HHRG BERHAD ("HHRG" OR THE "COMPANY")

PROPOSED BONUS ISSUE OF WARRANTS

This announcement is dated 6 October 2025 ("**Announcement**").

1. INTRODUCTION

On behalf of the Board of Directors of HHRG ("**Board**"), Malacca Securities Sdn Bhd ("**Malacca Securities**") wishes to announce that HHRG proposes to undertake a bonus issue of up to 491,684,507 new warrants in the Company ("**Warrant(s) B**") on the basis of 2 Warrants B for every 5 existing ordinary shares in the Company ("**HHRG Shares**" or "**Shares**") held on an entitlement date to be determined and announced later ("**Entitlement Date**") ("**Proposed Bonus Issue of Warrants**").

Further details of the Proposed Bonus Issue of Warrants are set out below.

2. DETAILS OF THE PROPOSED BONUS ISSUE OF WARRANTS

2.1 Basis and number of Warrants B to be issued

The Proposed Bonus Issue of Warrants entails the issuance of up to 491,684,507 Warrants B on the basis of 2 Warrants B for every 5 existing HHRG Shares held by the entitled shareholders of HHRG whose names appear in the Company's Record of Depositors on the Entitlement Date ("**Entitled Shareholders**").

As at 25 September 2025, being the latest practicable date prior to this Announcement ("**LPD**"), the Company has the following:

(i) an issued share capital of RM177.72 million comprising 1,048,366,259 HHRG Shares (including 40,900,000 HHRG Shares held as treasury shares);

(ii) 109,039,003 outstanding Share Issuance Scheme ("**SIS**") Options ("**SIS Option(s)**") granted/offered and vested under the SIS implemented on 7 May 2021 which will be expiring on 6 May 2026 at the exercise price of RM0.105 per SIS Option; and

(iii) 71,806,007 outstanding warrants 2021/2026 ("**Warrant(s) A**"). The Warrants A are constituted by a deed poll dated 30 March 2021 and each Warrant A carries the entitlement to subscribe for 1 new HHRG Share up to and including 6 May 2026 at the exercise price of RM0.08 per Warrant A.

To facilitate the Proposed Bonus Issue of Warrants, the Board has confirmed that the Company will not grant further SIS Options until the completion of the Proposed Bonus Issue of Warrants.

The actual number of Warrants B to be issued under the Proposed Bonus Issue of Warrants will depend on the number of Shares in issue (excluding treasury shares) on the Entitlement Date. Pursuant to the Companies Act 2016 ("**Act**"), the treasury shares held by the Company shall not be entitled to the Warrants B.

The Entitlement Date will be determined by the Board and announced by the Company at a later date upon receipt of all relevant approvals for the Proposed Bonus Issue of Warrants.

Fractional entitlements of the Warrants B arising from the Proposed Bonus Issue of Warrants, if any, shall be disregarded and dealt with by the Board in such manner at its absolute discretion as it may deem fit and expedient in order to minimise the incidence of odd lots and in the best interest of the Company.

For illustrative purposes, throughout this Announcement, the effects of the Proposed Bonus Issue of Warrants shall be illustrated based on the following 2 scenarios:

"**Minimum Scenario**" : Scenario based on the issued share capital of the Company of 1,007,466,259 Shares (excluding treasury shares) as at LPD and assuming:

(i) none of the treasury shares as at LPD are resold in the open market;

(ii) none of the outstanding SIS Options as at LPD are exercised;

(iii) none of the outstanding Warrants A as at LPD are exercised; and

(iv) no further SIS Options are granted or exercised;

prior to the implementation of the Proposed Bonus Issue of Warrants.

"**Maximum Scenario**" : Scenario based on the issued share capital of the Company of 1,007,466,259 Shares (excluding treasury shares) as at LPD and assuming:

(i) all of the treasury shares as at LPD are resold in the open market at cost;

(ii) all outstanding SIS Options as at LPD are exercised; and

(iii) all outstanding Warrants A as at LPD are exercised;

prior to the implementation of the Proposed Bonus Issue of Warrants.

Accordingly, a total of 402,986,503 and 491,684,507 Warrants B will be issued pursuant to the Proposed Bonus Issue of Warrants under the Minimum Scenario and Maximum Scenario, respectively.

The entitlement basis for the Proposed Bonus Issue of Warrants was determined after taking into consideration, amongst others, the following:

(i) compliance with Rule 6.51 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirement**"). A listed corporation must ensure that the number of new shares which will arise from the exercise or conversion of all outstanding convertible securities, does not exceed 50% of the total number of issued shares of the listed corporation (excluding treasury shares and before the exercise of the convertible securities) at all times after the Proposed Bonus Issue of Warrants, as illustrated below:-

		Minimum Scenario	Maximum Scenario
		No. of Shares	**No. of Shares**
Total number of HHRG Shares (excluding treasury shares)	**(A)**	1,007,466,259	[a]1,229,211,269
Warrants A		71,806,007	-
Warrants B		402,986,503	491,684,507
Total convertibles securities	**(B)**	474,792,510	491,684,507
% of HHRG Shares	**(B) / (A)**	**47.13**	**40.00**

Note:-

(a) Assuming all outstanding SIS Options and Warrants A are exercised under Maximum Scenario as mentioned above. Please refer to Section 6.1 of this Announcement for the detailed computation.

(ii) dilutive effects arising from the full exercise of the Warrants B on the consolidated earnings per HHRG Share ("**EPS**") and net assets ("**NA**") per HHRG Share; and

(iii) gross proceeds that may be raised by the Company as and when the Warrants B are exercised during the tenure of the Warrants B.

The Proposed Bonus Issue of Warrants will not be implemented in stages over a period of time.

The Warrants B will be issued in registered form and constituted by a deed poll to be executed by the Company ("**Deed Poll B**") after the receipt of all relevant approvals for the Proposed Bonus Issue of Warrants. Please refer to **Appendix I** of this Announcement for the indicative salient terms of the Warrants B.

For avoidance of doubt, no reserves will be capitalised for the issuance of the Warrants B under the Proposed Bonus Issue of Warrants.

2.2 Basis and justification for the issue price and exercise price of the Warrants B

The Warrants B will be issued at no cost to the Entitled Shareholders based on their respective shareholdings in the Company on the Entitlement Date.

The exercise price of the Warrants B will be determined and announced by the Board at a later date after all the relevant approvals for the Proposed Bonus Issue of Warrants have been obtained but before the announcement of the Entitlement Date ("**Price-Fixing Date**"), after taking into consideration, amongst others, the following:

(i) 5-day volume weighted average market price ("**VWAP**") of HHRG Shares up to and including the LPD of RM0.1212;

(ii) historical price movement of HHRG Shares;

(iii) prevailing market conditions; and

(iv) the future funding requirements of the Company and its subsidiaries ("**HHRG Group**" of the "**Group**").

