# HOHUP®

**HO HUP CONSTRUCTION COMPANY BERHAD**
[Registration No. 197301000497(14034-W)]
(Incorporated in Malaysia)

## NOTICE OF THE FORTY-SIXTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Forty-Sixth Annual General Meeting ("46th AGM") of Ho Hup Construction Company Berhad ("Ho Hup" or the "Company") will be held at Bukit Jalil Golf & Country Resort, Perdana Ballroom, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 22 July 2020 at 10:00 a.m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and the Auditors thereon ("Audited Financial Statements and Reports FY2019"). **[Please refer to Explanatory Note (a)]**

2. To approve the payment of Directors' fee of RM330,000 for the financial year ending 31 December 2020, to be payable on a quarterly basis in arrears. **(Resolution 1)**

3. To approve the payment of Directors' benefits up to an amount of RM65,000 from 23 July 2020 until the next Annual General Meeting ("AGM") of the Company. **(Resolution 2)**

4. To re-elect the following Directors of the Company who retire in accordance with Clause 93 of the Company's Constitution and being eligible, have offered themselves for re-election:
   (i) Dato' Mah Siew Kwok **(Resolution 3)**
   (ii) Mr. Chow Seck Kai **(Resolution 4)**
   (iii) Mr. Boey Tak Kong **(Resolution 5)**

5. To re-appoint Messrs UHY as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. **(Resolution 6)**

**SPECIAL BUSINESS**

To consider and, if thought fit, to pass the following resolutions:

6. **Ordinary Resolution** **(Resolution 7)**
**Continuing in office as Independent Non-Executive Director**

"**THAT** approval be and is hereby given to Mr. Chow Seck Kai who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

7. **Ordinary Resolution** **(Resolution 8)**
**Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016**

"**THAT** subject always to the Companies Act, 2016 and the approvals of the relevant authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act, 2016 to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 20% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad (Bursa Securities) and that such authority shall continue to be in force until the conclusion of the next AGM of the Company."

8. **Ordinary Resolution** ***(Resolution 9)***
**Proposed Authority for The Company to Purchase its own Ordinary Shares**

"**THAT**, subject to the Companies Act 2016, provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Main LR") and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company ("Company Shares") as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities as the Directors may deem fit, necessary and expedient in the interest of the Company ("Proposed Share Buy-Back"), provided that:-

i. the maximum aggregate number of Company Shares which may be purchased and/or held by the Company as treasury shares pursuant to the Proposed Share Buy-Back shall not exceed 10% of the total number of issued shares of the Company at any point in time of the said purchase(s); and

ii. the maximum funds to be allocated by the Company for the purpose of purchasing Company Shares pursuant to the Proposed Share Buy-Back shall not exceed the total retained profits of the Company based on the latest audited financial statements available at the time of the purchase(s);

**THAT** the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and shall continue to be in force until:-

i. the conclusion of the next Annual General Meeting ("AGM") at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

ii. the expiration of the period within which the next AGM is required by law to be held; or

iii. the authority is revoked or varied by an ordinary resolution passed by the shareholders in general meeting,

whichever occurs first;

**THAT** the Company Shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with by the Directors of the Company in their absolute discretion in all or any of the following manner:-

a. the shares so purchased may be cancelled; and/or the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or

b. part of the shares so purchased may be retained as treasury shares with the remainder being cancelled; and/or

c. transfer the shares, or any of the shares for the purposes of or under an employees' shares scheme; and/or

d. transfer the shares, or any of the shares as purchase consideration; and/or

e. deal with the shares in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time;

**AND THAT** the Directors of the Company be and are hereby authorised to take all such steps as are necessary and enter into any instrument, agreements or arrangements with any party or parties to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

9. **Ordinary Resolution** ***(Resolution 10)***

**Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPTs") of a Revenue or Trading Nature as set out in Section 2.4 of the Circular to Shareholders dated 26 June 2020 ("RRPT Circular")**

"**THAT**, subject to the provision of the Listing Requirements of Bursa Securities, approval be and is hereby given to Ho Hup Construction Company Berhad and its subsidiaries ("Ho Hup Group") to enter into and to give effect to specified RRPTs of a revenue or trading nature with the Related Parties as set out in Section 2.4 of the RRPT Circular, which are necessary for its day-to-day operations, to be entered into by Ho Hup Group on the basis that these transactions are entered into on terms which are not more favourable to the Related Party involved than generally available to the public and are not detrimental to the minority shareholders of the Company;

**THAT** the Proposed Renewal of Existing Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Renewal of Existing Shareholders' Mandate, shall only continue to be in force until:

(i) the conclusion of the next AGM of the Company following the general meeting at which the Proposed Renewal of Existing Shareholders' Mandate was passed, at which time it will lapse, unless by resolution passed at the general meeting, the authority is renewed; or

(ii) the expiration of the period within which the AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier;

**AND THAT** the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Renewal of Existing Shareholders' Mandate."

10. To transact any other business of which due notice shall have been given.

By order of the Board

Lim Shook Nyee (MAICSA 7007640)
Lee Heng Aun (MIA 10104)
Company Secretaries

Kuala Lumpur
26 June 2020

**Explanatory Notes:**

(a) This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements and Reports FY2019. Hence, this Agenda is not put forward for voting.

