



HONG LAI HUAT GROUP LIMITED

(Company Registration No. 199905292D)
(Incorporated in the Republic of Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of the Company will be held on Tuesday, 30 April 2019 at 2.00 p.m.at Genting Hotel Jurong, 2 Town Hall Link, Level 1, Singapore 068516 to transact the following business: -

AS ORDINARY BUSINESS

- To receive, consider and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2018 and the Auditors' Report thereon. **(Resolution 1)**
- To declare a final dividend of 0.5 cents per share in respect of the financial year ended 31 December 2018. **(Resolution 2)**
- To re-elect the following Directors who retire by rotation pursuant to Article 89 of the Company's Constitution and who, being eligible, offer themselves for re-election:
 - Prof. Wong Wen-Young, Winston **(Resolution 3)**
 - Dato Dr Ong Bee Huat **(Resolution 4)**
 [See Explanatory Note (i) and (ii)]
- To re-elect the following Directors who retire by rotation pursuant to Article 88 of the Company's Constitution and who, being eligible, offer themselves for re-election:
 - Mr Lien We King **(Resolution 5)**
 - Ms Kohe Noor Binte Mahmoodul Hasan **(Resolution 6)**
 [See Explanatory Note (iii) and (iv)]
- To re-appoint Messrs Deloitte & Touche LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
- To transact any other business which may be properly transacted at an Annual General Meeting.

AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions: -

- To approve the payment of Directors' Fees of S\$134,000 for the financial year ended 31 December 2018 (2017: S\$134,000.00). **(Resolution 8)**
- Authority to issue shares in the capital of the Company under Section 161 of the Companies Act, Cap. 50 and the rules, guidelines and measures issued by the Singapore Exchange Securities Trading Limited ("SGX-ST"):** -
 "That pursuant to Section 161 of the Companies Act, Cap. 50 and the rules, guidelines and measures issued by the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors be and are hereby authorised and empowered to allot and issue shares and/or convertible securities that might or would require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, where the maximum number of shares to be issued upon conversion is determinable at the time of the issue of such securities in the Company (whether by way of rights, bonus or otherwise or in pursuance of any offers, agreements or options made or granted by the Directors during the continuance of the authority conferred by this Resolution which might or would require shares and/or convertible securities to be issued during the continuance of the authority conferred by this Resolution or thereafter) at any time and from time to time thereafter to such persons and on such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit (notwithstanding the authority conferred by this Resolution may have ceased to be in force) provided that:
 - the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of convertible securities made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares excluding treasury shares, as calculated in accordance with sub-paragraph (ii) below ("Issued Shares"), provided that the aggregate number of shares to be issued other than on a pro-rata basis to existing shareholders (including shares to be issued in pursuance of convertible securities made or granted pursuant to this Resolution) does not exceed 20% of the total number of Issued Shares;
 - (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under this Resolution, the percentage of Issued Shares shall be based on the total number of issued shares excluding treasury shares at the time this Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of convertible securities; (b) new shares arising from exercising share options or awards or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the Listing Manual of the SGX-ST; and (c) any subsequent bonus issue, consolidation or subdivision of shares;
 - in exercising the authority conferred by this Resolution, such compliance shall comply with the rules, guidelines and measures issued by the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
 - unless revoked or varied by the Company in general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."
 [See Explanatory Note (vi)] **(Resolution 9)**

- Authority to grant options and to allot and issue shares under HLH Employee Share Option Scheme 2017**
 "That authority be and is hereby given to the Directors to offer and grant options in accordance with the rules of HLH Employee Share Option Scheme 2017 and pursuant to Section 161 of the Companies Act (Chapter 50 of Singapore), and to deliver existing shares (including treasury shares, if any) and allot and issue from time to time such number of new shares as may be required to be transferred or allotted and issued pursuant to the exercise of the options under the HLH Employee Share Option Scheme 2017." [See Explanatory Note (vi)] **(Resolution 10)**

- Authority to grant awards and to allot and issue shares under HLH Performance Share Plan 2017**
 "That authority be and is hereby given to the Directors to grant awards in accordance with the rules of HLH Employee Performance Share Plan 2017 and pursuant to Section 161 of the Companies Act (Chapter 50 of Singapore), and to deliver existing shares (including treasury shares, if any) and allot and issue from time to time such number of new shares as may be required to be transferred or allotted and issued pursuant to the release of awards under the HLH Performance Share Plan 2017." [See Explanatory Note (vii)] **(Resolution 11)**

