



HONG FOK CORPORATION LIMITED

**MINUTES OF FIFTY-THIRD ANNUAL GENERAL MEETING  
HELD ON THURSDAY, 29 APRIL 2021 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, Mr Marc Cheong, the Alternate Director to Mr Cheong Pin Chuan, Ms Lo Swee Oi, Company Secretary from BSL Corporate Services Pte Ltd, Mr Yap Wee Kee, External Auditors from KPMG LLP and Mr Kevin Goh, External Remuneration Consultant from HR Guru Pte Ltd.

**4 PRESENTATION BY CHAIRMAN**

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

- Financial Highlights
- Financial Position
- Business Segments
- Properties
- 2021 Outlook

- 4.2 On financial highlights, the Chairman reported the Group had suffered its first loss after 11 years since the great financial crisis in 2008. At operating level, the Group remained profitable in financial year (“FY”) 2020. Revenue for FY2020 had decreased from \$113.25 million in FY2019 to \$80.40 million mainly due to lower contribution from the sales of development properties and lower income from investment properties with the Group’s hotel, YOTEL Singapore Orchard Road (“YOTEL”) recognising a sharp decrease in contribution amid the COVID-19 pandemic. The Group had a net loss of \$26.30 million in FY2020 which was principally due to the fair value loss of approximately \$30.6 million on revaluation of the Group’s investment properties compared to a fair value gain of \$103.2 million in FY2019.

- 4.3 On financial position, the net asset value per share had increased from 292 cents as at 31 December 2019 to 295 cents as at 31 December 2020, resulting from the Company's share buyback exercise. Gearing ratios remained fairly stable in FY2020 as compared to FY2019 which demonstrated the Group's strong and healthy financial position. The Chairman hoped that the Group would be able to take advantage of the opportunities created by the current crisis.
- 4.4 On business segments which were represented by the pie charts, in respect of property investment, property development and construction, property management, and other operations of the Group for FY2020, the Meeting was informed that in terms of revenue, assets, and liabilities, they were fairly similar to FY2019.
- 4.5 The Chairman also gave some brief introduction, together with pictures on the following Group's properties highlighting their strengths:

Hong Kong Properties

- (i) Magazine Heights
- (ii) Magazine Gap Towers

Singapore Properties

- (i) YOTEL
- (ii) Concourse Skyline
- (iii) The Concourse
- (iv) International Building

- 4.6 On 2021 Outlook, the Chairman highlighted that tourism arrivals and tourism receipts are expected to remain weak. Having an accurate prediction on the business outlook remained difficult due to the changing market conditions and government measures to contain the spread of the COVID-19. Notwithstanding the current challenges in the business environment, the Company hopes that the COVID-19 mass vaccination programmes carried out in Singapore, Hong Kong and other developed countries would reduce the pandemic effects and bring back some normalcy to the people's lives and improve the business outlook. The operation of YOTEL will remain challenging until most of the world population are vaccinated, cross-border restrictions are lifted and tourism confidence returns from our key source markets. Travel restrictions applicable to visits to Singapore may affect the pace of the sales of the Group's residential units of Concourse Skyline. The occupancy rate of the Group's investment properties is expected to remain stable.

**5 NOTICE OF MEETING AND VOTING PROCEDURE**

- 5.1 As the Notice of AGM dated 7 April 2021 ("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 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.

- 5.3 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 2020 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 2020 together with the Auditors' Report thereon.

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

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	497,697,074	0	497,697,074
Percentage	100.00%	0.00%	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 2020, be hereby received and adopted.

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

- 8.1 The Chairman referred the Meeting to the resolution on the declaration of first and final 1-tier tax exempt dividend of 1 cent per ordinary share for the financial year ended 31 December 2020.

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

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	497,697,074	0	497,697,074
Percentage	100.00%	0.00%	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 cent per ordinary share for the year ended 31 December 2020 be and is hereby approved.

- 8.2 The Chairman informed the Meeting that the final dividend would be paid on 21 May 2021 to members registered in the books of the Company on 12 May 2021.

9 **RESOLUTION 3**  
**APPROVAL OF DIRECTORS' FEES OF UP TO \$345,000 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2021, 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 \$345,000 for the financial year ending 31 December 2021, to be paid quarterly in arrears.

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

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	497,697,074	0	497,697,074
Percentage	100.00%	0.00%	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 \$345,000 for the financial year ending 31 December 2021, to be paid quarterly in arrears be and is hereby approved.

At this juncture, the Chairman handed over the conduct of the next item on the agenda to Mr Cheong Sim Eng as the next resolution was related to his re-election as a Director of the Company.

10 **RESOLUTION 4**  
**RE-ELECTION OF MR CHAN PENGEE, ADRIAN AS DIRECTOR UNDER REGULATION 104 OF THE CONSTITUTION OF THE COMPANY**

10.1 Mr Cheong Sim Eng referred the Meeting to the resolution on the re-election of Mr Chan Pengee, Adrian as a Director of the Company.

The poll results received for Ordinary Resolution 4 were as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	497,561,335	135,739	497,697,074
Percentage	99.97%	0.03%	100.00%

Based on the results of the poll, Mr Cheong Sim Eng declared Resolution 4 as carried.

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

Mr Cheong Sim Eng handed back the Chair to the Chairman to resume the conduct of the Meeting.

11 **RESOLUTION 5**  
**RE-ELECTION OF MR LIM JUN XIONG STEVEN 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 Mr Lim Jun Xiong Steven as a Director of the Company.

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

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	486,030,883	11,666,191	497,697,074
Percentage	97.66%	2.34%	100.00%

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

**IT WAS RESOLVED** that Mr Lim Jun Xiong Steven who retires in accordance with Regulation 104 of the Company's Constitution, be and he 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:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	497,697,074	0	497,697,074
Percentage	100.00%	0.00%	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 NEW SHARES 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:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	486,166,622	11,530,452	497,697,074
Percentage	97.68%	2.32%	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	497,697,074	0	497,697,074
Percentage	100.00%	0.00%	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 7 April 2021 to shareholders of the Company (being an addendum to the notice of annual general meeting dated 7 April 2021)) 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 53<sup>rd</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