THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

The approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") in relation to the Proposals (as defined herein) shall not be taken to indicate that Bursa Securities recommends them. Shareholders should rely on their own evaluation to assess the merits and risks of the Proposals.

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

HO WAH GENTING BERHAD
(Registration No. 199301018185 (272923-H))
(Incorporated in Malaysia under the Companies Act 1965)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

(I) PROPOSED SETTLEMENT OF AN AGGREGATE AMOUNT OF RM3,299,000 DEBT OWING TO ADVANCE OPPORTUNITIES FUND AND ADVANCE OPPORTUNITIES FUND I BY HO WAH GENTING BERHAD ("HWGB"), VIA THE ISSUANCE OF UP TO 20,554,700 NEW ORDINARY SHARES IN HWGB, AT AN ISSUE PRICE TO BE DETERMINED AND FIXED AT A LATER DATE ("PROPOSED DEBT SETTLEMENT"); AND

(II) PROPOSED PRIVATE PLACEMENT OF UP TO 20,554,700 NEW ORDINARY SHARES IN HWGB, WHICH WAS ARRIVED BASED ON 10.00% OF THE TOTAL NUMBER OF ISSUED SHARES IN HWGB (EXCLUDING TREASURY SHARES, IF ANY), AT AN ISSUE PRICE TO BE DETERMINED AND FIXED AT A LATER DATE ("PROPOSED PRIVATE PLACEMENT").

(COLLECTIVELY, REFERRED TO AS THE "PROPOSALS")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser and Placement Agent

M & A SECURITIES SDN BHD
(Registration No.: 197301001503 (15017-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting ("**EGM**") together with the Proxy Form, and this Circular are available for download at our Company's website at https://www.hwgb.com/circular.php. The details of the EGM are as follows:

Last date and time for lodging the Proxy Form	:	Thursday, 12 February 2026 at 09:30 a.m.
Date and time of the EGM	:	Friday, 13 February 2026 at 09:30 a.m., or at any adjournment thereof
Venue	:	Phoenix 3, 4 & 5, Level 7, Howard Johnson By Wyndham Kuala Lumpur 118, Jalan Kampung Attap, 50460 Kuala Lumpur

If you decide to appoint a proxy to attend and vote on your behalf at the EGM, the Proxy Form should be completed and lodged at our registered office at 1st Floor, Wisma Ho Wah Genting, No. 35, Jalan Maharajalela, 50150, Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time appointed for the EGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting at the forthcoming EGM if you subsequently wish to do so.

This Circular is dated 28 January 2026

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

"Act"	:	The Companies Act, 2016, as may be amended, supplemented or modified from time to time
"AGM"	:	Annual General Meeting
"AOF"	:	Advance Opportunities Fund (Registration No.: CT-168559)
"AOF I"	:	Advance Opportunities Fund I (Registration No.: 308364)
"Board"	:	Board of Directors of HWGB
"Bridging Loan"	:	Bridging loan of SGD2,000,000 (equivalent to RM6,598,000) in aggregate extended by the Creditors to HWGB pursuant to the Bridging Loan Agreement
"Bridging Loan Agreement"	:	Bridging loan agreement dated 14 February 2025 (as supplemented by the supplemental bridging loan agreement dated 4 September 2025, entered into for the purposes of extending the tenure of the loan and varying the interest rate and schedule of payment of interest for the extended loan tenure) entered into between HWGB, AOF and AOF I, wherein AOF and AOF I extended the Bridging Loan to HWGB
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (Registration No.: 198701006854 (165570-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
"CAGR"	:	Compound annual growth rate
"Circular"	:	This circular to shareholders dated 28 January 2026
"CMSA"	:	Capital Markets and Services Act 2007
"COVID-19"	:	Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
"Creditor(s)"	:	Collectively, AOF and AOF I
"Debt Settlement Agreement"	:	Settlement agreement dated 12 November 2025 entered into between HWGB, AOF and AOF I pursuant to the Proposed Debt Settlement
"Director(s)"	:	The director(s) of HWGB and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
"EGM"	:	Extraordinary general meeting
"EPS"	:	Earnings per share
"ESOS"	:	Employees share option scheme
"ESOS Option(s)	:	Employees share option(s)
"FPE"	:	Financial period ended

"FYE"	:	Financial year ended/ending, where relevant
"GDP"	:	Gross domestic product
"GP"	:	Gross profit
"HWGB" or the "Company"	:	Ho Wah Genting Berhad (Registration No.: 199301018185 (272923-H))
"HWGB Group" or the "Group"	:	HWGB, its subsidiaries and associate company, collectively
"HWGB Share(s)" or "Share(s)"	:	Ordinary share(s) in HWGB
"Indicative Issue Price"	:	RM0.1225 per Share, being the indicative issue price for the Placement Shares used in this Circular for illustrative purposes
"Indicative Settlement Share Issue Price"	:	RM0.1225 per Share, being the indicative issue price for the Settlement Shares used in this Circular for illustrative purposes
"LAT"	:	Loss after tax
"LBT"	:	Loss before tax
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities, as may be amended from time to time
"LPD"	:	31 December 2025, being the latest practicable date prior to the date of this Circular
"LPS"	:	Loss per share
"Market Day(s)"	:	Any day from Mondays to Fridays (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for trading of securities
"Matrade"	:	Malaysia External Trade Development Corporation
"M & A Securities"	:	M & A Securities Sdn Bhd (Registration No.: 197301001503 (15017-H))
"NA"	:	Net assets
"PAT"	:	Profit after tax
"PBT"	:	Profit before tax
"Placee(s)"	:	Independent third party investor(s)
"Placement Share(s)"	:	Up to 20,554,700 new HWGB Shares to be issued pursuant to the Proposed Private Placement
"Proposals"	:	Collectively, the Proposed Debt Settlement and Proposed Private Placement for the settlement of the Bridging Loan amount owing to the Creditors pursuant to the Bridging Loan Agreement

