

## NOTICE OF EXTRAORDINARY GENERAL MEETING

All capitalised terms in this Notice of Extraordinary General Meeting which are not defined herein shall have the same meanings ascribed to them in the Circular to Shareholders dated 11 April 2014.

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting ("**EGM**") of the Shareholders of Hosen Group Ltd. (the "**Company**") will be held at 267 Pandan Loop, Singapore 128439 on 29 April 2014 at 12.30 p.m. (or immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 12.00 p.m on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution which will be proposed as Ordinary Resolutions:

#### Ordinary Resolution 1:

##### **The Proposed Renewal of the Share Buy-Back Mandate**

THAT:

(a) for the purposes of Sections 76C and 76E of the Companies Act (Cap. 50) of Singapore (the "**Companies Act**"), the exercise by the directors of the Company ("**Directors**") of all the powers of the Company to purchase or otherwise acquire issued ordinary shares ("**Share Buy-Backs**") in the capital of the Company ("**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:

- (i) on-market Share Buy-Backs (each an "**On-market Share Buy-Back**") transacted on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or
- (ii) off-market Share Buy-Backs (each an "**Off-market Share Buy-Back**") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with the applicable provisions of the Companies Act and the Listing Manual, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-Back Mandate**");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back 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 earlier of:

- (i) the date on which the next annual general meeting of the Company ("**AGM**") is held or required by law to be held;
- (ii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back are carried out to the full extent mandated; or
- (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Company in general meeting;

(c) in this Resolution:

"**Prescribed Limit**" means ten per cent. (10%) of the total number of Shares as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any Treasury Shares that may be held by the Company from time to time);

"**Relevant Period**" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution;

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

- (i) in the case of an On-market Share Buy-Back, five per cent. (5%) above the average of the closing market prices of the Shares over the last five (5) market days on the SGX-ST on which transactions in the Shares were recorded, immediately preceding the day of the On-market Share Buy-Back by the Company, and deemed to be adjusted for any corporate action that occurs after such five (5)-day period; and
- (ii) in the case of an Off-market Share Buy-Back pursuant to an equal access scheme, twenty per cent. (20%) above the average of the closing market prices of the Share over the last five (5) market days on the SGX-ST on which transactions in the Shares were recorded, immediately preceding the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price for each Share and the relevant terms of the equal access scheme for effecting the Off-market Share Buy-Back, and deemed to be adjusted for any corporate action that occurs after such five (5)-day period; and

(d) 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 consider necessary or expedient to give effect to the transactions contemplated by this Resolution.

#### Ordinary Resolution 2:

##### **The Proposed Adoption of the Hosen Employee Share Option Scheme 2014**

THAT:

(a) the existing share option scheme known as "Hosen Employee Share Option Scheme" (the "**Existing Scheme**") be and is hereby terminated, provided that such termination such be without prejudice to the rights of the holders of options accepted and outstanding under the Existing Scheme as at the date of termination;

(b) a new share option scheme to be known as the "Hosen Employee Share Option Scheme 2014" (the "**New Scheme**"), particulars of which are set out in the Circular, under which options ("**Options**") to acquire Shares may be granted to selected employees (including executive directors) and non-executive directors of the Company and its subsidiaries ("**Group**") as well as Controlling Shareholders and their Associates, be and is hereby approved and adopted; and

(c) the Directors be and are hereby authorised:

- (i) to establish and administer the New Scheme;
- (ii) to modify and/or alter the New Scheme at any time and from time to time, provided that such modifications and/or alterations are effected in accordance with the provisions of the New Scheme and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Scheme; and
- (iii) to offer and grant Options in accordance with the provisions of the New Scheme and pursuant to Section 161 of the Companies Act to allot and issue or transfer from time to time such number of Shares as may be required to be allotted and issued or transferred pursuant to the exercise of Options under the New Scheme (notwithstanding that the exercise thereof or such allotment and issue may occur after the conclusion of the next or any ensuing annual general meeting of the Company), provided always that:
  - (1) the aggregate number of new Shares over which the Committee may grant Options on any date (including the number of Shares which have been and to be issued upon the exercise of the Options in respect of all Options granted under the New Scheme) shall not exceed fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company on the day preceding that date; and
  - (2) the aggregate number of new Shares to be offered to certain participants collectively and individually during the duration of the New Scheme (subject to adjustments, if any, made under the New Scheme) shall not exceed such limits or (as the case may be) sub-limits as may be prescribed in the New Scheme; and

(d) the Directors and/or any of them be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised in this Ordinary Resolution 2.

#### Ordinary Resolution 3:

##### **Proposed Grant of Authority to Offer and Grant Options under the New Scheme at a Discount to Market Price**

THAT, subject to and contingent upon the passing of Ordinary Resolution 2, the Committee of the New Scheme be and is hereby authorised to offer and grant Options in accordance with the Rules of the New Scheme with Exercise Prices set at a discount to the Market Price provided that such discount does not exceed the limit of twenty per cent. (20%) (or such other percentage or amount as may be determined by the Committee and permitted by SGX-ST).

#### **BY ORDER OF THE BOARD**

Lim Hai Cheok  
Chairman and Chief Executive Officer  
11 April 2014

#### **Notes:**

1. A Shareholder of the Company entitled to attend and vote in his stead. A proxy need not be a Shareholder of the Company.
2. If a proxy is to be appointed, the proxy form must be duly deposited at the registered office of the Company, at 267 Pandan Loop, Singapore 128439, not less than 48 hours before the time appointed for the holding of the EGM.
3. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of its officer or attorney duly authorised.