

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held by way of electronic means on Friday, 29 April 2022 at 9.00 a.m. to transact the following businesses as set out below.

This Notice has been made available on SGXnet and the Company's website and may be accessed at the URL <http://honglaihuatgroup.com/annual-general-meeting/>. A printed copy of this Notice will NOT be despatched to members.

### AS ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2021 and the Auditor's Report thereon. **(Resolution 1)**
2. To declare a final dividend of 0.2 cents per share in respect of the financial year ended 31 December 2021. **(Resolution 2)**
3. To re-elect Dato' Dr Ong Bee Huat, an Executive Director, who retires in accordance with Regulation 89 of the Company's Constitution and who being eligible, offers himself for re-election. **(Resolution 3)**
4. To re-elect Mr Ong Jia Ming, an Executive Director, who retires in accordance with Regulation 89 of the Company's Constitution and who being eligible, offers himself for re-election. **(Resolution 4)**
5. To note that Ms Kohe Noor Binte Mahmoodul Hasan who retires in accordance with Regulation 89 of the Company's Constitution has decided not to seek re-election.
6. To re-appoint Messrs Baker Tilly TFW LLP ("BTTFW") as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**
7. To transact any other business which may be properly transacted at an Annual General Meeting.

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions:

8. To approve the payment of Directors' Fees of S\$170,000 for the financial year ended 31 December 2021 (2020:S\$170,000) **(Resolution 6)**
9. Authority to issue shares **(Resolution 7)**

That pursuant to Section 161 of the Companies Act 1967 ("Companies Act") and Rule 806 of 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:

- (a) (i) issue shares of the Company ("Shares") (including the issue of shares and convertible securities) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements and options (collectively, "Instruments") which would or which might require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

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- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

PROVIDED ALWAYS THAT:

- (i) the aggregate number of Shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to existing shareholders must not exceed twenty percent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company (as calculated in accordance with sub-paragraph (ii) below); and
- (ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of passing of this Resolution, after adjusting for:
- (a) new Shares arising from the conversion or exercise of convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time of this Resolution is passed; and
- (b) any subsequent bonus issues, consolidation or subdivision of Shares;
- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution of the Company; and
- (iv) such authority shall (unless varied or revoked by the Company in the general meeting) continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next general meeting of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note (i)]

10. Authority to grant options and to allot and issue shares under HLH Employee Share Option Scheme 2017

**(Resolution 8)**

That authority be and is hereby given to the Directors to offer and grant options in accordance with the rules of HLH Employee Share Option Scheme 2017 and pursuant to Section 161 of the Companies Act 1967 and to deliver existing shares (including treasury shares, if any) and allot and issue from time to time such number of new shares as may be required to be transferred or allotted and issued pursuant to the exercise of the options under the HLH Employee Share Option Scheme 2017.

[See Explanatory Note (ii)]

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11. Authority to grant awards and to allot and issue shares under HLH Performance Share Plan 2017

**(Resolution 9)**

That authority be and is hereby given to the Directors to grant awards in accordance with the rules of HLH Employee Performance Share Plan 2017 and pursuant to Section 161 of the Companies Act 1967 and to deliver existing shares (including treasury shares, if any) and allot and issue from time to time such number of new shares as may be required to be transferred or allotted and issued pursuant to the release of awards under the HLH Performance Share Plan 2017.

[See Explanatory Note (iii)]

12. Proposed renewal of the Share Purchase Mandate

**(Resolution 10)**

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the "Act"), the exercise by the directors of all the powers of the Company to purchase or otherwise acquire from time to time issued ordinary shares in the capital of the Company (the "Shares"), not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices 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 purchases (each a "Market Purchase") effected on the SGX-ST through one or more duly licensed dealers appointed by the Company for that purpose; and/or
- (ii) off-market purchases (each an "Off-Market Purchase") effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act and otherwise in accordance with all other laws and regulations and rules of the SGX-ST,

be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase 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 Ordinary Resolution, and expiring on the earlier of:-

- (i) the date on which the next annual general meeting of the Company is held; or
- (ii) the date by which the next annual general meeting of the Company is required by law to be held; or
- (iii) the date on which the purchases of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

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(c) in this Resolution:–

“Maximum Price” in relation to a Share to be purchased or acquired, means an amount (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, 120% of the Average Closing Price,

where:

“Average Closing Price” means the average of the closing market prices of a Share over the last 5 Market Days (“Market Day” being a day on which the SGX-ST is open for securities trading), on which transactions in the Shares were recorded on the SGX-ST, before the day on which the Market Purchase was made or, as the case may be, before the date of making an announcement by the Company of an offer for an Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5 Market Days;

“Prescribed Limit” means 10% of the total number of issued Shares as at the date of passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST));and

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

[See Explanatory Note (iv)]

Detailed information on the Directors who are proposed to be re-elected can be found under the sections entitled “Board of Directors” in the 2021 Annual Report of the Company and “Supplemental Information on Directors Seeking Re-election at the Annual General Meeting”.

BY ORDER OF THE BOARD

Liew Meng Ling

Company Secretary

Date: 7 April 2022

Singapore

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes:

- (i) Ordinary Resolution 7 set out under Special Business above, if passed, will empower the Directors of the Company from the date of the Meeting until the next AGM (unless such authority is revoked or varied at a general meeting), to issue Shares and/or make or grant Instruments that might require Shares to be issued pursuant to such instruments, up to a limit of 50% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) with a sub-limit of 20% for issues other than on a pro rata basis, calculated as described in the Resolution.
- (ii) Ordinary Resolution 8 if passed, will empower the Directors of the Company from the date of this Meeting until the date 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 offer and grant options in accordance with the rules of the HLH Employee Share Option Scheme 2017 (the "Scheme") and pursuant to Section 161 of the Companies Act 1967 and to issue shares from time to time as may be required pursuant to the exercise of the options under the Scheme. The Scheme was first approved by the Shareholders at the Extraordinary General Meeting held on 28 April 2017. Details of the Scheme may also be found in the Circular to Shareholders dated 12 April 2017.
- (iii) The Ordinary Resolution 9, if passed, will empower the Directors of the Company from the date of this Meeting until the date 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 grant awards in accordance with the rules of the HLH Employee Performance Share Plan 2017 (the "Plan"), and pursuant to Section 161 of the Companies Act 1967 and to issue shares from time to time as may be required pursuant to the release of awards under the Plan. The Plan was first approved by the Shareholders at the Extraordinary General Meeting held on 28 April 2017. Details of the Plan may also be found in the Circular to Shareholders dated 12 April 2017.
- (iv) The Ordinary Resolution 10, if passed, will renew the mandate to permit the Company to purchase or otherwise acquire its issued ordinary shares on the terms and subject to the conditions of the Resolution. Further details are set out in Addendum to this Notice, which is available at <http://honglaihvatgroup.com/annual-general-meeting/>.

