

**RECEIPT OF APPROVAL-IN-PRINCIPLE**

---

References are made to Swee Hong Limited's (the "**Company**") announcements on 11 February 2015 and 29 April 2016 ("**Previous Announcements**") in relation to the trading halt of the Company's shares from 9 February 2015.

Unless defined otherwise, terms used in this announcement will have the same meanings ascribed to them in the Previous Announcements.

The board of directors ("**Board**") is pleased to announce that it had on 12 July 2016 obtained the listing and quotation notice from the SGX-ST for the listing and quotation of

- (a) up to 1,006,656,840 new Shares to be issued to the Company's Creditors pursuant to the Start Conversion under the Scheme (the "**Start Conversion Shares**");
- (b) 67,766,667 new Shares to be issued to Ernst & Young Solutions LLP ("**EYS**") for the settlement of fees for services rendered by EYS to the Company in connection with the Company's debt restructuring (the "**Fee Shares**");
- (c) 1,400,000,000 new Shares to be issued to KH Foges Pte. Ltd. pursuant to the Subscriber Issuance under the Subscription Agreement, as amended by the Supplemental Agreement (the "**Subscription Shares**"); and
- (d) 500,000,000 new Shares to be issued pursuant to the exercise of warrants issued to KH Foges Pte. Ltd. pursuant to the Subscriber Issuance (the "**Warrant Shares**"),

on the Mainboard of the SGX-ST (the "**L&Q Notice**"), subject to the following:

- (i) In relation to the Start Conversion Shares and the Fee Shares:
  - (A) Compliance with SGX-ST's listing requirements;
  - (B) Shareholders' approval for the Start Conversion Shares and the Fee Shares;
  - (C) Submission of the following documents:
    - (1) A written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of proceeds from the proposed issuance of the Start Conversion Shares and Fee Shares and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
    - (2) A written undertaking from the Company that it will comply with Rule 803 of the Listing Manual; and
    - (3) A written confirmation from the Company that it will not issue the Start Conversion Shares and Fee Shares to persons prohibited under Rule 812(1) of the Listing Manual;

- (ii) In relation to the Subscription Shares, the Warrants and the Warrant Shares:
- (A) Compliance with SGX-ST's listing requirements;
  - (B) Shareholders' approval for the issuance of the Subscription Shares, the Warrants and the Warrant Shares, and the Proposed Whitewash Resolution;
  - (C) A written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of proceeds from the proposed issuance of the Subscription Shares and the Warrant Shares and exercise of the Warrants and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
  - (D) A written confirmation from the Company that it will comply with Rule 803 of the Listing Manual;
  - (E) A written confirmation from the Company that it will not place the Warrants and Subscription Shares to persons prohibited under Rule 812(1) of the Listing Manual;
  - (F) A written undertaking from the Company to announce any adjustment made pursuant to Rule 829(1) of the Listing Manual; and
  - (G) A written undertaking from the Company that it will comply with Rule 831 of the Listing Manual.

The L&Q Notice is not to be taken as an indication of the merits of the Start Conversion Shares, the Fee Shares, the Subscription Shares, the Warrants, the Warrant Shares, the Company and/or its subsidiaries.

The Company will be convening an extraordinary general meeting ("**EGM**") to approve the issuance of Shares pursuant to the Scheme, and the Subscriber Issuance. A circular setting out information on the aforementioned corporate actions (the "**Circular**") together with a notice of the EGM will be despatched to the shareholders in due course.

The Company will continue to provide updates as and when necessary. In the meantime, the Board would advise shareholders and the investing public to exercise caution before making any decision in respect of their dealings in the Company's shares.

#### **BY ORDER OF THE BOARD**

Tan Swee Gek  
Company Secretary  
12 July 2016