

Our Ref: REG/LC/SL/AYYS/NOC2022050001

6 May 2022

**Board of Directors**

Hwa Hong Corporation Limited  
38 South Bridge Road  
Singapore 058672

Dear Sirs

**HWA HONG CORPORATION LIMITED  
NOTICE OF COMPLIANCE (THE “NOTICE”)**

1. The Exchange refers to the following announcements:
  - (a) The Company’s announcement dated 18 April 2022 (Announcement Reference No.: SG220418OTHR6XB1) titled “Cessation of Independent and Non-Executive Director - Mr Tham Chee Soon”;
  - (b) The Company’s announcement dated 18 April 2022 (Announcement Reference No.: SG220418OTHR0M3S) titled “Reconstitution of the Board”;
  - (c) The Company’s announcement dated 4 May 2022 (Announcement Reference No.: SG220504OTHR104Y) titled “Notice of Cessation as Independent Non-Executive Director”; and
  - (d) The Company’s announcement dated 5 May 2022 (Announcement Reference No.: SG220505OTHR5256) titled “Response to SGX Queries”.
2. On 18 April 2022, the Company announced that its Independent Director, Mr Tham Chee Soon “*was not re-appointed at the Company’s Annual General Meeting held on 18 April 2022*”. Mr Tham Chee Soon was the Chairman of the Audit and Risk Committee, and a member of the Nominating Committee.
3. In a separate announcement released on the same day, the Company disclosed that the Board has been reconstituted with the following members:

“Board of Directors

*Mr Mak Lye Mun (Non-Executive Chairman, Independent)*  
*Mr Ong Mui Eng (Executive Director, Non-Independent)*  
*Mr Ong Eng Loke (Alternate Director to Mr Ong Mui Eng)*  
*Dr Ong Hian Eng (Non-Executive Director, Non-Independent)*  
*Mr Ong Eng Keong (Alternate Director to Dr Ong Hian Eng)*

**Singapore Exchange Regulation Pte. Ltd.**  
Company Reg No. 201709600D  
(A wholly-owned subsidiary of Singapore Exchange Limited)

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*Mr Huang Yuan Chiang (Non-Executive Director, Non-Independent)  
Dr Ong Eng Hui David (Non-Executive Director, Non-Independent)*

4. Subsequently on 4 May 2022, the Company announced the cessation of Independent Director, Board Chairman and Chairman of the Nominating Committee, Mr Mak Lye Mun, with effect from 1 May 2022. The reason for his cessation was *“Disagreement with certain Board members on the selection and appointment process of 2 new Independent Directors.”*
5. In response to the Exchange’s queries, the Company disclosed the following on 5 May 2022:  
  
*“Mr Mak Lye Mun’s statement of disagreement with “certain Board members” refers to the current Board members of the Company, with the exception of Mr Huang Yuan Chiang. Mr Mak had requested the deferment of the Board Meeting as himself and Mr Huang were travelling for 2 weeks and will not be able to dial in or attend the Board Meeting remotely. **In addition, Mr Mak was of the view that the Board should consider more candidates and accord more time to the process of considering the appointment of the aforesaid 2 potential Independent Directors.**”* (emphasis added)
6. The Company also disclosed that *“In the absence of a NC, the Board members had undertaken work previously undertaken by the NC members with regards to the selection process and had met with certain potential Independent Director candidates.”* In this regard, the Board has considered five potential candidates (**“Potential Candidates”**), of which two were subsequently *“put forth for consideration and appointment”* at the aforesaid board meeting.

#### Exchange’s Directives

7. The Exchange has noted the circumstances leading to the resignation of former Independent Director, Mr Mak Lye Mun, with effect from 1 May 2022.
8. Listing Rule 1405(1)(b) provides that the Exchange may, for the purposes of ensuring that the market is fair, orderly and transparent, require an issuer to make specified disclosures. Listing Rule 1405(1)(f) further provides that the Exchange may require an issuer to appoint independent professionals for specified purposes.
9. Pursuant to Listing Rules 1405(1)(b) and (f), the Exchange requires the Company to:
  - (a) Release an announcement via SGXNet no later than **Monday, 9 May 2022**, disclosing whether any of the Potential Candidates were introduced or nominated by, or has any connections or relationships (including business relationships), with any of the directors and/or controlling shareholders of the Company;
  - (b) Appoint independent professionals (**“Independent Reviewer”**) to undertake an independent review (**“Review”**) of the terms of reference of the Nominating Committee and the Company’s internal controls, processes and practices relating to the board nomination process, including the selection and appointment of the Potential Candidates, and to make recommendations on improvements; and

- (c) Prior to the completion of the Review and implementation of all recommendations, consult the Independent Reviewer on the proposed appointment of new directors, including any of the Potential Candidates. All new board appointments, including any of the Potential Candidates, must be reviewed by the Independent Reviewer.

The Independent Reviewer's recommendations on the suitability and independence (if applicable) of any new directors, and the basis for its recommendations, must be disclosed via SGXNet together with the Company's announcement on the appointment of such directors.

10. Please note that the Independent Reviewer to be appointed and the scope of the Review is subject to the Exchange's prior approval. The Independent Reviewer should report its findings directly to the Exchange. The findings and recommendations of the Independent Reviewer pursuant to paragraphs 9(b) and 9(c) of this Notice must be disclosed via SGXNet.
11. Pursuant to Listing Rule 1405(4), failure to comply with the requirements imposed by the Exchange shall be deemed to be a contravention of the Listing Rules.
12. Please note that compliance with this Notice does not constitute a waiver of any kind, and the Exchange reserves the right to take disciplinary action against the Company and/or any Relevant Person(s) for breaches of the Listing Rules, including any failure to comply with the requirements imposed by the Exchange.

Yours faithfully,

June Sim  
Senior Vice President  
Head, Listing Compliance  
Regulation