

CIRCULAR DATED 12 JUNE 2007

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Hwa Hong Corporation Limited (the “**Company**”), you should immediately forward this Circular and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent for onward transmission to the purchaser or transferee.



HWA HONG CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 195200130C)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**THE PROPOSED PAYMENT OF DIRECTORS' FEES AMOUNTING TO S\$370,000 TO
THE NON-EXECUTIVE DIRECTORS OF THE COMPANY FOR
THE FINANCIAL YEAR ENDED 31 DECEMBER 2006**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	26 June 2007 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	28 June 2007 at 10.00 a.m.
Place of Extraordinary General Meeting	:	Conference Room, Level 2 38 South Bridge Road Singapore 058672

DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

- “Board” : The board of Directors of the Company as at the Latest Practicable Date
- “CDP” : The Central Depository (Pte) Limited
- “Circular” : This circular to Shareholders dated 12 June 2007
- “Companies Act” : The Companies Act, Chapter 50 of Singapore
- “CPF” : Central Provident Fund
- “Directors” : The directors of the Company as at the date of this Circular
- “EGM” : Extraordinary general meeting of the Company to be held on 28 June 2007 (and any adjournment thereof), notice of which is set out on page 5 of this Circular
- “FY2006” : Financial year ended 31 December 2006
- “Latest Practicable Date” : The latest practicable date prior to the printing of this Circular, being 8 June 2007
- “non-Executive Directors” : Non-executive directors of the Company during FY2006, namely, Messrs Hans Hugh Miller, Guan Meng Kuan, Chew Loy Kiat, Goh Kian Hwee, Boon Suan Lee, Ma Kah Woh, Paul, and Wee Sin Tho
- “Securities Account” : A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
- “Shareholders” : Persons who are registered as holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons named as Depositors in the Depository Register and whose Securities Accounts are credited with Shares
- “Shares” : Ordinary shares in the capital of the Company
- “S\$” or “\$” and “cents” : Singapore dollars and cents, respectively
- “%” or “per cent.” : Percentage or per centum

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act or any modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act or any modification thereof, as the case may be and unless otherwise provided.

Any reference to a time of day in this Circular is a reference to Singapore time unless otherwise stated. Any reference to currency set out in this Circular is a reference to S\$ unless otherwise stated.

HWA HONG CORPORATION LIMITED

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Board of Directors

Hans Hugh Miller (*Non-Executive Chairman*)
Ong Choo Eng (*Group Managing Director*)
Ong Mui Eng
Ong Hian Eng
Guan Meng Kuan
Goh Kian Hwee
Ma Kah Woh, Paul
Wee Sin Tho
Ong Eng Loke (*Alternate Director to Ong Mui Eng*)

Registered Office

38 South Bridge Road
Singapore 058672

12 June 2007

To: **The Shareholders of Hwa Hong Corporation Limited**

Dear Shareholders,

THE PROPOSED PAYMENT OF DIRECTORS' FEES AMOUNTING TO S\$370,000 TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006

1. INTRODUCTION

On 25 April 2007, the Company announced, *inter alia*, that at the Fifty-Fourth Annual General Meeting ("**AGM**") of the Company held on the same day, Resolution 3 relating to the payment of fees amounting to S\$370,000 to the non-Executive Directors of the Company for FY2006 (as set out in the Notice of AGM on page 96 of the Annual Report of the Company for FY2006) was not passed by Shareholders present and voting at the AGM.

The Directors propose to convene the EGM to be held on 28 June 2007 to seek Shareholders' approval for the payment of fees amounting to S\$370,000 to the non-Executive Directors of the Company during FY2006, as directors' fees for their services as members of the Board for FY2006 (the "**Directors' Fees**").

The seven (7) non-Executive Directors during FY2006 are Messrs Hans Hugh Miller, Guan Meng Kuan, Chew Loy Kiat¹, Goh Kian Hwee, Boon Suan Lee², Ma Kah Woh, Paul, and Wee Sin Tho. Messrs Ma Kah Woh, Paul and Wee Sin Tho were both appointed as new independent Directors to the Board on 31 March 2006. The rest of the non-Executive Directors during FY2006 served as members of the Board for the entire FY2006 period. For Shareholders' information, for the financial year ended 31 December 2005, directors' fees amounting to S\$311,000 were paid to six (6) non-executive Directors for their services during that financial year.

2. SHAREHOLDERS' APPROVAL

Pursuant to the requirements of the Companies Act and the Articles of Association of the Company, the proposed payment of the Directors' Fees to the non-Executive Directors of the Company for FY2006 is subject to the approval of the Shareholders, and will be proposed as an ordinary resolution at the EGM.

¹ Mr Chew Loy Kiat ceased to be a Director of the Company with effect from the conclusion of the AGM on 25 April 2007.

