

NOTICE OF ANNUAL GENERAL MEETING

HOSEN GROUP LTD.

(Incorporated in Singapore)

(Co. Reg. No: 200403029E)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **HOSEN GROUP LTD.** (the "Company") will be held physically at 267 Pandan Loop, Singapore 128439 on Friday, 28 April 2023, at 1.00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and audited financial statements of the Company for the year ended 31 December 2022 ("FY2022") together with the Independent Auditor's Report thereon.
(Resolution 1)

2. To declare a first and final tax exempt (one-tier) dividend of 0.2 Singapore cents per ordinary share for FY2022.
(Resolution 2)

3. To re-elect the following Directors retiring by rotation pursuant to Regulation 106 of the Company's Constitution:

Ms Lim Kim Eng

(Resolution 3)

Mr Leong Ka Yew

(Resolution 4)

Ms Lim Kim Eng, upon re-election as Director of the Company, will remain as Executive Director of the Company. Information on Ms Lim Kim Eng can be found on page 9 of the Annual Report and page 22 of the Appendix.

Mr Leong Ka Yew, upon re-election as Director of the Company, will remain as Non-Executive Independent Director, member of the Audit Committee and Remuneration Committee respectively. Information on Mr Leong Ka Yew can be found on page 9 of the Annual Report and page 22 of the Appendix. He will be considered independent for the purpose of Rule 704(7) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Mr Leong Ka Yew does not have any relationships including immediate family relationships between himself and the Directors, the Company and its substantial shareholders.

4. To approve the payment of Directors' fees of S\$120,000 for the year ended 31 December 2022 (2021: S\$120,000).
(Resolution 5)

5. To re-appoint BDO LLP as the Company's Auditor and to authorise the Directors to fix their remuneration.
(Resolution 6)

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

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AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

7. Share Issue Mandate

That pursuant to Section 161 of the Companies Act 1967 (the "Companies Act") and Rule 806 of the Catalist Rules, authority be given to the Directors of the Company ("Directors") to allot and issue shares ("Shares") whether by way of rights, bonus or otherwise, and/or 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 into Shares at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this authority was in force, provided that:

- (a) 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 shall not exceed one hundred per cent. (100%) 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 (b) below) at the time of the passing of this Resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro-rata basis to all shareholders of the Company shall 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 (b) below);
- (b) (subject to such manner of calculation as may be prescribed by SGX-ST for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date of the passing of this Resolution, after adjusting for:
 - (i) new shares arising from the conversion or exercise of convertible securities;
 - (ii) new shares arising from exercising share options or vesting of share awards, provided the options or share awards were granted in compliance with the Catalist Rules; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with (i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

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- (c) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, the Constitution of the Company; and
- (d) unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the Company's next Annual General Meeting 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 (i)]

(Resolution 7)

8. Authority to issue shares under the Hosen Employee Share Option Scheme 2014

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to grant options in accordance with the provisions of the Hosen Employee Share Option Scheme 2014 ("Scheme") and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that:

- (i) the aggregate number of additional ordinary shares to be allotted and issued pursuant to the Scheme shall not exceed fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time;
- (ii) unless revoked or varied by the Company in a general meeting, such 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 earlier.

[See Explanatory Note (ii)]

(Resolution 8)

9. Adoption of Share Buy-Back Mandate

That:

- (a) for the purposes of the Companies Act, the exercise by the Directors of all the powers to purchase or otherwise acquire ordinary shares in the capital of the Company ("Shares") not exceeding in aggregate the Maximum Limit (defined below), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (defined below), whether by way of:
 - (i) on-market purchases ("Market Purchase(s)") effected on the SGX-ST through the SGX-ST trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - (ii) off-market purchases ("Off-Market Purchase(s)") effected pursuant to an equal access scheme(s) as may be determined or formulated by the Directors from time to time as they consider fit, which scheme(s) shall satisfy all conditions prescribed by the Companies Act;

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and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the Catalyst Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally ("**Share Buy-Back Mandate**");

- (b) unless varied or revoked by the Company in a 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 passing of this resolution relating to the Share Buy-Back Mandate and expiring on:
- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
 - (ii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by shareholders of the Company ("Shareholders") in a general meeting; or
 - (iii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated,

whichever is the earliest (the "**Relevant Period**");

- (c) in this resolution relating to the Share Buy-Back Mandate:

"**Average Closing Market Price**" means the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded, immediately preceding the day on which an on-market Share Buy-Back was made by the Company or, as the case may be, the date of the making of the offer pursuant to an off-market Share Buy-Back on an equal access scheme, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the purchases are made; and

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the off-market Share Buy-Back

"**Market Day**" means a day on which the SGX-ST is open for trading in securities;

"**Maximum Limit**" means that number of Shares representing not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the resolution passed by Shareholders for the Share Buy-Back Mandate, unless the Company has, at any time during the Relevant Period, reduced its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered after such capital reduction (excluding any treasury shares and subsidiary holdings as may be held by the Company from time to time);

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“**Maximum Price**” in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, commission, 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; and (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price;

- (d) any Share that is purchased or otherwise acquired by the Company pursuant to the Share BuyBack Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Act; and
- (e) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing such documents as may be required and to approve any amendments, alterations or modifications to any documents) as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution relating to the Share Buy-Back Mandate.
[See Explanatory Note (iii)] **(Resolution 9)**

By Order of the Board

Lai Foon Kuen
Company Secretary
Singapore, 13 April 2023

Explanatory Notes:

- (i) Ordinary Resolution 7, if passed, will empower the Directors from the date of the above Meeting 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 or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares and convertible securities in the Company up to a number not exceeding, in total, one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to fifty per cent. (50%) may be issued other than on a pro-rata basis to shareholders.
- (ii) Ordinary Resolution 8, if passed, will empower the Directors of the Company, effective 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 or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue from time to time such number of fully-paid shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted or to be granted under the Scheme. The aggregate number of shares which may be issued pursuant to the Scheme shall not exceed fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.

