

**Hoe Leong Corporation Ltd.**  
(the “**Company**”)  
(Company registration number 199408433W)  
(Incorporated in the Republic of Singapore)

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**UPDATES ON MATERIAL LITIGATION**

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The Board of Directors (the “**Board**”) of the Company refers to the material litigation disclosed in item 8 (Page 12 and 13) of the Company’s unaudited financial statements and dividend announcement for the first quarter ended 31 March 2021 dated 11 May 2021 (the “**Announcement**”) and wishes to provide the following updates.

Kuala Lumpur High Court - Auspicious Journey Sdn Bhd vs Ebony Ritz Sdn Bhd & 5 Ors

Auspicious Journey Sdn Bhd (the “**Plaintiff**”), a minority shareholder of a former subsidiary, Ebony Ritz Sdn Bhd (“**Ebony**”), filed a suit on 6 June 2013 against the Company, being the majority shareholder in Ebony, for conducting the affairs of Ebony in a manner that is oppressive to the Plaintiff.

On 3 August 2016, the High Court issued an order partially in favour of the Plaintiff and ordered that:

- (a) a declaration that the Company has conducted the affairs of Ebony in a manner that is oppressive to the Plaintiff by made;
- (b) Ebony is to be wound up and the Official Receiver be appointed as the liquidator of Ebony;
- (c) the Company is to pay general damages with interest to the Plaintiff, to be assessed by the Court through an assessment process; and
- (d) the Company has to pay costs of RM300,000 to the Plaintiff.

The Plaintiff and the Company appealed against the order and both appeals, heard on 21 November 2018 and 21 May 2018 respectively, were dismissed by the Court of Appeal.

The Plaintiff filed an application for leave to appeal to the Federal Court against the dismissal of its appeal by the Court of Appeal. On 13 May 2019, the Federal Court made a decision to allow the leave application in part, in particular only insofar as the leave application relates to whether the directors of the Company can be attributed with the Company’s liability in respect of its said oppression on the Plaintiff. The hearing of the Federal Court appeal was concluded on 4 August 2020.

On 9 March 2021, the Federal Court dismissed the Plaintiff’s appeal and directed the assessment of damages to be assessed by a High Court Judge. The outcome of the Federal Court appeal was updated to the High Court on 12 March 2021 during a case management for the assessment of damages proceeding.

During a case management on 16 April 2021, the High Court directed the following:

- 1. The Plaintiff to file its Re-Amended Points of Claims by 30 April 2021;
- 2. The Company to file its Re-Amended Defence by 12 May 2021; and
- 3. The Plaintiff to file its Re-Amended Reply by 27 May 2021.

The Plaintiff filed its Re-Amended Points of Claims on 7 May 2021 and the Company filed its Re-Amended Defence on the extended deadline of 26 May 2021.

During a case management on 4 June 2021, the Plaintiff indicated that it will file and provide the Company with its Re-Amended Reply (to the Company's Re-Amended Defence dated 26 May 2021) on 11 June 2021. During this case management, the High Court directed the following:

1. The parties are to file their affidavits setting out the facts by 5 July 2021;
2. The parties are to file their expert affidavits by 3 September 2021;
3. The next Case Management is on 29 October 2021;
4. The parties are to prepare their case summaries and issues to be tried after all of the affidavits are exhausted; and
5. The trial is fixed on 7 March 2022 to 11 March 2022.

The Official Receiver of Ebony had previously filed an application for a private liquidator to be appointed to manage Ebony in place of the Official Receiver (the "**Private Liquidator Application**"). During case management on 6 April 2021 and 7 April 2021, the Court directed that the hearing of the Private Liquidator Application be fixed on 14 June 2021. This hearing has been adjourned to 16 July 2021.

The Company will make further announcements to update its shareholders when there are material updates as may be necessary or appropriate.

**Shareholders and potential investors of the Company are advised to read this announcement, the Announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.**

BY ORDER OF THE BOARD

Liew Yoke Pheng Joseph  
Executive Chairman & CEO  
4 June 2021