

**SGX QUERIES REGARDING THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL  
YEAR ENDED 30 JUNE 2014**

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The Board of Directors of Swee Hong Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce the following in response to the queries with respect to the Company's annual report for the financial year ended 30 June 2014 ("**Annual Report 2014**") raised by Singapore Exchange Limited:

**Question 1**

Guideline 11.3 of the Code of Corporate Governance 2012 (the "**Code**") states that the Board should comment in the Company's Annual Report on whether it has received assurance from the CEO and the CFO:-

- a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and
- b) regarding the effectiveness of the company's risk management and internal control systems.

We note that the Company did not mention if assurance was received from the CFO. Please explain the reason(s) for the deviation from the recommendation.

**Company's response**

The Company currently does not have a CFO. Mr Ong Hock Leong, the Company's Managing Director and Group CEO (the "**MD/CEO**"), supervises and has overall oversight of the business affairs, operations and finances of the Company which includes the Company's financial records and its risk management and internal control systems. The MD/CEO is assisted by the Company's finance team and the relevant professional parties.

In this regard, the MD/CEO has given assurance to the Board that (i) the Company's financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances, and (ii) the Company's risk management and internal control systems are adequate and effective in its current business environment.

**Question 2**

In its Annual Report on "Interested Person Transactions" ("**IPTs**") (page 32), the Company stated that there were no interested person transactions entered into during the financial year ended 30 June 2014. However, we note the Company's disclosure in paragraph 28 of the Notes to the Financial Statements that consultation fees amounting to S\$54,000 was paid to a director.

Please reconcile the amounts under both sections and account for the differences. Further, please provide details of the nature of the consultation services provided.

**Company's response**

The consultation fees of S\$54,000 were paid to the Non-Executive Directors of the Company for services rendered to the Company prior to their cessation as Directors of the Company. The Non-Executive Directors had advised the Board and Management on matters relating to project management and claim submissions.

In this regard, the IPTs section on page 32 of the Annual Report 2014 should read as follows:

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its shareholders. In order to achieve this objective, the Board and AC meets quarterly to review whether the Company or the member in the Group is entering or intended to enter into any potential interested person transactions so as to ensure the Company complies with Chapter 9 of the Singapore Exchange Listing Manual on interested person transactions.

There were no interested person transactions with a value of S\$100,000 and above entered into during the financial year ended 30 June 2014.

By Order of the Board

Ong Hock Leong  
Managing Director

24 October 2014