

HWA HONG CORPORATION LIMITED
(Incorporated in Singapore)
(Company Registration No: 195200130C)
(the “Company”)

**MINUTES OF SIXTY-SEVENTH ANNUAL GENERAL MEETING
BY WAY OF ELECTRONIC MEANS**

DATE : Friday, 22 May 2020

TIME : 10.00 a.m.

PRESENT : Please see Attendance List attached hereto.

IN ATTENDANCE : Please see Attendance List attached hereto.

CHAIRMAN : Mr Huang Yuan Chiang

CHAIRMAN

Mr Huang Yuan Chiang was elected as Chairman (the “**Chairman**”) of the Annual General Meeting (the “**AGM**” or “**Meeting**”).

QUORUM

As a quorum was present, the Chairman declared the Annual General Meeting (“**AGM**”) open at 10.00 a.m..

The Chairman duly welcomed all who were present at the Meeting by way of electronic means and acknowledged the attendance of shareholders by way of electronic means.

CONDUCT OF THE AGM BY WAY OF ELECTRONIC MEANS

The Chairman informed the Meeting that the holding of the AGM via “live” audio-video webcast and a “live” audio-only stream was in compliance with the various advisories and guidance issued by the authorities on holding meetings amid the current Covid-19 outbreak.

The Chairman introduced the Directors, Management of the Company and proposed Directors who were also in attendance.

INTRODUCTION

The Chairman informed the meeting that:

- (i) The Company had made an announcement on 6 May 2020 via SGXNet advising shareholders to submit their proxy forms and to appoint the Chairman of the AGM to cast votes on their behalf;
- (ii) he had been appointed as proxy by some shareholders and would be voting in accordance with their wishes;
- (iii) the validity of the proxies submitted by the shareholders had been duly reviewed and the votes of all such valid proxies had been duly counted and verified; and
- (iv) all the resolutions tabled at the AGM would be voted by way of poll (in accordance with Rule 730A of the Listing Rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

PRESENTATION ON THE GROUP'S BUSINESS AND FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2019 AND QUESTION AND ANSWER ("Q&A") SESSION

Ms Yvonne Lee, the Chief Financial Officer and Mr Ong Eng Yaw, Chief Operating Officer ("COO"), gave a presentation on (i) an overview of the Group's financial performance for the financial year ended 31 December 2019; (ii) business activities conducted in FY2019; (iii) the Group's business focus for FY2020; and (iv) potential Covid-19 impact on the Group's business.

The Chairman informed the Meeting that there would be no "live" Q&A session and referred to its announcement of 6 May 2020 via SGXNet providing a weblink specifically created for the shareholders to submit their questions in advance of this Meeting. The COO addressed the questions received up to 19 May 2020 as shown in "Appendix 1".

NOTICE

The Notice convening the Meeting was taken as read.

ORDINARY BUSINESS:

1. DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS – ORDINARY RESOLUTION 1

The meeting proceeded to receive and consider the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2019 together with the Auditor's Report.

The text of the Resolution 1 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 1 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
345,425,469	99.99	47,500	0.01	345,472,969	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

"That the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2019 and the Auditors Report thereon be received and adopted."

2. FINAL DIVIDEND – ORDINARY RESOLUTION 2

The Directors of the Company had recommended the payment of a one-tier tax exempt final ordinary dividend of 1 Singapore cent per Ordinary Share for the financial year ended 31 December 2019.

The text of the Resolution 2 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 2 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
345,425,469	99.99	47,500	0.01	345,472,969	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

“That the payment of a one-tier tax exempt final dividend of 1 Singapore cent per Ordinary Share for the financial year ended 31 December 2019 be approved.”

3. DIRECTORS’ FEES – ORDINARY RESOLUTION 3

The Directors of the Company had recommended the payment of Directors’ fees of up to S\$306,000/- in aggregate to the Non-Executive Directors of the Company as Directors’ fees for the financial year ending 31 December 2020, to be paid quarterly in arrears, at the end of each calendar quarter.

The text of Resolution 3 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 3 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
345,425,469	99.99	47,500	0.01	345,472,969	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

“That the payment of Directors’ fees of up to S\$306,000/- in aggregate to the Non-Executive Directors for the financial year ending 31 December 2020, to be paid quarterly in arrears, at the end of each calendar quarter be approved.”

4. RE-APPOINTMENT OF MR GUAN MENG KUAN AS A DIRECTOR – ORDINARY RESOLUTION 4

Mr Guan Meng Kuan, who was retiring as a Director of the Company under Article 113 of the Company's Constitution and Rule 720(5) of the Listing Rules of the SGX-ST had signified his consent to continue in office.

The meeting noted that Mr Guan Meng Kuan would upon re-appointment at this meeting remain as a Non-Independent Non-Executive Director.

