



HIL INDUSTRIES BERHAD

Registration No: 196901000472 (8812-M)
(Incorporated in Malaysia)

NOTICE OF THE 51ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-First (51st) Annual General Meeting of **Hil Industries Berhad** ("**the Company**") will be held at Bukit Kemuning Golf & Country Resort, Lot 6031, Batu 7, Bukit Kemuning, 42450 Shah Alam, Selangor Darul Ehsan on Thursday, 24 June 2021, at 11.00 a.m. for the purpose of transacting the following business:

AS ORDINARY BUSINESS

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| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2020 and the Reports of the Directors and Auditors thereon. | Please refer to Note 2. |
| 2. | To re-elect the following Directors who retire by rotation in accordance with Rule 144 of the Company's Constitution and who being eligible offer themselves for re-election: | |
| | (i) Tan Sri Dato' Dr. Sak Cheng Lum | Ordinary Resolution 1 |
| | (ii) Mat Ripen Bin Mat Elah | Ordinary Resolution 2 |
| | (iii) Ooi Hock Guan | Ordinary Resolution 3 |
| 3. | To approve the payment of Directors' fees up to an amount of RM100,000 in total from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting. | Ordinary Resolution 4 |
| 4. | To re-appoint HLB Ler Lum PLT as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Board of Directors to fix their remuneration. | Ordinary Resolution 5 |

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following as Ordinary Resolutions:

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| 5. | AUTHORITY TO ISSUE AND ALLOT SHARES IN GENERAL PURSUANT TO THE COMPANIES ACT 2016 | Ordinary Resolution 6 |
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"THAT pursuant to the Companies Act 2016 and the Constitution of the Company and subject to the approval by the relevant regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to 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 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

6. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

“THAT, subject always to the Companies Act 2016 (“the Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Securities and any other relevant regulatory authority, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities (“Proposed Share Buy-Back”) upon such terms and conditions as the Directors in their discretion deem fit and expedient in the best interest of the Company, provided that:

- (a) the maximum number of shares which may be purchased by the Company shall not exceed ten per cent (10%) of the total issued share capital of the Company at any point in time;
- (b) the maximum fund to be allocated by the Company for the purpose of purchasing the Company’s shares shall not exceed the aggregate of the retained earnings of the Company;
- (c) the authority conferred by this resolution will be effective upon passing of this resolution and will continue in force until:
 - (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time the 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 of the Company is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by shareholders in general meeting, whichever occurs first.
- (d) upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt with in the following manner:
 - (i) to cancel the shares so purchased;
 - (ii) to retain the shares so purchased as Treasury Shares;
 - (iii) to distribute the Treasury Shares as dividends to shareholders;
 - (iv) to resell the Treasury Shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; and
 - (v) any combination of the above (i), (ii), (iii) and (iv).

AND THAT authority be and is hereby given unconditionally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991) to implement or to effect the purchase(s) with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be required or imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company.”

7. PROPOSED RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

"THAT subject to the passing of Ordinary Resolution 1, approval be and is hereby given to Tan Sri Dato' Dr. Sak Cheng Lum, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2017."

**Ordinary
Resolution 8**

"THAT subject to the passing of Ordinary Resolution 2, approval be and is hereby given to Mat Ripen Bin Mat Elah, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2017."

**Ordinary
Resolution 9**

"THAT subject to the passing of Ordinary Resolution 3, approval be and is hereby given to Ooi Hock Guan, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2017."

**Ordinary
Resolution 10**

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

By Order of the Board

Cheam Tau Chern
Company Secretary
(MIA 18593)
[SSM PC No.: 201908000002]

Klang
7 May 2021

NOTES:

1. Proxy

- 1.1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- 1.2. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- 1.3. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- 1.4. 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.

- 1.5. The instrument appointing the proxy must be deposited at the Registered Office of the Company at Lot 3, Jalan Lada Sulah 16/11 Section 16, 40000 Shah Alam, Selangor Darul Ehsan not less than 48 hours before the time for holding the Meeting or adjournment thereof, and in default the instrument of proxy shall not be treated as valid.
- 1.6. Only members whose names appear in the Record of Depositors as at 17 June 2021 will be entitled to attend the Meeting or appoint proxies to attend and/or vote on his/her behalf.
- 1.7 Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of the 51st AGM will be put to vote by poll.

