

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

1. Introduction

The Current Ong Directors of Hwa Hong Corporation Limited (the “**Company**”) refer to:

- (a) the announcement made on 17 May 2022 (the “**Offer Announcement**”) by Oversea Chinese-Banking Corporation Limited (“**OCBC**”) for and on behalf of Sanjuro United Pte. Ltd. (the “**Offeror**”), in relation to the voluntary conditional cash offer (the “**Offer**”) for all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of the Company, other than any Shares held in treasury and those Shares held, directly or indirectly, by the Offeror as at the date of the Offer (the “**Offer Shares**”);
- (b) the offer document dated 31 May 2022 issued by OCBC for and on behalf of the Offeror (the “**Offer Document**”), which contains details of the Offer;
- (c) the announcement made on 7 June 2022 by OCBC for and on behalf of the Offeror in relation to, *inter alia*, the revision of the Offer Price (the “**Revised Offer Announcement**”);
- (d) the announcement made on 7 June 2022 by the Company in respect of the Revised Offer Price; and
- (e) the announcement made on 14 June 2022 by the Company in respect of the issue and despatch of the offeree circular (“**Offeree Circular**”) and the notice to shareholders regarding electronic dissemination of the Offeree Circular.

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

2. Update on the Exercise

- 2.1 The Current Ong Directors refer to Section 10.6 of the Offeree Circular in relation to the solicitation of potential competing offer(s) to maximise shareholder value and wish to provide further updates to Shareholders as follows.
- 2.2 **The Current Ong Directors continue to believe in the intrinsic value of the Company and to take active steps to maximise shareholder value by, amongst others, soliciting competing offer(s) for the Company with the assistance of Evercore, thereby generating competitive tension (the “Exercise”). Evercore continues to engage in active discussions with various interested parties with the aim of soliciting a potential competing offer(s) to maximise shareholder value for the benefit of all Shareholders.**

The Current Ong Directors are increasingly of the view that maximising shareholder value may be best achieved outside the timeline¹ and constraints imposed by a general offer. The deadline for a competing general offer to be announced would normally be no later than the 53rd day from the date the first offeror despatches its initial offer document². As the Offer Document was despatched on 31 May 2022, the deadline for a competing general offer to be announced will normally be 23 July 2022.

- 2.3 **As stated in the Offeree Circular, should the Offer be unsuccessful, the Current Ong Directors, working together with the independent Directors to be appointed in due course, plan to undertake a comprehensive strategic review of the Company, with a view to unlocking and maximising shareholder value.**
- 2.4 **As part of the strategic review, the Current Ong Directors, working together with the independent Directors to be appointed in due course, intend to also engage a leading accounting firm to conduct an in-depth review of the Company's past operational practices, governance processes, policies, and procedures to identify best practices and failures, if any, in the past, so that the overall operational efficiency and governance of the Company can be enhanced going forward. With the benefit of the review by the accounting firm, the Current Ong Directors intend to implement such recommendations as appropriate and disclose such recommendations to potential bidders in the context of the strategic review and Exercise.**
- 2.5 It is the current intention of the Current Ong Directors to commence the above reviews expeditiously and efficiently, with a view to completing the Exercise to maximise shareholder value in the near term.
- 2.6 **Shareholders may wish to consider the foregoing updates in deciding whether or not to tender their Shares into the Offer.**
- 2.7 The views of the Current Ong Directors expressed above (for which the Current Ong Directors take responsibility) are not shared by Mr Huang Yuan Chiang.
- 2.8 As highlighted in the Offeree Circular, the Current Ong Directors 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 **do not intend to accept the Offer in respect of their respective beneficial holdings of Offer Shares** as they remain focused on determining whether shareholder value can be maximised by, amongst others, soliciting competing offer(s) for the Company. However, the Current Ong Directors and their immediate family members reserve their right to review their position.
- 2.9 The Company will make an appropriate announcement in the event of any material developments relating to the Exercise. **Shareholders should note that there is no assurance that any transaction will materialise from the Exercise.**

¹ As stated in the Offer Document, the Offer (whether revised or not) will not be capable of becoming or being declared unconditional as to acceptances after 5.30 p.m. (Singapore time) on the 60th day after the date of posting of the Offer Document or of being kept open after the expiry of such period, unless it has previously become or been declared to be unconditional as to acceptances, except with the prior approval of the SIC. The SIC will consider granting such permission in circumstances, including but not limited to, where a competing offer has been announced.

² Based on Note 6 (Deadline for clarification by potential competing offerors) to Rules 3.1, 3.2 and 3.3 of the Code.

In the meantime, Shareholders are advised to exercise caution when dealing in the Shares of the Company and are further advised to read and 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.

3. 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, the Revised Offer Announcement 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
4 July 2022