



HIL INDUSTRIES BERHAD

(Company No. 8812-M)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM”) of Hil Industries Berhad (“HIL” or the “Company”) will be held at Bukit Kemuning Golf & Country Resort, Lot 6031, Batu 7, Bukit Kemuning, 42450 Shah Alam, Selangor Darul Ehsan on Wednesday, 13 September 2017 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolution, with or without modification:

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF UP TO 55,742,828 NEW ORDINARY SHARES IN HIL (“HIL SHARE(S)” OR “SHARE(S)”) (“BONUS SHARE(S)”) TO BE CREDITED AS FULLY PAID-UP, TOGETHER WITH UP TO 55,742,828 FREE DETACHABLE WARRANTS (“WARRANT(S)”), ON THE BASIS OF ONE (1) BONUS SHARE TOGETHER WITH ONE (1) WARRANT FOR EVERY FIVE (5) EXISTING HIL SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED BONUS ISSUE OF SHARES WITH WARRANTS” OR “PROPOSAL”)

“THAT subject to approvals of all relevant authorities being obtained, the Board of Directors of HIL (“Board”) be and is hereby authorised to issue up to 55,742,828 Bonus Shares to be credited as fully paid-up, together with up to 55,742,828 Warrants in registered form and constituted by a deed poll constituting the Warrants to be executed by the Company (“Deed Poll”), on the basis of one (1) Bonus Share together with one (1) Warrant for every five (5) existing HIL Shares held by the shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined later;

THAT the Board be and is hereby authorised to capitalise a sum of RM1,280,872 and up to RM26,590,542 from the Company’s share premium and retained profits accounts, respectively, for the purposes of the Proposed Bonus Issue of Shares with Warrants, and to apply such capitalised sums to make payment in full for up to 55,742,828 Bonus Shares;

THAT the Board be and is hereby authorised to enter into and execute the Deed Poll with full power to assent to any conditions, variations, modification and/or amendment in any manner as may be required or imposed by any relevant authorised or deemed necessary by the Board, and subject to all provisions and adjustments contained in the Deed Poll, to assent to any modifications and/or amendment to the exercise price, exercise period and/or number of Warrants as may be required or permitted to be revised as consequence of any adjustments under the provisions of the Deed Poll with full power to implement and give effects to the terms and conditions of the Deed Poll, and to take all steps as the Board deems fit or expedient in order to implement, finalise and give full effect to the Deed Poll;

THAT the Board be and is hereby authorised to issue such additional Warrants as may be required or permitted to be issued as consequences of any adjustments under the provisions in the Deed Poll (“Additional Warrant(s)“);

THAT the Board be and is hereby authorised to issue and allot such appropriate new number of HIL Shares arising from the exercise of the Warrants by the holders of the Warrants of their rights in accordance with the provisions of the Deed Poll, including such appropriate number of new HIL Shares arising from the exercise of subscription rights represented by the Additional Warrants;

THAT the Board be and is hereby authorised to deal with any fractional entitlements of the Bonus Shares and Warrants arising from the Proposal, if any, in such a manner at its absolute discretion as the Board may deem fit, expedient and in the best interest of the Company;

THAT the Bonus Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing HIL Shares, save and except that the registered holders of the Bonus Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to shareholders of the Company, where the entitlement date is before the date of allotment of the Bonus Shares;

THAT the new HIL Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank *pari passu* in all respects with the existing HIL Shares, save and except that the registered holders of new HIL Shares to be issued arising from the exercise of the Warrants will not be entitled to participate in any dividends, rights, allotments and/or other distributions that may be declared, made or paid to shareholders of the Company, where the entitlement date is before the date of allotment of new HIL Shares to be issued arising from the exercise of the Warrants;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts, deeds and things as may be required to give effect to and complete the Proposed Bonus Issue of Shares with Warrants 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 acts, deeds and things for and on behalf of the Company in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Shares with Warrants.”

BY ORDER OF THE BOARD

CHEAM TAU CHERN (MIA 18593)

TEOH YAR LEY (MIA 29224)

Joint Company Secretaries

Selangor Darul Ehsan

18 August 2017

Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint up to two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. In the case of a corporate member, the instrument appointing a proxy shall be under its Common Seal or under the hands of its attorney.
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.
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.
5. The instrument appointing a 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 any adjournment thereof.
6. Only members whose names appear in the Record of Depositors as at 6 September 2017 shall be entitled to attend, speak and vote at the meeting.
7. Any alteration made on this form should be initialled by the person who signs it.