The Board may fix the exercise price of the Warrants B at a discount of up to 35.0% to the 5-day VWAP of HHRG Shares up to and including the market day immediately preceding the Price-Fixing Date. The Board intends to set the exercise price of the Warrants B at a steep discount to the prevailing market price of the Shares at the time of issuance. This is to enhance the attractiveness of the Warrants B to entitled shareholders, thereby encouraging their exercise and enabling the Company to raise additional funds for the future funding requirements of the Group.

For purposes of this Announcement, an illustrative exercise price of RM0.08 per Warrant B has been assumed, which represents a discount of approximately 34.0% to the 5-day VWAP of HHRG Shares up to and including the LPD of RM0.1212.

2.3 Ranking of the Warrants B and the new HHRG Shares to be issued arising from the exercise of the Warrants B

The holders of Warrant B ("**Warrant B Holders**") will not be entitled to any voting rights in any general meeting of the Company or right to participate in any form of distribution and/or offer of securities in the Company until and unless such Warrant B Holders are issued with the new HHRG Shares arising from their exercise of the Warrants B and the new HHRG Shares are allotted prior to the entitlement date of such distribution or offer of securities.

All new HHRG Shares issued pursuant to the exercise of the Warrants B shall, upon allotment and issuance, rank equally in all respects with the existing HHRG Shares, save and except that the new HHRG Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to the shareholders, of which the entitlement date is prior to the date of allotment and issuance of the said new HHRG Shares.

2.4 Listing and quotation of the Warrants B and the new Shares arising from the exercise of Warrants B

An application will be made to Bursa Securities for the following:

(i) admission of the Warrants B to the Official List of Bursa Securities; and

(ii) listing and quotation of up to 491,684,507 Warrants B as well as the new HHRG Shares to be issued arising from the exercise of the Warrants B on the ACE Market of Bursa Securities.

3. UTILISATION OF PROCEEDS

The Proposed Bonus Issue of Warrants is not expected to raise any immediate funds as the Warrants B will be issued at no cost to the Entitled Shareholders.

The actual proceeds to be raised by the Company will depend on the exercise price of the Warrants B to be determined by the Board and the actual number of Warrants B exercised during the tenure of the Warrants B. As such, the exact quantum to be raised cannot be determined at this juncture.

For illustrative purposes, the gross proceeds to be raised assuming all the Warrants B are exercised at the illustrative exercise price of RM0.08 per Warrant B are set out below:

	No. of Warrants B exercised	Gross proceeds raised RM
Minimum Scenario	402,986,503	32,238,920
Maximum Scenario	491,684,507	39,334,760

Such proceeds to be raised, as and when the Warrants B are exercised, are expected to fund the working capital of the Group, including but not limited to staff costs, general administrative expenses and other day-to-day expenses. The proceeds to be used for working capital are subject to the operational requirements of the Group at the point of utilisation, and thus the actual timeframe and breakdown cannot be determined at this juncture. Nevertheless, the Board anticipates that any proceeds to be raised from the exercise of Warrants B will be utilised by the Group within 24 months from the date of receipt of such proceeds.

Pending the utilisation of proceeds raised as and when the Warrants B are exercised, such proceeds will be placed in deposits with financial institutions or short-term money market instruments as the Board may deem fit. The interest derived from the deposits with the financial institutions or any gain arising from the short-term money market instruments will also be used as the working capital of the Group.

3.1 Details of equity fund raising exercises undertaken in the past 12 months

The Company had not undertaken any fundraising exercise during the past 12 months up to LPD.

4. RATIONALE AND JUSTIFICATION FOR THE PROPOSED BONUS ISSUE OF WARRANTS

The Board is of the view that the Proposed Bonus Issue of Warrants is an appropriate avenue to reward the existing shareholders after taking into consideration, amongst others, the following factors:

(i) to provide the Company's shareholders with an opportunity to increase their equity participation in the Company at a pre-determined exercise price over the tenure of the Warrants B, and allow them to benefit from any potential capital appreciation of the Warrants B and further participate in the future growth of the Company when the Warrants B are exercised;

(ii) to provide the Group with additional funds for its working capital requirements as and when the Warrants B are exercised in the future without incurring interest costs as compared to bank borrowings. As at 31 August 2025, the Group has total borrowings of approximately RM13.1 million, with no unutilised balance under its existing banking facilities; and

(iii) to strengthen the capital base of the Group by increasing the size of the shareholders' funds pursuant to the exercise of the Warrants B and hence, provide the Group with greater flexibility in terms of the options available to meet its future funding requirements.

5. INDUSTRY OVERVIEW AND PROSPECTS OF THE GROUP

The Group is currently involved in the following businesses:-

(i) manufacturing and trading of biomass materials and value-added products ("**Biomass Division**");
(ii) manufacturing and distributor of furniture, mattresses and related products ("**Furniture Division**");
(iii) credit business ("**Credit Division**"); and
(iv) property development and management ("**Property Division**").

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 4.4% in the second quarter of 2025 (1Q 2025: 4.4%), driven by robust domestic demand. Household spending was higher amid positive labour market conditions and income-related policy measures, including the upward revision of minimum wage and civil servant salaries. Of significance, both private and public investments recorded stronger expansion, supported by the realisation of new and existing projects. In the external sector, export growth was slower due mainly to lower commodities-related exports. This was partially offset by continued electrical and electronics ("**E&E**") exports and robust tourism activity. At the same time, import growth was higher, driven by strong demand for capital goods, reflecting higher investment activities.

On the supply side, growth was driven by the services and manufacturing sectors. The services sector was supported by consumer-related and Government services. Steady growth in domestic-oriented clusters underpinned the performance in the manufacturing sector. Overall growth was weighed down by a contraction in the mining sector amid lower commodities production. On a quarter-on-quarter, seasonally-adjusted basis, growth expanded by 2.1% (1Q 2025: 0.7%).

Headline inflation moderated to 1.3%, while core inflation remained stable at 1.8% (1Q 2025: 1.5% and 1.8%, respectively). The moderation was largely due to lower prices for fuel such as RON97 petrol and diesel (-0.6%; 1Q 2025: 0.3%) and slower price increases for food-related items (2.2%; 1Q 2025: 2.5%), particularly fresh food and food away from home. This was partly offset by a slower price decline for mobile communication services, averaging at -12.1% (1Q 2025: -13.5%). Inflation pervasiveness, measured by the share of Consumer Price Index (CPI) items recording monthly price increases, experienced a slight decline amid softer global commodity prices (41.8%; 1Q 2025: 43.3%). Nonetheless, it remained broadly in line with the long-term average for the second quarter (2Q 2011-2019: 43.9%).

