

Hoe Leong Corporation Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration Number 199408433W)

USE OF PROCEEDS FROM ISSUANCE OF CONVERTIBLE LOAN NOTE

The Board of Directors (the “**Board**”) of Hoe Leong Corporation Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s Circular to Shareholders dated 1 June 2021 (the “**Circular**”) and announcement dated 23 June 2021 in relation to the issuance of Convertible Loan Note to the Investor (the “**Completion Announcement**”).

Unless otherwise defined, capitalised terms used herein shall have the meanings as ascribed in the Circular and the Completion Announcement.

The Board wishes to update on the use of proceeds from issuance of Convertible Loan Note of S\$3 million as follows:

Use of proceeds (As set out in the Circular)	Amount allocated S\$'000	Amount used up to the date of this announcement S\$'000	Amount unused as at the date of this announcement S\$'000
General working capital (and any potential investments in plant and equipment for expansion and enhancement of operational capacity)	3,000	(744)	2,256

A breakdown of the use of proceeds for general working capital purposes is as follows:

	S\$'000
Purchases from suppliers and subcontractors	325
Rental expenses	135
Legal and professional fees	114
Payroll costs	142
Other expenses	28
Total	<u>744</u>

The use of proceeds from issuance of Convertible Loan Note is in accordance with the intended use as disclosed in the Circular. The Company will make periodic announcements as and when the unused proceeds are materially disbursed.

By Order of the Board

Liew Yoke Pheng Joseph
Executive Chairman and CEO

13 July 2021