## Notes:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in the Company's announcement dated 7 April 2022 entitled "Instructions to Shareholders Regarding the Company's Annual General Meeting on 29 April 2022 which has been uploaded together with the Notice of AGM on SGXnet on the same day. This announcement may also be accessed at the URL <http://honglaihvatgroup.com/annual-general-meeting/>.

In particular, the AGM will be held by way of electronic means and a member will be able to watch the proceedings of the AGM through a "live" webcast via his/her/its mobile phones, tablets or computers or listen to the proceedings through a "live" audio feed via telephone. In order to do so a member who wishes to watch the "live" audio feed must pre-register by 9.00 am on 26 April 2022 at the URL <https://globalmeeting.bigbangdesign.co/hlh2022/>. Following authentication of his/her/its status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the AGM by 9.00 am on 28 April 2022. Members who have received the email instructions must not forward the email instructions to other persons who are not members or who are not entitled to attend the AGM. This is to avoid any technical disruption or overload to the "live" webcast or "live" audio feed.

Members may also submit question related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by 9.00 am on 15 April 2022:

- (a) via the pre-registration website at the URL <https://globalmeeting.bigbangdesign.co/hlh2022/>; or
- (b) by email to [general@hlh.com.sg](mailto:general@hlh.com.sg).

Members will need to identify themselves when posing questions by email by providing the following details:

- (a) the member's full name as it appears on his/her/its CDP/CPF/SRS share records;
- (b) the member's NRIC/Passport/UEN number;
- (c) the member's contact number and email address; and
- (d) the manner in which the member holds his/her/its share in the Company (e.g. via CDP, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM as received from members on 23 April 2022 or during the AGM.

2. **A member will not be able to attend the AGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend speak and vote on his/her/its behalf at the AGM.** In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the AGM may be accessed at the Company's website at the URL <http://honglaihvatgroup.com/annual-general-meeting/> and has also been made available on SGXnet.

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3. The Chairman of the AGM, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the AGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:
- If sent by post, be deposited at the office of the Share Registrar at B.A.C.S. Private Limited, 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or
  - If submitted by email, be received by the Company at [main@zicoholdings.com](mailto:main@zicoholdings.com).

In either case, not less than 48 hours before the time for holding the AGM, and in default the instrument of proxy shall not be treated a valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation, members are strongly encouraged to submit completed proxy forms electronically via email.

4. The instrument appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorized in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a Company, it must be either under its common seal (or by the signatures of authorised persons in the manner set out under the Companies Act 1967 as an alternative to sealing) or signed on its behalf by a duly authorised officer or attorney.
5. In the case of a member whose shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.
6. Persons who holds shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), including CPF and SRS investors, and who wish to participate in the AGM ("Relevant Intermediary Participants") by (a) observing and/or listening to the AGM proceedings via the "live" webcast or the "live" audio feed in the manner provided in Note 1 above; (b) submitting questions in advance of the AGM in the manner provided in Note 1 above; and/or (c) appointing the Chairman of the AGM as proxy to attend speak and vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operations) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the AGM. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 9.00 am on 19 April 2022.
7. The Annual Report for the financial year ended 31 December 2021 may be accessed at the Company's website at the URL <http://honglaihuatgroup.com/annual-report/>.

### Personal Data Privacy:

By submitting an instrument appointing Chairman of the AGM as proxy to attend, speak and vote at the AGM and/or any adjournment thereof or submitting any details of Relevant Intermediary Participants in connection with the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation, compilation and publication of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of Relevant Intermediary Participants to the Company (or its agents), the member has obtained the prior consent of such Relevant Intermediary Participants for the collection, use and disclosure by the Company (or its agents) of the personal data of such Relevant Intermediary Participants for the Purposes.

### NOTICE OF RECORD DATE AND DIVIDEND PAYMENT DATE

NOTICE IS ALSO HEREBY GIVEN that the Register of Transfer and the Register of Members of the Company will be closed on 13 May 2022 for the preparation of dividend warrants. Duly completed transfers received by the Company's Share Registrar, B.A.C.S Private Limited at 77 Robinson Road #06-03 Robinson 77 Singapore 068896, up to 5.00 p.m. on 12 May 2022 will be registered before entitlements to the proposed dividend are determined. Members whose Securities Accounts with The Central Depository (Pte) Ltd are credited with shares at 5.00 p.m. on 12 May 2022 will be entitled to the proposed dividend. The proposed dividend, if approved by members at the Annual General Meeting to be held on 29 April 2022, will be paid on 23 May 2022.

## SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

(PURSUANT TO RULE 720(6) AND APPENDIX 7.4.1 OF THE SGX-ST LISTING)