"Proposed Debt Settlement"	:	Proposed settlement of the Settlement Amount owing to the Creditors by HWGB, via the issuance of the Settlement Shares at an issue price to be determined later
"Proposed Notes Issuance"	:	Proposed issuance of redeemable convertible notes with an aggregate principal amount of up to RM60.00 million as set out in the circular to our shareholders dated 11 March 2025
"Proposed Private Placement"	:	Proposed private placement of up to 20,554,700 HWGB Shares to independent third party investor(s) to be identified later
"Proposed 10.0% Private Placement"	:	Proposed private placement of up to 20,554,700 new ordinary shares in HWGB announced on 22 April 2025
"Record of Depositors"	:	A record of securities holders established and maintained by Bursa Depository under the rules of Bursa Depository
"RM and sen"	:	Ringgit Malaysia and sen, respectively
"Settlement Amount"	:	An aggregate amount of RM3,299,000 debt owing to the Creditors by HWGB to be settled via the issuance of the Settlement Shares
"Settlement Share(s)"	:	Up to 20,554,700 new HWGB Shares to be issued pursuant to the Proposed Debt Settlement
"SGD"	:	Singapore Dollars
"5D-VWAMP"	:	5-day volume weighted average market price

For the purpose of this Circular, all references to a time of day shall be a reference to Malaysian time unless otherwise stated. In this Circular, 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 vice versa. References to persons shall, where applicable, include corporations.

Certain figures included in this Circular have been subject to rounding adjustments. References to "we", "us", "our" and "ourselves" are to our Company save where the context otherwise requires, our subsidiaries and to "you" or "your" are to the shareholders of our Company.

Any reference in this Circular to the provisions of any statute, rules, regulation or rules of stock exchange shall (where the context admits) be construed as a reference to the provisions of such statute, rules, regulation or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments to the statute, rules, regulation or rules of stock exchange for the time being in force.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Company's plans and objectives will be achieved.

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LETTER TO SHAREHOLDERS IN RELATION TO THE PROPOSALS

APPENDICES

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION REGARDING THE PROPOSALS. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE ENTIRE CONTENTS OF THIS CIRCULAR, INCLUDING THE APPENDICES, BEFORE VOTING ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

Key information		Description	Reference to Circular
Summary	:	HWGB intends to undertake the following proposals: (a) proposed settlement of the Settlement Amount owing to the Creditors by our Company, via the issuance of the Settlement Shares; and (b) proposed private placement of up to 20,554,700 new HWGB Shares, which was arrived based on 10.0% of our existing issued Shares comprising 205,547,000 Shares as at the LPD.	Sections 2 and 3
Utilisation of proceeds	:	Based on the proposed placement size of 20,554,700 Placement Shares to be issued at the Indicative Issue Price, the Proposed Private Placement is expected to raise gross proceeds of RM2.52 million. The proceeds raised are expected to be utilised in the following manner:	Section 3.5

Details	RM'000
Repayment of the Bridging Loan	2,168
Estimated expenses for the Proposals	350
Total estimated proceeds	**2,518**

Key information		Description	Reference to Circular
Rationale for the Proposals	:	After due consideration of the various options available, our Board is of the opinion that the Proposed Debt Settlement is the most appropriate method to settle the Settlement Amount in view that the Proposed Debt Settlement: (i) will enable our Company to settle the Settlement Amount without incurring additional debt obligation/interest expense by HWGB; (ii) will enable our Company to strengthen our capital base; (iii) will further strengthen our Company's equity base as well as our NA and gearing ratio as a result of the increase in our share capital; and (iv) allows our Company to preserve cash for other purposes, such as working capital requirements.	Section 5

Key information		Description	Reference to Circular
		The Proposed Private Placement will enable our Group to raise additional funds for the purposes as set out in Section 3.5 of this Circular taking into consideration the following: (i) the Proposed Private Placement will enable our Group to raise funds more expeditiously and in a more cost-effective manner as opposed to other fund-raising options; (ii) the Proposed Private Placement is expected to strengthen the shareholders and capital base of our Group; (iii) the Proposed Private Placement will serve as additional source of funding for our Group without incurring interest expenses as compared to borrowings; and (iv) our Company has not undertaken any fund-raising exercise in the past 12 months preceding this Circular. The Proposed Notes Issuance, as tabled at our EGM held on 8 April 2025, was not passed by our shareholders and therefore was not implemented. Additionally, the Proposed 10.0% Private Placement was aborted as the ordinary resolution for the authority to allot shares pursuant to Sections 75 and 76 of the Act was not passed at our AGM held on 23 May 2025.	
Approvals required	:	The Proposals are subject to the approvals being obtained from the following: (i) Bursa Securities, for the listing of and quotation of the Settlement Shares and Placement Shares on the Main Market of Bursa Securities, which was obtained vide its letter dated 21 January 2026, and is subject to the conditions as stated in Section 8 of this Circular; (ii) our shareholders at the forthcoming EGM to be convened for the Proposals; and (iii) any other relevant persons or authorities, if required. The Proposed Debt Settlement and the Proposed Private Placement are not inter-conditional upon each other. The Proposals are not conditional upon any other corporate proposals undertaken or to be undertaken by HWGB.	Section 8
Interests of Directors, major shareholders, chief executive and/or persons connected with them		None of our Directors, major shareholders, chief executive of HWGB and/or persons connected with them have any interest, whether direct or indirect, in the Proposals.	Section 10

