

HOE LEONG CORPORATION LTD.

(the “Company”)

(Company registration number 199408433W)

(Incorporated in the Republic of Singapore)

ACQUISITION AND CHARTER OF NEW VESSEL

The Board of Directors of the Company wishes to announce that the Company's wholly-owned subsidiary, Arkstar Offshore Pte. Ltd., has entered into a Memorandum of Agreement (“MOA”) with Thaumast Marine Ltd (the “Seller”) to acquire one unit of utility vessel (the “Utility Vessel”) for a total consideration of US\$6,120,000 (the “Purchase Consideration”) (the “Acquisition”).

The Utility Vessel, known as Unistar 32506 is a Tuvalu flagged vessel built in 2013. Unistar 32506 is a 45-meter 3200BHP offshore utility support vessel.

The Group has also been awarded a 5+2 years chartering contract by Saudi upstream oil company based in Saudi Arabia. The Vessel will be deployed in the Middle East waters.

The Purchase Consideration will be funded by internal funds and bank borrowings.

The Acquisition is not expected to have a material impact on the Group's net tangible assets or earning per share for the financial year ending 31 December 2014.

The Acquisition is part of the strategic plan of the Company and its subsidiaries (the “Group”) to expand into the offshore market.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.

ON BEHALF OF THE BOARD
HOE LEONG CORPORATION LTD.

Kuah Geok Lin
Chairman and Chief Executive Officer
06 August 2014