BNM expects developments surrounding trade tariffs to affect the global and domestic outlook for the rest of the year.

Headline inflation is projected to remain moderate, averaging 1.5% – 2.3% in 2025. Notably, the headline inflation forecast range for the year was revised lower following the more moderate demand and cost outlook since the earlier projections in March 2025. Inflationary pressure from global commodity prices is expected to remain limited, contributing to moderate domestic cost conditions. In this environment, the impact of domestic policy measures on inflation is expected to remain contained.

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2025, Bank Negara Malaysia)

5.2 Overview and outlook of the biomass industry in Malaysia

The Biomass Sector has been replaced by the 12th Malaysia Plan ("**12MP**") as one of the eight strategic and high impact industries to regenerate economic growth. Malaysia is developing the potential of biomass industries in various sectors, including plantation, forestry, agriculture, livestock and fisheries industries. These sectors have been outlined as the focal areas of the National Biomass Action Plan 2023 – 2030. The Plan is mandated by the Ministry of Economy and spearheaded by the Ministry of Plantation and Commodities ("**KPK**"). The focal development of biomass industries in these five sectors has the potential to contribute to sustainable consumption and production, supporting Malaysia's transition towards a low-carbon and circular economy with the creation of new jobs.

The country has an estimated total of 5.67 million hectares of oil palm plantations, producing more than 90 million tonnes of dried palm biomass.2 Oil palm biomass is derived from a variety of oil palm byproducts, such as oil palm fronds ("**OPF**") and oil palm trunks ("**OPT**") from plantation operations. While empty fruit bunches ("**EFBs**"), palm kernel shells ("**PKS**"), mesocarp-fibre ("**MF**") and palm oil mill effluent ("**POME**") are generated from the milling operations. The oil palm biomass industry has been growing at a steady pace over the past few years, thanks to the interest and transition towards using lowcarbon renewable energy. Based on the data of 2019 compiled by the Energy Commission, Malaysia has achieved a total installed capacity of 440.5 Megawatt ("**MW**") powered by biomass including 70.65 MW coming from grid-connected power plant which is equivalent to 1.2% share of total electricity generated in Malaysia with a total emission reduction achieved i.e. 395.22 Gg CO2 eq.3 Hence, bioenergy can be used to decarbonise our electricity supply through dedicated action plan.

The Malaysia Government has acknowledged the significant contribution of biomass resources towards achieving our nation's Sustainable Development Goals ("**SDGs**"). This acknowledgement comes in the form of various incentives and supports provided by key government agencies such as the Malaysian Investment Development Authority ("**MIDA**"), Malaysia Palm Oil Board ("**MPOB**"), Sustainable Energy Development Authority ("**SEDA**"), Bioeconomy Corporation, Malaysian Green Technology & Climate Change Corporation ("**MGTC**") etc.

The biomass industry in Malaysia has shown tremendous growth potential in the last decade or so. We are now producing and exporting solid biofuels such as palm kernel shells and wood pellets to key markets of Japan and the Republic of Korea. The biofertiliser sub-sector has also been growing to meet the demand for sustainable farming using EFBs, POME, chicken dung, fish waste, woody biomass etc.

The National Biomass Action Plan 2023 to 2030 has presented a comprehensive analysis of crucial data and findings concerning biomass ecosystems in the five focal sectors.

The plan includes five key enablers that enhance and facilitate the rapid advancement of the biomass industry. These include feedstock availability, policy and regulatory frameworks, financing & investment incentives, viable business models, as well as research and development, commercialisation and innovation efforts. The proposed actions are pragmatic and implementable, having garnered support from relevant stakeholders and involve the concerted efforts of key ministries and agencies.

Successful implementation of this plan can result in substantial economic benefits. By 2030, it is projected that the plan could contribute to a remarkable RM17 billion economic value, a potential RM7 billion investment in biomass projects and the creation of approximately 33,000 jobs.

(Source: National Biomass Action Plan 2023-2030, Ministry of Plantation and Commodities)

5.3 Overview and outlook of the furniture industry in Malaysia

Malaysia's export of major timber products in 2024 stood at RM22.92 billion, with an increase of 4.9% from the previous year. Malaysia was listed as the 17th-largest exporter of timber and timber products in 2024.

Wooden furniture (including bamboo and rattan furniture) remained the top timber product exported by Malaysia in 2024, accounting for 43.2% of the total exports with a value of RM9.89 billion (+8.4% year-on-year). Malaysia's export of wooden furniture ranked 5th globally in 2024. The biggest market was the United States (RM4.99 billion; 50.4% share). Singapore was the 2nd largest export destination valued at RM747.44 million (7.6% share), followed by Australia at RM515.44 million (5.2% share), United Kingdom at RM481.56 million (5.2% share), Japan at RM437.79 million (4.4% share), Canada at RM425.13 million (4.3% share), the Philippines at RM255.64 million (2.6% share), United Arab Emirates at RM231.38 million (2.3% share), Saudi Arabia at RM173.79 million (1.8% share) and India at RM155.36 million (1.6% share).

Looking ahead to 2025, the Malaysian timber industry must stay informed on global and domestic policy developments in order to effectively align its strategies with relevant market requirements and tap into emerging or niche segments. Achieving National Agricommodity Policy 2030 ("**DAKN 2030**") targets will require focused efforts to enhance labour productivity, adopt advanced technologies to improve manufacturing efficiency, and integrate sustainability into the supply chains. These strategies will be key to ensuring the industry remains competitive, resilient, and adaptable amid an increasingly complex global economic environment.

(Source: Malaysian Timber Council Annual Report 2024)

The government will continue to facilitate the furniture industry's development in terms of raw materials, productivity and design aspects through various initiatives and programmes, said Deputy Plantation and Commodities Minister Datuk Chan Foong Hin.

Deputy Plantation and Commodities Minister Datuk Chan Foong Hin said the furniture industry should continue to work closely with the ministry and its agencies such as the Malaysian Timber Industry Board ("**MTIB**"), Malaysian Timber Council ("**MTC**"), and Malaysian Timber Certification Council ("**MTCC**"), for the betterment of the industry and its exports.

Deputy Plantation and Commodities Minister Datuk Chan Foong Hin said it is to ensure the furniture industry remain strong growth drivers of Malaysia's economic growth. The government target the export value of timber and timber products at RM28 billion by 2025 and RM32.8 billion by 2030.