Key information	Description	Reference to Circular
Directors' Recommendation	Our Board, after having considered all aspects of the Proposals (including, but not limited to the proposed utilisation of proceeds, rationale and the effects of the Proposals), is of the opinion that the Proposals are in the best interest of our Group and our shareholders. Accordingly, our Board recommends that you vote in favour of the resolutions in relation to the Proposals to be tabled at the forthcoming EGM to be convened.	Section 11

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HO WAH GENTING BERHAD
(Registration No. 199301018185 (272923-H))
(Incorporated in Malaysia under the Companies Act 1965)

Registered office:

1st Floor, Wisma Ho Wah Genting,
No. 35, Jalan Maharajalela,
50150 Kuala Lumpur
Wilayah Persekutuan
Malaysia
28 January 2026

Board of Directors

Khalid Bin Ahmad Husni (Chairman, Independent Non-Executive and Senior Independent Director)
Lim Wee Kiat (Executive Director and Chief Executive Officer)
Chien Chao-Chuan (Executive Director)
Lim Ean Chin (Independent Non-Executive Director)
Khoo Boon Han (Independent Non-Executive Director)
Leong Kah Mun (Independent Non-Executive Director)

To: The shareholders of HWGB,

Dear Sir/Madam,

(I) PROPOSED DEBT SETTLEMENT; AND
(II) PROPOSED PRIVATE PLACEMENT

(COLLECTIVELY, THE "PROPOSALS")

1. INTRODUCTION

On 12 November 2025, M & A Securities had, on behalf of the Board, announced that our Company proposes to undertake the Proposals.

On 21 January 2026, M & A Securities had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 21 January 2026 approved to the listing of and quotation of the Settlement Shares and Placement Shares on the Main Market of Bursa Securities subject to the conditions as disclosed in Section 8 of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH DETAILS ON THE PROPOSALS, TO SET OUT THE BOARD'S OPINION AND RECOMMENDATION ON THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN CAREFULLY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED DEBT SETTLEMENT

On 12 November 2025, our Company entered into the Debt Settlement Agreement with the Creditors to settle the Settlement Amount via the issuance of the Settlement Shares. Based on the Indicative Settlement Share Issue Price, the Proposed Debt Settlement would be carried out in the following manner:

Creditor	Settlement Amount (RM)	Quantity of Settlement Shares to be Received	(i)Value of Settlement Shares (RM)	Shortfall of Settlement Amount to be settled by way of cash (RM)
AOF	1,253,620	7,810,800	956,823	296,797
AOF I	2,045,380	12,743,900	1,561,128	484,252
Total	**3,299,000**	**20,554,700**	**2,517,951**	**781,049**

Note:

(i) Illustrated based on the Indicative Settlement Share Issue Price. For illustrative purpose, the issuance of the Settlement Shares at the Indicative Settlement Share Issue Price will result in a shortfall of RM781,049 which will be settled by way of cash via internally generated fund.

The shareholdings of the Creditors before and after the Proposed Debt Settlement are set out in the table below:

	Before Proposed Debt Settlement				After Proposed Debt Settlement			
	Direct		Indirect		Direct		Indirect	
Creditor	No. of Shares	%	No. of Shares	%	(i)No. of Shares	(ii)%	No. of Shares	%
AOF	-	-	-	-	7,810,800	3.5	-	-
AOF I	-	-	-	-	12,743,900	5.6	-	-

Note:

(i) Illustrated based on the Indicative Settlement Share Issue Price.

(ii) Based on the enlarged share capital of 226,101,700 Shares after the Proposed Debt Settlement.

The issue price of the Settlement Shares is not fixed upfront and shall be determined in the manner set out in Section 2.2 of this Circular. Therefore, the actual number of the Settlement Shares to be issued pursuant to the Proposed Debt Settlement will depend on the issue price at the point of implementation. For avoidance of doubt, the total number of Settlement Shares to be issued shall not exceed 20,554,700 Shares, which represents 10.0% of the existing number of issued HWGB Shares of RM165,736,482 comprising 205,547,000 HWGB Shares as at the LPD.

In the event that:

(i) the Settlement Amount is fully extinguished prior to the full issuance of the Settlement Shares, no further issuance of the remaining of the Settlement Shares shall be made to the Creditors; or

(ii) the Settlement Shares are fully issued and allotted to the Creditors, and the Settlement Amount is not fully extinguished, the remaining balance of the Settlement Amount shall be settled by way of cash to the Creditors by 31 March 2026.

Upon the occurrence of the event under (i) or (ii) above, whichever is earlier, the Proposed Debt Settlement shall be deemed completed. Our Company will use its internally generated funds for the cash settlement in the event under (ii) above.

In the event that any of the conditions precedent to the Debt Settlement Agreement are not fulfilled within the stipulated timeframe, and the Proposed Debt Settlement cannot proceed, the Debt Settlement Agreement shall lapse and cease to have effect. Upon such lapse, the rights and obligations of the Creditors shall revert to and continue to be governed by the terms of the Bridging Loan Agreement. Our Company shall then be required to identify such suitable and available avenues for the settlement of the Bridging Loan.