Name of Directors	Ong Bee Huat	Ong Jia Ming						
Date of Appointment	25 June 2007	25 October 2016						
Date of last re-election	30 April 2019	29 June 2020						
Age	52	29						
Country of principal residence	Singapore	Singapore						
The Board's comments on the Nominee Committee's ("NC's") recommendation for re-election	Having considered NC's assessment of the performance and contributions of Dato Ong Bee Huat as an Executive Director and Chief Executive Officer, the Board agreed with the NC's recommendation. Dato Ong continues to bring invaluable experience and insights to the Board with his extensive experience in the business of the Group.	Having considered NC's assessment of the performance and contributions of Mr Ong Jia Ming as an Executive Director of the Company, the Board agreed with NC's recommendation. Mr Ong's specialty is in the area of project management, business development, branding and sales and marketing of the Group and contributes to the business of the Group in these areas.						
Whether appointment is executive, and if so, the area of responsibility	Executive.	Executive.  Responsible for group strategies and business development.						
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director.	Executive Director.						
Professional qualifications	Doctor of Business Administration from Wisconsin International University of the United States	Master in Business Administration from North Borneo University Borneo University College and IEMD Graduate Business School of Barcelona.						
Working experience and occupation(s) during the past 10 years	Executive Deputy Chairman and CEO of Hong Lai Huat Group Limited.	Executive Director of Hong Lai Huat Group Limited.						
Shareholding interest in the listed issuer and its subsidiaries	<table border="0"> <tr> <td>Direct Interest</td> <td>33.56%</td> </tr> <tr> <td>Deemed Interest</td> <td>7.800%</td> </tr> <tr> <td>TOTAL</td> <td><u>41.36%</u></td> </tr> </table>	Direct Interest	33.56%	Deemed Interest	7.800%	TOTAL	<u>41.36%</u>	Direct Interest 3.98%
Direct Interest	33.56%							
Deemed Interest	7.800%							
TOTAL	<u>41.36%</u>							
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	<p>Ong Bee Wah (Agriculture Director, Brother of Ong Bee Huat)</p> <p>Ong Jia Ming (Executive Director, Son of Ong Bee Huat)</p> <p>Ong Jia Jing (Group General Manager and Executive Director, Son of Ong Bee Huat)</p>	<p>Ong Bee Huat (Executive Deputy Chairman and CEO and substantial shareholder, Father of Ong Jia Ming)</p> <p>Ong Bee Wah (Agriculture Director, Uncle of Ong Jia Ming)</p> <p>Ong Jia Jing (Group General Manager and Executive Director, Brother of Ong Jia Ming)</p>						
Conflict of interest (including any competing business)	No	No						

## SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

(PURSUANT TO RULE 720(6) AND APPENDIX 7.4.1 OF THE SGX-ST LISTING)

Name of Directors	Ong Bee Huat	Ong Jia Ming
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	<p><u>Past (for the last 5 years)</u> HLH Agri R&amp;D Pte. Ltd.</p> <p><u>Present</u> HLH Development Pte. Ltd. HLH Agri International Pte. Ltd. HLH Global Trading Pte. Ltd. Hong Lai Huat International Pte. Ltd. Agri-Oral Joint Cooperate Co. Ltd. HLH Agriculture Cambodia Co. Ltd. Jewel A Development Co. Ltd. Royal Hong Lai Huat One Co. Ltd</p>	<p><u>Past (for the last 5 years)</u> HLH Agri R&amp;D Pte. Ltd.</p> <p><u>Present</u> HLH Development Pte. Ltd. HLH Agri International Pte. Ltd. HLH Global Trading Pte. Ltd. Hong Lai Huat International Pte. Ltd.</p>

The general statutory disclosures of the Directors are as follows:

Question	Ong Bee Huat	Ong Jia Ming
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No



## SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

(PURSUANT TO RULE 720(6) AND APPENDIX 7.4.1 OF THE SGX-ST LISTING)

Question	Ong Bee Huat	Ong Jia Ming
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No

## SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

(PURSUANT TO RULE 720(6) AND APPENDIX 7.4.1 OF THE SGX-ST LISTING)

Question	Ong Bee Huat	Ong Jia Ming
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p>

## SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

(PURSUANT TO RULE 720(6) AND APPENDIX 7.4.1 OF THE SGX-ST LISTING)

Question	Ong Bee Huat	Ong Jia Ming
(v) in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

# INSTRUCTIONS TO SHAREHOLDERS REGARDING THE COMPANY'S ANNUAL GENERAL MEETING ON 29 APRIL 2022

- A. NO DESPATCH OF PRINTED COPIES OF NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM**
- B. NO ATTENDANCE AT ANNUAL GENERAL MEETING**
- C. ALTERNATIVE ARRANGEMENTS TO PARTICIPATE AT ANNUAL GENERAL MEETING**

## 1. INTRODUCTION

The board of directors (the "Board") of Hong Lai Huat Group Limited (the "Company" and together with its subsidiaries, the "Group") refers to:

- (a) the COVID-19 (Temporary Measures) Act 2020, which enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to, inter alia, conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means;
- (b) the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (Order), which sets out the alternative arrangements in respect of, inter alia, general meetings of companies; and
- (c) the joint statement by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation of 13 April 2020 (and subsequently updated on 27 April 2020, 22 June 2020, 1 October 2020 and 4 February 2022), which provides guidance on the conduct of general meetings amid the evolving COVID-19 situation.

## 2. DATE OF ANNUAL GENERAL MEETING

The Directors wish to inform Shareholders that the Company has today issued the Notice of Annual General Meeting ("AGM") dated 7 April 2021 ("Notice of AGM"). The AGM will be held by way of electronic means on 29 April 2022 at 9.00 am.

## 3. NO DESPATCH OF PRINTED COPIES OF NOTICE OF AGM AND PROXY FORM

The Notice of AGM and proxy form will be sent to Shareholders by electronic means via publication on the Company's website and on the SGX website. A copy of the Notice of AGM and the proxy form have also been uploaded on SGXNet and are now also available at URL <http://honglaihuatgroup.com/annual-general-meeting/>.

A copy of the Annual Report 2021 has been uploaded on SGXNet and may be accessed at the Company's website at the URL <http://honglaihuatgroup.com/annual-reports>.

Printed copies of the annual report for the financial year ended 31 December 2021 ("Annual Report 2021") will not be sent to shareholders but will be made available to Shareholders upon request. Please refer to paragraph 6 below on how to make a request.

A Shareholder will need an internet browser and PDF reader to view these documents on SGXNet and the Company's website. Please click onto the link provided to download these documents.

Shareholders are advised to read the Notice of AGM carefully in order to decide whether they should vote in favour of or against the ordinary resolutions, or to abstain from voting on the ordinary resolutions, to be tabled at the AGM.

## 4. NO ATTENDANCE AT AGM

As a precautionary measure due to the current COVID-19 situation in Singapore, Shareholders will not be able to attend the AGM. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the AGM by (a) watching the AGM proceedings via "live" webcast or listening to the AGM proceedings via "live" audio feed, (b) submitting questions in advance of the AGM, and (c) voting by proxy at the AGM. Please see paragraph 5 below for these alternative arrangements.