Timber is one of the eight commodities identified under the DAKN 2030 to be transformed in a more sustainable, competitive and market-oriented manner.

(Source: Malaysian Investment Development Authority)

There has been recent reports with regards to the United States imposing tariffs of up to 100% on certain imported products, including 50% on kitchen cabinets and bathroom vanities, 30% on upholstered furniture, and 25% on large trucks, effective 1 October 2025. It is noted that Malaysia, like many other countries, will be impacted by the tariffs. Local ministries have emphasised the importance of enhancing national competitiveness and resilience amid shifting global trade dynamics. The United States remains Malaysia's largest export destination for furniture, accounting for RM5.71 billion, or 57.8% of total wooden furniture exports in 2024.

5.4 Overview and outlook of the credit industry in Malaysia

Credit to the private non-financial sector expanded by 5.2% in the second quarter (1Q 2025: 5.4%). Outstanding corporate bond growth moderated, (4.3%; 1Q 2025: 5.3%) while growth in outstanding loans remained steady at 5.5% (1Q 2025: 5.5%). Business loans expanded by 4.5% (1Q 2025: 4.6%), amid broadly stable loan growth for both working capital and investment-related purposes. Additionally, demand for financing among businesses was sustained with higher applications, particularly for investment-related loans. Household loans grew by 6% (1Q 2025: 6%), with sustained loan growth across most purposes.

Steady small medium enterprises ("**SMEs**") financing growth for second quarter of 2025. SMEs financing activities in the second quarter of 2025 remain steady, with outstanding financing expanding at 6.9% (1Q 2025: 9.8%). In this quarter, there were forthcoming financing applications and approvals for both working capital and investment-related purposes amid resilient business conditions.

Banks remain well-positioned to support financial intermediation. The banking system continued to play an important role in supporting economic growth during the quarter. Banks' strong financial positions, including capital and liquidity buffers, ensure that they remain well-positioned to meet the domestic economy's financing needs.

(Source: Press Release: Economic and Financial Developments in Malaysia in the Second Quarter of 2025, Bank Negara Malaysia)

5.5 Overview and outlook of property market in Malaysia

The Property Market Report 2024 highlights exceptional performance, recorded the highest volume and value of property transactions in Malaysia over the past decade. This impressive growth was fueled by a robust expansion in market activities across all sub-sectors. The volume and value of transactions expanded by 5.4% and 18.0%, respectively, reaching 420,545 transactions worth RM232.30 billion, compared to 2023 (399,008 transactions worth RM196.83 billion).

The residential sub-sector sustained its expansion and solidified its position as the largest contributor to the national transaction activity, recording a marginal growth in both volume and value. By price range, the segment above RM1.0 million recorded the highest growth at 15.0%, while other price ranges showed more modest increases. This growth can be attributed to government initiatives outlined in Budget 2024, which increased confidence in the property market, including the easing of requirements for the Malaysia My Second Home ("**MM2H**") program. Additionally, strong performance in the commercial sub-sector acted as a catalyst for transaction activity with significant increases of 13.6% and 51.6% in value and volume, respectively, as compared to the previous year.

The property market performance continues to strengthen, supported by stable economic conditions and targeted government initiatives. A total of 420,545 transactions worth RM232.30 billion were recorded, expanded by 5.4% and 18.0% in volume and value of transactions, showing the highest market activities in Malaysia over the past decade. Of the total transactions, 77.7% (326,784 transactions) were transfers dated in 2024, 19.1% (80,487 transactions) were from 2023, and the remaining share consisted of transfers from previous years.

Sectoral market activity performance continued its upward momentum. All subsectors recorded yearon-year growth in the volume of transactions. Higher increases were observed for the commercial subsector (13.6%) and development land and others (9.7%). Meanwhile, the industrial subsector also grew at a faster pace by 7.7%, driven by sustained demand for vacant industrial land nationwide. The residential and agricultural subsectors show modest growth of 4.0% and 4.1%, respectively. On the value front, all subsectors recorded higher growth, led by the commercial sub-sector (51.6%), followed by development land and others (32.7%), industrial (16.4%), residential (5.9%), and agricultural (4.8%).

The residential sub-sector retained the largest share of the overall property transactions, with a 62.0% contribution in volume. This was followed by agriculture (18.7%), commercial (10.9%), development land and others (6.3%), and industrial (2.1%). Similarly, in value, residential took the lead with a 46.0% share, followed by commercial (25.0%), industrial (12.0%), development land and others (8.6%), and agriculture (8.4%).

As the national economy is projected to expand by 4.5% to 5.5% in 2025, the property market is expected to maintain its growth trajectory, driven by sustained transaction activity. The implementation of the Ekonomi MADANI framework, supported by the rollout of strategies from a cohesive policy and action plan, notably the National Energy Transition Roadmap (NETR) and the New Industrial Master Plan 2030 (NIMP 2030), will boost Malaysia's economy and further stimulate the expansion of the property market. Furthermore, ongoing government support, coupled with Malaysia's strong economic performance, is expected to continue a positive growth in the property market.

(Source: Property Market Report 2024, Valuation and Property Services Department, Ministry of Finance Malaysia)

5.6 Prospects of the Group

The Group's Biomass Division is principally engaged in the manufacturing and trading of coconut fibres, bio-oil and oil palm empty fruit bunch ("**EFB**") fibres. Its bio-oil is mainly supplied for use in sanitary consumer products, animal feed, detergents, lubricants and biodiesel feedstock, while most of its EFB fibres are distributed in the domestic market. The Group's core EFB products have continued to demonstrate stable performance and resilience, supported by sustained demand, notwithstanding the periodic fluctuations in crude palm oil prices. Looking ahead, the biomass sector presents long-term growth potential, supported by rising demand for sustainable resources and the increasing emphasis on environmental, social and governance practices.

The Group's Furniture Division revenue continues to decline in the financial year ended ("**FYE**") 31 March 2024 of RM60.00 million and 12-month financial period ended ("**FPE**") 31 March 2025 of RM53.83 million (FYE 31 March 2023: RM77.78 million). This was mainly due to the challenging market conditions, particularly tariffs and higher operating costs arising from increased raw material prices. The Group is prioritising the expansion of its customer base, by tapping into export markets as a key strategy to support business recovery and future growth.

The Group remains focused on identifying and pursuing strategic investment opportunities aimed at diversifying the Group's revenue streams. The Group's entry into the Property Division in 2023 and Credit Division in 2024 are progressing, albeit at a slower pace. Nonetheless, the Group is committed to managing this expansion prudently to ensure long term value creation.