The salient terms of the Debt Settlement Agreement are as set out in the Appendix I of this Circular.

2.1. Information of the Creditors

<u>AOF</u>

AOF is a proprietary fund established in the Cayman Islands in 2006, with its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Mr. Tan Choon Wee ("**Mr. Tan**") is the founder, director and sole shareholder of AOF while Mr. Lin Kuan Liang, Nicolas ("**Mr. Lin**") is also a director of AOF.

AOF manages its own funds and investment portfolios and invests in a variety of financial instruments, including but not limited to investing in quoted securities through private unlisted debt-to-equities convertible instruments known as redeemable convertible notes and redeemable convertible preference shares in Malaysia.

<u>AOF I</u>

AOF I is an open-ended fund incorporated as an exempted company with limited liability in the Cayman Islands in 2016, with its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Mr. Tan and Mr. Lin are directors of AOF I.

AOF I is structured as a regulated mutual fund for the purposes of the mutual funds law of the Cayman Islands and registered with the Cayman Islands Monetary Authority ("**CIMA**"). As a collective investment scheme offering its participating shares to accredited investors in Singapore, AOF I is also registered as a restricted foreign scheme with the Monetary Authority of Singapore ("**MAS**"). Under Singapore laws, a restricted foreign scheme with the MAS requires the investment funds fully managed by a fund manager licensed and regulated by the MAS. Accordingly, ZICO Asset Management Pte. Ltd. ("**ZICOAM**") has been appointed by AOF I to serve as the discretionary investment manager of all its investments.

AOF I has approximately 14 investors, comprising of both individuals and corporations, all of whom qualify as accredited investors as defined under the Securities and Futures Act 2001 of Singapore.

None of the Creditors are:

(i) an interested major shareholder of HWGB; or

(ii) a person connected to the interested director, major shareholder or chief executive of HWGB.

None of the directors or shareholders of the Creditors are:

(i) an interested director or interested major shareholder of HWGB; or

(ii) a person connected to the interested director, major shareholder or chief executive of HWGB.

The debt owing to the Creditors was pursuant to the Bridging Loan for the purpose of bridging our Company's expected proceeds from the Proposed Notes Issuance for our Group's general working capital purposes. The salient terms of the Bridging Loan Agreement are as set out in the Appendix II of this Circular.

For information purposes, the Proposed Notes Issuance, as detailed in the circular to shareholders dated 11 March 2025, entails the proposed issuance of redeemable convertible notes in 3 tranches with an aggregate principal amount of up to RM60.00 million. The resolution for the Proposed Notes Issuance was not passed by our shareholders at the EGM held on 8 April 2025 as 58.6% of the votes were cast against the resolution, and the outcome of the EGM was announced by our Company on the same day.

The Proposed Notes Issuance was expected to raise gross proceeds of up to RM60.00 million which was intended to be utilised in the following manner:

Purpose	**Amount RM'000**	**Intended timeframe for utilisation**
Working capital	Up to 50,880	Within 36 months
Repayment of existing financing facilities	Up to 3,410	Within 36 months
Estimated expenses in relation to the Proposed Notes Issuance:		
- Upon setting up the Proposed Notes Issuance	Up to 1,290	Within 3 months
- Upon issuance/ redemption/ implementation of the Proposed Notes Issuance	Up to 4,420	Within 36 months
Total	**Up to 60,000**	

The details of the debt owing by our Company to the Creditors are as follows:

Purpose of Bridging Loan	**Amount owing as at the date of the Debt Settlement Agreement**		**(i)Settlement Amount**	**Remaining outstanding amount owing**
	SGD'000	**(ii)RM'000**	**RM'000**	**RM'000**
Working capital requirements(iii)	2,000	6,598	3,299	(iv)3,299

Notes:

(i) To be settled via the issuance of the Settlement Shares.

(ii) Based on the exchange rate of SGD1.000: RM3.299 being the prevailing exchange rate based on the 7-day volume weighted average price as published on Bloomberg as at the date of the Bridging Loan Agreement.

(iii) The breakdown of the working capital is illustrated below:

Details	**RM'000**
Staff cost which include staff salary and statutory contribution	4,800
Other operating expenses which includes rental, utilities, upkeep and maintenance	1,798
	6,598

(iv) Our Company undertakes to repay the remaining amount owing to the Creditors in cash by 31 March 2026 pursuant to the terms of the Debt Settlement Agreement. Our Company intends to settle the remaining amount owing to the Creditors via the proceeds raised from the Proposed Private Placement of up to RM2.17 million based on the Indicative Issue Price as detailed in Section 3.5 of this Circular and internally generated funds.

2.2. Basis in determining the issue price of the Settlement Shares

The issue price of the Settlement Shares shall be determined and fixed by our Board within 15 days from the unconditional date of the Debt Settlement Agreement, at a discount of 10.0% to the 5D-VWAMP of HWGB Shares immediately preceding the price fixing date pursuant to the terms of the Debt Settlement Agreement after taking into consideration of:

(i) the willingness of Creditors to voluntarily accrue their own funds as timely advances to meet the immediate funding requirements of HWGB; and

(ii) the Creditors had agreed to forgo receiving cash as repayment for the Settlement Amount and instead will be holding equity in HWGB which will be exposed to the market risk of HWGB Shares which is influenced by, amongst others, the market sentiments, the liquidity of HWGB Shares, interest rate movements, volatility of the equity markets as well as our financial performance.

