

Hotung Investment Holdings Limited

(Incorporated in Bermuda)

(“Company”, and together with its subsidiaries, “Group”)

Minutes of Annual General Meeting (“AGM”) of the Company held at THE CHEVRONS, Hibiscus Room, Level 1, 48 Boon Lay Way, Singapore 609961, on 24 April 2019 (Wednesday) at 9:30 a.m.

PRESENT

Directors:

Ms. Tsui-Hui Huang (Chairman of the Board and member of the Nominating Committee)

Dr. Ng-Chee Tan (Chairman of the Audit Committee and member of the Nominating Committee and Remuneration Committee)

Mr. Chang-Pang Chang (Chairman of the Nominating Committee and Remuneration Committee)

Dr. Philip N. Pillai (member of the Audit Committee)

Mr. Kung-Wha Ding (member of the Remuneration Committee)

Mr. Andy C.W. Chen (member of the Audit Committee)

Mr. Kazuyoshi Mizukoshi (Director)

Shareholders: As per Attendance List maintained by the Company.

In Attendance:

Ms. Hsin-Chieh Chung (Company Secretary of the Company)

Mr. Gang Wong (Singapore Counsel of the Company from Shook Lin & Bok LLP)

Ms. Esther Ng (Singapore Counsel of the Company from Shook Lin & Bok LLP)

Ms. Nicole Zheng (Singapore Counsel of the Company from Shook Lin & Bok LLP)

Mr. Barry Lee (External Auditor of the Company from KPMG LLP)

Ms. I-Jane Ng (External Auditor of the Company from KPMG LLP)

Ms. Charlotte Lin (External Auditor of the Company from KPMG LLP)

Mr. Steven Huang (Investment Officer of Hotung International Company Limited)

Mr. David Tso (Investment Officer of Hotung International Company Limited)

Mr. Vincent Jang (Investment Officer of Hotung International Company Limited)

Ms. Felicia Hsu (Chief Financial Officer of the Company)

Mr. Peter Fang (Internal Auditor of the Company)

Ms. Bonnie Chiang (Employee of Hotung International Company Limited)

CHAIRMAN

The Chairman of the Board of Directors of the Company, Ms. Tsui-Hui Huang chaired the AGM.

NOTICE

It was confirmed that Notice of the AGM had been given to all of the members of the Company entitled to attend and vote at the AGM and that a quorum was present. The Chairman declared all the resolutions at the AGM will be carried out by poll. Trusted Services Pte. Ltd. was appointed to do the counting of votes and T S TAY Public Accounting Corporation was appointed as the Scrutineer at the AGM for the purpose of the poll.

QUORUM

The Chairman declared that a quorum was present and that the AGM could proceed.

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the audited Financial Statements of the Company for the financial year ended 31 December 2018, together with the Independent Auditors' Report thereon.

Question 1:

A shareholder congratulated the Group to be profitable in year 2018 and appreciated the cash dividends distributed to the shareholders. Further, by referring to page 20 of the 2018 Annual Report, he noted that the Group invested in Blockchain industry in 2018. Therefore, the shareholder would like to know what the investment in "Blockchain" refers to.

With respect to the question, Mr. Vincent Jang, VP of Hotung International Company Limited ("HIC") investment department, replied that the Group invested in a Blockchain company called VSC Ecosystem ("VSC"). It is a platform company which allows individual investors to have access to participate in the investments, which were only open to venture capital companies in the past. VSC will issue a cryptocurrency called VSCoin. Investors could use this coin to participate in the investment through the platform operated by VSC.

Question 2:

A shareholder noted that the total investment amount shown on page 21 of the 2018 Annual Report is NT\$705.1 million, while the amount of the Group's

quoted investments and unquoted investments shown on page 46 of the 2018 Annual Report is NT\$562 million and NT\$4,647 million respectively. Therefore, the shareholder would like to know the reason for such difference.