# INSTRUCTIONS TO SHAREHOLDERS REGARDING THE COMPANY'S ANNUAL GENERAL MEETING ON 29 APRIL 2022

## 5. ALTERNATIVE ARRANGEMENTS

The following are the alternative arrangements which have been put in place for the AGM:

- (a) "Live" webcast and "live" audio feed Shareholders will be able to watch these proceedings through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, Shareholders must follow these steps:
- Shareholders who wish to watch the "live" webcast or listen to the "live" audio feed must pre- register by 9.00 am on 26 April 2022, at the URL <https://globalmeeting.bigbangdesign.co/hlh2022/>.
  - Following the authentication of the Shareholders' status as shareholders, authenticated Shareholders will receive email instructions on how to access the webcast and audio feed of the AGM proceedings by 9.00 am on 28 April 2022. Shareholders who have received the email instructions must not forward the email instructions to other persons who are not shareholders or who are not entitled to attend the AGM. This is to avoid any technical disruption or overload to the "live" webcast or "live" audio feed.
  - Shareholders who do not receive an email by 9.00 am on 28 April 2022 but who have registered by the 9.00 am on 26 April 2022 deadline, should contact the Company at the following email address: [main@zicoholdings.com](mailto:main@zicoholdings.com).
- (b) Submission of questions in advance

Shareholders may also submit questions related to the resolutions to be tabled for approval at the AGM:

- All questions must be submitted by 9.00 am on 15 April 2022:
  - via the pre-registration website at the URL <https://globalmeeting.bigbangdesign.co/hlh2022/>; or
  - by email to [general@hlh.com.sg](mailto:general@hlh.com.sg).
- Shareholders will need to identify themselves when posing questions by email by providing the following details:
  - the Shareholder's full name as it appears on his/her/its CDP/CPF/SRS share records;
  - the Shareholder's NRIC/Passport No./UEN number;
  - the Shareholder's contact number and email address; and
  - the manner in which the Shareholder holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM as received from Shareholders by publication on the Company's website at <http://honglaihuatgroup.com/annual-general-meeting/> and SGX website at <https://www.sgx.com/securities/company-announcement> on 23 April 2022.

# INSTRUCTIONS TO SHAREHOLDERS REGARDING THE COMPANY'S ANNUAL GENERAL MEETING ON 29 APRIL 2022

The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNet and the Company's website, and the minutes will include the responses to the questions referred to above.

Please note that Shareholders will not be able to ask questions at the AGM "live" during the webcast and the audio feed, and therefore it is important for the Shareholders to submit their questions in advance of the AGM.

(c) Proxy voting

Shareholders will not be able to vote online on the resolutions to be tabled for approval at the AGM. Instead, if Shareholders (whether individual or corporate) wish to exercise their votes, they must submit a proxy form to appoint the Chairman of the AGM to vote on their behalf.

Shareholders (whether individual or corporate) appointing the Chairman of the AGM as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.

The proxy form can be submitted to the Company in hard copy form or by email:

- if in hard copy and sent by post, the proxy form must be deposited at the office of the Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or
- if by email, the proxy form must be received by the Company at [main@zicoholdings.com](mailto:main@zicoholdings.com).

In either case, not less than 48 hours before the time for holding the AGM, and in default the instrument of proxy shall not be treated as valid.

Persons who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act 1967 (including CPD or SRS investors) and who wish to participate in the AGM ("Relevant Intermediary Participants") by (a) observing and/or listening to the AGM proceedings via the "live" webcast or the "live" audio feed in the manner provided in paragraph 5 a) above; (b) submitting questions in advance of the AGM in the manner provided in paragraph 5 b) above; and/or (c) appointing the Chairman of the AGM as proxy to attend, speak and vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the AGM. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 9.00 am on 19 April 2022 in order to allow sufficient time for their relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf not less than 48 hours before the time for holding the AGM.

## 6. REQUEST FOR HARD COPIES

A shareholder may request for a printed copy of the Annual Report 2021 by submitting the request to the Company's Share Registrar by post to B.A.C.S. Private Limited 77 Robinson Road #06-03 Robinson 77 Singapore 068896 or via email to [main@zicoholdings.com](mailto:main@zicoholdings.com). To be valid, the request must:

- (a) be addressed to Hong Lai Group Limited c/o B.A.C.S. Private Limited
- (b) state the following:
  - (i) the document(s) requested;
  - (ii) the full name of the shareholder;

# INSTRUCTIONS TO SHAREHOLDERS REGARDING THE COMPANY'S ANNUAL GENERAL MEETING ON 29 APRIL 2022

- (iii) the mailing address;
  - (iv) the manner in which the shareholder holds shares in the Company (e.g. via CDP, CPF/SRS and/or scrip); and
  - (v) the shareholder's CDP Securities Account No. (if shares in the Company are held through CDP); and
- (c) be received by the Company's Share Registrar no later than 14 April 2022

## 7. FURTHER INFORMATION

Key Dates	Actions
7 April 2022	Shareholders may begin to: <ul style="list-style-type: none"> <li>(i) pre-register and submit their questions (if any) at URL <a href="https://globalmeeting.bigbangdesign.co/hlh2022/">https://globalmeeting.bigbangdesign.co/hlh2022/</a> for the live audio-visual webcast or live audio-only stream of the AGM proceedings; and</li> <li>(ii) submit their proxy form either electronically to <a href="mailto:main@zicoholdings.com">main@zicoholdings.com</a> or by mail to B.A.C.S. Private Limited at 77 Robinson Road #06-03 Robinson 77 Singapore 068896.</li> </ul>
9.00 am on 15 April 2022	Deadline for shareholders to submit questions in advance
9.00 am on 19 April 2022	Deadline for CPF and SRS investors who wish to appoint the Chairman of the AGM as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their vote.
9.00 am on 26 April 2022	Deadline for shareholders to: pre-register for the live audio-visual webcast or live audio-only stream of the AGM proceedings.
9.00 am on 27 April 2022	Deadline for shareholders to submit proxy forms.
9.00 am on 28 April 2022	Authenticated shareholders will receive a Confirmation Email containing a unique link to access the live audio-visual. Shareholders who do not receive the Confirmation Email by 9.00 am on 28 April 2022 should contact the Company via email <a href="mailto:main@zicoholdings.com">main@zicoholdings.com</a> .
Date and time of AGM – 29 April 2022 at 9.00 am	<ul style="list-style-type: none"> <li>(i) Click on the unique link in the confirmation email to access the live audio-visual stream; or</li> <li>(ii) Call the telephone number and enter the password in the confirmation email to access the live audio-only stream at the AGM proceedings.</li> </ul>

**Important reminder: The Company would like to remind Shareholders that, with the constantly evolving COVID-19 situation, the situation is fluid and the Company may be required to change its AGM arrangements at short notice. Shareholders should check the above URL and SGXNet for updates on the AGM.**

The Company would like to thank all Shareholders for their patience and co-operation in enabling the Company to hold its AGM with the optimum safe management measures amidst the current COVID-19.