The Group is mindful of the challenges ahead and will continue to monitor and manage risks across all business segments with discipline and foresight. Notwithstanding the current operating environment, the Board remains confident in the Group's ability to deliver positive prospects going forward.

(Source: Management of HHRG Group)

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6. EFFECTS OF THE PROPOSED BONUS ISSUE OF WARRANTS

6.1 Issued share capital

The Proposed Bonus Issue of Warrants will not have any effect on the existing issued share capital of the Company until and unless the Warrants B are exercised into new Shares. The issued share capital of the Company will increase progressively as and when the Warrants B are exercised.

For illustration purposes, the proforma effects of the Proposed Bonus Issue of Warrants on HHRG's issued share capital are as follows:

	Minimum Scenario		Maximum Scenario	
	No. of Shares	**RM'000**	**No. of Shares**	**RM'000**
Issued share capital as at LPD	1,048,366,259	177,723	1,048,366,259	177,723
Less: Treasury shares	(40,900,000)	(5,092)	(40,900,000)	(5,092)
	1,007,466,259	172,631	1,007,466,259	172,631
Assuming all treasury shares are resold	-	-	40,900,000	[(a)]5,092
Assuming all outstanding SIS Options are exercised	-	-	109,039,003	[(b)]13,586
Assuming all outstanding Warrants A are exercised	-	-	71,806,007	[(c)]7,575
After Proposed Bonus Issue of Warrants	**1,007,466,259**	**172,631**	**1,229,211,269**	**198,884**
New Shares to be issued assuming full exercise of Warrants B	402,986,503	[(c)]32,239	491,684,507	[(d)]39,335
Enlarged issued share capital	**1,410,452,762**	**204,870**	**1,720,895,776**	**238,219**

Notes:

(a) Assuming all of the 40,900,000 treasury shares are resold in the open market at cost.

(b) Assuming all outstanding SIS Options are exercised at RM0.105 each and after taking into consideration the transfer of SIS reserve of RM2.14 million to share capital arising from the exercise of the outstanding SIS Options.

(c) Assuming all outstanding Warrants A are exercised at RM0.08 each and after taking into consideration the transfer of Warrants A reserve of RM1.83 million to share capital arising from the exercise of the outstanding Warrants A.

(d) Computed based on the illustrative exercise price of RM0.08 per Warrant B.

6.2 NA, NA per Share and gearing

For illustrative purposes, based on the latest audited consolidated financial statements of HHRG as at 31 March 2024 and latest unaudited consolidated financial statements of HHRG as at 30 June 2025, the pro forma effects of the Proposed Bonus Issue of Warrants on the NA, NA per Share and gearing of the Group are set out below:

(A) Audited as at 31 March 2024

Minimum Scenario

	Audited as at 31 March 2024	(I) [a]After adjusting for subsequent events up to LPD	(II) After (I) and the Proposed Bonus Issue of Warrants	(III) After (II) and assuming full exercise of the Warrants B
	RM'000	RM'000	RM'000	RM'000
Share capital	153,776	177,723	177,723	[b]209,962
Reorganisation reserve	(5,185)	(5,185)	(5,185)	(5,185)
Warrants A reserve	1,864	1,831	1,831	1,831
SIS reserve	2,914	2,136	2,136	2,136
Treasure shares	-	(5,092)	(5,092)	(5,092)
Retained earnings	29,665	28,632	[c]28,402	28,402
Equity attributable to owners of the Company / NA	**183,034**	**200,045**	**199,815**	**232,054**
Non-controlling interests ("**NCI**")	22,307	22,307	22,307	22,307
Total equity	**205,341**	**222,352**	**222,122**	**254,361**
No. of ordinary shares (excluding treasury shares) ('000)	867,836	1,008,141	1,008,141	1,410,453
NA per share (RM)	0.21	0.20	0.20	0.16
Total borrowings	32,301	32,301	32,301	32,301
Gearing ratio (times)	0.18	0.16	0.16	0.14

Notes:

(a) Subsequent events refer to the following events occurring after 31 March 2024 up to LPD:-

(i) the allotment and issuance of:-

(aa) 92,411,000 new HHRG Shares pursuant to the exercise of SIS Options at the exercise price of RM0.105 and after taking into consideration the transfer of SIS reserve of RM1.81 million to share capital arising from the exercise of the outstanding SIS Options;

(bb) 1,296,800 new HHRG Shares pursuant to the exercise of Warrants A at the exercise price of RM0.08 each and after taking into consideration the transfer of Warrants A reserve of RM0.03 million to share capital arising from the exercise of the outstanding Warrants A; and (cc) 51,822,700 and 35,000,000 new HHRG Shares pursuant to the private placement at the issue price of RM0.1450 and RM0.1395 per Share respectively, and after taking into consideration the listing expenses of RM0.10 million.

(ii) 202,100,000 SIS Options were granted, resulting in the increase to the SIS reserve of RM3.96 million, after accounting for the recognition of fair value costs (retained earnings);

(iii) 40,026,415 SIS Options were lapsed, resulting in the reversal of the fair value costs previously recognised by crediting the retained earnings of RM2.93 million from the SIS reserve; and

(iv) shares buy-back of 40,900,000 Shares by the Company.

(b) Assuming all 402,986,503 Warrants B are exercised based on the Minimum Scenario at the illustrative issue price of RM0.08 per Warrant B.

(c) After deducting estimated expenses of approximately RM0.23 million in relation to the Proposed Bonus Issue of Warrants.

Maximum Scenario

		(I)	**(II)**	**(III)**	**(IV)**
	Audited as at 31 March 2024	**[a]After adjusting for subsequent events up to LPD**	**[b] After (I) and assuming all treasury shares are resold and full exercise of the outstanding SIS Options and Warrants A**	**After (II) and the Proposed Bonus Issue of Warrants**	**After (III) and assuming full exercise of the Warrants B**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Share capital	153,776	177,723	198,884	198,884	[c]238,219
Reorganisation reserve	(5,185)	(5,185)	(5,185)	(5,185)	(5,185)
Warrants A reserve	1,864	1,831	-	-	-
SIS reserve	2,914	2,136	-	-	-
Treasury shares	-	(5,092)	-	-	-
Retained earnings	29,665	28,632	28,632	[d]28,402	28,402
Equity attributable to owners of the Company / NA	**183,034**	**200,045**	**222,331**	**222,101**	**261,436**
NCI	22,307	22,307	22,307	22,307	22,307
Total equity	**205,341**	**222,352**	**244,638**	**244,408**	**283,743**
No. of ordinary shares (excluding treasury shares) ('000)	867,836	1,008,141	1,229,211	1,229,211	1,720,896
NA per share (RM)	0.21	0.20	0.18	0.18	0.15
Total borrowings	32,301	32,301	32,301	32,301	32,301
Gearing ratio (times)	0.18	0.16	0.15	0.15	0.12

