

Hoe Leong Corporation Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration Number 199408433W)

USE OF PROCEEDS FROM ISSUANCE OF CONVERTIBLE LOAN NOTE

The Board of Directors (the “**Board**”) of Hoe Leong Corporation Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s Circular to Shareholders dated 1 June 2021 (the “**Circular**”), announcement dated 23 June 2021 in relation to the issuance of Convertible Loan Note to the Investor (the “**Completion Announcement**”) and announcement dated 13 July 2021 and 2 August 2021 in relation to the use of proceeds from the issuance of Convertible Loan Note (the “**Announcements**”).

Unless otherwise defined, capitalised terms used herein shall have the meanings as ascribed in the Circular and the Completion Announcement.

The Board wishes to update on the use of proceeds from issuance of Convertible Loan Note of S\$3 million as follows:

Use of proceeds (As set out in the Circular)	Amount allocated S\$'000	Amount used per the Announcements S\$'000	Amount used post- Announcements S\$'000	Amount used as at the date of this announcement S\$'000	Amount unused as at the date of this announcement S\$'000
General working capital (and any potential investments in plant and equipment for expansion and enhancement of operational capacity)	3,000	(1,860)	(1,140)	(3,000)	-

A breakdown of the use of proceeds for general working capital purposes is as follows:

	S\$'000
Purchases from suppliers and subcontractors	2,106
Rental expenses	339
Legal and professional fees	117
Payroll costs	397
Other expenses	41
Total	<u>3,000</u>

The use of proceeds from issuance of Convertible Loan Note is in accordance with the intended use as disclosed in the Circular.

By Order of the Board

Liew Yoke Pheng Joseph
Executive Chairman and CEO

13 October 2021