With respect to the question, Ms. Felicia Hsu, Chief Financial Officer of the Company, explained that the figure of NT\$ 705.1 million refers to the total amount of the Group's new investment in year 2018, while the quoted investments and unquoted investments in the amount of NT\$562 million and NT\$4,647 million respectively as shown on page 46 of the 2018 Annual Report refers to the total amount of the Group's outstanding investments as of 31 December 2018. If the shareholder would like to know the analysis of the Group's outstanding investments, instead of the new investments made in year 2018, please refer to page 22 and 23 of the 2018 Annual Report for more details.

Question 3:

A shareholder observed that generally the Group's NAV has been on a downward trend over the past four to five years. She queried whether such a trend is likely to continue.

With respect to the question, the Chairman commented that it is inevitable that the profitability of the Group may differ from year to year according to the market condition and the performance of the investee companies. Nevertheless, the management team will continue to use their best efforts to work towards improving the profitability of the Group.

Question 4:

A shareholder noted that the Group invested in Blockchain, which comprises 13.1% of the Group's total investment in year 2018 by referring to page 20 of the 2018 Annual Report, and further queried whether the Group invested predominately into cryptocurrency.

With respect to the question, Mr. Vincent Jang answered that as explained for Question 1, we had invested in a platform company whose main operation is to allow individual investors to have access to participate in the investments which were only open to venture capital companies in the past. So we had actually invested in the platform, not in the cryptocurrency itself.

Question 5:

A shareholder raised the following questions:

- (1) According to the Chairman's statement, the Group will add investments in the healthcare and life science sectors, and clean-energy and advanced agriculture sectors. Does the Group have the expertise in investing in these sectors?
- (2) What is the Company's view about the prospect of the semiconductor industry in Taiwan?

With respect to the first question, the Chairman replied that the Group has over 32-years history in venture capital. We currently have over 15 investment managers on our team. The Group has invested in those sectors mentioned in the Chairman's statement in the past.

With respect to the second question, Mr. Steven Huang, VP of HIC investment department, replied that we still believe that the semiconductor industry in Taiwan is very competitive, even compared to China. For example, TSMC is the largest wafer foundry company in the world. Although the semiconductor industry in China has been growing rapidly nowadays, the wafer foundry companies and IC design companies in Taiwan are still very competitive.

Question 6:

A shareholder noted that the amount of the Group's financial instruments categorized under level 2 and level 3 is much more than those categorized under level 1, which are quoted investments, by referring to page 71 of the 2018 Annual Report. Therefore, he would like to know what kind of assets that the Group has in level 2 and level 3.

With respect to question, Ms. Felicia Hsu indicated that first of all, the classification of the Group's financial instruments under level 1, level 2 or level 3 is made pursuant to the accounting principle applicable to the Group, IFRS. For the financial instruments categorized under level 2, we use the observable market price such as the refinancing price or the transaction price as their fair value. If the observable market prices of the financial instruments are not available, for example, no new financing within one year, such financial instruments would be categorized under level 3. Therefore, the fair value of such financial instruments would be determined by using the market comparable proxy method, such as P/E · P/B or P/S. If we have fund investment, we will apply audited NAV from the fund house to calculate and apply as fair value according to the Group's investment ratio.

As there were no further questions, the Chairman put Ordinary Resolution No. 1 to a vote by poll and, based on the polling results, declared it carried.

2. To approve and declare a first and final dividend for the financial year ended 31 December 2018 of NT\$2.8 per share as recommended by the directors of the Company (“Directors”), to be payable on such date to be determined by the Directors and to be distributed in such manner as the Directors deem fit. The Directors be and are hereby fully authorized to do all acts and things they consider necessary, expedient and appropriate to effect and implement this resolution.

As there were no further questions, the Chairman put Ordinary Resolution No. 2 to a vote by poll and, based on the polling results, declared it carried.