# ADDENDUM

ADDENDUM DATED 7 APRIL 2022

This Addendum is circulated to Shareholders of Hong Lai Huat Group Limited (the "Company") together with the Company's 2021 Annual Report. Its purpose is to provide Shareholders with information on the proposed renewal of the Share Purchase Mandate to be tabled at the Annual General Meeting to be held on 29 April 2022 at 9:00 a.m. by electronic means. If you are in any doubt as to the course of action you should take, you should consult your legal, financial, tax or other professional adviser immediately.

This Addendum has been prepared by the Company with assistance and legal advice by Aptus Law Corporation.

Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or referred to, or opinions expressed, in this Addendum.



HONG LAI HUAT  
GROUP LIMITED

SIX MAINBOARD (CFO.50)

達來發集團有限公司

## ADDENDUM

in relation to

## THE PROPOSED SHARE PURCHASE MANDATE



# ADDENDUM

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# ADDENDUM

## DEFINITIONS

The following definitions shall apply throughout unless the context requires otherwise or unless otherwise stated in this Addendum:–

<b>“ACRA”</b>	: The Accounting and Corporate Regulatory Authority of Singapore
<b>“Act”</b>	: The Companies Act 1967 of Singapore, as may be amended or modified from time to time
<b>“AGM”</b>	: The forthcoming annual general meeting of the Company, notice of which is set out in the Annual Report 2021
<b>“Associate”</b>	: Shall have the meaning ascribed to it in the Listing Manual
<b>“Board”</b>	: The board of directors of the Company for the time being
<b>“CDP”</b>	: The Central Depository (Pte) Limited
<b>“2017 Circular”</b>	: The Company’s Circular to Shareholders dated 12 April 2017
<b>“Company”</b>	: Hong Lai Huat Group Limited
<b>“Controlling Shareholder”</b>	: A person who holds directly or indirectly 15% or more of all the voting Shares in the Company unless the SGX-ST determines otherwise or a person who in fact exercises control over the Company, as defined under the Listing Manual
<b>“CPF”</b>	: Central Provident Fund
<b>“CPF Approved Nominees”</b>	: Agent banks included under the CPF Investment Scheme established by the CPF
<b>“Directors”</b>	: The directors of the Company as at the Latest Practicable Date
<b>“2017 EGM”</b>	: The Extraordinary General Meeting of the Company held on 28 April 2017
<b>“EPS”</b>	: Earnings per Share
<b>“FY”</b>	: Financial year ended 31 December
<b>“Group”</b>	: The Company and its subsidiaries
<b>“Last AGM”</b>	: The last annual general meeting of the Company held on 30 April 2021 by way of electronic means
<b>“Latest Practicable Date”</b>	: 21 March 2022, being the latest practicable date prior to the printing of this Addendum
<b>“Listing Manual”</b>	: The Listing Manual of the SGX-ST, as may be amended or modified from time to time
<b>“Market Day”</b>	: A day on which the SGX-ST is open for securities trading
<b>“Market Purchase”</b>	: An on-market purchase of Shares by the Company effected on the SGX-ST through one or more duly licensed dealers appointed by the Company for the purpose
<b>“Notice of AGM”</b>	: The notice of the AGM as set out in the Annual Report 2021

## ADDENDUM

<b>"NTA"</b>	: Net tangible asset
<b>"Off-Market Purchase"</b>	: An off-market purchase of Shares effected otherwise than on the SGX-ST in accordance with any equal access scheme defined in Section 76C of the Companies Act, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST
<b>"Securities Account"</b>	: The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
<b>"SGX-ST"</b>	: Singapore Exchange Securities Trading Limited
<b>"Shareholders"</b>	: Registered holders of Shares except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Account maintained with CDP are credited with the Shares
<b>"Share Purchase(s)"</b>	: The purchase(s) of Shares by the Company pursuant to the Share Purchase Mandate
<b>"Share Purchase Mandate"</b>	: The mandate to authorise the directors of the Company to purchase or otherwise acquire its issued Shares
<b>"Shares"</b>	: Ordinary shares in the capital of the Company
<b>"SIC"</b>	: The Securities Industry Council of Singapore
<b>"Substantial Shareholder"</b>	: A person who has an interest in voting Shares in the Company which carry not less than 5% of the total votes attached to all the voting Shares in the Company
<b>"Take-over Code"</b>	: The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
<b>"S\$" and "cents"</b>	: Singapore dollars and cents, respectively
<b>"%" or "per cent"</b>	: Percentage or per centum

The terms "Depositor", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in the Securities and Futures Act 2001 of Singapore. The term "Treasury Shares" shall have the meaning ascribed to it in Section 4 of the Act.

The term "subsidiary" shall have the meaning ascribed to it in Section 5 of the Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Addendum to any enactment is a reference to that enactment for the time being amended or re-enacted. Any word defined under the Act or the Listing Manual or any statutory modification thereof and used in this Addendum shall, where applicable, have the meaning assigned to it under the Act or the Listing Manual or any such statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Addendum shall be a reference to Singapore time, unless otherwise stated.

Any discrepancies in figures included in this Addendum between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Addendum may not be an arithmetic aggregation of the figures that precede them.

# ADDENDUM

## HONG LAI HUAT GROUP LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199905292D)

### Directors:

Dr. Wang Kai Yuen (Chairman and Non-Executive Independent Director)  
Dato' Dr. Ong Bee Huat (Executive Deputy Chairman and Group Chief Executive Officer)  
Prof. Wong Wen-Young Winston (Vice Chairman and Non-Executive Director)  
Dr. Lee Kuo Chuen, David (Non-Executive Independent Director)  
Mr. Lien We King (Non-Executive Independent Director)  
Ms. Kohe Noor Binte Mahmoodul Hasan (Non-Executive Independent Director)  
Mr. Ong Jia Ming (Executive Director)  
Mr. Ong Jia Jing (Executive Director)  
Dr. Wong Jr. Winston (Alternate Director to Prof. Wong Wen-Young Winston)

### Registered Office:

10 Bukit Batok  
Crescent, #13-05  
The Spire  
Singapore 658079

7 April 2022

To: **THE SHAREHOLDERS OF HONG LAI HUAT GROUP LIMITED**

Dear Sir/Madam

### PROPOSED RENEWAL OF SHARE PURCHASE MANDATE

#### 1. INTRODUCTION

The Directors refer to (a) the Notice of AGM convening the AGM to be held on 29 April 2022 and (b) Resolution 10 set out in the Notice of AGM.