(b) Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at the general meeting.

In this respect, the Board wishes to seek shareholders' approval at the 46th AGM of the Company on the two (2) separate resolutions as below:

(i) Resolution 1 - Payment of Directors' fees for the financial year ending 31 December 2020

This resolution is to facilitate payment of Directors' fees on current financial year basis. In the event the Directors' fees proposed is insufficient due to enlarged Board size, approval will be sought at the next AGM for additional fees to meet the shortfall.

(ii) Resolution 2 - Payment of Directors' benefits

At the Forty-Fifth ("45th") AGM of the Company held on 30 May 2019, the Company had obtained the shareholders' approval for the payment of Directors' benefits to the Non-Executive Directors up to an amount of RM120,000 from 31 May 2019 until 22 July 2020, being the appointed date of holding the 46th AGM of the Company.

The proposed Resolution 2, if passed, will authorise the payment of Directors' benefits to the Non-Executive Directors up to an amount of RM65,000 with effect from 23 July 2020 until the next AGM of the Company in year 2021. The Directors' benefits payable to the Non-Executive Directors comprise the meeting allowances of RM65,000.

The Chief Executive Officer/Executive Directors do not receive any meeting allowances.

(c) Resolution 7 – Continuing in office as Independent Non-Executive Director

Mr. Chow Seck Kai was appointed as an Independent Non-Executive Director of the Company on 17 March 2010 and has been on the Board for over 9 years. The Board, through the Nomination Committee ("NC") had conducted an assessment of the independence of Mr. Chow Seck Kai as Independent Non-Executive Director and affirmed that he demonstrated complete independence in character and judgement both as Board member and in his roles as Committees member. He has a good understanding of the business of the Company and his knowledge and experience would continue to provide invaluable contribution to the Board. The Board (without the participation of Mr. Chow Seck Kai) therefore endorsed NC's recommendation for him to continue to act as an Independent Non-Executive Director of the Company.

(d) For Resolution 8, further information in relation to the general mandate for issue of securities is set out in the Statement Accompanying Notice of 46th AGM.

(e) Resolution 9, if passed, will empower the Directors to purchase the Company's shares through Bursa Malaysia Securities Berhad up to 10% of the issued shares of the Company. Details of the Proposed Share Buy Back is set out in the Share Buy Back Statement of the Company in the Circular to Shareholders dated 26 June 2020 circulated together with this Annual Report.

(f) Resolution 10, if passed, will renew the authority given to Ho Hup Group a mandate to enter into RRPTs of a revenue of trading nature with the related parties. The mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company. The Details of the Proposed Renewal of Existing Shareholders' Mandate are set out in the Circular to Shareholders dated 26 June 2020 circulated together with this Annual Report.

Notes:

*(i) In respect of deposited securities, only members whose names appear in the Record of Depositors on 15 July 2020 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.*

*(ii) A member entitled to attend and vote at the meeting is entitled to appoint proxy / proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.*

*(iii) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds which is credited with ordinary shares of the Company.*

*(iv) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

*(v) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.*

*(vi) The instrument appointing a proxy must be deposited at the office of the Registrar of the Company at ShareWorks Sdn. Bhd., 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.*

**REGISTRATION AND OTHER MATTERS**

(i) Registration will start at 9.00 a.m. and will end at a time as directed by the Chairman of the meeting. The Shareholders and Proxies are requested to be punctual as the registration for attendance will be closed to facilitate the commencement of poll voting.

(ii) Please register yourself either as a Shareholder or Proxy at the relevant booth and join the queue accordingly. Hand sanitisers are provided at the counter and attendees are encouraged to use them. Please also observe social distancing during the queue. All Shareholders/Proxies must wear mask at all times.

(iii) A temperature check will be conducted at the registration counter. The company reserves the right to prevent anyone with temperature above 37.5C to participate in the AGM.

(iv) Due to the rules and enforcement of the RMCO period and for hygiene reasons, no breakfast or lunch will be provided to Shareholders or Proxies who attend the AGM.