



Receipt of Writs of Summonses in Malaysia

Yeo Hiap Seng Limited (the “Company” and, together with its subsidiaries, the “YHS Group”) wishes to announce that a wholly-owned indirect subsidiary in Malaysia, Yeo Hiap Seng Trading Sdn Bhd (“YHS Trading”), has been served with three Writs of Summonses filed in the High Court of Malaya at Shah Alam.

The Writs were issued by former distributors, Sengjaya Gains Sdn Bhd, Sengjaya Marketing Sdn Bhd and Sengjaya Gains (KL) Sdn Bhd (collectively, the “Plaintiffs”), whose respective non-exclusive agreements had been terminated.

The Plaintiffs are seeking declaratory reliefs on the termination of their respective agreements, refunds of the security deposits paid and for general, special, exemplary and aggravated damages amounting in aggregate to approximately RM13.7 million (approximately S\$4.52 million).

YHS Trading disputes the actions and has appointed solicitors to enter appearance to vigorously defend the actions on the advice that the basis for the actions are wholly groundless and without any merit whatsoever. YHS Trading has similarly taken advice for the recovery of the sums owed by the Plaintiffs, arising from the Plaintiffs’ breaches of their respective agreements.

The Company is of the view that the actions are not expected to have any material impact to sales of the YHS Group although the recovery of sums owed by the Plaintiffs may be impaired for the current financial year ending 31 December 2020.

The Company is assessing the situation and will make further announcements as appropriate via SGXNET to update the market on any material developments.

By Order of the Board
Neoh Sue Lynn
Company Secretary
14 December 2020