



Hengyuan Refining Company Berhad

Registration No. 196001000259 (3926-U)

NOTICE IS HEREBY GIVEN that the Sixty-Second Annual General Meeting (62nd AGM) of Hengyuan Refining Company Berhad (the Company) will be held entirely through live streaming from the broadcast venue at **Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia (Broadcast Venue) on Tuesday, 25 May 2021 at 10.00 a.m.** to transact the following businesses:

AGENDA

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2020 and the Reports of the Directors and Auditors thereon.
[Please refer to Note (a)]
- To re-elect the following Directors retiring in accordance with Article 81(c) of the Constitution of the Company, and who being eligible, have offered themselves for re-election:
 - Mr Liang Kok Siang
 - Mr Surinderdeep Singh Mohindar Singh
- To re-elect Ms Loy Swee Im who is retiring in accordance with Article 81(h) of the Constitution of the Company, and who being eligible, have offered herself for re-election.
- To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company until the conclusion of the next Annual General Meeting (AGM) and to authorise the Directors to fix their remuneration.
- To approve payment of Non-Executive Directors' fees and benefits of up to RM 2,300,000.00 for the period from 1 June 2021 until 31 May 2022.
[Please refer to Note (b)]

(Ordinary Resolution 1)
(Ordinary Resolution 2)

(Ordinary Resolution 3)

(Ordinary Resolution 4)

(Ordinary Resolution 5)

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:-

- PROPOSED RENEWAL OF AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**
"THAT subject to Sections 75 and 76 of the Companies Act, 2016 (the Act), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) and the approval of 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 capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (New Shares) from time to time, at such price, to such persons and 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, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, 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 **AND THAT** such authority shall continue to be in force until the conclusion of the next AGM of the Company."
[Please refer to Note (c)]

(Ordinary Resolution 6)

(Ordinary Resolution 7)

- PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**
"THAT subject always to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities (Listing Requirements) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:
 - the aggregate number of issued shares in the Company (Shares) purchased (Purchased Shares) and / or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
 - the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and / or the latest management accounts (where applicable) available at the time of the purchase,
 (Proposed Share Buy-Back).
AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:
 - the conclusion of the next AGM of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;

- the expiration of the period within which the next AGM after that date is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and / or orders of any relevant authorities for the time being in force:

- To cancel all or part of the Purchased Shares;
- To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- To resell all or part of the treasury shares;
- To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- To transfer all or part of the treasury shares as purchase consideration;
- To sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and / or
- To deal with the treasury shares in the manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and / or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient, including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties, to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities.
[Please refer to Note (d)]

8. PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (Ordinary Resolution 8)

"THAT subject to the Listing Requirements, approval be and is hereby given for the Company to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.2.2 of the Circular to Shareholders dated 26 April 2021 which are necessary for day-to-day operations and are carried out in the ordinary course of business on terms which are not more favourable to the related parties than those generally available to the public and are undertaken on an arms' length basis and not to the detriment of minority shareholders;

AND THAT the authority conferred by such mandate shall commence upon the passing of this resolution and continue to be in full force until:

- the conclusion of the next AGM of the Company at which this shareholders' mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed;
- the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(4) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier;
AND THAT the Board of Directors be and is hereby authorised to complete and do all such acts and things as it may consider expedient or necessary (including executing such documents as may be required) to give effect to the transactions contemplated and / or authorised by this mandate."
[Please refer to Note (e)]

- To transact any other business of the Company of which due notice shall have been given in accordance with the Act and the Constitution of the Company.

BY ORDER OF THE BOARD

Lim Hooi Mooi (SSM PC No. 201908000134/ MAICSA No. 0799764)
Ong Wai Leng (SSM PC No. 202008003219/ MAICSA No. 7065544)
Company Secretaries

