market Valuation Certificate

Category	Single Vessel
Issue Date	19 Sep 2019
Methodology Version	VV3
Valuation Date	18 Sep 2019
Issued To	Arkstar Offshore Pte Ltd

Market Value	Vessel	Ship Status
$0.59m	**Arkstar Eagle 3** Ex Petrostar 3	**Live**

All valuations in this certificate are in US Dollars (USD) subject to the Disclaimer attached.

Type	AHTS (Small)	**Bollard Pull**	65 MT
IMO	9522489	**Deck Area**	285 m^2 Actual
Flag	Singapore	**Helideck**	
DWT	1,200 MT	**DP Class**	1
LDT	1,287 MT e	**Deck Strength**	7 MT/m^2
Built	07 Jul 2009 Weihai Xinghai Shipyard China	**Class**	ABS
LOA / Beam / Draft	57.5m / 13.8m / 4.8m	**Ice Class**	
Main Engine	2 × Caterpillar 3516BHD 1,920 kW @ 1600 RPM V-Type		
Geared	No		

Previous 10 Sales in Sector

Sale Date	Price	Sold Name	Type	Size	Blt	Yard
05 Jul 2019	$9.50m	VOS Character	AHTS (Medium)	6,500 BHP	'19	Fujian Southeast
05 Jul 2019	$9.50m	VOS Chance	AHTS (Medium)	6,500 BHP	'19	Fujian Southeast
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07 Mar 2019	$0.90m	Bourbon Arethuse	AHTS (Small)	3,218 BHP	'08	Bharati
28 Feb 2019	$9.50m	VOS Charm	AHTS (Medium)	6,500 BHP	'19	Fujian Southeast
31 Jan 2019	$5.01m	Swissco Onyx	AHTS (Medium)	7,200 BHP	'15	CSSC OME
04 Jan 2019	$0.70m	VOS Olympian	AHTS (Small)	5,500 BHP	'06	Jaya Asiatic
07 Dec 2018	$0.83m	Swissco Sapphire	AHT (Small)	4,750 BHP	'07	Panyu Lingshan Ship
07 Dec 2018	$3.65m	Swissco Pearl	AHTS (Small)	5,150 BHP	'14	Xin Yue Feng
30 Aug 2018	$1.10m	Everest	AHTS (Small)	5,150 BHP	'10	Berjaya Dockyard

APPENDIX B
VALUATION CERTIFICATE FOR ARKSTAR EAGLE 3

VesselsValue™

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Methodology

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Each ship type is modelled independently.

2. Features

Relative scores are assigned to all features recorded in the vessel database.

3. Age and 4. Cargo Capacity

The nonlinear dependences of value on age and cargo capacity are modelled using mathematical functions with adjustable parameters which allow them to assume a variety of shapes. Constraints are imposed on these parameters by application of economic principles and broking expertise.

5. Freight earnings

Time charters, spot freight rates and forward freight agreements are used to create indicators of freight market sentiment for each ship type. Signal processing techniques are applied to these indicators to maximise their correlation with vessel values.

Algorithms

The model is calibrated using confirmed sales prior to the date of valuation. Sales in circumstances which make them unreflective of fair market value (e.g. with charter) are excluded. Calibration is performed by computational algorithms which automatically adjust the parameters of the mathematical functions to best fit the sales data using multiple, nonlinear, constrained and weighted regression analysis. The software is run daily to ensure valuations reflect the latest sales and earnings information.

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Issue Date - Date of creation of the valuation certificate.

Issued to - Email of the registered subscriber to VesselsValue.com by whom the valuation certificate was requested.

Market Value - An estimate of fair market price, in US Dollars (USD), as at the valuation date only and is based on the price VesselsValue estimates as its opinion in good faith that the vessel would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt charter free delivery at an acceptable worldwide delivery port, for cash payment on standard sale terms. Please see disclaimer below for more information.

Method - Indicates the valuation method used.

Monthly values - are as at 1st of the month.

Name - Current name of vessel or portfolio.

Previous 10 Sales in Sector - The previous 10 (ten) sales prior to the valuation date (in the same sector as the valued vessel).

Price - Approximate price, in US Dollars (USD), at which a vessel was sold.

Sale Date - Approximate date on which a vessel was sold.

Size - Cargo carrying capacity of the vessel in units appropriate to the Type (e.g. DWT, TEU, CBM, CUFT, etc.).

Sold Name - Name under which a vessel was sold.

Status :
Cancelled - Newbuilding terminated prior to launch
Dead - Scrapped or lost
Launched - Newbuilding on the water but not yet delivered
Live - Existing vessel trading or laid up
Newbuild - On order or under construction

Type - Type of vessel (e.g. VLCC, Capesize, etc.)

Valuation Date - Date for which valuation of the vessel or portfolio applies. This can be the same date as the Issue Date (in the case of a current valuation) or it can be prior to the Issue Date (in the case of a historical valuation).