11. Proposed renewal of the Share Purchase Mandate

- THAT:
- for the purposes of the Listing Rule, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire from time to time the Shares (excluding treasury shares) not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
 - market purchases transacted on the Singapore Exchange Securities Trading Limited ("SGX-ST") through the ready market, and through one or more duly licensed stockbrokers appointed by the Company for the purpose (each, a "Market Purchase"); and/or
 - off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme shall satisfy all the conditions prescribed by the Listing Manual (each, an "Off-Market Purchase"),
 and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act (Cap. 50) of Singapore (as modified, supplemented or amended from time to time) and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");
 - unless varied or revoked by the Company in general meeting, the authority conferred on the Directors to the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
 - the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier;
 - the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
 - the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in general meeting;
 - in this Ordinary Resolution:

"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) Market Days ("Market Day" being a day on which SGX-ST is open for securities trading) on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporation action that occurs after the relevant five-day period;

"Date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of Shares from holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

 - in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
 - in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares; and

"Prescribed Limit" means that number of issued Shares representing ten per cent. (10%) of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date);
 - the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the adoption of the Proposed Share Purchase Mandate and/or authorised by this Resolution. **(Resolution 12)**
- [See Explanatory Note (viii)]

BY ORDER OF THE BOARD

DATO' DR. ONG BEE HUAT
Executive Deputy Chairman
Singapore

12 April 2019

Explanatory Notes: -

- Prof. Wong Wen-Young, Winston will, upon re-election as a Director of the Company, remain as a Non-Executive Director.
- Dato' Dr Ong Bee Huat will, upon re-election as a Director of the Company, remain as an Executive Deputy Chairman, a member of the Remuneration Committee and the Nominating Committee of the Company.
- Mr Lien We King will, upon re-election as a Director of the Company, remain as an Independent Non-Executive Director, a member of the Audit Committee, the Remuneration Committee and the Nominating Committee of the Company.
- Ms Kohe Noor Binte Mahmoodul Hasan will, upon re-election as a Director of the Company, remain as an Independent Non-Executive Director, a member of the Audit Committee, the Remuneration Committee and the Nominating Committee of the Company.
- The Ordinary Resolution 9, if passed, will empower the Directors of the Company, from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue new shares in the share capital of the Company and to make or grant convertible securities, and to issue shares in pursuance of such convertible securities, without seeking any further approval from shareholders in general meeting. The number of new shares which the Directors may allot and issue under this Resolution shall not exceed 50% of the total number of Issued Shares of which the aggregate number of Issued Shares to be allotted and issued other than on a pro rata basis to shareholders shall not exceed 20% of the issued share capital of the Company. This authority will, unless previously revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.
- The Ordinary Resolution 10, if passed, will empower the Directors of the Company from the date of this Meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to offer and grant options in accordance with the rules of the Employee Share Option Scheme (the "Scheme") and pursuant to Section 161 of the Companies Act (Chapter 50 of Singapore) and to issue shares from time to time as may be required pursuant to the exercise of the options under the Scheme. The Scheme was first approved by the Shareholders at the Extraordinary General Meeting held on 28 April 2017. Details of the Scheme may also be found in the Circular to Shareholders dated 12 April 2017.
- The Ordinary Resolution 11, if passed, will empower the Directors of the Company from the date of this Meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant awards in accordance with the rules of the HLH Employee Performance Share Plan 2017 (the "Plan"), and pursuant to Section 161 of the Companies Act (Chapter 50 of Singapore) and to issue shares from time to time as may be required pursuant to the exercise of the Options under the Plan. The Plan was first approved by the Shareholders at the Extraordinary General Meeting held on 28 April 2017. Details of the Plan may also be found in the Circular to Shareholders dated 12 April 2017.
- The Ordinary Resolution 12, if passed, will renew the mandate to permit the Company to purchase or otherwise acquire its issued ordinary shares on the terms and subject to the conditions of the Resolution. Further details are set out in Appendix 1 to Shareholders in relation to The Proposed Renewal of the Share Purchase Mandate.

Notes:

- A member of the Company entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings (expressed as a percentage of the whole) to be represented by each proxy. However, if no such proportion is specified, the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named.
- The instrument appointing a proxy or proxies, duly executed, must be deposited at the Registered Office of the Company at 1 Gateway Drive #20-12/13 Westgate Tower Singapore 608531 not less than forty-eight (48) hours before the time fixed for the Meeting. A Depositor's name must be registered in the Depository Register maintained by the Central Depository (Pte) Limited **not less than seventy-two (72) hours** before the time appointed for the holding of the AGM in order for him to be entitled to vote at the AGM.
- This instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of any officer or attorney duly authorized.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company:

- consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and completion of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");
- warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and
- agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.