

HOE LEONG CORPORATION LTD.
("Company")
(Company registration number 199408433W)
(Incorporated in the Republic of Singapore)

TRANSACTION RELATING TO SEMUA INTERNATIONAL SDN BHD

The board of directors of the Company refers to the announcement dated 4 May 2016 ("**R&A's Announcement**") made by R&A Telecommunication Group Berhad ("**R&A**") on Bursa Malaysia in respect of the non-binding term-sheet ("**Term-sheet**") entered into between R&A and Semua International Sdn Bhd ("**SISB**") for the proposed disposal of 100% equity interest in Semua Shipping Sdn Bhd by SISB to R&A ("**SSSB Transaction**").

Based on R&A's Announcement, the SSSB Transaction is conditional upon, amongst others:

- (i) the passing of the resolutions by the board of directors of Ebony Ritz Sdn Bhd ("**Ebony**"), a majority-owned subsidiary of the Company, approving the transaction; and
- (ii) the approval of all relevant authorities including but not limited to the shareholders of R&A, SISB, the Company, Ebony and Sumatec Resources Berhad ("**SRB**") as well as Bursa Securities (amongst others).

The Company and Ebony are 51% shareholders of SISB and through such interests have, amongst others, rights to board representation and reserved matters rights in relation to SISB. The other shareholder of SISB is SRB.

The Company wishes to clarify that it was not aware that the Term-sheet had been entered into and has not given any approval to the proposed SSSB Transaction.

The Company is urgently looking into this matter and will make further announcement pending the outcome of its enquiry and on any other material developments, as appropriate.

BY ORDER OF THE BOARD
HOE LEONG CORPORATION LTD.

Kuah Geok Lin
Chairman and Chief Executive Officer
05 May 2016