Yard - Shipyard in which the vessel was built.

Methodology Version - The version of valuation methodology that this certificate was generated using.

VesselsValue™

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info@vesselsvalue.com

Disclaimer

In accordance with your request and subject to our Terms and Conditions (set forth at www.vesselsvalue.com/terms), we have made an assessment of the vessels by applying the Methodology described in the certificate. Any changes or corrections or altering of the methodology could result in different valuations for the same vessel on the same valuation date but on different issue dates.

The Market Value provided is an estimate of fair market price, in US Dollars (USD) and is based on the price that the vessel would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt, charter free delivery at an acceptable worldwide delivery port, for cash payment under normal commercial terms. For the purposes of that opinion it is assumed that the vessel is in good, sound and seaworthy condition, free of maritime liens and all debts whatsoever, fully classed to the requirements of her present classification society, free of class recommendations, with clean and valid trading certificates, and where relevant to type and age of vessel with full oil majors, Rightship and any other relevant approvals in place.

VesselsValue has neither made a physical inspection of the vessel(s) nor inspected her class records. All statements made in these valuations are derived from technical and other relevant information available to VesselsValue at the date of the valuation and based on these assumptions. Any person contemplating entering a transaction of any nature whatsoever or otherwise having regard to these valuations should satisfy himself by inspection of the vessels and their records, or other independent means as to the correctness of statements made in these valuations.

The estimated Market Value and Demolition Value are for the valuation date only and no assurance is given that the value will be sustained or is realisable in any actual transaction.

The vessels have been valued individually. If two or more ships were to have been placed on the market at the same time, no assurance is given that the amount realisable would have been equal to the total of the individual values.

If the Market Value is lower than the Demolition Value the latter is displayed and denoted by a 'd'. The estimated Demolition Value is calculated by multiplying the lightweight in long tons by the current demolition price assuming delivery to a ship breaking yard in the Indian subcontinent but with all other terms per above.

The Demolition Value provided is an estimate of fair demolition market price in US Dollars (USD). It is calculated by multiplying the lightweight in long tons by the current demolition price, assuming delivery to a ship breaking yard in the Indian subcontinent as at the valuation date only, based on a hypothetical transaction between a willing seller and a willing demolition cash buyer on standard demolition sale terms, with delivery at the ship breaking anchorage, and that the vessel is in good, sound and seaworthy condition with all machinery and items onboard and in working condition, free of maritime liens and all debts whatsoever and in the case of tankers in a gas free for man entry only condition.

No person other than the named addressee of this valuation shall have any rights whatsoever against Vessels Value Limited as arising out of or relating to this valuation under the Contract (Rights of Third Parties) Act 1999 or otherwise

Analyst, VesselsValue

VesselsValue Ltd
Company No. 7316511

Hoe Leong Corporation Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration Number 199408433W)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the "**EGM**") of **Hoe Leong Corporation Ltd.** (the "**Company**") will be held by electronic means on 24 June 2020 at 11.00 a.m. (or as soon as practicable following the conclusion of the annual general meeting of the Company to be held at 10.00 a.m on the same day) for the purpose of considering and, if thought fit, passing with or without any modifications, the following ordinary resolution:

*All capitalised terms used in this notice of EGM which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 9 June 2020 (the "**Circular**") in relation to the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3.*

Ordinary Resolution 1: The Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3

That:

(i) the disposal of Arkstar Eagle 1 held by Markstar Marine Sdn Bhd (the "**Vendor of Arkstar Eagle 1**") to Allianz Offshore Shipmanagement Ltd (the "**Purchaser of the Arkstar Eagle Vessels**") in accordance with the terms and conditions of the conditional memorandum of agreement dated 7 October 2019 entered into between the Vendor of Arkstar Eagle 1 and the Purchaser of the Arkstar Eagle Vessels and the disposal of Arkstar Eagle 3 held by Arkstar Eagle 3 Pte. Ltd. (the "**Vendor of Arkstar Eagle 3**") to Purchaser of the Arkstar Eagle Vessels in accordance with the terms and conditions of the conditional memorandum of agreement dated 7 October 2019 entered into between the Vendor of Arkstar Eagle 3 and the Purchaser of the Arkstar Eagle Vessels as a "major transaction" under Chapter 10 of the Listing Manual be and is hereby approved and ratified;

(ii) the Directors and/or any of them be and are hereby authorised and empowered to approve, complete and do all such acts and things (including approving, modifying, ratifying, signing, sealing, executing and delivering all such agreements, contracts, documents, notices, deeds or instruments as may be required) as they and/or he may consider expedient, desirable or necessary or in the interests of the Company to give effect to the matters considered in this Ordinary Resolution 1; and

(iii) any and all actions taken by any Director or by the Company in respect of the matters considered in this Ordinary Resolution 1 be and are hereby approved and ratified.

