



**DISPOSAL OF ENTIRE INTEREST OF ABOUT 30.56%
IN EQUATORIAL REINSURANCE (SINGAPORE) LTD**

ANNOUNCEMENT

The Board of Directors of Hwa Hong Corporation Limited (“Hwa Hong”) wishes to announce that Singapore Warehouse Company (Private) Ltd. (“SWC”), a wholly owned subsidiary of Hwa Hong, has disposed of its entire interest of 1,529,000 ordinary shares in the capital of Equatorial Reinsurance (Singapore) Ltd (“Equatorial Reinsurance”), representing approximately 30.56% of the issued capital of Equatorial Reinsurance (the “Disposal Shares”), for cash consideration of S\$1,508,853.77.

The transaction resulted in a gain of approximately S\$1,508,853 as the current net carrying value of the Disposal Shares in SWC’s books is S\$1. The consideration for the Disposal Shares was arrived at on a willing buyer and willing seller basis and was determined at 97.5% of the shareholders’ fund of S\$5,064,684 as shown in the unaudited Balance Sheet of Equatorial Reinsurance as at 31 December 2005.

BY ORDER OF THE BOARD

Tan Mee Choo
Company Secretary

3 April 2006