



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourth Annual General Meeting of Heng Huat Resources Group Berhad ("Heng Huat" or the "Company") will be held at Ballroom I, Lower Level 1, Hotel Equatorial, No. 1, Jalan Bukit Jambul, Bayan Lepas, 11900 Penang on Thursday, 25 June 2015 at 10.30 a.m for the transaction of the following business:

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2014 together with the Reports of the Directors and Auditors thereon.
- To approve the payment of Directors' fees for the financial year ended 31 December 2014.
- To re-elect the following Directors retiring pursuant to Article 81 of the Company's Articles of Association and who, being eligible, offer themselves for re-election:-
 - Mr. H'ng Choon Seng
 - Mr. Kee Swee Lai
 - Mr. Lim Ghim Chai
- To re-appoint Messrs. BDO as Auditors of the Company until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration.

Ordinary Resolution 1

Ordinary Resolution 2
Ordinary Resolution 3
Ordinary Resolution 4

Ordinary Resolution 5

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions, with or without modification, as Ordinary/Special Resolutions:

5. AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR THE DIRECTORS TO ISSUE SHARES

"THAT, subject always to the Companies Act, 1965 ("the Act"), the Articles of Association of the Company and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby authorised, pursuant to Section 132D of the Act, to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deemed fit, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being and that the Directors are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares to be issued."

Ordinary Resolution 6

6. PROPOSED AMENDMENT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY TO FACILITATE THE PROPOSED TRANSFER LISTING FROM THE ACE MARKET TO THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("PROPOSED ARTICLE AMENDMENT")

"THAT, subject to the approval of Bursa Malaysia Securities Berhad ("Bursa Securities"), Securities Commission and other relevant government and/or regulatory authorities on the proposed transfer of listing of the Company from the ACE Market to the Main Market of Bursa Securities ("Proposed Transfer Listing"), the proposed amendment to the Articles of Association of the Company to facilitate the Proposed Transfer Listing as contained in Appendix A annexed to the Annual Report be and are hereby approved.

AND THAT the Directors of the Company be and are hereby authorized to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all steps as may be considered necessary to give full effect to the Proposed Amendment."

Special Resolution 1

- To transact any other business of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

Notes on Special Business:-

1. Ordinary Resolution 6 - Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares

The proposed Ordinary Resolution 6, if passed, will give authority to the Board of Directors to issue and allot ordinary shares from the unissued capital of the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

This is a new mandate and it will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

2. Special Resolution 1 - Proposed amendment to the Articles of Association of the Company to Facilitate The Proposed Transfer Listing From The ACE Market To The Main Market of Bursa Malaysia Securities Berhad

The proposed Special Resolution 1, if passed, will facilitate the proposed transfer listing from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad which is subject to the approval of Bursa Securities, Securities Commission and other relevant government and/or regulatory authorities.

Detail information on the Proposed Amendment to the Articles of Association are set out in page 126 of the 2014 Annual Report.

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of Heng Huat Resources Group Berhad ("Heng Huat" or the "Company") will be held at Ballroom I, Lower Level 1, Hotel Equatorial, No. 1, Jalan Bukit Jambul, Bayan Lepas, 11900 Penang on Thursday, 25 June 2015 at 11.00 a.m., or immediately after the conclusion or adjournment (as the case may be) of the Fourth (4th) Annual General Meeting of the Company to be held at the same venue and on the same day at 10.30 a.m., whichever is the later or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications the following ordinary resolutions:

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF 102,900,015 NEW ORDINARY SHARES OF RM0.10 EACH IN HENG HUAT ("HENG HUAT SHARES" OR "SHARES") ("BONUS SHARES") ON THE BASIS OF ONE (1) NEW SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED BONUS ISSUE")

"THAT subject to the approvals of all relevant authorities or parties being obtained (where required), for the listing of and quotation for the Bonus Shares, authority be and is hereby given to the Board of Directors of the Company ("Board") to capitalise an amount of RM10,290,002 out of the Company's share premium account, and to apply the same for the purposes of issuing 102,900,015 Bonus Shares in the share capital of the Company credited as fully paid-up to the shareholders of the Company whose names appear in the Record of Depositors of the Company at the close of business on an entitlement date to be determined by the Board on the basis of one (1) Bonus Share for every two (2) existing Shares held then by such shareholders on that date;

THAT fractional entitlements arising from the Bonus Shares, if any, shall be dealt in such a manner as the Board shall in their absolute discretion deem fit and expedient 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 Heng Huat Shares, save and except that the Bonus Shares will not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid to the shareholders, the entitlement date of which is prior to the date of allotment of the Bonus Shares;

AND THAT the Board be and is hereby authorised to sign and execute all documents to give effect to the Proposed Bonus Issue with full powers to amend and/or assent to or comply with any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities and to deal with all matters relating thereto and to take all steps and do all acts and things in any manner as the Board may consider necessary or expedient in order to implement, finalise and give full effect to the Proposed Bonus Issue."

ORDINARY RESOLUTION 2

PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

"THAT subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related party as set out in Part B, Section 2.3 of the Circular to Shareholders dated 29 May 2015, provided that such transactions are necessary for the day-to-day operations; and undertaken in the ordinary course of business, on arm's length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company.

THAT such approval shall continue to be in force until:-

- the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming EGM at which the Proposed Shareholders' Mandate is passed, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed;
- the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but will not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by a resolution passed by the shareholders in a general meeting; whichever is the earlier;

AND THAT the Board be and is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate."

By Order of the Board

Ooi Yoong Yoong (MAICSA 7020753)

Secretary

Penang

29 May 2015

Notes:-

Appointment of Proxy for the AGM and EGM

- A member of the Company entitled to attend and vote is entitled to appoint any person as his proxy to attend and vote in his stead. There is no restriction as to the qualification of the proxy. Section 149(1)(b) & (c) of the Act shall not apply to the Company.
- This instrument duly completed must be deposited at the registered office of the Company at 39 Salween Road 10050 Penang or such other place as is specified for that purpose not less than forty eight (48) hours before the time for holding the meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its Seal or the hand of its attorney.
- A member shall not, subject to Paragraph (5) below, be entitled to appoint more than two (2) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
- Where a member of the Company is an exempt authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, 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 authorized nominee may appoint in respect of each omnibus account it holds.

General Meeting Record of Depositors

- Only a depositor whose name appears on the Record of Depositors of the Company as at 18 June 2015 shall be entitled to attend the AGM and EGM or appoint proxies to attend, speak and/or vote on his/her behalf.