By Order of the Board of Directors of
Hoe Leong Corporation Ltd.

Liew Yoke Pheng, Joseph
Executive Director and Chief Executive Officer

9 June 2020
Singapore

Notes:

1. The EGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's website at www.hoeleong.com. This Notice will also be made available on the SGX website at the URL httpps://www.sgx.com/securities/company-announcements.

2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appoint the Chairman of the Meeting as a proxy at the EGM, are set out in the accompanying Company's announcement dated 9 June 2020. This announcement may be accessed at the Company's website at www.hoeleong.com, and will also be made available on the SGX website at URL https://www.sgx.com/securities/company-announcements.

   In particular, the EGM will be held by way of electronic means and a member will be able to watch the proceedings of the EGM through a "live" webcast or listen to these proceedings through a "live" audio feed. In order to do so, a member who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register by 11.00 a.m. on 21 June 2020, at the contact@hoeleong.com. Following authentication of his/her/its status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the EGM by 5.00 p.m. on 23 June 2020.

   A member who pre-registers to watch the "live" webcast or listen to the "live" audio feed may also submit questions related to the resolutions to be tabled for approval at the EGM. To do so, all questions must be submitted by 11.00 a.m. on 21 June 2020 by email to contact@hoeleong.com..

3. Due to the current Covid-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. The accompanying proxy form for the EGM may be accessed at the Company's website at www.hoeleong.com, and will also be made available on the SGX website at URL https://www.sgx.com/securities/company-announcements.

4. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

5. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 11.00 a.m by 15 June 2020.

6. The chairman of the Meeting, as proxy, need not be a member of the Company.

7. The Proxy Form, if submitted by post, must be deposited at the registered office of the Company located at **6 Clementi Loop, Singapore 129814**, not less than **48 hours** before the time fixed for holding the EGM.

8. The Proxy Form, if submitted electronically, be submitted via email to contact@hoeleong.com, not less than **48 hours** before the time fixed for holding the EGM.

   In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

9. Where the Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

Personal data privacy:

By submitting the proxy form appointing the Chairman of the Meeting as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), and (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

Hoe Leong Corporation Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration Number 199408433W)

I/We*____________________ (Name) ________________ (NRIC / Passport / Company Registration Number*)

of ____ (Address)

being a member/members* of **Hoe Leong Corporation Ltd.** (the "**Company**"), hereby appoint the Chairman of the EGM as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the EGM to be held by electronic means 24 June 2020 at 11.00 a.m. (or as soon as practicable following the conclusion of the annual general meeting of the Company to be held at 10.00 a.m on the same day) and at any adjournment thereof.

I/We* direct the Chairman to vote for or against the Ordinary Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the Chairman may vote or abstain from voting at his/her* discretion. The Ordinary Resolution will be put to vote at the EGM by way of poll.

Ordinary Resolution(s)	**Number of Votes For#**	**Number of Votes Against#**	**Number of Votes Abstain#**
1. To approve the Ratification of the Disposal of Arkstar Eagle 1 and Arkstar Eagle 3			

* Delete as appropriate.
\# If you wish to exercise all your votes "For" or "Against" ot "Abstain", please indicate so with a [√] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this________ day of _________________2020.

Total number of Shares in:	**Number of Shares**
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Shareholder(s) or
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

IMPORTANT:

1. The EGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's website at www.hoeleong.com. This Notice will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements.
2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appoint the Chairman of the Meeting as a proxy at the EGM, are set out in the accompanying Company's annonuncement dated 9 June 2020. This annonuncement may be accessed at the Company's website at www.hoeleong.com, and will also be made available on the SGX website at URL https://www.sgx.com/securities/company-announcements.
3. Due to the current Covid-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.

PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the SFA), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this Proxy Form shall be deemed to relate to all the Shares held by you.

2. Due to the current Covid-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. This proxy form is available at the Company's website at www.hoeleong.com, and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

   Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

3. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 11.00 a.m on 15 June 2020.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. This Proxy Form, if submitted by post, must be deposited at the registered office of the Company located at **6 Clementi Loop, Singapore 129814**, not less than **48 hours** before the time fixed for holding the EGM.

6. This Proxy Form, if submitted electronically, be submitted via email to contact@hoeleong.com not less than **48 hours** before the time fixed for holding the EGM.

   In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

7. Where this Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

8. Where this Proxy Form is executed under the hand of an attorney duly authorised, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.

9. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.

10. Terms not specifically defined herein shall have the same meanings ascribed to them in the circular to shareholders of the Company dated 9 June 2020.

General:

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time fixed for holding the EGM, as certified by the CDP to the Company.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time fixed for holding the EGM.

Personal data privacy:

By submitting the proxy form appointing the Chairman of the Meeting as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), and (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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