Dated this 26 April 2021
Kuala Lumpur

NOTES:-

- In view of the COVID-19 pandemic and as part of the safety measures, the Company's 62nd Annual General Meeting (AGM) will be conducted on a fully virtual basis through live streaming and online remote voting using the Remote Participation and Voting (RPV) facilities provided by Tricor Investor & Issuing House Services Sdn Bhd (Tricor) via its TIH Online website at <https://tjih.online>.
- The Broadcast Venue of the AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 (the Act) which requires the Chairperson of the meeting to be present at the main venue of the meeting. **NO SHAREHOLDERS / PROXY(IES) WILL BE ALLOWED TO BE PHYSICALLY PRESENT AT THE BROADCAST VENUE.**
- Shareholders may exercise their right to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, participate) remotely at the 62nd AGM via the RPV facilities provided by Tricor via its **TIH Online website at <https://tjih.online>**.
Please refer to the "Procedures for RPV" in the Administrative Guide for the Company's 62nd AGM and take note of Notes (4) to (16) below in order to register, participate and vote remotely via the RPV facilities. The Company may be required to change the arrangements of the AGM at short notice due to the constantly evolving COVID-19 situation in Malaysia. Kindly check Bursa Malaysia Securities Berhad's website and the Company's website at www.hrc.com.my for the latest updates on the status of the AGM.
- For the purpose of determining a member who shall be entitled to participate in this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a **Record of Depositors as at 18 May 2021** and only a depositor whose name appears on the Record of Depositors shall be entitled to participate at the AGM or appoint proxy(ies) to participate in his stead.
- A member who is entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his / her place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM. A member may appoint more than one proxy in relation to a meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.
- 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.
- Where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- The instrument appointing a proxy shall be in writing and signed by the appointor or by his attorney who is authorised in writing. In the case of a corporation, the instrument appointing a proxy or proxies must be made under seal or signed by an officer or an attorney duly authorised.
- The signature to the instrument appointing a proxy or proxies executed outside Malaysia must be attested by a solicitor, notary public, consul or magistrate.
- A member who wishes to participate at this AGM or a member who has appointed a proxy or attorney or authorised representative to participate at this AGM **must sign up or request that his / her proxy sign up as a TIH Online user at <https://tjih.online>**.

Members, proxies, attorneys or authorised representatives who have registered as a TIH Online user **must register to attend and participate at the AGM via RPV (AGM Registration). AGM Registration is open from Monday, 26 April 2021 until the day of the AGM on Tuesday, 25 May 2021.** Please follow the steps detailed in the "Procedures for RPV" section of the Administrative Guide for the Company's 62nd AGM.

- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time set for holding the AGM at which the person named in the appointment proposes to vote:-

(i) **In Hard Copy Form**
By hand or post to the office of the share registrar of the Company, 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 its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) **By Electronic Form**
The proxy form can be submitted electronically via Tricor's TIH Online Website at <https://tjih.online>. Kindly refer to the Administrative Guide on the procedure for electronic lodgement of the proxy form.

The last date and time for lodging the proxy form is **Sunday, 23 May 2021 at 10.00 a.m.**, we recommend that the appointment of proxy be done as early as possible so that the appointed proxy has sufficient time to complete the AGM Registration.

- Appointments of corporate representative / power of attorney can be submitted either electronically or by hard copy in accordance with the instructions for lodgement in Note 13 above.

- The certificate of appointment of a corporate representative should be executed in the following manner:
 - If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any director and / or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

- A copy of the power of attorney may be accepted, provided that it is certified notarially and / or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

Explanatory Notes:

- Agenda No 1**
This item is meant for discussion only. The provisions of Section 340(1)(a) of the Act require that the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at its AGM. As such, this Agenda item is not a business which requires a resolution to be put to vote by shareholders.
- Ordinary Resolution No 5**
This resolution is to facilitate payment of Non-Executive Directors' fees and benefits for the period from 1 June 2021 to 31 May 2022.

In the event the Non-Executive Directors' fees and benefits proposed are insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

Directors' benefits include meeting allowances and other emoluments payable to Directors and in determining the estimated total the Board had considered various factors including the number of scheduled meetings for the Board and Board Committees and covers the period from 1 June 2021 to 31 May 2022.

- Ordinary Resolution No 6**
The proposed Resolution No 6, if passed, will empower the Directors of the Company to issue and allot ordinary shares of the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company.

This proposed Resolution is a renewal of the previous year's mandate. The mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

The purpose of this general mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising exercises, including but not limited to further placement of shares for the purposes of funding current and / or future investment projects, working capital, repayment of bank borrowings, acquisitions and / or for the issuance of shares as settlement of purchase consideration, or other circumstances arise which involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company.

As at the date of this notice, the Company did not implement its proposal for new allotment of shares under the general mandate pursuant to Sections 75 and 76 of the Act which was approved by the shareholders at the 61st AGM held on 23 June 2020 and will lapse at the conclusion of the 62nd AGM to be held on 25 May 2021. As at the date of this notice, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

- Ordinary Resolution No 7**
The proposed Resolution No 7, if passed, will empower the Directors to purchase, on behalf of the Company, up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

For further information, please refer to the Share Buy-Back Statement dated 26 April 2021 accompanying the Company's Annual Report for the financial year ended 31 December 2020.

- Ordinary Resolution No 8**
The proposed Ordinary Resolution 8 is to seek renewal of the Shareholders' Mandate and approval for the new Shareholders' Mandate to allow the Company and / or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature and to enable the Company to comply with Paragraph 10.09, Part E of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. The mandate will take effect from the date of the passing of the ordinary resolution until the next AGM of the Company unless it is revoked or varied at a general meeting. For further information, please refer to the Circular to Shareholders dated 26 April 2021 accompanying the Company's Annual Report for the financial year ended 31 December 2020.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

- There is no person seeking election as director of the Company at this Annual General Meeting.
- Details of the general mandate to issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note (c) of the Notice of AGM.