The mechanism to determine the issue price of the Settlement Shares will be in accordance with market-based principles. The Proposed Debt Settlement will be implemented in a single tranche, as such there will only be one price-fixing date. For illustrative purposes, assuming the issue price of the Settlement Shares is RM0.1225 per Settlement Share, the Indicative Settlement Share Issue Price represents a discount of approximately 10.0% to the 5D-VWAMP of HWGB Shares up to and including the LPD of RM0.1361 per Share. The settlement of RM2.52 million based on the Indicative Settlement Share Issue Price is expected to result in gross interest savings of approximately RM0.76 million per annum.

2.3. Ranking of the Settlement Shares

The Settlement Shares shall, upon allotment and issuance, rank equally in all respects with the then existing Shares, save and except that the holders of the Settlement Shares shall not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid to our shareholders, for which the relevant entitlement date is prior to the date of allotment and issuance of the Settlement Shares.

2.4. Listing and quotation of the Settlement Shares

Bursa Securities had vide its letter dated 21 January 2026 approved the listing of and quotation for the Settlement Shares on the Main Market of Bursa Securities, subject to the conditions as disclosed in Section 8 of this Circular.

2.5. Utilisation of proceeds

The Settlement Shares are issued as settlement of the amount owing to the Creditors. As such, there will not be any gross proceeds raised from the issuance.

3. DETAILS OF THE PROPOSED PRIVATE PLACEMENT

The Proposed Private Placement entails the issuance of up to 20,554,700 new HWGB Shares, which represents 10.0% of the existing number of issued HWGB Shares of RM165,736,482 comprising 205,547,000 HWGB Shares as at the LPD. As at the LPD, the Company does not hold any treasury shares.

As at the LPD, our Company has 6,580,408 outstanding ESOS Options granted pursuant to the ESOS. The outstanding ESOS Options have exercise prices ranging between RM0.488 to RM2.480. As these ESOS Options are out of the money, they are unlikely to be exercised. Our Company also does not intend to grant any ESOS Options prior to the completion of the Proposed Private Placement.

The actual number of Placement Shares to be issued shall not exceed 20,554,700 HWGB Shares. Subject to the prevailing market conditions and depending on investors' interest at the point of implementation, the Proposed Private Placement may be implemented in a single or multiple tranche(s) within 6 months from the date of approval of Bursa Securities for the Proposed Private Placement or such other approved extended period. As such, there could potentially be several price fixing dates depending on the number of tranches and timing of implementation.

3.1. Basis of arriving at the issue price of the Placement Shares

The issue price of each tranche of the Placement Shares, where applicable, shall be determined separately and fixed by our Board at a later date after obtaining the relevant approvals for the Proposed Private Placement. Our Board will take into consideration the prevailing market conditions in determining the issue price of the Placement Shares, where the Placement Shares will be price at no more than 10.0% discount to the 5D-VWAMP of HWGB Shares for the 5 market days immediately preceding the price fixing date(s).

For illustrative purposes, assuming the Placement Shares are issued at RM0.1225 per Placement Share, the Indicative Issue Price represents a discount of approximately 10.0% to the 5D-VWAMP of HWGB Shares up to and including the LPD of RM0.1361 per Share. The mechanism to determine the issue price of each tranche of the Placement Shares shall be in accordance with market-based principles.

3.2. Placement arrangement

The Placement Shares will be placed to the Placees, where the Placees shall be person(s) or party(ies) who/which qualify under Schedule 6 and Schedule 7 of the CMSA, who/which shall be identified at a later date.

In accordance with Paragraph 6.04(c) and Paragraph 6.06 of the Listing Requirements, the Placement Shares will not be placed to the following parties:

(i) the interested director, interested major shareholder, interested chief executive of HWGB or interested person connected with such director, major shareholder or chief executive of HWGB; and

(ii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

3.3. Ranking of the Placement Shares

The Placement Shares shall, upon allotment and issuance, rank equally in all respects with the then existing issued HWGB Shares, save and except that the holders of the Placement Shares shall not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid to the shareholders of our Company, for which the relevant entitlement date is prior to the date of allotment and issuance of the Placement Shares.

3.4. Listing of and quotation for the Placement Shares

Bursa Securities had vide its letter dated 21 January 2026 approved the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities, subject to the conditions as disclosed in Section 8 of this Circular.

3.5. Utilisation of proceeds

The placement proceeds to be raised from the Proposed Private Placement of RM2.52 million (based on the Indicative Issue Price) are expected to be utilised by our Group in the following manner:

Utilisation of proceeds	Notes	Amount RM'000	#Expected timeframe for utilisation of proceeds
Repayment of the Bridging Loan	(i)	2,168	Within 3 months
Estimated expenses for the Proposals	(ii)	350	Within 1 month
Total estimated proceeds		**2,518**	

Notes:

\# From the listing date of Placement Shares on the Main Market of Bursa Securities.

(i) As at the LPD, our Group's total bank borrowings amounted to approximately RM19.31 million. Our Group intends to utilise up to RM2.17 million of the proceeds for the partial repayment of the remaining balance owing by our Company to the Creditors under the Bridging Loan. The Bridging Loan, which has been fully drawn down on 28 February 2025, carries a monthly interest rate of 3.00% for the first 3 months and 2.50% per month thereafter. The repayment is expected to result in gross interest savings of approximately RM0.65 million per annum. Further details on the purpose of the Bridging Loan are set out in Section 2.1 of this Circular. The settlement of the Bridging Loan via the Proposals is expected to result in gross interest savings of approximately RM1.41 million per annum.

