



HONG FOK CORPORATION LIMITED

**MINUTES OF FIFTY-SECOND ANNUAL GENERAL MEETING  
HELD ON FRIDAY, 5 JUNE 2020 AT 10.30 A.M.  
BY WAY OF ELECTRONIC MEANS**

1 **CHAIRMAN**

1.1 Mr Chan Pengee, Adrian chaired the Annual General Meeting (“AGM” or “Meeting”).

2 **QUORUM**

2.1 As a quorum was present, the Chairman declared the AGM open at 10.30 a.m.

3 **WELCOME**

3.1 The Chairman welcomed shareholders who have joined the AGM via the live webcast.

The Chairman introduced Mr Cheong Sim Eng (Joint Chief Executive Officer) and Ms Cheong Hooi Kheng (Executive Director & Chief Operating Officer) who were present at the AGM as well as the rest of the board members, Company Secretary and Auditors of the Company who were attending the AGM remotely namely, Mr Cheong Pin Chuan, Joint Chief Executive Officer, Mr Chow Yew Hon, Lead Independent Director, Mr Lim Jun Xiong, Steven, Independent Director, Ms Lo Swee Oi, Company Secretary from BSL Corporate Services Pte Ltd, and Mr Yap Wee Kee, External Auditors from KPMG LLP.

4 **PRESENTATION BY CHAIRMAN**

4.1 The Chairman proceeded to give a short presentation which covered the following agenda:

- Financial Highlights
- Financial Position
- 2019 Key Business Drivers
- Update on COVID-19 Impact
- Cessation of Quarterly Reporting

4.2 On financial highlights, the Chairman mentioned that it was a challenging year in 2019 as revenue and profits were under pressure. However, the balance sheet had been strengthened with improved leveraged position as well as improvement in the financial ratios. He highlighted some key business drivers namely an improvement in the gross rental income from the investment properties and the sale of 13 residential units of Concourse Skyline which had contributed to the gross profit. In addition, the Group’s hotel, YOTEL Singapore Orchard Road (“YOTEL”) has continued to grow in strength.

4.3 The Chairman mentioned that during the COVID-19 pandemic, the health and safety of the employees, tenants and guests, have remained as the top priority of the Group. The Group has proactively implemented a series of precautionary measures

as required by the government and would continue to monitor changes to the guidelines so as to keep itself up-to-date to ensure the continued safety of the various stakeholders.

- 4.4 On the outlook and impact of the Group's properties for financial year 2020 due to the pandemic, the Chairman said that the operations of YOTEL were adversely affected due to the implementation of the circuit breaker and there were minimal expectations that the businesses would return to normalcy in the near future given the travel restrictions and border controls which have been imposed. However, with gradual lifting of restrictions, he hoped that the performance of YOTEL would move towards a positive direction.

The Group is committed to fully passing on the property tax rebates to eligible tenants at International Building and The Concourse. While rentals have remained stable but it may face uncertainty in the near future based on the economic outlook. He noticed that the government has proposed additional rental relief for non-residential SME tenants, which have been put before Parliament.

While the sales of the residential units at Concourse Skyline would be adversely affected by the pandemic, the Chairman said that the Group would continue to actively sell the residential units and monitor the performance of the market towards the end of 2020.

- 4.5 On the cessation of quarterly reporting as announced by the Company on 16 March 2020, the Chairman stated that the Group would adopt half-yearly reporting of the financial results instead of quarterly reporting for its current financial year ending 31 December 2020. Accordingly, the next financial results announcement would be for the half-year ending 30 June 2020.

## 5 **NOTICE OF MEETING AND VOTING PROCEDURE**

- 5.1 As the Notice of AGM dated 14 May 2020 ("Notice") had been published on SGXNet, the Company's website and the newspaper, the Chairman took the Notice as read.
- 5.2 The Chairman informed the shareholders that the Company has received some questions from the Securities Investors Association (Singapore) and the responses from the Company have been posted on the website of the Singapore Exchange Securities Trading Limited via SGXNet.
- 5.3 The Chairman also informed the shareholders that in accordance with the COVID-19 (Temporary Measures) Act 2020 and its related order on the conduct of general meetings, all votes on the resolutions tabled at the AGM would have to be by proxy. In his capacity as Chairman of the Meeting, he has been appointed as proxy for a number of shareholders and has voted in accordance with the specific instructions of each shareholder. The voting at the meeting was conducted by poll in line with the Company's Constitution and Listing Rules. All votes on the resolutions tabled at the AGM had been collated in advance and the results for each resolution would be announced accordingly.
- 5.4 Finova BPO Pte. Ltd., the appointed scrutineer of the Company had verified the validity of the proxy forms submitted within the stipulated deadline and tabulated the submitted votes.