3. To approve Directors’ Fees of NT\$9.2 million for the financial year ended 31 December 2018 to the Directors.

As there were no further questions, the Chairman put Ordinary Resolution No. 3 to a vote by poll and, based on the polling results, declared it carried.

4. To re-elect Mr. Andy C.W. Chen retiring by rotation pursuant to Bye-law 94 of the Bye-laws of the Company.

As there were no further questions, the Chairman put Ordinary Resolution No. 4 to a vote by poll and, based on the polling results, declared it carried.

5. To re-elect Dr. Ng-Chee Tan retiring by rotation pursuant to Bye-law 94 of the Bye-laws of the Company.

As there were no further questions, the Chairman put Ordinary Resolution No. 5 to a vote by poll and, based on the polling results, declared it carried.

6. To re-elect Mr. Yi-Sing Chan retiring by rotation pursuant to Bye-law 94 of the Bye-laws of the Company.

As there were no further questions, the Chairman put Ordinary Resolution No. 6 to a vote by poll and, based on the polling results, declared it carried.

7. To re-elect Mr. Ta-Sheng Chen retiring pursuant to Bye-law 100 of the Bye-laws of the Company.

As there were no further questions, the Chairman put Ordinary Resolution No. 7 to a vote by poll and, based on the polling results, declared it carried.

8. To re-appoint KPMG LLP as Auditors of the Company until the conclusion of the next annual general meeting and to authorize the Directors to fix their remuneration.

As there were no further questions, the Chairman put Ordinary Resolution No. 8 to a vote by poll and, based on the polling results, declared it carried.

SPECIAL BUSINESS

9. To approve the Proposed Share Issue Mandate:

(A) subject to the provisions of the Bye-laws of the Company and the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue (whether by way of rights, bonus or otherwise) and deal with additional shares in the capital of the Company including but not limited to the listing of such additional shares on the SGX-ST and/or the offering of depository receipts in respect of such additional shares and to make or grant offers and agreements which might require the exercise of such power be and is hereby generally and unconditionally approved;

(B) authority be and is hereby given to the Directors to allot and issue shares pursuant to offers, agreements and options made or granted during the Relevant Period (as hereinafter defined) that might or would require shares to be issued, including but not limited to the creation and issuance during the Relevant Period of (as well as adjustments to) warrants, debentures or other instruments convertible into shares (collectively, the “Instruments”), upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit, notwithstanding that such allotment and issuance of shares pursuant to the Instruments are made after the end of the Relevant Period (as hereinafter defined);

- (C) the aggregate nominal amount of share capital to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an Instrument or otherwise) by the Directors pursuant to the approval in paragraphs (A) and (B) above (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the aggregate nominal amount of the share capital of the Company in issue (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, of which the aggregate nominal amount of share capital to be allotted other than on a pro-rata basis to the existing members of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed and the said approval shall be limited accordingly;
- (D) 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 paragraph (C) above, the percentage of issued share capital shall be based on the issued share capital of the Company (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for :
- (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent consolidation or sub-division of shares; and
- (E) for the purpose of this Resolution, “Relevant Period” means the period commencing from the passing of this Resolution and expiring on the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held; or
 - (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (“Shareholders”) in general meeting.

As there were no further questions, the Chairman put Ordinary Resolution No. 9 to a vote by poll and, based on the polling results, declared it carried.

