

**ANNOUNCEMENT IN RELATION TO THE MANDATORY CONDITIONAL CASH OFFER BY  
SANJURO UNITED PTE. LTD.**

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**1. Introduction**

The board of directors (the "**Board**") of Hwa Hong Corporation Limited (the "**Company**" or "**Hwa Hong**") refers to:

- (a) Section 5.9 of Appendix II to the offeree circular dated 14 June 2022 issued by the Company ("**Offeree Circular**"), stating the Current Ong Directors' intentions in relation to the Offer; and
- (b) the announcement by the Company dated 25 July 2022 on, *inter alia*, the clarification of intentions of potential competing offerors to make an offer for the Company.

*Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the Offeree Circular.*

**2. Update on Intentions of Current Ong Directors in relation to the Offer**

- 2.1 Since the appointment of the Current Ong Directors to the Board, they have been focused on creating value for all the shareholders of the Company, especially the minority shareholders. The Current Ong Directors have also raised in various Board meetings the need to undertake a strategic review to assist the Company in unlocking shareholder value as they were of the view that the Company's Shares are undervalued.
- 2.2 The Current Ong Directors engaged Evercore as the Company's exclusive financial adviser on 17 May 2022 and are pleased that the competitive tension generated on the back of the announcement of Evercore as the Company's financial adviser and Evercore commencing an extensive sell-side process in a compressed manner within the constraints of an offer timetable were the key factors which resulted in the share price of the Company trading beyond the Original Offer Price, which in turn created the impetus for an increase in the Original Offer Price from S\$0.37 per Share to S\$0.40 per Share on 7 June 2022 (the "**Revised Offer Price**").
- 2.3 The Current Ong Directors are appreciative of the work done by Evercore which has resulted in a cash exit opportunity at the Revised Offer Price that is fair and reasonable from a financial point of view for all the Shareholders. In deciding whether to accept the Offer in their capacity as Shareholders, the Current Ong Directors recognise that they play an instrumental role in the outcome of the Offer and whether the Offer will turn unconditional. The Current Ong Directors also recognise that if they do not accept the Offer in their capacity as Shareholders, Shareholders are likely to be deprived of a cash exit opportunity in the short term.
- 2.4 Having considered further, given the prevailing economic environment, the economic and geopolitical factors set out in Section 6.2 of the Offer Document as reproduced in Section 5 of the Offeree Circular and the uncertainties in the short and medium term, the Current Ong Directors do not wish to deprive minority Shareholders of the Offer (at the Revised Offer Price) that is fair and reasonable from a financial point of view.

- 2.5 The Current Ong Directors have also consulted with their advisers and hereby inform Shareholders that they and their immediate family members (collectively holding an aggregate of 190,981,273 Shares, representing approximately 29.26% of the total number of issued Shares) intend to accept the Offer in respect of their respective beneficial holdings of Offer Shares by the final closing date of the Offer (i.e. 5.30 p.m. (Singapore time) on 1 August 2022 (Monday)), thereby facilitating the Offer turning unconditional and allowing minority Shareholders to benefit from the cash exit opportunity under the improved Offer (at the Revised Offer Price). Shareholders should also note the Recommending Directors' recommendation to accept the Offer in the Offeree Circular.
- 2.6 The Current Ong Directors continue to honour their late grandfather Mr. Ong Chay Tong and recognise his contributions to the Company. With this in mind, the Current Ong Directors wish the Offeror, Mr. Ong Choo Eng and Mr. Ong Eng Yaw well in their future endeavours, and they entrust Hwa Hong's legacy and the future of the Company to the Offeror.

### 3. General

**Shareholders are advised to exercise caution when dealing in the Shares of the Company or when otherwise taking any action in relation to their Shares which may be prejudicial to their interests. Shareholders and their advisers should consider carefully the Offeree Circular (including the recommendation of the Recommending Directors and the IFA Letter) in its entirety before deciding whether to accept or reject the Offer.**

### 4. Directors' Responsibility Statement

The Directors of the Company (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement (other than those relating to the Offeror and the Offer) are fair and accurate, that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement, the Offer Document, and any other announcements made by or on behalf of the Offeror), the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

By Order of the Board

Ong Eng Loke  
Acting Group Managing Director  
26 July 2022