The purpose of this Addendum is to explain the reasons for, and to provide Shareholders with information relating to, and to seek Shareholders' approval at the AGM for the proposed renewal of the Share Purchase Mandate to be tabled at the AGM.

#### 2 THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

##### 2.1 Background

Shareholders had approved the Share Purchase Mandate at the 2017 EGM and renewed it at the Last AGM. The authority and limitations on the Share Purchase Mandate were set out in ordinary resolution 11 of the Notice of the Last AGM.

The Share Purchase Mandate will expire on the date of the forthcoming AGM. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the AGM. Subject to such approval being obtained, the terms of the proposed Share Purchase Mandate sought at the AGM do not contravene any laws and regulations governing the Company and its Constitution.

If the Share Purchase Mandate is renewed by Shareholders, it will remain in force until the date on which the next annual general meeting of the Company is held or required by law to be held (when it will lapse unless it is renewed) or the date on which the Share Purchases are carried out to the full extent mandated, whichever is the earlier unless prior to that, it is varied or revoked by resolution of the Shareholders in general meeting.

##### 2.2 Rationale

The Share Purchase Mandate would give the Company the flexibility to undertake Share Purchases at any time, subject to market conditions, during the validity period of the Share Purchase Mandate. The Directors believe that the Share Purchase Mandate provides the Company with a mechanism to facilitate the return

## ADDENDUM

of any surplus cash in excess of the Group's working capital requirements in an expedient and cost-efficient manner. The Directors further believe that Share Purchases may also help mitigate short-term share price volatility and offset the effects of share price speculation. The ability to hold repurchased shares as Treasury Shares will also allow the Company to restructure its capital and to facilitate future fund-raising without the need to issue new shares.

If and when circumstances permit, the Directors will decide whether to effect the Share Purchases via Market Purchases or Off-Market Purchases, after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach.

The Share Purchases would be made only as and when the Directors consider it to be in the best interests of the Company and/or Shareholders and in appropriate circumstances which the Directors believe will not result in any material adverse effect on the liquidity and the orderly trading of the Shares, as well as the working capital requirements and the financial position of the Group.

### **2.3 Authority and limits**

The authority and limitations placed on the Share Purchase Mandate, if renewed at the AGM, are substantially the same as were previously approved by Shareholders at the Last AGM, and are summarised below:

#### **2.3.1 Maximum number of Shares**

The total number of Shares, which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate, is limited to that number of Shares representing not more than 10% of the total number of the Shares as at the date of the forthcoming AGM at which approval for the Share Purchase Mandate is being sought (the "Approval Date"). Any Shares which are held as Treasury Shares and subsidiary holdings will be disregarded for the purpose of computing the 10% limit. As at the Latest Practicable Date, the Company does not hold any Treasury Shares and has no subsidiary holdings.

For illustrative purposes only, on the basis of 517,844,114 Shares as at the Latest Practicable Date, and assuming that no further Shares are issued prior to the AGM, not more than 51,784,411 Shares (representing 10% of the total number of Shares as at that date) may be purchased by the Company pursuant to the proposed Share Purchase Mandate during the duration referred to in Section 2.3.2 below.

#### **2.3.2 Duration of authority**

Under the proposed Share Purchase Mandate, Share Purchases may be made, at any time and from time to time, on and from the date of the AGM at which the renewal of the Share Purchase Mandate is approved up to:-

- (i) the date on which the next annual general meeting is held or is required by law to be held;
- (ii) the date on which the purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate are carried out to the full extent mandated; or
- (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest.

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### 2.3.3 Manner of Share Purchases

- (a) Share Purchases may be made by way of:–
  - (i) Market Purchase; and/or
  - (ii) Off-Market Purchase.
- (b) The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Act, as it considers fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. However, an Off-Market Purchase effected in accordance with an equal access scheme must satisfy all the following conditions:–
  - (i) offers for the Share Purchase shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
  - (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
  - (iii) the terms of all the offers shall be the same, except that there shall be disregarded:–
    - (1) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
    - (2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and
    - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.
- (c) In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:–
  - (i) the terms and conditions of the offer;
  - (ii) the period and procedures for acceptance;
  - (iii) the reasons for the proposed Share Purchase;
  - (iv) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
  - (v) whether the Share Purchase, if made, would have any effect on the listing of the Shares on the SGX-ST;
  - (vi) details of Share Purchases made during the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases; and
  - (vii) whether the shares purchased by the Company will be cancelled or kept as Treasury Shares.

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### 2.3.4 Maximum purchase price

- (a) The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.
- (b) However, the purchase price to be paid for the Shares pursuant to the Share Purchases must not exceed:-
  - (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and
  - (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares, (the "Maximum Price") in either case, excluding related expenses of the Share Purchase.
- (c) For the above purposes, "Average Closing Price" means the average of the closing market prices of a Share over the last 5 Market Days, on which transactions in the Shares were recorded on the SGX-ST, before the day on which the Market Purchase was made or as the case may be, before the date of making an announcement by the Company of an offer for an Off-Market Purchase and deemed to be adjusted for any corporate action that occurs after the relevant 5 Market Days.

### 2.4 Status of Purchased Shares

Under Section 76B of the Act, any Share which is purchased shall, unless held as a Treasury Share, be deemed cancelled immediately on purchase, and all rights and privileges attached to that Share will expire on cancellation. All Shares purchased by the Company, unless held as Treasury Shares, shall be deemed cancelled immediately on purchase, and all rights and privileges attached to those Shares will expire on cancellation. All Shares purchased by the Company, unless held as Treasury Shares, will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase.

Some of the provisions on Treasury Shares under the Act are summarised below:-

(a) Maximum holdings

The number of Shares held as Treasury Shares shall not at any time exceed 10% of the total number of issued ordinary shares of the Company. The Company shall be entered in the Register of Members as the member holding those Shares.