Under the terms of the Debt Settlement Agreement, our Company has undertaken to repay the remaining balance of the Bridging Loan (after the Proposed Debt Settlement) by 31 March 2026. In the event that the placement proceeds are insufficient to fully repay the remaining balance owing by our Company to the Creditors, our Company will utilise our internally generated funds to settle the balance.

(ii) The estimated expenses consist of fees payable to the relevant authorities, advisory fees, placement fees and other professional fees as well as other miscellaneous expenses to be incurred pursuant to the Proposals. Any excess or deficit in the amount allocated for estimated expenses will be adjusted against the repayment of the Bridging Loan.

The breakdown of the estimated expenses for the Proposals is illustrated below:

Details	**RM'000**
Professional and advisory fees	220
Placement fees	80
Others (fees to relevant authorities and miscellaneous)	50
	350

The actual proceeds raised from the Proposed Private Placement (which may be higher or lower than as illustrated above, depending on the actual number of Placement Shares issued and the actual issue price to be determined and fixed later) are intended to be utilised firstly for the estimated expenses for the Proposals followed by the repayment of the Bridging Loan.

Pending the full utilisation of the proceeds raised from the Proposed Private Placement, our Company intends to place these proceeds (including accrued interest, if any) or the balance thereof in interest-bearing deposit accounts with licensed financial institutions or in short-term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital requirements of our Group (being other operating expenses which includes rental, utilities, upkeep and maintenance), of which the actual breakdown and timeframe cannot be determined at this juncture and is subject to the operating and funding requirements of our Group at the time of utilisation.

4. DETAILS OF FUND-RAISING EXERCISES UNDERTAKEN

Save as disclosed below, our Company has not undertaken any other fund-raising exercises in the past 5 years preceding the date of this Circular nor any other equity fund-raising exercises undertaken of which proceeds raised have yet to be fully utilised.

Private Placement 2021

HWGB had on 12 January 2021 announced a private placement of up to 60,667,500 new HWGB Shares (representing 10.0% to the then existing total number of issued Shares before the private placement) ("**Private Placement 2021**"). The Private Placement 2021 was undertaken in accordance with the general mandate pursuant to Sections 75 and 76 of the Act.

The Private Placement 2021 was completed on 22 December 2021, and approximately RM19.97 million was raised over 3 tranches as follows:-

Tranche	Issue price RM	No of shares	Proceeds RM'000	Listing date
1	0.5600	17,858,000	10,000	10 February 2021
2	0.2650	20,871,000	5,531	30 July 2021
3	0.2300	19,307,000	4,441	22 December 2021
		Total	**19,972**	

There was no material variation to the utilisation of proceeds for the Private Placement 2021. The said proceeds have been utilised as follows:

Utilisation of proceeds	Intended timeframe for utilisation	Actual proceeds raised (RM'000)	Amount utilised (RM'000)
General working capital	Within 12 months	9,430	(i)9,430
Repayment of interest bearing advances from a non-related party	Within 1 month	10,000	(ii)10,000
Estimated expenses relating to the Private Placement	Within 1 month	542	542
	Total	**19,972**	**19,972**

Notes:

(i) The breakdown of the proceeds utilised for general working capital are as follows:

Details	Amount (RM'000)
Purchase of healthcare products	
- Test kits	430
- Disinfectant machines and solutions	1,000
- Other healthcare-related products	4,000
Research and development activities	4,000
	9,430

(ii) The amount raised of RM10.00 million has been fully utilised to repay the interest-bearing advances from a non-related party, namely Prime King Investment Limited.

Private Placement 2022

HWGB had on 8 July 2022 announced a private placement of up to 27,104,764 new HWGB Shares (representing 10.00% to the then existing total number of issued Shares before the private placement) ("**Private Placement 2022**"). The Private Placement 2022 was undertaken in accordance with the general mandate pursuant to Sections 75 and 76 of the Act.

The Private Placement 2022 was completed on 28 July 2022, and approximately RM2.94 million was raised over a single tranche with 23,708,000 placement Shares issued at an issue price per placement Share of RM0.1240. There was no material variation to the utilisation of proceeds for the Private Placement 2022. The said proceeds have been utilised as follows:

Utilisation of proceeds	Intended timeframe for utilisation	Actual proceeds raised (RM'000)	Amount utilised (RM'000)
General working capital	Within 12 months	2,840	(i)2,840
Estimated expenses relating to the Private Placement	Upon completion	100	100
	Total	**2,940**	**2,940**

Note:

(i) The breakdown of the proceeds utilised for general working capital are as follows:

Details	Amount (RM'000)
Marketing expenses	350
Administrative expenses	350
Creditor repayment	300
Monthly staff cost	902
Monthly instalments	504
Utilities and maintenance expenses	434
	2,840

Private Placement 2023

HWGB had on 19 May 2023 announced a private placement of up to 49,728,048 new HWGB Shares (representing 30.00% of the then existing total number of issue Shares before the private placement) ("**Private Placement 2023**"). The Private Placement 2023 was not undertaken in accordance with the general mandate pursuant to Sections 75 and 76 of the Act, and was approved by the shareholders of the Company at the EGM held on 13 July 2023.