10. To approve the Proposed Renewal of Share Buy-back Mandate:
- (A) the exercise by the Directors of all the powers of the Company to purchase or acquire issued ordinary shares in the capital of the Company (“Shares”) not exceeding in aggregate the Maximum 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) market purchase(s) (“On-Market Purchases”) on the SGX-ST; and/or
 - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit based on the requirements of section 76C of the Companies Act, Chapter 50 of Singapore (“Off-Market Purchases”),
- and otherwise in accordance with all other laws and regulations of Singapore and Bermuda and the rules of the SGX-ST as may for the time being be applicable, be and is hereby authorized and approved generally and unconditionally (“Proposed Share Buy-back Mandate”);
- (B) the authority conferred on the Directors pursuant to the Proposed Share Buy-back 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 Resolution and expiring on the earliest of:
- (i) the conclusion of the next annual general meeting of the Company or the date by which it is required to be held;
 - (ii) the date on which the share buy-backs are carried out to the full extent mandated; or
 - (iii) the date the said mandate is revoked or varied by the Shareholders in a general meeting;
- (C) in this Resolution:
- “Maximum Limit” means such number of Shares representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the general meeting at which the Proposed Share Buy-back Mandate is approved by the Shareholders; and
- “Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall be determined by the Directors, but must not exceed:

- (i) in the case of an On-Market Purchase of a Share, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase of a Share pursuant to an equal access scheme, 130% of the Highest Last Dealt Price of the Shares,

where:

“Average Closing Price” means the average closing price of the Shares over the period of five (5) days on which the SGX-ST is open for securities trading (“Market Days”) in which transactions in the Shares on the SGX-ST were recorded before the day on which such On-Market Purchase is made and deemed to be adjusted for any corporate action which occurs after the relevant five (5) day period;

“Highest Last Dealt Price” means the highest price transacted for a Share on the Market Day on which the Shares were transacted on the SGX-ST immediately preceding the date of the making of the offer pursuant to the Off-Market Purchase; and

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

As there were no further questions, the Chairman put Ordinary Resolution No. 10 to a vote by poll and, based on the polling results, declared it carried.

VOTING RESULTS

Based on the results of poll provided by the Scrutineer, the Company made the announcement through SGXNet on 24 April 2019:

Resolutions		Total number of shares represented by votes for and against the resolution	FOR		AGAINST	
			Number of shares	Percentage of total number of votes for and against the resolution (%)	Number of shares	Percentage of total number of votes for and against the resolution (%)
1.	To receive and adopt the Directors' Statement and the audited Financial Statements of the Company for the financial year ended 31 December 2018, together with the Independent Auditors' Report thereon.	36,079,552	35,956,017	99.66%	123,535	0.34%
2.	To approve the declaration of a first and final dividend for the financial year ended 31 December 2018 of NT\$2.8 per share.	36,133,052	36,126,652	99.98%	6,400	0.02%
3.	To approve Directors' Fees of NT\$9.2 million for the financial year ended 31 December 2018 to the Directors of the Company.	36,133,412	36,056,503	99.79%	76,909	0.21%
4.	To re-elect Mr. Andy C.W. Chen, retiring by rotation pursuant to Bye-law 94 of the Bye-laws of the Company.	36,087,152	35,269,216	97.73%	817,936	2.27%
5.	To re-elect Dr. Ng-Chee Tan, retiring by rotation pursuant to Bye-law 94 of the Bye-laws of the	36,087,852	35,764,371	99.10%	323,481	0.90%

	Company.					
6.	To re-elect Mr. Yi-Sing Chan, retiring by rotation pursuant to Bye-law 94 of the Bye-laws of the Company.	36,088,152	36,024,421	99.82%	63,731	0.18%
7.	To re-elect Mr. Ta-Sheng Chen, retiring pursuant to Bye-law 100 of the Bye-laws of the Company.	36,078,112	35,770,812	99.15%	307,300	0.85%
8.	To re-appoint KPMG LLP as auditors of the Company and to authorize the Directors of the Company to fix their remuneration.	36,033,152	35,983,252	99.86%	49,900	0.14%
9.	To approve the Proposed Share Issue Mandate.	36,076,252	35,368,939	98.04%	707,313	1.96%
10.	To approve the Proposed Renewal of Share Buy-back Mandate.	36,130,852	35,195,988	97.41%	934,864	2.59%

There being no further business, the proceedings then concluded.

CONFIRMED AS A TRUE RECORD OF THE PROCEEDINGS

Tsui-Hui Huang
Chairman of the Meeting