6 **BUSINESS OF MEETING**

6.1 The Chairman proceeded to announce the results of each of the resolutions.

7 **RESOLUTION 1  
DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2019 AND THE AUDITORS' REPORT THEREON**

7.1 The Chairman informed the shareholders that the first item on the agenda was to receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2019 together with the Auditors' Report.

The poll results received for Ordinary Resolution 1 were as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	598,426,208	77,880	598,504,088
Percentage	99.99%	0.01%	100.00%

Based on the results of the poll, the Chairman declared Resolution 1 as carried.

**IT WAS RESOLVED** that the Directors' Statement, Auditors' Report and the Audited Financial Statements for the financial year ended 31 December 2019, be hereby received and adopted.

8 **RESOLUTION 2  
DECLARATION OF FIRST AND FINAL 1-TIER DIVIDEND OF 1 SINGAPORE  
CENT PER ORDINARY SHARE**

8.1 The Chairman referred the Meeting to the resolution on the declaration of first and final 1-tier dividend of 1 Singapore cent per ordinary share for the financial year ended 31 December 2019.

The poll results received for Ordinary Resolution 2 were as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	598,426,208	77,880	598,504,088
Percentage	99.99%	0.01%	100.00%

Based on the results of the poll, the Chairman declared Resolution 2 as carried.

**IT WAS RESOLVED** that the first and final 1-tier tax exempt dividend at 1 Singapore cent per ordinary share for the year ended 31 December 2019 be and is hereby approved.

8.2 The Chairman informed the Meeting that the final dividend would be paid on 30 June 2020 to members registered in the books of the Company on 17 June 2020.

9 **RESOLUTION 3  
APPROVAL OF DIRECTORS' FEES OF UP TO \$336,000 FOR THE FINANCIAL  
YEAR ENDING 31 DECEMBER 2020, TO BE PAID QUARTERLY IN ARREARS**

9.1 The Chairman referred the Meeting to the resolution on the approval of the Directors' Fees of up to \$336,000 for the financial year ending 31 December 2020, to be paid quarterly in arrears.

The poll results received for Ordinary Resolution 3 were as follows:

Results	For	Against	Total
Vote	598,426,208	77,880	598,504,088
Percentage	99.99%	0.01%	100.00%

Based on the results of the poll, the Chairman declared Resolution 3 as carried.

**IT WAS RESOLVED** that the Directors' Fees of up to \$336,000 for the financial year ending 31 December 2020, to be paid quarterly in arrears be and is hereby approved.

10 **RESOLUTION 4**  
**RE-ELECTION OF MR CHEONG SIM ENG AS DIRECTOR UNDER REGULATION 104 OF THE CONSTITUTION OF THE COMPANY**

10.1 The Chairman referred the Meeting to the resolution on the re-election of Mr Cheong Sim Eng as a Director of the Company.

The poll results received for Ordinary Resolution 4 were as follows

Results	For	Against	Total
Vote	598,322,108	181,980	598,504,088
Percentage	99.97%	0.03%	100.00%

Based on the results of the poll, the Chairman declared Resolution 4 as carried.

**IT WAS RESOLVED** that Mr Cheong Sim Eng who retires in accordance with Regulation 104 of the Company's Constitution, be and he is hereby re-elected as Director of the Company.

11 **RESOLUTION 5**  
**RE-ELECTION OF MS CHEONG HOOI KHENG AS DIRECTOR UNDER REGULATION 104 OF THE CONSTITUTION OF THE COMPANY**

11.1 The Chairman referred the Meeting to the resolution on the re-election of Ms Cheong Hooi Kheng as a Director of the Company.

The poll results received for Ordinary Resolution 5 were as follows:

Results	For	Against	Total
Vote	598,269,008	235,080	598,504,088
Percentage	99.96%	0.04%	100.00%

Based on the results of the poll, the Chairman declared Resolution 5 as carried.

