



HLH
GROUP LIMITED
逢來發集團有限公司
Listed in SGX Mainboard (H27.SI)

Incorporated in the Republic of Singapore
Reg. No. 199905292D

PROPOSED SHARE CONSOLIDATION ; PROPOSED RENEWAL OF SHARE PURCHASE MANDATE; AND PROPOSED CHANGE OF NAME OF COMPANY

1. THE PROPOSED SHARE CONSOLIDATION

The Board of Directors is pleased to announce that the Company is proposing to consolidate every thirty (30) ordinary shares (collectively, referred to as “Shares” and each, a “Share”) in the capital of the Company into one (1) ordinary share (collectively, referred to as the “Consolidated Shares” and each, a “Consolidated Share”) (the “Share Consolidation”). Accordingly, under the Share Consolidation, every thirty (30) issued shares registered in the name of each shareholder of the Company (“Shareholder”) as at a books closure date to be determined (the “Books Closure Date”) will be consolidated to constitute one (1) Consolidated Share.

The Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the shareholders’ funds of the Company.

Shareholders are not required to make any payment to the Company in respect of the Share Consolidation.

1.1 Rationale of the proposed Share Consolidation

The Directors are of the view that the Share Consolidation would facilitate the Company’s ability to satisfy the prospective continuing listing requirement and comply with the Minimum Trading Price Requirement (the “MTP Requirement”). It may further increase the profile of the Company amongst the institutional investors and the coverage of the Company amongst research houses and fund managers. This may increase interests in the Consolidated Shares and make the Consolidated Shares more attractive to investors, and also encourage Shareholders to hold the Consolidated Shares on a longer term basis.

1.2 Conditions of the proposed Share Consolidation

- (a) The proposed Share Consolidation is subject to, inter alia:
 - (i) Approval in-principle of the SGX-ST for the listing of and quotation for the Consolidated Shares on the SGX Mainboard; and
 - (ii) The approval of Shareholders at an extraordinary general meeting (“EGM”) to be convened for the proposed Share Consolidation.

- (b) The Company has been granted an approval in-principle by SGX-ST on the 5th April 2018 (the “Approval in-principle”) for the listing of and quotation for the Consolidated Shares arising from the proposed Share Consolidation. The Approval-in-principle is subject to shareholders’ approval at an EGM to be convened in due course. The Approval-In-Principal is not to be taken as an indication of the merits of the proposed Share Consolidation.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

At the 18th AGM held on 28 April 2017, Shareholders had approved the proposed adoption of the Share Purchase Mandate to enable the Company to purchase or acquisition of its Shares.



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The rationale for, and the authority and limitations on, the Share Purchase Mandate were set out in the Appendix to the Notice of EGM dated 12 April 2017 convening the 18th AGM.

The existing Share Purchase Mandate will expire on the date of the forthcoming 19th AGM to be held on 30 April 2018. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the 19th AGM.

3. THE PROPOSED CHANGE OF NAME OF THE COMPANY FROM "HLH GROUP LIMITED" TO "HONG LAI HUAT GROUP LIMITED"

3.1 Rationale for the proposed change of name of the Company

The Company proposes to change its name from "HLH Group Limited" to "Hong Lai Huat Group Limited" to better represent the Group's corporate identity, business activities and business direction.

The Company was listed on SGX-ST on 21 June 2000 under the name "Hong Lai Huat Group Limited" and the name is well known in the industry. The Directors believe that the proposed change of name will better reflect the Company's corporate profile and marketing direction going forward, and will allow the public and the Company's business partners to identify and recognise the Company and the Group under the new name.

The proposed change of name will not affect any of the Shareholders' rights or the Group's daily business operations and financial standings.

3.2 Conditions on the proposed change of name

An application to ACRA for the reservation of the name of "Hong Lai Huat Group Limited" was approved on 3 February 2018. The proposed name has been reserved for 4 months from 3 February 2018 (i.e. until 3 June 2018.)

Subject to Shareholders' approval and registration by ACRA, the Company shall change its name to "Hong Lai Huat Group Limited" with effect from the issue by ACRA of the Certificate confirming the Incorporation of the Company under the new name. The Company will make an announcement when its change of name takes effect.

4. CIRCULAR TO SHAREHOLDERS

The Company has on 5th April 2018 received clearance from the SGX-ST for the issuance of a circular in connection with the above (the "Circular"), and is preparing to despatch the Circular (enclosing the notice of the EGM) and setting out details of the proposed transactions mentioned above to the Shareholders at the earliest convenience.

Notice of the Books Closure Date for purposes of determining Shareholders' entitlements under the proposed Share Consolidation will be given at a later date, after all the necessary approvals have been obtained.

By order of the Board
HLH GROUP LIMITED
Helen Campos
Company Secretary
7 April 2018