

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM”) of Hua Yang Berhad (“HYB” or the “Company”) will be held at the Head Office of the Company at 4th Floor, C-21 Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor on Tuesday, 30 August 2022 at 11.30 a.m., or immediately after the conclusion or adjournment (as the case may be) of the 43rd annual general meeting (“AGM”) of HYB, which will be held at the same venue and on the same day at 10.30 a.m., whichever is later, or at any adjournment thereof, for the purpose of considering and if through fit, passing with or without modifications the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 88,000,000 NEW ORDINARY SHARES IN HYB (“HYB SHARE(S)” OR “SHARE(S)”) (“RIGHTS SHARE(S)”) ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 4 EXISTING HYB SHARES HELD, TOGETHER WITH UP TO 88,000,000 FREE DETACHABLE WARRANTS IN HYB (“WARRANT(S)”) ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED FOR AT AN ISSUE PRICE AND ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED RIGHTS ISSUE WITH WARRANTS”)

“THAT, subject to the passing of Ordinary Resolution 2 and the approvals of all relevant authorities and/or parties (if required) being obtained, where required, approval be and is hereby given to the Board of Directors of HYB (“Board”) for the following:-

- i. to provisionally allot and issue by way of a renounceable rights issue of up to 88,000,000 Rights Shares on the basis of 1 Rights Share for every 4 existing HYB Shares held by the shareholders of the Company whose names appear on the Record of Depositors of the Company as at the close of business on an entitlement date to be determined and announced later by the Board, together with up to 88,000,000 free detachable Warrants on the basis of 1 Warrant for every 1 Rights Share subscribed;
- ii. to issue such Rights Shares together with Warrants as may be required to give effect to the Proposed Rights Issue with Warrants, including any persons entitled on renunciation of the provisional allotments;
- iii. wherein each Warrant will carry the right to subscribe, subject to any adjustment in accordance with the deed poll constituting the Warrants (“Deed Poll”), at any time during the exercise period, for 1 new HYB Share at an exercise price to be determined and announced later by the Board;
- iv. to allot and issue such number of new HYB Shares arising from the exercise of the Warrants, from time to time during the tenure of the Warrants, in accordance with the provisions of the Deed Poll;
- v. to allot and issue such further Warrants and new HYB Shares arising from the exercise of such further Warrants as a consequence of any adjustment in accordance with the provisions of the Deed Poll and/or as may be required by the relevant authorities; and
- vi. to do all such acts and things including but not limited to the submission of the application to Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for the Rights Shares, Warrants and the new HYB Shares which may from time to time be allotted and issued arising from the exercise of the Warrants on the Main Market of Bursa Securities;

THAT any Rights Shares together with Warrants which are not taken up or validly taken up shall be made available for excess applications to the entitled shareholders and/or their renounee(s) who have applied for the excess Rights Shares with Warrants, and are intended to be allocated on a fair and equitable manner, on a basis to be determined by the Board;

THAT any fractional entitlements of the Rights Shares together with Warrants arising from the Proposed Rights Issue with Warrants, if any, shall be disregarded and dealt with in such manner as the Board shall in its sole and absolute discretion deems fit and expedient, and is in the best interests of the Company;

THAT the proceeds of the Proposed Rights Issue with Warrants will be utilised in the manner as set out in the circular to shareholders dated 12 August 2022 (“Circular”), and the Board be and is hereby authorised with full power to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board, may at its absolute discretion, deem fit, necessary, expedient and/or in the best interest of the Company, subject to the approval of the relevant authorities, where required;

THAT the Rights Shares shall, upon allotment and issuance, rank equally in all respects with the existing HYB Shares, save and except that the Rights Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the Rights Shares;

THAT the new HYB Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank equally in all respects with the existing HYB Shares, save and except that the new HYB Shares to be issued arising from the exercise of the Warrants shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of such new HYB Shares;

THAT the Board be and is hereby authorised to enter into and execute the Deed Poll with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required by the relevant authorities or deemed necessary by the Board, and with full powers to implement and give effect to the terms and conditions of the Deed Poll;

THAT the Board be and is hereby authorised to sign and execute all documents, enter into any arrangements, agreements and/or undertakings with any party or parties, do all things and acts as may be required to give effect to the Proposed Rights Issue with Warrants with full powers to assent to any conditions, variations, modifications and/or amendments including to vary the manner and/or the purpose of utilisation of proceeds arising from the Proposed Rights Issue with Warrants, if necessary, in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as they may deem fit, necessary and/or expedient to implement, finalise and give full effect to the Proposed Rights Issue with Warrants in the best interest of the Company;

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue to be in full force and effect until the Rights Shares together with Warrants to be issued pursuant to or in connection with the Proposed Rights Issue with Warrants have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue with Warrants.”

ORDINARY RESOLUTION 2

PROPOSED EXEMPTION UNDER SUBPARAGRAPH 4.08(1)(B) OF THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS (“RULES”) TO HENG HOLDINGS SDN BHD (“HHSB”) AND PERSONS ACTING IN CONCERT WITH IT (“PACS”), FROM THE OBLIGATION TO UNDERTAKE A MANDATORY OFFER FOR THE REMAINING HYB SHARES AND WARRANTS NOT ALREADY OWNED BY THEM PURSUANT TO THE PROPOSED RIGHTS ISSUE WITH WARRANTS (“PROPOSED EXEMPTION”)

“THAT subject to the passing of Ordinary Resolution 1 and the relevant approvals from the Securities Commission Malaysia (“SC”) and/or any other relevant authorities and/or parties being obtained, including such conditions as may be imposed by the SC, approval be and is hereby given to HHSB and its PACs under subparagraph 4.08(1)(b) of the Rules to be exempted from the obligation to undertake a mandatory offer to acquire all the remaining HYB Shares and Warrants not already owned by them pursuant to the Proposed Rights Issue with Warrants;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give full effect to the Proposed Exemption with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as they may deem fit, necessary and/or expedient to implement, finalise and give full effect to the Proposed Exemption.”

By Order of the Board

LEONG OI WAH (MAICSA 7023802) (SSM Practising Certificate No. 201908000717)
TAN HWAI LUN (MIA 24085) (SSM Practising Certificate No. 202008001765)
LAM CHO WAI (MIA 37324) (SSM Practising Certificate No. 202008001864)

Company Secretaries

Selangor Darul Ehsan
12 August 2022

Notes :

1. Only members whose name appear in the Record of Depositors as at 24 August 2022 will be entitled to attend the EGM or appoint a proxy/proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and vote on his/her stead.
2. A member entitled to attend and vote at the EGM is entitled to appoint a proxy/proxies who may but need not be a member/members of the Company to attend and vote in his/her stead.
3. 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.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industries (Central Depositories) Act, 1991 (“SICDA”), it may appoint up to two (2) proxies in respect of each securities account it may hold with ordinary shares of the Company standing to the credit of the said securities account.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy must be deposited at the Registered Office of the Company at C-21, Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor not less than forty-eight (48) hours before the time appointed for the EGM or any adjournment thereof.
6. Pursuant to paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of EGM will be put to vote by poll. Poll administrators and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

Personal Data Privacy:-

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company hereby agrees and consents that any of your personal data in our possession shall be processed by us in accordance with our Personal Data Protection Notice set out in www.huayang.com.my. Further, you hereby warrant that relevant consent has been obtained for us to process any third party’s personal data provided by you in accordance with our said Personal Data Protection Notice.