² Mr Boon Suan Lee ceased to be a Director of the Company with effect from the conclusion of the AGM on 25 April 2007.

3. EXTRAORDINARY GENERAL MEETING

The EGM will be held at Conference Room, Level 2, 38 South Bridge Road, Singapore 058672 on 28 June 2007 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without any modification, the resolution set out in the Notice of EGM.

If you are a Depositor, you shall not be entitled to attend and vote at the EGM unless you are shown to have Shares entered against your name in the Depository Register as at 48 hours before the time fixed for holding the EGM, as certified by CDP to the Company.

4. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf are requested to complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event, so as to reach the registered office of the Company at 38 South Bridge Road, Singapore 058672, not later than 48 hours before the time set for the EGM. The completion and return of a Proxy Form by a Shareholder does not prevent him from attending and voting in person at the EGM if he so wishes.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who have delegated detailed supervision of this Circular) collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects and there are no material facts the omission of which would make any statement in this Circular misleading.

Where any information has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Circular.

Yours faithfully,
For and on behalf of the Board of Directors of
HWA HONG CORPORATION LIMITED

Ong Choo Eng
Group Managing Director

HWA HONG CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 195200130C)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Hwa Hong Corporation Limited (the “**Company**”) will be held at Conference Room, Level 2, 38 South Bridge Road, Singapore 058672 on 28 June 2007 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the Resolution below as an ordinary resolution (with or without modifications):-

AS AN ORDINARY RESOLUTION

That approval be and is hereby given for the payment of directors’ fees amounting to S\$370,000 to the non-executive Directors of the Company for the financial year ended 31 December 2006.

BY ORDER OF THE BOARD

Ong Bee Leem
Tan Mee Choo
Joint Company Secretaries

Singapore, 12 June 2007

Note:-

A Member entitled to attend and vote at the meeting may appoint not more than two proxies to attend and vote in his stead. Where a Member appoints more than one proxy, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy need not be a Member of the Company. The instrument appointing a proxy or proxies must be deposited at the Registered Office of the Company at 38 South Bridge Road, Singapore 058672 at least forty-eight (48) hours before the time appointed for holding the meeting.

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IMPORTANT

1. For investors who have used their CPF monies to buy shares in Hwa Hong Corporation Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to vote should contact their CPF Approved Nominees.

PROXY FORM

*I/We, _____ (Name)

of _____ (Address)

being *a Member/Members of **HWA HONG CORPORATION LIMITED** (the “**Company**”) hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%
*and/or				

or failing *him/her, the Chairman of the meeting, as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting of the Company (“**EGM**”) to be held at Conference Room, Level 2, 38 South Bridge Road, Singapore 058672 on 28 June 2007 at 10.00 a.m. and at any adjournment thereof.

(*I/We direct *my/our *proxy/proxies to vote for or against the Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the EGM and at any adjournment thereof.)

ORDINARY RESOLUTION	To be used on a show of hands ^(a)		To be used in the event of a poll ^(b)	
	For	Against	No. of Votes For	No. of Votes Against
Approval of payment of directors' fees to non-executive Directors of the Company for FY2006				

(a) Please indicate your vote “For” or “Against” with a ✓ within the box provided.

(b) If you wish to exercise all your votes “For” or “Against”, please indicate your vote with a ✓ within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2007.

Total Number of Shares held	
CDP Register	
Members' Register	

Signature(s) of Member(s) or Common Seal

* Delete as appropriate

IMPORTANT: PLEASE READ NOTES ON THE REVERSE



Notes:-

1. Please insert in the box at the bottom right hand corner on the reverse of this form, the number of shares entered against your name in the Depository Register maintained by The Central Depository (Pte) Limited (“**CDP**”) in respect of shares in your Securities Account with CDP and the number of shares registered in your name in the Register of Members in respect of share certificates held by you. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A Member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a Member of the Company.
3. Where a Member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
4. This instrument appointing a proxy or proxies must be signed by the appointor or his duly authorised attorney, or if the appointor is a body corporate, executed under its common seal or signed by its duly authorised officer or attorney.
5. A body corporate which is a Member may also appoint an authorised representative or representatives in accordance with Section 179 of the Companies Act, Chapter 50, to attend and vote for and on behalf of such body corporate.
6. This instrument appointing a proxy or proxies, duly executed, together with the power of attorney (if any) under which it is signed or a certified copy thereof, must be deposited at the Registered Office of the Company at 38 South Bridge Road, Singapore 058672 at least forty-eight (48) hours before the time fixed for holding the meeting.
7. The Company shall be entitled to reject this instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument appointing a proxy or proxies. In addition, in the case of a Member whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the Member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Extraordinary General Meeting, as certified by CDP to the Company.

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2nd fold here

Please
affix
postage
stamp

The Company Secretary
Hwa Hong Corporation Limited
38 South Bridge Road
Singapore 058672

3rd fold here and seal