



## HENG HUAT RESOURCES GROUP BERHAD

Registration No. 201101041555 (969678-D)  
(Incorporated in Malaysia)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of Heng Huat Resources Group Berhad ("Heng Huat" or "Company") will be held at No. 1353, Jalan Sungai Baong, Taman Industri Perabot, Sungai Baong, 14200 Sungai Jawi, Pulau Pinang ("Venue") on Tuesday, 23 March 2021 at 8.00 a.m., or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

#### ORDINARY RESOLUTION

**PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 46,235,800 NEW ORDINARY SHARES IN HENG HUAT ("HENG HUAT SHARES") ("RIGHTS SHARES") ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 2 EXISTING HENG HUAT SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED ("ENTITLEMENT DATE"), TOGETHER WITH UP TO 69,353,700 FREE DETACHABLE WARRANTS ("WARRANTS") ON THE BASIS OF 3 WARRANTS FOR EVERY 2 RIGHTS SHARES SUBSCRIBED FOR ("PROPOSED RIGHTS ISSUE OF SHARES WITH WARRANTS")**

"THAT subject to the approvals of the relevant authorities and/or parties having been obtained (if required), approval be and is hereby granted to the Board of Directors of the Company ("Board") to:

- (i) provisionally allot and issue by way of a renounceable rights issue of up to 46,235,800 Rights Shares on the basis of 1 Rights Share for every 2 existing Heng Huat Shares held on the Entitlement Date at an issue price of RM0.20 per Rights Share, together with up to 69,353,700 Warrants on the basis of 3 Warrants for every 2 Rights Shares subscribed for at an exercise price of RM0.20 per Warrant, to the shareholders of Heng Huat whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date ("Entitled Shareholders") with a minimum subscription level of 10,656,250 Rights Shares with 15,984,375 Warrants to raise minimum gross proceeds of RM2,131,250;
- (ii) enter into and execute the deed poll in relation to the Warrants ("Deed Poll") and to do all acts, deeds and things as they may deem fit or expedient in order to implement, finalise and give full effect to the aforesaid Deed Poll; and
- (iii) use the proceeds to be derived from the Proposed Rights Issue of Shares with Warrants in the manner as set out in the circular to shareholders dated 8 March 2021 ("Circular") and vary the manner and/or purpose of utilisation of such proceeds as they may deem fit and in the best interest of the Company, subject to the approval of the relevant authorities (where required).

THAT approval be and is hereby given to the Board to create and issue the Warrants and such additional Warrants ("Additional Warrants") as may be required or permitted to be issued as a consequence of the adjustments based on the indicative salient terms of the Warrants as set out in the Circular and the terms and conditions of the Deed Poll.

THAT approval be and is hereby given to the Board to allot and issue such Additional Warrants as may be required or permitted to be issued as a result of any adjustments under the provisions of the Deed Poll.

THAT approval be and is hereby given to the Board to allot and issue such number of Heng Huat Shares arising from the exercise of the Warrants or Additional Warrants during the exercise period of the Warrants in accordance with the terms of the Deed Poll, including such appropriate number of new Heng Huat Shares arising from the exercise of subscription rights represented by any Additional Warrants.

THAT the shareholders' fractional entitlements, if any, will be disregarded and dealt with by the Board in such manner at its absolute discretion as it may deem fit or expedient and in the best interest of the Company.

THAT the Rights Shares with Warrants which are not taken up or validly taken up shall be made available for excess applications by the Entitled Shareholders and/or their renounee(s)/ transferee(s) (if applicable). It is the intention of the Board to allocate the excess Rights Shares and Warrants in a fair and equitable manner on a basis to be determined by the Board and announced thereupon by the Company.

THAT the Rights Shares and new Heng Huat Shares to be issued from the exercise of Warrants and/or Additional Warrants shall, upon allotment and issuance, rank equally in all respects with the then existing Heng Huat Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other forms of distributions, the entitlement date of which is prior to the dates of allotment and issuance of the Rights Shares and the new Heng Huat Shares to be issued arising from the exercise of Warrants and/or Additional Warrants.

AND THAT the Board be and is hereby authorised to take all such necessary steps to give full effect to the Proposed Rights Issue of Shares with Warrants with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or deemed necessary by the Board, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Rights Issue of Shares with Warrants."

#### By Order of the Board

**HING POE PYNG (MAICSA 7053526)**  
**SSM PC NO. 202008001322**

**WONG YEE LIN (MIA 15898)**  
**SSM PC NO. 201908001793**  
Joint Company Secretaries

Pulau Pinang  
Date: 8 March 2021

#### Notes:

1. A member entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy save that the proxy must be of full age.
2. When a member appoints more than one (1) proxy, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, such member may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
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 (1) 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 51-8-A, Menara BHL, Jalan Sultan Ahmad Shah, 10050 Georgetown, Pulau Pinang or by fax at 04-373 6615 or email to enquiry@braxton.com.my, not less than twenty-four (24) hours before the time appointed for holding the EGM or any adjournment thereof.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing. If the appointor is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.
7. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 15.9 of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue, a Record of Depositors as at 12 March 2021 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend, speak and vote at this meeting or appoint proxy/proxies to attend, speak and/or vote in his/her stead.
8. The resolution as set out in this notice of EGM is to be voted by poll.

#### Notes on Administrative Matters

The health and safety of our members and staff who will attend the EGM are the top priority of the Company. Hence, the following precautionary measures will be taken for the conduct of the EGM:

1. All attendees must sanitise their hands and will be required to wear face masks, undergo temperature check, provide contact details and make health declaration prior to entering the meeting venue.
2. All attendees are required to wear face mask at all times, download MySejahtera mobile application and scan the QRcode at the EGM venue for contact tracing, if required in the future by any relevant parties.
3. All attendees are required to practice social distancing of at least 1 meter throughout the EGM and only allowed to sit at the place arranged by the Company.
4. Shareholders/proxies who are feeling unwell or have been placed on quarantine orders or stay-at-home notices, you are advised to refrain from attending the EGM in person.
5. Any attendee with body temperature of 37.5°C and above or exhibits flu-like symptoms will not be allowed to enter the meeting hall.
6. All attendees who are under Investigation and/or Person under Surveillance of COVID-19 are not allowed to attend the EGM.
7. There will be no refreshment and no door-gift provided to the attendees.
8. Shareholders/proxies are advised to arrive early at the EGM venue given that the above-mentioned precautionary measures may cause delay in the registration process.
9. Shareholders are required to register ahead of the EGM to allow the Company to make the necessary arrangements in relation to the meeting i.e. infrastructure, logistics and meeting venue(s) to accommodate the meeting participants. Thus, kindly RSVP your intention to attend the EGM by email to ir@henghuat.com.my.