

SWEE HONG LIMITED
(Company Registration No.: 198001852R)
(Incorporated in the Republic of Singapore on 3 June 1980)

UPDATE ON THE MORATORIUM APPLICATION UNDER SECTION 211B

The Board of Directors of Swee Hong Limited (the “**Company**”) refers to its announcements on 21 May 2019 and 24 May 2019 on the Company’s application to the High Court of Singapore to commence a court supervised process to reorganise its liabilities and to seek a moratorium pursuant to Section 211B of the Companies Act (the “**Application**”).

As announced on 24 May 2019, the Application was fixed for hearing on 12 June 2019 at 10 am.

The Board wishes to announce that, on 12 June 2019, the Court granted the Application and made, amongst others, the following Orders:

- (a) Pursuant to section 211B of the Companies Act (Cap. 50), for a period of six (6) months from the date of this Application or until further order:
- (i) no resolution shall be passed for a winding up of the Company;
 - (ii) no proceedings whether before a court, arbitral tribunal or administrative agency, and whether current, pending or threatened against the Company, shall be commenced or continued against the Company, except with the leave of the Court and subject to such terms as the Court may impose;
 - (iii) no appointment of a receiver or manager over any property or undertaking of the Company shall be made;
 - (iv) no execution, distress or other legal process shall be commenced, continued or levied against any property of the Company;
 - (v) no step to enforce any security over any property of the Company, or to repossess any goods held by the Company under any chattels leasing agreement, hire purchase agreement or retention of title agreement shall be taken; and
 - (vi) no right of re-entry or forfeiture under any lease in respect of any premises occupied by the Company shall be enforced, including any enforcement that may be taken pursuant to sections 18 or 18A of the Conveyancing and Law of Property Act (Cap. 61), except with the leave of the Court and subject to such terms as the Court may impose;

(collectively, the “**Moratorium**”)

- (b) That the Company be entitled to attend and make submissions at the hearing of any application(s) for leave to the Court to commence, continue, levy or enforce any of the proceedings, or to take any steps restrained by the Moratorium;

- (c) That the Company shall have liberty to apply for such further or other orders or directions as may be necessary;
- (d) That the Company is to provide the following information to creditors upon request within 6 weeks, pursuant to Section 211B(6) of the Companies Act:
 - (i) The latest available audited financial statements of the Company;
 - (ii) The latest available management accounts of the Company;
 - (iii) Forecasts of the profitability of the Company;
 - (iv) A liquidation analysis of the Company by DHC Capital Pte Ltd, including the assumptions that DHC Capital Pte Ltd bases this estimate on;
 - (v) Updates on negotiations with potential investors or rescue financiers, on a no-names basis and without disclosure of confidential information; and
 - (vi) An updated valuation on the key assets of the Company, save for assets that will be subject to a sales process as part of the reorganisation and/or which are secured assets.
- (e) The Company is to provide to creditors the monthly cash-flow forecast of the Company from 1 July 2019.
- (f) The Company is to provide to creditors information relating to the acquisition, disposal of property or assets (including equity interests in subsidiaries) or the grant of security over any property, in each case, other than in the ordinary course of business. Such information is to be submitted not later than 14 days after the date of the acquisition, disposal, or grant of security.
- (g) With respect to the request to set aside the garnishee orders to show cause made in HC/OS 473/2019 and DC/DC 716/2019, and any other garnishee order to show cause which may have been made before the date of the Application, the application is adjourned to a date no earlier than 26 June 2019 for a half day hearing.

Further announcements will be made by the Company and the Board via SGXNET as and when there are any material developments in compliance with the listing rules of the Singapore Exchange Securities Trading Limited.

Shareholders and potential investors should exercise caution when trading in the Company's securities. When in doubt as to the action they should take, stakeholders and potential investors should consult their financial, tax or other advisors.

BY ORDER OF THE BOARD

Tan Swee Gek
Company Secretary
13 June 2019