(b) Voting and other rights

- (i) The Company cannot exercise any right in respect of Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote in respect of Treasury Shares and the Treasury Shares shall be treated as having no voting rights.
- (ii) In addition, save as provided under the Act, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of the Treasury Shares. However, the allotment of shares as fully paid bonus shares in respect of Treasury Shares is allowed. Also, a sub-division or consolidation of any Treasury Share into Treasury Shares of a smaller or larger amount is allowed so long as the total value of the Treasury Shares after the sub-division or consolidation is the same as before.

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(c) Disposal and cancellation

Where Shares purchased or acquired by the Company are held as Treasury Shares, the Company may at any time:-

- (i) sell the Treasury Shares for cash;
- (ii) transfer the Treasury Shares for the purposes of or pursuant to an employees' share option scheme or employees' share scheme;
- (iii) transfer the Treasury Shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the Treasury Shares; or
- (v) sell, transfer or otherwise use the Treasury Shares for such other purpose as may be prescribed by the Minister for Finance.

### **2.5 Reporting requirements**

Within 30 days of the passing of a Shareholders' resolution to renew the Share Purchase Mandate, the Company shall lodge a copy of such resolution with ACRA.

The Company shall lodge with ACRA a notice of Share Purchase within 30 days of such Share Purchase. Such notification shall include the date of the purchases, the number of Shares purchased by the Company, the number of Shares cancelled, the number of Treasury Shares held, the Company's issued share capital before and after the purchases, the amount of consideration paid by the Company for the purchases and such other particulars as may be required in the prescribed form.

### **2.6 Source of funds**

The Company may only apply funds for the Share Purchases in accordance with the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Company intends to use internal sources of funds or external borrowings, or a combination of both, to finance its Share Purchases.

The Act stipulates that any purchases of Shares may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the Share Purchases is made out of profits, such consideration (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. However, where the consideration paid by the Company for the Share Purchases is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced.

### **2.7 Financial effects**

The financial effects on the Company and the Group arising from the Share Purchases will depend on, *inter alia*, whether the Share Purchases are made by way of Market Purchases or Off-Market Purchases, the price paid for such Shares and whether the Shares are held in treasury or cancelled.

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Purchase Mandate on the NTA and EPS as the resultant effect would depend on, *inter alia*, aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of the capital or profits, the purchase prices paid for such Shares and the amount (if any) borrowed by the Company to fund the purchase or acquisition and whether the Shares purchased or acquired are cancelled or held as Treasury Shares.



## ADDENDUM

**For illustrative purposes only**, based on the audited financial statements of the Company and the Group as at 31 December 2021, and assuming the following:–

- (a) the Share Purchases comprised 51,784,411 Shares (representing 10% of the 517,844,114 outstanding Shares as at the Latest Practicable Date);
- (b) in the case of Market Purchases, the Maximum Price was S\$0.097 (being 5% above the average of the closing market prices of a Share over the last 5 Market Days prior to the Latest Practicable Date on which there were trades in the Shares) and accordingly, the maximum amount of funds (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) required for effecting such Market Share Purchases would amount to approximately S\$5,023,000;
- (c) in the case of Off-Market Purchases, the Maximum Price was S\$0.111 (being 20% above the average of the closing market prices of a Share over the last 5 Market Days prior to the Latest Practicable Date on which there were trades in the Shares) and accordingly, the maximum amount of funds (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) required for effecting such Off-Market Purchases would amount to approximately S\$5,748,000; and
- (d) the Share Purchases took place on 31 December 2021;

the financial effects on the Company and the Group arising from the Share Purchases are set out below.

### Share Purchases made entirely out of capital and Shares purchased kept as Treasury Shares

	<b>Group</b>	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>	<b>Company</b>
	<b>Before</b>	<b>After</b>	<b>After</b>	<b>Before</b>	<b>After</b>	<b>After</b>
	<b>purchase</b>	<b>Market</b>	<b>Off-Market</b>	<b>purchase</b>	<b>Market</b>	<b>Off-Market</b>
	<b>S\$'000</b>	<b>Purchase</b>	<b>Purchase</b>	<b>S\$'000</b>	<b>Purchase</b>	<b>Purchase</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>As at 31 December 2021</b>						
Profit Attributable to Owners of the Company	3,478	3,478	3,478	135	135	135
Equity Attributable to Owners of the Company	150,184	145,161	144,436	145,354	140,331	139,606
NTA	150,184	145,161	144,436	145,354	140,331	139,606
Current Assets	85,614	80,591	79,866	60,426	58,622	58,622
Current Liabilities	10,284	10,284	10,284	12,458	20,686	21,411
Total Borrowings	5,009	5,009	5,009	5,009	8,228	8,953
Cash and Cash Equivalents	26,072	21,049	20,324	1,804	–	–
Weighted Average Number of Shares ('000)	446,227	446,227	446,227	446,227	446,227	446,227
<b>Financial Ratios</b>						
EPS per Share (cents)	0.78	0.78	0.78	0.03	0.03	0.03
NTA per Shares (cents)	33.66	32.53	32.37	32.57	31.45	31.29
Gearing (%)	3.34	3.45	3.47	3.45	5.86	6.41
Current Ratio (times)	8.32	7.84	7.77	4.85	2.83	2.74

## ADDENDUM

### Share Purchases made entirely out of capital and Shares purchased cancelled

	Group			Company		
	Before purchase	After Market Purchase	After Off-Market Purchase	Before purchase	After Market Purchase	After Off-Market Purchase
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>As at 31 December 2021</b>						
Profit Attributable to Owners of the Company	3,478	3,478	3,478	135	135	135
Equity Attributable to Owners of the Company	150,184	145,161	144,436	145,354	140,331	139,606
NTA	150,184	145,161	144,436	145,354	140,331	139,606
Current Assets	85,614	80,591	79,866	60,426	58,622	58,622
Current Liabilities	10,284	10,284	10,284	12,458	20,686	21,411
Total Borrowings	5,009	5,009	5,009	5,009	8,228	8,953
Cash and Cash Equivalents	26,072	21,049	20,324	1,804	–	–
Weighted Average Number of Shares ('000)	446,227	394,443	394,443	446,227	394,443	394,443
<b>Financial Ratios</b>						
EPS per Share (cents)	0.78	0.88	0.88	0.03	0.03	0.03
NTA per Shares (cents)	33.66	36.80	36.62	32.57	35.58	35.39
Gearing (%)	3.34	3.45	3.47	3.45	5.86	6.41
Current Ratio (times)	8.32	7.84	7.77	4.85	2.83	2.74

*Notes:*

Total borrowings refer to borrowings from financial institutions. Basic earnings per share equals profit after tax and minority interest divided by the weighted average number of shares. Gearing represents the percentage of total borrowings to shareholders' funds. Current ratio represents the ratio of current assets to current liabilities.