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- (iii) Ordinary Resolution 9, if passed, will empower the Directors during the Relevant Period, to purchase or otherwise acquire, by way of Market Purchases or Off-Market Purchases, up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the resolution passed by Shareholders for the Share Buy-Back Mandate on the terms of the Share Buy-back Mandate as set out in the Appendix.

The Company may use internal sources of funds or external borrowings to finance the Company's purchase or acquisition of the Shares pursuant to the Share Buy-back Mandate. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this notice of AGM as these will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares, the amount (if any) borrowed by the Company to fund the purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as treasury shares. The Company will only exercise the Share Buy-Back Mandate in the best interests of the Company and the Group without causing adverse financial impact to the Company and the Group.

Illustrative financial effects of the Share Buy-back Mandate based on the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022 and certain assumptions, are set out in paragraph 2.6 of the Appendix.

Notes:

1. The members of the Company are invited to **attend physically** at the Annual General Meeting (the "**Meeting**" or "**AGM**") pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **There will be no option for shareholders to participate virtually.** Printed copies of this Notice will not be sent to members. The Notice is available to members on the SGX website at <https://www.sgx.com/securities/company-announcements>. The Annual Report for the financial year ended 31 December 2022 and the Appendix dated 13 April 2023 have been uploaded on SGXNET and can be accessed via the SGX website. No printed copy of the Annual Report and Appendix will be posted to the members of the Company.

In the event members encountered Covid-19 symptoms prior to the AGM, members are strongly encouraged to exercise social responsibility to rest at home and consider appointing a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the AGM.

2. Pre-registration is not required. Members, please bring along your NRIC/passport to enable the Company to verify your identity.
3. **Arrangements for participation in the AGM physically**

Members (including CPF and SRS investors) may participate in the AGM by:

- (a) attending the AGM in person;
- (b) submitting questions to the Chairman of the Meeting in advance of, or at, the AGM and/or
- (c) voting at the AGM themselves personally or through their duly appointed proxy(ies).

Shareholders holding shares through relevant intermediaries (other than CPF or SRS investors) who wish to participate in the AGM in person should instead approach his/her Relevant Intermediary (as defined in Note 4 below) by **5.00 p.m. on 19 April 2023** to make the necessary arrangements.

CPF and SRS investors who wish to appoint the Chairman of the Meeting (and not third party proxy(ies) as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes. Please see item 7 below for details.

4. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

5. A proxy or attorney need not be a member of the Company.
6. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the Chairman of the Meeting will vote or abstain from voting at his discretion.

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7. CPF/SRS investors who hold the Company's Shares through CPF Agent Banks/SRS Operators:
 - (a) may vote at the Meeting if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Meeting, in which case they should approach their CPF Agent Banks/SRS Operation to submit their votes at least 7 working days prior to the date of AGM ie by **5.00 p.m. on 19 April 2023**.
8. The Proxy Form must be submitted not less than 72 hours before the time appointed for holding the Meeting i.e. 1.00 p.m. on 25 April 2023, through any one of the following means:
 - (a) if sent personally or by post, be lodged at the registered office of the Company at 267 Pandan Loop, Singapore 128439; or
 - (b) by sending a scanned PDF copy by email to hosenagm2023@hosengroup.com.
9. A depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time appointed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.
10. The Company shall be entitled to, and will, treat any valid Proxy Form which was delivered by a member to the Company **before 1 p.m. on 25 April 2023** as a valid instrument as the member's proxy to attend, speak and vote at the Meeting if (a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on each resolution; and (b) the member has not withdrawn the appointment by 1 p.m. on 25 April 2023.
11. If the member is a corporation, the Proxy Form must be under seal or the hand of an officer or attorney duly authorised.
12. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the Meeting if he/she so wishes. The appointment of the proxy(ies) for the Meeting will be deemed to be revoked if the member attends the Meeting in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the Meeting.
13. Submission of questions in advance of the Meeting – **By 20 April 2023, 1 p.m.**
 - (a) Members may also submit questions related to the resolutions to be tabled for approval at the Meeting. All questions, together with the members' full names, identification numbers, contact numbers and email addresses and manner in which they hold shares in the Company ("Shares"), must be submitted no later than 1 p.m. on 20 April 2023 ("Cut-Off Time") by email to hosenagm2023@hosengroup.com or by post to the registered office of the Company at 267 Pandan Loop, Singapore 128439.
 - (b) Please note that the Company will address substantial and relevant questions relating to the resolutions to be tabled for approval by 24 April 2023.
 - (c) The Company endeavours to address (i) subsequent clarifications sought (ii) follow-up questions or (iii) subsequent substantial and relevant questions which are received after the Cut-Off Time at the Meeting itself. Where substantially similar questions are received, we will consolidate such questions and consequently not all questions may be individually addressed.
 - (d) Minutes of AGM – The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET, and the minutes will include the responses to the questions which are addressed during the AGM, if any.