The text of Resolution 4 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 4 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
344,374,609	99.99	47,500	0.01	344,422,109	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

"That Mr Guan Meng Kuan be re-appointed as a Director of the Company."

5. RE-APPOINTMENT OF MR ONG MUI ENG AS A DIRECTOR – ORDINARY RESOLUTION 5

Mr Ong Mui Eng, who was retiring as a Director of the Company under Article 113 of the Company's Constitution and Rule 720(5) of the Listing Rules of the SGX-ST had signified his consent to continue in office.

The meeting noted that Mr Ong Mui Eng would upon re-appointment at this meeting remain as an Executive Director.

The text of Resolution 5 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 5 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
333,919,805	99.99	47,500	0.01	333,967,305	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

“That Mr Ong Mui Eng be re-appointed as a Director of the Company.”

6. RETIREMENT OF MS ONG WUI LENG, LINDA AS A DIRECTOR

The meeting noted that Ms Ong Wui Leng, Linda, who was retiring as a Director of the Company under Article 113 of the Company’s Constitution would not be seeking re-appointment and would retire as a Director of the Company following the conclusion of the AGM. Upon her retirement, she would relinquish her positions as Chairman of the Nominating Committee and a member for the Audit and Risk Committee.

The Chairman, on behalf of the Board, expressed its appreciation to Ms Ong Wui Leng, Linda for her contributions during her tenure as a Director of the Company and extended their best wishes to Ms Ong in her future endeavours.

7. RE-APPOINTMENT OF AUDITORS – ORDINARY RESOLUTION 6

The retiring Auditors, Ernst & Young LLP, had expressed their willingness to continue in office.

The text of Resolution 6 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 6 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
345,425,469	99.99	47,500	0.01	345,472,969	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

“That Messrs Ernst & Young LLP, be re-appointed as the Company’s Auditors until the conclusion of the Company’s next Annual General Meeting and that the Company’s Directors be authorised to fix their remuneration.”

8. OTHER ORDINARY BUSINESS

As no notice of any other ordinary business had been received by the Company Secretary, the Meeting proceeded to deal with the special business of the Meeting.

SPECIAL BUSINESS:

9. APPOINTMENT OF MR MAK LYE MUN AS A DIRECTOR – ORDINARY RESOLUTION 7

Resolution 7 was for the proposed appointment of Mr Mak Lye Mun as a Director of the Company pursuant to Article 102 of the Company's Constitution. Mr Mak had signified his consent to act as a Director of the Company.

The meeting noted that Mr Mak Lye Mun, if appointed as a Director of the Company, and as part of the re-constitution of the Board and Board Committees, would also be appointed by the Board as Chairman of the Board, Chairman of the Nominating Committee, a member of the Audit and Risk Committee and a member of the Remuneration Committee. He will be considered as an Independent Non-Executive Director under the Listing Manual of the SGX-ST.

The text of Resolution 7 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 7 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
309,334,611	99.98	47,500	0.02	309,382,111	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

"That pursuant to Article 102 of the Constitution of the Company, Mr Mak Lye Mun be and is hereby appointed as a Director of the Company."

10. APPOINTMENT OF MR THAM CHEE SOON AS A DIRECTOR – ORDINARY RESOLUTION 8

Resolution 8 was for the proposed appointment of Mr Tham Chee Soon as a Director of the Company pursuant to Article 102 of the Company's Constitution. Mr Tham had signified his consent to act as a Director of the Company.

The meeting noted that Mr Tham Chee Soon, if appointed as a Director of the Company, and as part of the re-constitution of the Board and Board Committees, would also be appointed by the Board as Chairman of the Audit and Risk Committee and a member of the Nominating Committee. He will be considered as an Independent Non-Executive Director under the Listing Manual of the SGX-ST.

The text of Resolution 8 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 8 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
309,334,611	99.98	47,500	0.02	309,382,111	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

“That pursuant to Article 102 of the Constitution of the Company, Mr Tham Chee Soon be and is hereby appointed as a Director of the Company.”

11. AUTHORITY TO ISSUE SHARES – ORDINARY RESOLUTION 9

The text of Resolution 9 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 9 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
306,666,611	99.12	2,715,500	0.88	309,382,111	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

“That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the SGX-ST, the Directors of the Company be authorised and empowered to:

- (a) (i) *issue shares in the capital of the Company (“shares”) whether by way of rights, bonus or otherwise; and/or*
- (ii) *make or grant offers, agreements or options (collectively, “Instruments”) 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 or exchangeable into shares,*

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may, in their absolute discretion, deem fit; and

- (b) *(notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,*

provided that:

