

HOE LEONG CORPORATION LTD.

(the "Company")
(Company registration number 199408433W)
(Incorporated in the Republic of Singapore)

ARKSTAR VOYAGER PTE. LTD.

The Board of Directors of Hoe Leong Corporation Limited (the 'Company') wishes to announce that the Company's wholly owned subsidiary, Arkstar Voyager Pte. Ltd. ("AVPL") has on 2 July 2019 received a letter of demand dated 28 June 2019 ("Letter of Demand") from Allen & Gledhill LLP, acting on behalf of United Overseas Bank Limited ("UOB") claiming the repayment of S\$5,659,426.79.

AVPL is in the business of vessel chartering business. It had sent its vessel for a scheduled dry-docking on 28 February 2019 and the vessel was back on hire since 22 May 2019. The vessel was offhire during the dry-docking and AVPL had to manage payments to its suppliers for its dry-docking expenses, whilst facing a delay in payments from its customer. As such, it used its limited funds to repay the loan principal up to April 2019. AVPL is working to have its customer release payments in order to remedy this situation. The Company is evaluating the Letter of Demand in consultation with its solicitors and will take appropriate action accordingly.

The Company will release further announcements to update on any material developments in relation to the Letter of Demand as and when appropriate.

BY ORDER OF THE BOARD

Kuah Geok Lin
Chairman and Chief Executive Officer
03 July 2019