The Private Placement 2023 was completed on 12 December 2023, and approximately RM10.00 million was raised over 2 tranches as follows:

Tranche	Issue price RM	No of shares	Proceeds RM'000	Listing date
1	0.2704	25,517,600	6,900	16 August 2023
2	0.2155	14,384,900	3,100	20 October 2023
		Total	**10,000**	

There was no material variation to the utilisation of proceeds for the Private Placement 2023. The said proceeds have been utilised as follows:

Utilisation of proceeds	Intended timeframe for utilisation	Actual proceeds raised (RM'000)	Amount utilised (RM'000)
General working capital	Within 12 months	1,870	(i)(ii)3,870
Repayment of existing financing facilities	Within 12 months	860	(iii)860
Repayment of interest-bearing advances from a non-related party	Within 3 months	4,500	(iv)4,500
Acquisitions and/ or investments in complementary businesses and/ or assets	Within 12 months	2,000	(i)-
Estimated expenses relating to the Private Placement 2023	Upon completion	770	770
	Total	**10,000**	**10,000**

Notes:

(i) Our Company had on 26 February 2024 announced that we have reallocated the RM2.00 million of the placement proceeds earmarked for the acquisition and/ or investment in complementary businesses and/ or assets, towards the utilisation for general working capital (of which RM1.60 million will go towards staff related expenses, RM0.20 million for upkeep, repair and maintenance and utilities, and RM0.20 million for professional fees, travelling and accommodation, rental, and others).

(ii) The breakdown of the proceeds utilised for general working capital are as follows:

Details	Amount (RM'000)
Staff related expenses	2,400
Upkeep and maintenance, utilities, travelling expenses	500
Payment to creditors for goods and services	500
Marketing and rental expenses	470
	3,870

(iii) The breakdown of the proceeds utilised for the repayment of existing financing facilities are as follows:

Details	Amount (RM'000)
Hap Seng Credit Sdn Bhd	276
CIMB Bank Berhad	400
Public Bank Berhad	184
	860

(iv) The amount raised of RM4.50 million have been fully utilised to repay the interest-bearing advances from a non-related party, namely Beedo Sdn Bhd.

5. RATIONALE OF THE PROPOSALS

Proposed Debt Settlement

The purpose of the Proposed Debt Settlement is to settle part of the entire amount owing by HWGB to the Creditors.

After due consideration of the various options available, our Board is of the opinion that the Proposed Debt Settlement is the most appropriate method to settle the Settlement Amount in view that the Proposed Debt Settlement:

(i) will enable our Company to settle the Settlement Amount without incurring additional debt obligation/interest expenses;

(ii) will enable our Company to strengthen our capital base;

(iii) will further strengthen our equity base as well as our NA and gearing ratio as a result of the increase in our share capital; and

(iv) allows our Company to preserve cash for other purposes, such as working capital requirements.

Proposed Private Placement

The Proposed Private Placement will enable our Group to raise additional funds as set out in Section 3.5 above.

After due consideration of the various options available, our Board is of the view that the Proposed Private Placement is the most appropriate avenue to raise funds for our Group for the following reasons:

(i) the Proposed Private Placement will enable our Group to raise funds more expeditiously and in a more cost-effective manner as opposed to other fund-raising options such as a pro-rata issuance of securities (e.g. a rights issue), which typically entails a longer implementation process and is significantly dependent on market sentiment. A rights issue would also require an underwriting arrangement or undertaking commitment from shareholders, which may not be viable under the current uncertain economy conditions;

(ii) the Proposed Private Placement is expected to strengthen the shareholders and capital base of our Group;

(iii) the Proposed Private Placement will serve as an additional source of funding for our Group without incurring interest expenses, as compared to borrowings; and

(iv) our Company has not undertaken any fund-raising exercise in the past 12 months preceding the date of this Circular. The Proposed Notes Issuance, as detailed in the circular to shareholder dated 11 March 2025 and tabled at our EGM held on 8 April 2025, was not passed by our shareholders and therefore was not implemented. Additionally, the Proposed 10.0% Private Placement was aborted as the ordinary resolution for the authority to allot shares pursuant to Sections 75 and 76 of the Act was not passed at our AGM held on 23 May 2025.

6. OVERVIEW, OUTLOOK AND PROSPECTS

6.1 Overview of the Malaysian economy

Malaysia's economy remains strong, having grown by a steady 4.4% in the first six months of the year. Growth is projected to continue within the range of 4.0% – 4.8% in 2025 and 4.0% – 4.5% in 2026. These projections are consistent with the International Monetary Fund (IMF) in the World Economic Outlook Update, July 2025, which forecasts Malaysia's growth at 4.5% for 2025 and 4.0% for 2026.

The growth will mainly be underpinned by strong domestic demand, moderate inflation, favourable labour market and proactive policies undertaken by the Government. The performance will also be supported by the ASEAN-Malaysia Chairmanship 2025 and Visit Malaysia 2026 ("**VM2026**"). The economy continues to be steered by the Ekonomi MADANI framework and the Government remains committed to positioning Malaysia as an attractive destination for quality investments. At the same time, ongoing improvements in the wage-setting mechanism and rising business efficiency are expected to strengthen the wage structure, thus contributing to a higher labour income share.

In 2026, Malaysia's economy is projected to expand between 4.0% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System, continuation of targeted assistance programmes and robust tourism activities in conjunction with VM2026. In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing will remain key drivers of growth, complemented by sustained construction and agriculture sectors.