**IT WAS RESOLVED** that Ms Cheong Hooi Kheng who retires in accordance with Regulation 104 of the Company's Constitution, be and she is hereby re-elected as Director of the Company.

12 **RESOLUTION 6**  
**RE-APPOINTMENT OF KPMG LLP AS THE COMPANY'S AUDITORS**

12.1 The Chairman referred the Meeting to the resolution on the re-appointment of KPMG LLP as the Company's auditors.

The poll results received for Ordinary Resolution 6 were as follows:

Results	For	Against	Total
Vote	598,426,208	77,880	598,504,088
Percentage	99.99%	0.01%	100.00%

Based on the results of the poll, the Chairman declared Resolution 6 as carried.

**IT WAS RESOLVED** that KPMG LLP, Public Accountants and Chartered Accountants, Singapore, be re-appointed as the Company's Auditors, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors.

13 **RESOLUTION 7**

**GENERAL AUTHORITY TO ALLOT AND ISSUE SHARES AND CONVERTIBLE SECURITIES IN THE CAPITAL OF THE COMPANY**

- 13.1 The Chairman referred the Meeting to the resolution on the authority to be given to the Directors to allot and issue shares and/or convertible securities in the capital of the Company as set out in item 7 of the Notice.

The poll results received for Ordinary Resolution 7 were as follows:

Results	For	Against	Total
Vote	583,486,390	15,017,698	598,504,088
Percentage	97.49%	2.51%	100.00%

Based on the results of the poll, the Chairman declared Resolution 7 as carried.

**IT WAS RESOLVED** that pursuant to Section 161 of the Companies Act, Chapter 50 and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to issue shares and convertible securities in the capital of the Company, including additional convertible securities issued pursuant to adjustments and new shares arising from the conversion of convertible securities and additional convertible securities (whether by way of rights, bonus or otherwise or in pursuance of any offer, agreement or option made or granted by the Directors during the continuance of this authority which would or might require shares or convertible securities to be issued during the continuance of this authority or thereafter) at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit (notwithstanding that such issue of shares pursuant to the offer, agreement or option or the conversion of the convertible securities may occur after the expiration of the authority contained in this Resolution), provided that the aggregate number of shares and convertible securities to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, and provided further that where shareholders of the Company with registered addresses in Singapore are not given an opportunity to participate in the same on a pro-rata basis, then the aggregate number of shares and convertible securities to be issued other than on a pro-rata basis to all existing shareholders of the Company must not exceed 15% of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, and for the purpose of this Resolution, the percentage of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company shall be based on the Company's total number of issued shares excluding treasury shares and subsidiary holdings of the Company at the time this Resolution is passed (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 awards were granted in compliance with the Listing Manual of the SGX-ST and (iii) any subsequent bonus issue, consolidation or subdivision of shares, and provided also that adjustments under (i) and (ii) 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 this Resolution is passed), and unless revoked or varied by the Company in 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 the earlier, and in this Resolution, “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST.

14 **RESOLUTION 8**  
**RENEWAL OF THE SHARE BUY-BACK MANDATE**

14.1 The Chairman referred the Meeting to the resolution on the renewal of the share buy-back mandate to allow the Company to buy-back up to 10% of the issued shares.

The poll results received for Ordinary Resolution 8 were as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	598,426,208	77,880	598,504,088
Percentage	99.99%	0.01%	100.00%

Based on the results of the poll, the Chairman declared Resolution 8 as carried.

**IT WAS RESOLVED** that the Directors of the Company be and are hereby authorised to make purchases from time to time (whether by way of on-market purchases or off-market purchases in accordance with an equal access scheme) of up to 10% of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company as at the date of this Resolution at any price up to but not exceeding the Maximum Price (as defined in the “Guidelines on Share Purchases” (the “Guidelines”) set out in the Appendix of the Addendum dated 14 May 2020 to shareholders of the Company (being an addendum to the notice of annual general meeting dated 14 May 2020)) in accordance with the Guidelines and this mandate shall, unless revoked or varied by the Company in general meeting, continue in force and expire on the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier, and in this Resolution, “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST.

The Chairman concluded the business of the 52<sup>nd</sup> AGM of the Company. He thanked the shareholders for their attendance at the virtual AGM and their support, and wished everyone good health and stay safe.

The Chairman declared the AGM closed at 10.45 a.m..

Confirmed By:  
Chan Pengee, Adrian  
Chairman