

**SGX QUERIES REGARDING THE COMPANY'S ANNUAL REPORT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2016**

The Board of Directors (the “**Board**”) of Swee Hong Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce the following in response to queries raised by Singapore Exchange Securities Trading Limited with respect to the Company’s annual report for the financial year ended 30 June 2016 (“**Annual Report**”).

SGX Query 1

Paragraph 9.3 of the Code of Corporate Governance 2012 (the “Code”) states that the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO).

As the Company is required under Listing Rule 1207(12) to make disclosure as recommended in the Code or otherwise disclose and explain any deviation from the recommendation, please disclose the aggregate total remuneration paid to the top five key management personnel (who are not directors or the CEO) or otherwise explain the reason(s) for the deviation from the recommendation.

Company’s response

The Company wishes to clarify that during the financial year ended 30 June 2016, there were only three (3) key management personnel of the Group (who are not Directors). The Company has at page 26, paragraph 2.5 of the Annual Report, disclosed the aggregate total remuneration paid to the three (3) key management personnel for the financial year ended 30 June 2016 as being S\$331,700.

SGX Query 2

Paragraph 11.3 of the Code states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the company’s Annual Report. The Board’s commentary should include information needed by stakeholders to make an informed assessment of the company’s internal control and risk management systems.

On page 27 of the Company’s annual report, we note that only the Audit Committee has commented on the adequacy but not the effectiveness of the internal controls. Please provide the Board’s commentary on the adequacy and effectiveness of the internal controls, or explain the reason(s) for the deviation from the code.

Company's response

The Company wishes to clarify that after taking into consideration all the reviews conducted by the Independent Auditors and assurance from Management, the Board with the concurrence of the Audit Committee is of the opinion that the Group's system of internal controls, addressing financial, operational, compliance and information technology risks, and its risk management policies and systems (notably those systems that monitor and manage financial, operating, compliance, information technology and other risks) were adequate and effective as at 30 June 2016.

SGX Query 3

Listing Rule 1207(10) states that the Company should disclose the opinion of the Board with the concurrence of the Audit Committee on the adequacy of the internal controls, addressing financial, operational and compliance risks.

On page 28 of the Company's annual report, we note that only the Audit Committee's opinion is disclosed. Please disclose the Board's opinion, with the concurrence of the Audit Committee, on the adequacy and effectiveness of the internal controls, addressing financial, operational and compliance risks.

Company's response

The Company wishes to clarify that the Board, with the concurrence of the Audit Committee, is of the opinion that the Group's system of internal controls, addressing financial, operational, compliance and information technology risks, and its risk management policies and systems (notably those systems that monitor and manage financial, operating, compliance, information technology and other risks) were adequate and effective as at 30 June 2016.

SGX Query 4

On page 83 of the Company's annual report, we note "Consultation fees paid to director" of S\$30,000.

Please disclose the identity of the director, the nature of the consultation services and the duration of the consultation agreement.

Company's response

The Company wishes to clarify that there is a typographical error on page 83 of the Company's Annual Report. The amount of consultation fees paid to director in FY2016 should be zero instead of S\$30,000.

By Order of the Board

Tan Swee Gek
Company Secretary

21 October 2016