2. Audited Financial Statements for financial year ended 31 December 2020

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

3. Ordinary Resolution 6 – Authority for Directors to Issue and Allot Shares

Ordinary Resolution 6, if passed, will give powers to the Directors to issue and allot up to a maximum of 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next Annual General Meeting.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions. As at the date of this Notice, no new shares were issued pursuant to the authority granted to the Directors at the Fiftieth (50th) Annual General Meeting held on 10 September 2020, the mandate of which will lapse at the conclusion of the Fifty-First (51st) Annual General Meeting to be held on 24 June 2021.

4. Ordinary Resolution 7 – Proposed Renewal of Authority for the Company to Purchase its Own Shares

The proposed resolution, if passed, will allow the Company to purchase its own shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained earnings of the Company.

Further information on this resolution is set out in the Proposed Renewal of the Share Buy-Back Statement dated 7 May 2021 accompanying the Company's Annual Report for the financial year ended 31 December 2020.

5. Ordinary Resolution 8, 9 and 10 – Proposed Retention of Independent Non-Executive Directors

(i) Tan Sri Dato' Dr. Sak Cheng Lum

The Board, through the Nominating Committee ("NC"), has assessed the independence of Tan Sri Dato' Dr. Sak Cheng Lum and is satisfied that he can continue bringing independent views to the Board and safeguarding the minority interest of the Company. The Board believes his leadership quality, and knowledge and experiences will continue to contribute positively to the proceedings of the Board and the Board Committees. The Board therefore endorsed the NC's recommendation for him to be retained as an Independent Non-Executive Director.

(ii) Mat Ripen Bin Mat Elah

The Board, through the NC, has assessed the independence of Mat Ripen Bin Mat Elah and is satisfied that he is fair and impartial in carrying out his duties to the Company. As a Director, he continues to bring independent and objective judgements to Board deliberations and the decision-making process as a whole. The Board therefore endorsed the NC's recommendation for him to be retained as an Independent Non-Executive Director.

(iii) Ooi Hock Guan

The Board, through the NC, has determined that Ooi Hock Guan is fair and impartial in carrying out his duties to the Company. As Director, he continues to bring independent and objective judgements to Board deliberations and the decision-making process as a whole. He also possesses vast professional experience and brings the right mix of skills to the Board. The Board therefore endorsed the NC's recommendation for him to be retained as an Independent Non-Executive Director.

Shareholders' approval for Ordinary Resolutions 8, 9 and 10 will be sought on a two-tier voting basis.

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STATEMENT ACCOMPANYING NOTICE OF THE 51ST ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

1. DIRECTORS WHO ARE STANDING FOR RE-ELECTION

The Directors who are offering themselves for re-election at the Fifty-First (51st) Annual General Meeting of the Company are as follows:

- Tan Sri Dato' Dr. Sak Cheng Lum, a Director retiring under Rule 144 of the Company's Constitution.
- Mat Ripen Bin Mat Elah, a Director retiring under Rule 144 of the Company's Constitution.
- Ooi Hock Guan, a Director retiring under Rule 144 of the Company's Constitution.

2. DETAILS OF BOARD MEETINGS AND ATTENDANCE OF DIRECTORS

A total of four (4) Board Meetings were held during the financial year ended 31 December 2020.

All Directors have complied with the minimum attendance at Board Meetings as stipulated in the Bursa Malaysia Securities Berhad Listing Requirements during the financial year under review.

The attendance of each Director is as follows:

Name of Directors	No. of meetings attended/held	Percentage of Attendance (%)
Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock	4/4	100%
Tan Sri Dato' Dr. Sak Cheng Lum	4/4	100%
Mat Ripen Bin Mat Elah	4/4	100%
Dato' Milton Norman Ng Kwee Leong	4/4	100%
Steven Junior Ng Kwee Leng	3/3	100%
Malcolm Jeremy Ng Kwee Seng	4/4	100%
Ooi Hock Guan	4/4	100%
Ooi Hun Yong	3/3	100%

3. ORDINARY RESOLUTION ON AUTHORITY TO ISSUE AND ALLOT NEW ORDINARY SHARES IN HIL INDUSTRIES BERHAD ("HIB SHARES")

Details of the general mandate to issue and allot HIB Shares pursuant to the Companies Act 2016 are set out in the Explanatory Notes of the Notice of the 51st Annual General Meeting set out on pages 122 - 125 of this Annual Report.