

Swee Hong Limited
(Company Registration No.: 198001852R)
(Incorporated in the Republic of Singapore)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Swee Hong Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) was placed on the watch-list under the Financial Entry Criteria and the Minimum Trading Price Criteria with effect from 5 December 2016 and 5 June 2017 respectively pursuant to Rule 1311(2) of the SGX-ST Listing Manual.

Pursuant to Rule 1313(2) of the SGX-ST Listing Manual, the board of directors of the Company (the “**Board**”) wishes to provide the following updates:

Update on Unaudited Financial Performance and Financial Position

The Group had also achieved a net loss of approximately S\$1.4 million for the second quarter of the financial year ending 30 June 2020 (“**2QFY2020**”) compared to approximately S\$26,000 for the second quarter of the financial year ended 30 June 2019 (“**2QFY2019**”).

Revenue for 2QFY2020 was approximately S\$1.7 million, as compared to approximately S\$7.3 million for the 2QFY2019.

Revenue from Civil Engineering segment decreased by S\$7.2 million from S\$7.3 million in 2QFY2019 to S\$0.1 million in 2QFY2020 due to lower level of project activities as one of the Company's major Civil Engineering project is nearing completion.

Revenue from Tunneling projects increased by S\$1.6 million compared to 2QFY2019 due to new Tunnelling projects which have commenced during the financial period. The new Tunnelling projects have a current order book amounting to S\$77.9 million.

Please refer to the announcement of the unaudited financial statements of the Group for 2QFY2020 for a detailed update on the Group's financial position and material developments that may have an impact on the Group's financial situation.

Update on Future Direction and other Material Development

The Board has also been reviewing the available options to meet the Minimum Trading Price Criteria and will update the Shareholders on any material developments in due course and the Company will make further announcements as and when there are any subsequent developments.

Pursuant to Rule 1314 of the SGX-ST Listing Manual, the Company will be assessed by the SGX-ST for removal from the watch-list for the Minimum Trading Price Criteria if has recorded a volume-weighted average price of at least S\$0.20 and an average daily market capitalisation of S\$40 million or more over the last 6 months.

The Company would like to reassure the Shareholders that it will continue to use its best endeavours to seek an exit from the SGX-ST watch-list in accordance with the requirements of Rule 1314 of the SGX-ST Listing Manual.

By Order of the Board

Tan Swee Gek
Company Secretary
5 March 2020