**The financial effects set out above are purely for illustrative purposes only. Although the proposed Share Purchase Mandate would authorise the Company to buy back up to 10% of the total number of shares issued by the Company as at the date that the Share Purchase Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10% of the total number of shares issued in full. In addition, the Company may cancel all or part of the Shares purchased or hold all or part of the Shares purchased as Treasury Shares.**

### 2.8 Tax implications arising from Share Purchases

Shareholders who are in doubt as to their respective tax positions or any tax implications, including those who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

# ADDENDUM

## **2.9 Listing Manual**

The Listing Manual specifies that a listed company shall notify the SGX-ST of any Market Purchase not later than 9.00 a.m. on the Market Day following the day on which the Market Purchase was made, and of any Off-Market Purchase not later than 9.00 a.m. on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase. The notification of such Share Purchases to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

While the Listing Manual does not expressly prohibit purchase of shares by a listed company during any particular time or times, the Company will not undertake Share Purchases after a price sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such time as the price sensitive information has been publicly announced. In particular, the Company will not buy any Shares during the period commencing one month before the announcement of the Company's half year and full year financial statements.

The Listing Manual requires a listed company to ensure that the percentage of equity securities of any class that is listed and held in public hands does not fall below 10%. The "public", as defined under the Listing Manual, are persons other than the directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the Associates of such persons. Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, there are 268,489,201 Shares in the hands of public Shareholders, representing approximately 51.85% of the total number of issued ordinary shares of the Company. Assuming the Company exercises the Share Purchase Mandate in full and purchases 10% of the total number of issued ordinary shares of the Company from the public, the number of Shares in the hands of the public not taking into account Treasury Shares would be reduced to approximately 216,704,790 Shares, representing approximately 46.50% of the total number of issued ordinary shares of the Company (excluding Treasury Shares). Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity.

In undertaking any Share Purchase, the Directors will use their best efforts to ensure that, notwithstanding such Share Purchases, a sufficient float in the hands of the public will be maintained so that the Share Purchases will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

## **2.10 Take-over Code implications arising from Share Purchases**

Under the Take-over Code, persons acting in concert or concert parties comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of the company. Unless the contrary is established, the following persons, inter alia, will be presumed to be acting in concert, namely, (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts), and (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with one another. For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

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The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code.

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Shareholders and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Shareholders and their concert parties, who together hold less than 30% of the voting rights in the Company, would increase to 30% or more, or, in the event that such Shareholders and their concert parties hold between 30% and 50% of the Company's voting rights, the voting rights of such Shareholders and their concert parties would increase by more than 1% in any period of six months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

For the purpose of the Take-over Code, an increase in the percentage of voting rights as a result of the Share Purchases will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months.

If the Company decides to cease the purchase of Shares before it has purchased in full such number of Shares authorised by its Shareholders at the latest annual general meeting, the Company will promptly inform its Shareholders of such cessation. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14.

Based on the Register of Directors' and Substantial Shareholdings as at the Latest Practicable Date (as set out in Section 3.1 of this Addendum), Dato' Dr Ong Bee Huat, the Executive Deputy Chairman and Group Chief Executive Officer, who has a direct and deemed interest in between 30% to 50% of the Company's Shares, and any other person deemed under the Take-over Code to be acting in concert with him, may incur an obligation to make a take-over offer under Rule 14 by virtue of their respective shareholding increasing by more than 1% in any period of six months as a result of the Company purchasing or acquiring Shares.

**Shareholders are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation on their part, if any, to make a mandatory take-over offer under the Take-over Code would arise by reason of any Share Purchases by the Company.**

# ADDENDUM

## 3 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

### 3.1 Register of Directors' and Substantial Shareholdings

The interests of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date are set out below based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date. In addition, the shareholdings of the Directors and the Substantial Shareholders before and after the purchase of Shares pursuant to the Share Purchase Mandate, assuming (i) the Company purchases the maximum amount of 10% of the total number of issued Shares of the Company and the Shares purchased are cancelled, and (ii) there is no change in the number of Shares held by the Directors and the Substantial Shareholders or which they are deemed interested in, will be as follows:–

Director	← Before Share Purchase (No. of Shares) →			Total Interest Before Share Purchase	Total Interest After Share Purchase
	Direct Interest	Deemed Interest	Total Interest	%	%
Dato' Dr. Ong Bee Huat	173,802,465	40,410,833	214,213,298	41.37	45.96
Prof. Wong Wen-Young, Winston	13,841,850	–	13,841,850	2.67	2.97
Mr. Ong Jia Ming	20,599,765	–	20,599,765	3.98	4.42
Mr. Ong Jia Jing	–	–	–	–	–
Dr. Wang Kai Yuen	700,000	–	700,000	0.14	0.15
<b>Substantial Shareholder</b>					
Dato' Dr. Ong Bee Huat	173,802,465	40,410,833	214,213,298	41.37	45.96

### 3.2 Share purchase during the previous 12 months

In the 12 months preceding the Latest Practicable Date, the Company has not purchased any Shares pursuant to the Share Purchase Mandate granted at the Last AGM.

## 4 DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the Share Purchase Mandate is in the interests of the Company and accordingly recommend that Shareholders vote in favour of Resolution 10 relating to the renewal of the Share Purchase Mandate, at the AGM.

# ADDENDUM

## 5 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Addendum and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Addendum constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Addendum misleading. Where information in the Addendum has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Addendum in its proper form and context.

## 6 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents may be inspected at the registered office of the Company during normal business hours from the date hereof up to and including the date of the AGM:–

- (a) the Constitution of the Company;
- (b) the 2017 Circular; and
- (c) the Annual Report 2021.

Yours faithfully  
For and on behalf of the Board of Directors of  
**Hong Lai Huat Group Limited**

Dato' Dr. Ong Bee Huat  
Group Chief Executive Officer