- (1) *the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);*
- (2) *(subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares excluding treasury shares and subsidiary holdings shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:*
- (i) *new shares arising from the conversion or exercise of any convertible securities;*
- (ii) *new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part III of Chapter 8 of the Listing Manual of the SGX-ST; and*
- (iii) *any subsequent consolidation or subdivision of shares;*
- (3) *in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and*
- (4) *unless revoked or varied by the Company in a general meeting, the authority 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."*

12. AUTHORITY TO ISSUE SHARES UNDER HWA HONG CORPORATION LIMITED SCRIP DIVIDEND SCHEME – ORDINARY RESOLUTION 10

The text of Resolution 10 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 10 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
309,334,611	99.98	47,500	0.02	309,382,111	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

*“That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to issue such shares in the Company as may be required to be issued pursuant to the Hwa Hong Corporation Limited Scrip Dividend Scheme (“**Scrip Dividend Scheme**”) from time to time in accordance to the “Terms and Conditions of the Scrip Dividend Scheme” approved by shareholders of the Company in general meeting on 7 November 2003, and that such authority shall, unless revoked or varied by the Company in a general meeting, 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 earlier.”*

13. RENEWAL OF THE SHARE PURCHASE MANDATE – ORDINARY RESOLUTION 11

The text of Resolution 11 as set out in the Notice of AGM was proposed by the Chairman.

The motion was put to vote and the results of the poll for Resolution 11 were as follows:

FOR		AGAINST		TOTAL	
No. of Ordinary Shares	As a percentage of total no. of votes for the resolution (%)	No. of Ordinary Shares	As a percentage of total no. of votes against the resolution (%)	Total no. of Ordinary Shares represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
141,019,444	99.97	47,500	0.03	141,066,944	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

“That:

(a) *for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued and fully paid ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:*

- (i) *market purchases (each a “**Market Purchase**”) on the SGX-ST; and/or*
- (ii) *off-market purchases (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,*

*and otherwise in accordance with all other laws, regulations and 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**”);*

(b) *unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate in paragraph (a) of this Resolution may be exercised by the Directors of the Company 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:*

- (i) *the date on which the next Annual General Meeting of the Company is held; or*
- (ii) *the date by which the next Annual General Meeting of the Company is required by law to be held; or*
- (iii) *the date on which purchases or acquisitions of Shares are carried out to the full extent mandated;*

(c) *in this Resolution:*

“Prescribed Limit” means, subject to the Companies Act, 10% of the total number of issued Shares of the Company (excluding any Shares which are held as treasury shares and subsidiary holdings) as at the date of the passing of this Resolution; and

“Maximum Price”, in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) *in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and*
- (ii) *in the case of an Off-Market Purchase, 120% of the Highest Last Dealt Price (as defined hereinafter),*

where:

“Average Closing Price” means the average of the Closing Market Prices of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs during such five-Market Day period and the day of the Market Purchase;

“Closing Market Price” means the last dealt price for a Share transacted through the SGX-ST’s trading system as shown in any publication of the SGX-ST or other sources;

“Highest Last Dealt Price” means the highest price transacted for a Share as recorded on the SGX-ST on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase;

“day of the making of the offer” means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“Market Day” means a day on which the SGX-ST is open for trading in securities; and

- (d) *the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.”*

CONCLUSION

There being no other business to transact, the Chairman declared the AGM of the Company closed at 10.45 a.m. and thanked everyone for their attendance.

CONFIRMED AS A TRUE RECORD
OF PROCEEDINGS HELD

HUANG YUAN CHIANG
CHAIRMAN

APPENDIX 1

HWA HONG CORPORATION LIMITED (the “Company” or “Hwa Hong”)

Minutes of Annual General Meeting – 22 May 2020

Summary of Questions & Answers (“Q&A”)

Question 1

What is the impact of Covid-19 on the rental income of Hwa Hong’s properties in London and Singapore for FY2020?

Response:

Please refer to slides 7 and 8 of Management’s presentation under header “looking ahead into 2020/2021” and “Our Business – Potential Covid-19 Impact”.

Question 2

What is the impact on the Group’s United Kingdom (“UK”) business post-Brexit?

Response:

Prior to Brexit and before the Covid-19 pandemic, the London high-end residential property market was negatively affected by stamp duty increases put in place prior to Brexit. This was further exacerbated by Brexit thereafter. There were, however, encouraging signs in late-2019 and early-2020 of a potential market recovery as the general election in December 2019 lifted Brexit uncertainty. The Company will monitor the market closely.

Post-Brexit and before the Covid-19 pandemic, the commercial property market was resilient, with low vacancy rates and resilient tenant demand. In the sub-markets where the properties are located, rents have remained stable or increased since Brexit, with vacancy rates below the 10-year average. Occupiers such as technology and media companies have been the key drivers of demand post-Brexit in these locations. Bank have been conservative on the space needs in the UK.

