



HIL INDUSTRIES BERHAD

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

NOTICE OF 52ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 52nd Annual General Meeting ("AGM") 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 Tuesday, 28 June 2022 at 11.00 a.m. for the purpose of transacting the following business:

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2021 and the Reports of the Directors and Auditors thereon. **Please refer to Note 2.**
- To re-elect the following Directors who retire in accordance with Rule 144 of the Company's Constitution and who being eligible offer themselves for re-election:
 - Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock **Ordinary Resolution 1**
 - Tan Sri Dato' Dr. Sak Cheng Lum **Ordinary Resolution 2**
 - Ooi Hun Yong **Ordinary Resolution 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**
- To re-appoint HLB Ler Lum Chew PLT as Auditor of the Company for the financial year ending 31 December 2022 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:

5. To consider AND ALLOT SHARES IN GENERAL PURSUANT TO THE COMPANIES ACT 2016 **Ordinary Resolution 6**

"THAT subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approval by the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company ("New Shares") from time to time, at such price to such persons for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued and allotted pursuant to this resolution when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being.

THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities."

6. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES **Ordinary Resolution 7**

"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 Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") 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:

- 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;
- 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;
- the authority conferred by this resolution will be effective upon passing of this resolution and will continue in force until:
 - 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
 - the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - revoked or varied by ordinary resolution passed by shareholders in general meeting, whichever occurs first.
- upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt with in the following manner:
 - to cancel the shares so purchased;
 - to retain the shares so purchased as Treasury Shares;
 - to distribute the Treasury Shares as dividends to shareholders;
 - to resell the Treasury Shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; and
 - 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 2, 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 nine (9) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2021." **Ordinary Resolution 8**

"THAT 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 nine (9) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2021." **Ordinary Resolution 9**

"THAT 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 nine (9) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2021." **Ordinary Resolution 10**

To consider and if thought fit, to pass the following as Special Resolution:

8. PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY **Special Resolution 1**

"THAT the proposed amendments to the Constitution of the Company as set out in "Appendix A", be and are hereby approved and adopted with immediate effect AND THAT the Directors of the Company be and are hereby authorised to assent to any conditions, modification, variation and/or amendments as may be required by any relevant authorities, and to do all such acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."

OTHER ORDINARY BUSINESS

- 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
29 April 2022

NOTES:

- Participation and Appointment of Proxy**
 - A member entitled to attend and vote at a 52nd Annual General Meeting ("AGM") 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.
 - The instrument appointing a proxy shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
 - Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
 - 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. An exempt authorised nominee refers to an authorised nominee under the SICDA which is exempted from compliance with the provisions of Section 25A(1) of the SICDA.
 - 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.
 - The instrument appointing the proxy ("proxy form") must be deposited at the Company's Share Registrar's office, **Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia** or alternatively, the proxy form be dropped at **Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia**.
 - Only members whose names appear in the Record of Depositors as at **21 June 2022** will be entitled to attend the meeting or appoint proxies to attend and/or vote on his/her behalf.
 - Please ensure **ALL** the particulars as required in the proxy form are completed and that the proxy form is signed and dated accordingly. The last date and time for lodging the proxy form is **Sunday, 26 June 2022 at 11.00 a.m.**
 - For a corporate member who has appointed a representative instead of a proxy to participate in this 52nd AGM, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged with the Company's Share Registrar earlier.
 - It is important that you read the Notification to Shareholders for the conduct of this 52nd AGM.
 - Shareholders are advised to check the Company's website at <https://www.hil.com.my> and announcements from time to time for any changes to the administration of this 52nd AGM that may be necessitated by changes to the directives, safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysia National Security Council, Securities Commission of Malaysia and/or other relevant authorities.
 - Pursuant to Paragraph 8.29A(1) of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of the 52nd AGM will be put to vote by poll.

Explanatory Notes on Ordinary Business

- Audited Financial Statements for financial year ended 31 December 2021**

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.

Explanatory Notes on Special Business

- Ordinary Resolution 6 – Authority for Directors to Issue and Allot Shares**

The proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company to issue and allot ordinary shares of the Company from time to time, provided that the aggregate number of shares issued pursuant to this resolution when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being subject to Paragraph 6.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"). 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 51st Annual General Meeting held on 23 September 2021, the mandate of which will lapse at the conclusion of the forthcoming 52nd Annual General Meeting to be held on 28 June 2022.

- 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 29 April 2022 accompanying the Company's Annual Report for the financial year ended 31 December 2021.

- Ordinary Resolutions 8, 9 and 10 – Proposed Retention of Independent Non-Executive Directors**

- 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.

- 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.

- 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.

- Special Resolutions 1 – Proposed Adoption of the New Constitution of the Company**

The Special Resolution proposed under item 8 of the Agenda in relation to the proposed amendments to the existing Constitution of the Company ("Proposed Amendments") are made mainly for the following purposes:

- mainly to have express constitutional provisions to allow remote participation at annual meetings and the appointment of proxy(ies) and/or representative(s) to attend, speak and vote at any general meeting/meeting of members of the Company and/or any adjournment thereof to be lodged via electronic means; and
 - to enhance administrative efficiency.
- The Proposed Amendments shall take effect once the special resolution has been passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the 52nd AGM.

PROPOSED AMENDMENTS TO THE CONSTITUTION OF HIL INDUSTRIES BERHAD ("THE COMPANY")

This is the Appendix A referred to in item 8 of the Agenda of the Notice of 52nd Annual General Meeting of the Company dated 29 April 2022.