Notes:

(a) Subsequent events refer to the following events occurring after 31 March 2024 up to LPD:-

(i) the allotment and issuance of:-

(aa) 92,411,000 new HHRG Shares pursuant to the exercise of SIS Options at the exercise price of RM0.105 and after taking into consideration the transfer of SIS reserve of RM1.95 million to share capital arising from the exercise of the outstanding SIS Options;

(bb) 1,296,800 new HHRG Shares pursuant to the exercise of Warrants A at the exercise price of RM0.08 each and after taking into consideration the transfer of Warrants A reserve of RM0.03 million to share capital arising from the exercise of the outstanding Warrants A; and

(cc) 51,822,700 and 35,000,000 new HHRG Shares pursuant to the private placement at the issue price of RM0.1450 and RM0.1395 per Share respectively, and after taking into consideration the listing expenses of RM0.10 million.

(ii) 202,100,000 SIS Options were granted, resulting in the increase to the SIS reserve of RM3.96 million, after accounting for the recognition of fair value costs (retained earnings);

(iii) 40,026,415 SIS Options were lapsed, resulting in the reversal of the fair value costs previously recognised by crediting the retained earnings of RM2.93 million from the SIS reserve; and

(iv) shares buy-back of 40,900,000 Shares by the Company.

(b) Assuming all of the 40,900,000 treasury shares are resold in the open market at cost and all outstanding 109,039,003 SIS Options and 71,806,007 Warrants A are exercised at the exercise price of RM0.105 per SIS Option and RM0.08 per Warrant A respectively.

(c) Assuming all 491,684,507 Warrants B are exercised based on the Maximum Scenario at the illustrative issue price of RM0.08 per Warrant B.

(d) After deducting estimated expenses of approximately RM0.23 million in relation to the Proposed Bonus Issue of Warrants.

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(B) Unaudited as at 30 June 2025

Minimum Scenario

	Unaudited as at 30 June 2025	**(I) [a]After adjusting for subsequent events up to LPD**	**(II) After (I) and the Proposed Bonus Issue of Warrants**	**(III) After (II) and assuming full exercise of the Warrants B**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Share capital	174,119	177,723	177,723	[b]209,962
Reorganisation reserve	(5,185)	(5,185)	(5,185)	(5,185)
Warrants A reserve	1,831	1,831	1,831	1,831
SIS reserve	3,585	2,136	2,136	2,136
Treasury shares	-	(5,092)	(5,092)	(5,092)
Retained earnings	41,891	42,889	[c]42,659	42,659
Equity attributable to owners of the Company / NA	**216,241**	**214,302**	**214,072**	**246,311**
NCI	22,821	22,821	22,821	22,821
Total equity	**239,062**	**237,123**	**236,893**	**269,132**
No. of ordinary shares (excluding treasury shares) ('000)	1,018,341	1,008,141	1,008,141	1,410,453
NA per share (RM)	0.21	0.21	0.21	0.17
Total borrowings	21,193	21,193	21,193	21,193
Gearing ratio (times)	0.10	0.10	0.10	0.09

Notes:

(a) Subsequent events refer to the following events occurring after 30 June 2025 up to LPD:-

(i) 30,025,000 new HHRG Shares pursuant to the exercise of SIS Options from 30 June 2025 up to LPD, at the exercise price of RM0.105 and after taking into consideration the transfer of SIS reserve of RM0.45 million to share capital arising from the exercise of the outstanding SIS Options; and

(ii) shares buy-back of 40,900,000 Shares by the Company.

(b) Assuming all 402,986,503 Warrants B are exercised based on the Minimum Scenario at the illustrative issue price of RM0.08 per Warrant B.

(c) After deducting estimated expenses of approximately RM0.23 million in relation to the Proposed Bonus Issue of Warrants.

Maximum Scenario

	Unaudited as at 30 June 2025	(I) [a]After adjusting for subsequent events up to LPD	(II) [b]After (I) and assuming all treasury shares are resold and full exercise of the outstanding SIS Options and Warrants A	(III) After (II) and the Proposed Bonus Issue of Warrants	(IV) After (III) and assuming full exercise of the Warrants B
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Share capital	174,119	177,723	198,884	198,884	[c]238,219
Reorganisation reserve	(5,185)	(5,185)	(5,185)	(5,185)	(5,185)
Warrants A reserve	1,831	1,831	-	-	-
SIS reserve	3,585	2,136	-	-	-
Treasury shares	-	(5,092)	-	-	-
Retained earnings	41,891	42,889	42,889	[d]42,659	42,659
Equity attributable to owners of the Company / NA	**216,241**	**214,302**	**236,588**	**236,358**	**275,693**
NCI	22,821	22,821	22,821	22,821	22,821
Total equity	**239,062**	**237,123**	**259,409**	**259,179**	**298,514**
No. of ordinary shares (excluding treasury shares) ('000)	1,018,341	1,008,141	1,229,211	1,229,211	1,720,896
NA per share (RM)	0.21	0.21	0.19	0.19	0.16
Total borrowings	21,193	21,193	21,193	21,193	21,193
Gearing ratio (times)	0.10	0.10	0.09	0.09	0.08

Notes:

(a) After taking into account the allotment and issuance of the following:-

(i) 30,025,000 new HHRG Shares pursuant to the exercise of SIS Options from 30 June 2025 up to LPD, at the exercise price of RM0.105 and after taking into consideration the transfer of SIS reserve of RM0.45 million to share capital arising from the exercise of the outstanding SIS Options; and

(ii) shares buy-back of 40,900,000 Shares by the Company.

(b) Assuming all of the 40,900,000 treasury shares are resold in the open market at cost and all outstanding 109,039,003 SIS Options and 71,806,007 Warrants A are exercised at the exercise price of RM0.105 per SIS Option and RM0.08 per Warrant A respectively.

(c) Assuming all 491,684,507 Warrants B are exercised based on the Maximum Scenario at the illustrative issue price of RM0.08 per Warrant B.

(d) After deducting estimated expenses of approximately RM0.23 million in relation to the Proposed Bonus Issue of Warrants.

6.3 Earnings and EPS

The Proposed Bonus Issue of Warrants is not expected to have any material effect on the earnings of the Group for the FYE 31 March 2024 and/or FPE 30 June 2025. However, assuming the earnings of the Group remains unchanged, the EPS of the Group will be proportionately diluted as a result of the increase in the number of Shares as and when the Warrants B are exercised.