While Brexit risks in 2021 continue to exist, these risks could be overshadowed by the longer-term economic impact of the Covid-19 pandemic on the UK economy. The Company is therefore constantly reviewing the impact of both the pandemic and Brexit on its UK business in order to manage risks associated with these two events.

Question 3

Any plans to expand on the income stream of the Group beyond rental income?

Response:

Yes, notwithstanding the impact of the Covid-19 pandemic, the Group has longer term plans to (i) increase its income stream from development projects in London and Singapore, subject to capital availability; and (ii) develop new sources of fee-income from providing real estate investment advisory services through its recently incorporated joint venture, Shorea Capital Limited (“Shorea”). Shareholders should note that Shorea is a start-up business (effectively operating in April / May 2019) and will require time to grow its business to scale, especially given the current economic turmoil brought about by the Covid-19 pandemic which may affect its growth.

Question 4

In the UK regarding Allen House and Kilmuir House. Are they generating any meaningful revenue for the Company?

Response:

The Group does not consolidate revenues from Allen House and Kilmuir House as they are classified as an investment in equity securities and an investment in an associate, respectively.

HWA HONG CORPORATION LIMITED (the “Company” or “Hwa Hong”)

Minutes of Annual General Meeting – 22 May 2020

Summary of Questions & Answers (“Q&A”)

Appendix 1

Both properties are development sites which form the London residential development pipeline and will generate contributions when sold. The business plans for both sites include various options such as a comprehensive re-development and sale of residential units. Both sites currently generate rental income which helps reduce our holding costs as we go through the design, development and planning approval process. More information can be found under slide 6 of the Management’s presentation under header “Our Business in 2019”.

With respect to Allen House, Hwa Hong is currently exploring various options which include, *inter alia*, a potential sale of the site as well as a comprehensive redevelopment in partnership with a new development partner.

With respect to Kilmuir House, Hwa Hong expect a submission to the City of Westminster planning authority in 2H2020, barring unforeseen circumstances arising from the Covid-19 pandemic.

Question 5

Lucky plaza medical suites. What is the long-term plan for this asset? Is it generating meaningful rental revenue for the Company and what is the sales like for these units?

Response:

The medical suites are part of a portfolio which includes offices at Orchard Towers. Hwa Hong has a significant minority interest of 30% in Hong Property Investments Pte Ltd which holds the properties. The remaining 70% is held by Garden Estates Pte Ltd (which is ultimately held by Hong Leong Investment Holdings Pte Ltd). As such, results from the portfolio are recognised as contributions from associates and not consolidated into the Group’s revenues.

The longer-term plan is to exit the investment through sale of the medical suites and office units. Notwithstanding this, Hwa Hong believe that there is a limited supply of medical suites in Orchard Road and will not be disposing of the units unless offers meet the asking price. Whilst the medical suites generate a rental income, some suites are kept vacant for potential buyers who would like to purchase vacant suites for their own occupational needs.

Question 6

Hwa Hong’s HQ building at South Bridge Road has a short leasehold left on it. What is the longer-term plan for this asset?

Response:

A consultant has been appointed to explore the site’s re-development potential, taking into consideration factors such as construction costs, gross floor area and the land and building premiums payable to extend the leasehold of the site. This is an on-going project.

Question 7

What is the plan and timeline for development of the land at 253 Jalan Besar?

Response:

The project is underway, with piling works expected to complete by mid-2020. The targeted completion date will be 2021, barring delays arising from the Covid-19 pandemic.

While the original business plan for this property is to hold the property for long-term rental income, Hwa Hong retains the flexibility to re-assess the plans. The decision to exit or hold on to the investment will depend on, *inter alia*, market conditions, the Group’s capital requirements and potential investment opportunities closer to the point of completion/Temporary Occupation Permit. Given the uncertainties brought about by the Covid-19 pandemic, the focus will be to ensure that the project is completed as soon as possible and with minimal/no cost overruns.

HWA HONG CORPORATION LIMITED (the “Company” or “Hwa Hong”)

Minutes of Annual General Meeting – 22 May 2020

Summary of Questions & Answers (“Q&A”)

Appendix 1

Question 8

What are the latest developments on the real estate management company (Jaguar) set up more than a year ago? Have there been any significant deals or progress that is generating meaningful revenue for the Company?

Response:

Jaguar Listed Properties (“JLP”) is 25% owned by Shorea, which in turn is 50% owned by the Group. As such, the Group does not recognise any revenue from JLP as Shorea is treated as an associate of the Group.

JLP continues to receive requests for its asset management services and has secured several new advisory mandates in the last 12 months. Shareholders should note that the current economic turmoil brought about by the Covid-19 pandemic may have a negative impact on JLP’s business.