The existing Constitution of the Company is amended in the following manner (for which differences are strikethrough and highlighted in bold below under the columns "Existing Rule" and "Proposed New Rule"):

Rule No.	Existing Rule	Rule No.	Proposed New Rule
60	The Company shall hold a general meeting in every calendar year and it shall be held within six (6) months of the Company's financial year end and not more than fifteen (15) months after the last preceding Annual General Meeting, at such time and place as may be determined by the Directors, in addition to any other meetings held during that period, to transact the following business: (a) the laying of audited financial statements and the reports of the Directors and Auditors; (b) the election of Directors in place of those retiring; (c) the appointment and the fixing of the fees and benefits of Directors; and (d) any resolution or other business of which notice is given in accordance with the Act or this Constitution.	60	The Company shall hold a general meeting fully virtual, virtual, hybrid or physical in every calendar year and it shall be held within six (6) months of the Company's financial year end and not more than fifteen (15) months after the last preceding Annual General Meeting, at such time and place as may be determined by the Directors, in addition to any other meetings held during that period, to transact the following business: (a) the laying of audited financial statements and the reports of the Directors and Auditors; (b) the election of Directors in place of those retiring; (c) the appointment and the fixing of the fees and benefits of Directors; and (d) any resolution or other business of which notice is given in accordance with the Act or this Constitution.
71	The Company may convene a meeting of Members at more than one venue using any technology or method that enables the Members of the Company to participate and to exercise the Members' right to speak and vote at the main venue. The main venue of the meeting shall be in Malaysia and the Chairman shall be present at the main venue.	71	The Company may convene a meeting of Members at more than one venue using any technology or method that enables the Members of the Company to participate and to exercise the Members' right to speak and vote at the meeting. (a) For a fully virtual general meeting, the main venue of the meeting shall be the Internet Resource Locator ("URL") address of the online meeting platform which is located in Malaysia and the Chairman shall be deemed to be present at the main venue of the meeting by his presence during the fully virtual meeting. (b) For a virtual general meeting, the main venue of the meeting shall be the broadcast venue which shall be located in Malaysia and the Chairman shall be physically present at the broadcast venue of the meeting. (c) For a hybrid or physical general meeting, the main venue of the meeting shall be in Malaysia and the Chairman shall be physically present at the main venue.
104.1	The instrument appointing a proxy shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The Directors may require evidence of the authority of any such attorney or officer.	104.1	The instrument appointing a proxy shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The Directors may require evidence of the authority of any such attorney or officer.
104.2	The instrument appointing a proxy shall be in the form as determined by the Directors from time to time. Unless the contrary is stated thereon, an instrument appointing a proxy, whether in the usual common form or not, shall be valid for any adjournment of the meeting as for the meeting to which it relates.	104.2	The instrument appointing a proxy shall be in the form or in such other permitted form (including the electronic proxy appointment and voting manner) as determined by the Directors from time to time. Unless the contrary is stated thereon, an instrument appointing a proxy, whether in the usual common form or not, shall be valid for any adjournment of the meeting as for the meeting to which it relates.
116	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office or at such other place as is specified for that purpose in the notice convening the meeting not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.	116	(a) Subject to the Act and the Listing Requirements, the Directors or any agent of the Company so authorised by the Directors, may accept the appointment of proxy received via electronic means on such terms and subject to such conditions as they consider fit. For the purpose of this Rule, the Directors may require such reasonable evidence that they consider necessary to determine and verify: (i) the identity of the Member and the proxy; and (ii) where the proxy is appointed by a person acting on behalf of the Member, the authority of that person to make the appointment. (b) Without prejudice to sub-Rule 116(a) above, the appointment of a proxy via electronic means must be received at the electronic address specified by the Company in any of the following sources and shall be subject to any terms, conditions or limitations specified therein: (i) The notice calling the meeting; (ii) The instrument of proxy sent out by the Company in relation to the meeting; or (iii) The website maintained by or on behalf of the Company. (c) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office or at such other place within Malaysia or in such other manner as specified for that purpose in the notice convening the meeting, or in the case of the appointment of proxy via electronic means, at the electronic address specified by the Company pursuant to Rule 116(b), not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
118	The Company shall have at least two (2) and not more than fifteen (15) Directors. Each Director must be a natural person who is at least eighteen (18) years of age. Subject to the Listing Requirements and any vacancy arising, at least two (2) Directors or at least one-third (1/3) of the Board of Directors, whichever is higher, shall be Independent Directors.	118	The Company shall have at least two (2) and not more than fifteen (15) Directors. Each Director must be a natural person who is at least eighteen (18) years of age. Subject to the Listing Requirements and any vacancy arising, at least two (2) Directors or at least half (1/2) of the Board of Directors, whichever is higher, shall be Independent Directors.
143.2	In addition to sub-Rule 143.1 above, directors who are deemed as Independent Directors, as defined by the Listing Requirements, shall be subject to annual retention by Members as follows: (a) For an independent Director who has served for a cumulative term of more than nine (9) years, the Company shall provide justification and seek shareholders' approval for his continued service as an independent Director and the resolution shall be passed by way of an Ordinary Resolution; and (b) For an independent Director who has served for a cumulative term of more than twelve (12) years, the Company shall seek shareholders' approval for his continued service as an independent Director through a two-tier voting process as defined by the Malaysian Code on Corporate Governance and the resolution shall be passed by way of an Ordinary Resolution.	143.2	In addition to sub-Rule 143.1 above, directors who are deemed as Independent Directors, as defined by the Listing Requirements, and who have served for a cumulative term of more than nine (9) years shall be subject to annual retention by Members. The Company shall provide justification and seek shareholders' approval for his continued service as an Independent Director through a two-tier voting process as defined by the Malaysian Code on Corporate Governance and the resolution shall be passed by way of an Ordinary Resolution.