The potential effect of the Proposed Bonus Issue of Warrants on the future earnings and EPS of the Group will depend upon, amongst others, the number of Shares issued pursuant to the exercise of the Warrants B at any point in time and the potential benefits from the utilisation of the proceeds.

6.4 Convertible securities

As at LPD, save for the outstanding SIS Options and Warrants A, the Company does not have any other outstanding convertible securities in issue. In accordance with the by-laws for the SIS and deed poll for the Warrants A, the Proposed Bonus Issue of Warrants will not result in any adjustments to the respective exercise prices and number of SIS Options and Warrants A respectively.

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6.5 Substantial shareholders' shareholdings

The Proposed Bonus Issue of Warrants will not have any immediate effect on the substantial shareholders' shareholdings in the Company until such time when the Warrants B are exercised.

The pro forma effects of the Proposed Bonus Issue of Warrants on the substantial shareholders' shareholdings of the Company as at LPD are as follows:

Minimum Scenario

	As at LPD				(I) After the Proposed Bonus Issue of Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	[a]%	No. of Shares	[a]%	No. of Shares	[a]%	No. of Shares	[a]%
Digital Trustee Berhad	154,290,697	15.31	-	-	154,290,697	15.31	-	-
Cfamilie Holdings Sdn Bhd	-	-	[c]154,290,697	15.31	-	-	[c]154,290,697	15.31
GH Consortium Sdn Bhd	120,264,455	11.94	-	-	120,264,455	11.94	-	-
Dato' H'ng Choon Seng	2,764	*	[d]120,264,455	11.94	2,764	*	[d]120,264,455	11.94
Goh Boon Leong	37,500,000	3.72	[d]120,264,455	11.94	37,500,000	3.72	[d]120,264,455	11.94
Tai Chin Hwang	17,353,000	1.72	[e]85,088,000	8.45	17,353,000	1.72	[e]85,088,000	8.45
Batu Kawi Capital Sdn Bhd	85,088,000	8.45	-	-	85,088,000	8.45	-	-

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	(II) After (I) and assuming full exercise of the Warrants B			
	Direct		Indirect	
	No. of Shares	[(b)]%	No. of Shares	[(b)]%
Digital Trustee Berhad	216,006,975	15.31	-	-
Cfamilie Holdings Sdn Bhd	-	-	[(c)]216,006,975	15.31
GH Consortium Sdn Bhd	168,370,237	11.94	-	-
Dato' H'ng Choon Seng	3,869	*	[(d)]168,370,237	11.94
Goh Boon Leong	52,500,000	3.72	[(d)]168,370,237	11.94
Tai Chin Hwang	24,294,200	1.72	[(e)]119,123,200	8.45
Batu Kawi Capital Sdn Bhd	119,123,200	8.45	-	-

* Less than 0.01%

Notes:

(a) Based on existing issued share capital of 1,007,466,259 Shares after excluding 40,900,000 treasury shares as at LPD.

(b) Based on enlarged issued share capital of 1,410,452,762 Shares after assuming full exercise of the Warrants B under Minimum Scenario.

(c) Deemed interest in Digital Trustee Berhad, a licensed private trustee as the custodial of Cfamilie Holdings Sdn Bhd.

(d) Deemed interest by virtue of interest in GH Consortium Sdn Bhd pursuant to Section 8 of the Act.

(e) Deemed interest by virtue of interest in Batu Kawi Capital Sdn Bhd pursuant to Section 8 of the Act.

Maximum Scenario

	As at LPD				(I) Assuming all treasury shares are resold and full exercise of the outstanding SIS Options and Warrants A			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(a)%	No. of Shares	(a)%	No. of Shares	(b)%	No. of Shares	(b)%
Digital Trustee Berhad	154,290,697	15.31	-	-	154,290,697	12.55	-	-
Cfamilie Holdings Sdn Bhd	-	-	(d)154,290,697	15.31	-	-	(d)154,290,697	12.55
GH Consortium Sdn Bhd	120,264,455	11.94	-	-	120,272,017	9.78	-	-
Dato' H'ng Choon Seng	2,764	*	(e)120,264,455	11.94	2,764	*	(e)120,272,017	9.78
Goh Boon Leong	37,500,000	3.72	(e)120,264,455	11.94	59,456,500	4.84	(e)120,272,017	9.78
Tai Chin Hwang	17,353,000	1.72	(f)85,088,000	8.45	17,353,000	1.41	(f)85,088,000	6.92
Batu Kawi Capital Sdn Bhd	85,088,000	8.45	-	-	85,088,000	6.92	-	-

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	(II) After (I) and the Proposed Bonus Issue of Warrants				(III) After (II) and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	[b]%	No. of Shares	[b]%	No. of Shares	[c]%	No. of Shares	[c]%
Digital Trustee Berhad	154,290,697	12.55	-	-	216,006,975	12.55	-	-
Cfamilie Holdings Sdn Bhd	-	-	[d]154,290,697	12.55	-	-	[d]216,006,975	12.55
GH Consortium Sdn Bhd	120,272,017	9.78	-	-	168,380,823	9.78	-	-
Dato' H'ng Choon Seng	2,764	*	[e]120,272,017	9.78	3,869	*	[e]168,380,823	9.78
Goh Boon Leong	59,456,500	4.84	[e]120,272,017	9.78	83,239,100	4.84	[e]168,380,823	9.78
Tai Chin Hwang	17,353,000	1.41	[f]85,088,000	6.92	24,294,200	1.41	[f]119,123,200	6.92
Batu Kawi Capital Sdn Bhd	85,088,000	6.92	-	-	119,123,200	6.92	-	-

* Less than 0.01%

Notes:

(a) Based on existing issued share capital of 1,007,466,259 Shares after excluding 40,900,000 treasury shares as at LPD.

(b) Based on enlarged issued share capital of 1,229,211,269 Shares assuming all treasury shares are resold and full exercise of the outstanding SIS Options and Warrants A.

(c) Based on enlarged issued share capital of 1,720,895,776 Shares after assuming full exercise of the Warrants B under Maximum Scenario.

(d) Deemed interest in Digital Trustee Berhad, a licensed private trustee as the custodial of Cfamilie Holdings Sdn Bhd.

(e) Deemed interest by virtue of interest in GH Consortium Sdn Bhd pursuant to Section 8 of the Act.

(f) Deemed interest by virtue of interest in Batu Kawi Capital Sdn Bhd pursuant to Section 8 of the Act.

