

**HOE LEONG CORPORATION LTD.**

(Company registration number 199408433W)

(Incorporated in the Republic of Singapore)

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**Litigation against Sumatec Resources Berhad**

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The board of directors ("Board") of Hoe Leong Corporation Ltd. ("Company") refers to the Company's announcement dated 22 March 2018 ("Announcement"). All undefined terms used here shall have the same meaning as the terms defined in the Announcement.

As stated in the Announcement, the Settlement Agreement is conditional upon (among others) the approval of the Official Receiver of Malaysia ("OR") on behalf of Ebony. In this regard, the parties to the Settlement Agreement had on 4 May 2018 agreed that the Approval Date shall be extended to 6 June 2018.

The Company has been informed that the OR does not approve of the terms of the Settlement Agreement due to, in particular, the issues relating to whether the OR would be able to deal with redeemable convertible preference shares (RCPS), which arise from Sumatec's obligation to pay part of the Settlement Sum by issuing to Ebony RCPS in Sumatec in the value equivalent to RM 20,000,000.

In the circumstances, the Settlement Agreement ceases to have effect, and Suit 534 (including the CA Appeal) and Suit 808 shall proceed.

**ON BEHALF OF THE BOARD**

Kuah Geok Lin  
Chairman and Chief Executive Officer  
13 June 2018