

**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 15 and 16) of the Company’s unaudited financial statements and dividend announcement for the fourth quarter and full year ended 31 December 2020 dated 26 February 2021 and the Company’s SGXNet announcement ‘Updates on Material Litigation’ broadcast on 10 March 2021 (the “**Announcements**”) 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, a minority shareholder of a former subsidiary, Ebony Ritz Sdn Bhd (“**Ebony**”), filed a suit 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:

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

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. The next case management will be held on 16 April 2021.

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.

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 Announcements 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  
14 April 2021