7. APPROVALS REQUIRED

The Proposed Bonus Issue of Warrants is subject to following approvals being obtained:

(i) Bursa Securities for the following:

(a) the admission of the Warrants B to the official list of Bursa Securities; and

(b) the listing and quotation of the Warrants B and new HHRG Shares to be issued arising from the exercise of the Warrants B on the ACE Market of Bursa Securities;

(ii) the shareholders of the Company for the Proposed Bonus Issue of Warrants at an extraordinary general meeting to be convened; and

(iii) any other relevant authorities and/or parties, if any.

The Proposed Bonus Issue of Warrants is not conditional upon any other corporate exercises/schemes or proposals undertaken or to be undertaken by the Company.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM

None of the Directors, major shareholders, chief executive of the Company and/or persons connected with them have any interest, direct or indirect, in the Proposed Bonus Issue of Warrants, save for their respective entitlements under the Proposed Bonus Issue of Warrants which is available to all Entitled Shareholders on a pro-rata basis.

9. DIRECTORS' STATEMENT

The Board having considered all aspects of the Proposed Bonus Issue of Warrants including but not limited to the rationale and financial effects of the Proposed Bonus Issue of Warrants, is of the opinion that the Proposed Bonus Issue of Warrants is in the best interest of the Company.

10. APPLICATION TO THE RELEVANT AUTHORITIES

Barring any unforeseen circumstances, the application to the relevant authorities in relation to the Proposed Bonus Issue of Warrants is expected to be made within 2 months from the date of this Announcement.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all the required approvals being obtained, the Proposed Bonus Issue of Warrants is expected to be completed by the fourth quarter of 2025.

12. ADVISER

Malacca Securities has been appointed by the Company to act as the Principal Adviser for the Proposed Bonus Issue of Warrants.

Terms		Details
Issue size	:	Up to 491,684,507 Warrants B.
Issue price	:	The Warrants B will be issued at no cost to the Entitled Shareholders.
Form	:	The Warrants B will be issued in registered form and constituted by the Deed Poll B and as may be supplemented from time to time.
Board lot	:	The Warrants B are tradeable upon listing in board lots of 100 units carrying rights to subscribe for 100 new Shares at any time during the Exercise Period or such other number of units as may be prescribed by Bursa Securities.
Tenure	:	3 years commencing on and including the date of issuance of the Warrants B.
Expiry Date	:	The day falling immediately preceding the date which is the 3rd anniversary of the date of issuance of the Warrants B, and if such day falls on a day which is not a market day, then it shall be the market day immediately preceding the said non-market day.
Exercise Price	:	The exercise price of the Warrants B will be determined and announced by the Board at a later date after all the relevant approvals for the Proposed Bonus Issue of Warrants have been obtained but before the announcement of the Entitlement Date.
Exercise Period	:	The period commencing on and including the date of issuance of the Warrants B and ending at the close of business at 5.00 p.m. in Kuala Lumpur, on the date preceding the 3rd anniversary of the date of issuance, or if such is not a day on which the stock market of Bursa Securities is open for trading of securities, then it shall be the Market Day immediately preceding the said non-Market Day
Exercise Rights	:	Each Warrant B entitles a Warrant B Holder to subscribe for one (1) new Share at any time during the Exercise Period and at the Exercise Price subject to adjustments in accordance with the provisions of the Deed Poll B.
Mode of exercise	:	Warrant B Holders are required to lodge an exercise form (which shall be irrevocable) with the Company's registrar, duly completed, signed and stamped together with a payment in Malaysian currency of the Exercise Price via banker's draft or cashier's order or money order or postal order drawn on a post office operating in Malaysia or with a remittance by way of interbank transfer or by way of internet bank transfer to the designated bank account or via online payment gateway for the exercise form.
Ranking of Warrants B	:	The Warrants B shall as between the Warrant B Holders rank equally in all respects.

Ranking of new Shares to be issued pursuant to the exercise of Warrants B	:	The new Shares to be issued pursuant to the exercise of the Warrants B shall, upon allotment and issuance, rank equally in all respects with the existing Shares, save and except that the new Shares to be issued arising from the exercise of the Warrants B will not be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid for which the entitlement date is prior to the date of allotment and issuance of the said new Shares.
Rights of the Warrant B Holders	:	The Warrant B Holders are not entitled to any voting rights in any general meeting of the Company until and unless such Warrant B Holders are issued with new Shares arising from the exercise of the Warrants B.
Adjustment to the Exercise Price and/or the number of Warrants B	:	The Exercise Price and/or number of unexercised Warrants B may be adjusted if any alteration is made to the share capital of the Company at any time during the tenure of the Warrants B, whether by way of, amongst others, rights issue, bonus issue, capitalisation, consolidation or subdivision or reduction of capital, in accordance with the provisions of the Deed Poll B.
Rights in the event of winding up, liquidation, compromise and/or arrangement	:	Where a resolution has been passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with 1 or more companies, then:- (i) for the purposes of such a winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrant B Holders, or some persons designated by them for such purposes by special resolution, shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrant B Holders; and (ii) in any other cases, every Warrant B Holders shall be entitled to exercise his/her Warrants B at any time within 6 weeks after the passing of such resolution for a members' voluntary winding up of the Company or within 6 weeks after the granting of the court order approving the winding-up, compromise or arrangement, whereupon the Company shall allot the relevant new Shares to the Warrant B Holders credited as fully paid subject to the prevailing laws, and such Warrant B Holders shall be entitled to receive out of the assets of the Company which would be available in liquidation if he/she had on such date been the holder of the new Shares to which he/she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the above 6 weeks, all subscription rights of the Warrants B shall lapse and cease to be valid for any purpose.

Modification of rights of the Warrant B Holders	:	The Company may from time to time without the consent or sanction of the Warrant B Holders make modifications, amendments or additions to the Deed Poll B which are: (i) required to correct any typographical errors; (ii) relating to purely administrative matters; (iii) required to comply with mandatory provisions of the law; or (iv) in the opinion of the Board, will not be materially prejudicial to the interests of the Warrant holders. Save as expressly provided in the Deed Poll B and subject to the approval of any relevant authority, any modifications, amendments or additions to the Deed Poll B must be: (i) effected by a supplemental deed poll; (ii) executed by the Company and expressed to be supplemental to the Deed Poll B; and (iii) comply with the requirements of the Deed Poll B.
Transferability	:	The Warrants B shall be transferable in accordance with the provisions of the Deed Poll B, subject always to the provisions of Securities Industry (Central Depositories) Act, 1991 and Rules of Bursa Malaysia Depository Sdn Bhd.
Listing	:	The Warrants B will be listed and quoted on the ACE Market of Bursa Securities.
Governing Law	:	Laws of Malaysia