(Source: Economic Outlook 2026, Ministry of Finance, Malaysia)

6.2 Overview and outlook of the wire and cable market in North America, Malaysia, Indonesia, Thailand, Taiwan and Singapore

The wire and cable market in North America is expected to grow from USD27,373.43 million in 2022 to USD39,405.04 million by 2028. It is estimated to grow at a CAGR of 6.3% from 2022 to 2028. Furthermore, the rapidly expanding communication and increasing investments in modernisation of power and grid infrastructures is anticipated to stimulate the growth of wire and cables market in North America. Further, government investments in this field is further accelerating the market growth. For instance, in March 2021 the US government introduced a USD2 trillion plan for the upgradation of the nation's infrastructure, with an aim to create the most resilient, innovative economy in the world.

The plan further includes 20,000 miles of rebuilt roads, repairs to the 10 important bridges, and projects to build a more resilient electricity transmission system to achieve carbon-free electricity generation by 2035. Such initiatives are likely to provide a significant boost to the regional wire and cables market growth.

Growing demands for copper cable, fiber cable and technologically advanced connectivity solutions is propelling the market growth in North America. Rising demands for wire and cables for applications such as local area networks, data centers, access control, home and building automation is encouraging the market players to design and develop innovative end-to-end copper and fiber network systems such as cable, assemblies, interconnect panels, and enclosures. Growth in ethernet technologies that can deliver data and meet the higher performance requirements in smart buildings along with advancements in intelligent power, cooling, and airflow management for mission-critical data center operations is also bolstering the market growth in the US, Canada, and Mexico. The US is leading in high performance networking and machine connectivity in the Industrial sector.

Consumers are increasingly demanding products that provide reliability and confidence of performance for a wide range of industrial automation applications. The North American region hosts some of the leading technology giants and providers of cabling and connectivity solutions for industrial, commercial, and residential applications. Companies such as Carl Stahl Sava Industries, Elliott Manufacturing, and Bergen Cable Technology are providing a wide range of wires and cables for the healthcare, automotive, construction and other end use industry verticals.

(Source: North America Wire and Cable Market Forecast to 2028 – COVID-19 Impact and Regional Analysis, Business Market Insights)

Malaysia's wiring devices market revenue size is projected to grow at a cumulative average growth rate of 6.5% during 2021-2027.

The outbreak of COVID-19 in 2020 resulted in decline of market revenues due to curtailment measures including nation-wide lockdowns, which in turn led to supply chain disruptions.

As economic conditions normalise and commercial activities resume, the market is expected to recover by 2022 and grow thereafter due to rising investments in public infrastructure and residential projects, which are expected to strengthen the wiring devices market during the forecast period.

(Source: Malaysia Wiring Devices Market Outlook 2021 - 2027, Research and Markets, Business Wire)

The Indonesian wires and cables market size is projected to grow at a CAGR of 6.1% from 2020 – 2026. The growth is anticipated owing to increased government investment towards infrastructure development. With investments, up to USD174 billion for development up to the next 12 years and about 40 percent of this fund would go to building power and energy projects in the power-starved archipelago as nearly a quarter of the population lacks basic electricity.

(Source: Indonesia Wires and Cables Market 2020 - 2026, 6WResearch)

Thailand's wires and cables market size is projected to grow at a CAGR of 7.4% during 2021 – 2027. The demand for wires and cables increased owing to the growth of industrialisation in country under Thailand 4.0 policy and rapid increase in construction activities in Thailand under Eastern Economic Corridor (EEC) projects such as airport, electrical power generating system project, telecommunications system project.

In addition, growth of telecommunication industry with adoption of 5G technology, are anticipated to strengthen the demand for wires and cables in the coming years.

(Source: Thailand Wires and Cables Market Outlook (2021 – 2027), Research and Markets)

The future of the Taiwan wires and cables market is poised for significant expansion, driven by technological innovations, rising global demand for reliable electrical and communication systems, and ongoing infrastructure development. Key future outcomes include:

- Advanced Material Development - ongoing research and development will lead to the development of new, high-performance materials that offer improved conductivity, durability, and resistance to environmental factors.

- Digital Integration - enhanced integration of smart technologies, such as Internet of Things sensors and digital monitoring systems, will optimize performance, enable predictive maintenance, and streamline operations.

- Sustainability Initiatives - increased focus on eco-friendly materials and production processes will drive the development of green cables, reducing the environmental impact of cable manufacturing and disposal.

- Global Supply Chain Improvements - advances in supply chain management and production efficiency will help mitigate raw material price volatility and reduce costs, making high-quality wires and cables more accessible.

- Market Expansion into Emerging Regions - as developing economies invest in infrastructure and industrial modernization, there will be significant growth opportunities in new markets, expanding the overall reach of the Taiwan wires and cables market.

- Customized Solutions - the market will see a greater emphasis on application-specific and tailored cable solutions, allowing manufacturers to address niche requirements in high-demand sectors like renewable energy, data centers, and advanced manufacturing

(Source: Taiwan Wires and Cables Market Size and Forecasts 2030, Mobility Foresights)

Singapore’s wires and cables market is anticipated to grow on account of increasing urbanization and rapid growth in building infrastructure which would be increasing the power and energy demand in the country which would, in turn, drive the demand for wires and cables in the country. The Singaporean wires and cable market size is projected to grow at a CAGR of 6.1% during 2020 – 2026. In addition, growing offshore wind farms, high voltage direct current links, and grid interconnections are projected to fuel the growth of the market. The market has seen a halt owing to the massive outbreak of COVID-19 which resulted in nationwide lockdowns to combat the spread of the virus and has led to a decline in the overall market growth.

(Source: Singapore Wires and Cables Market (2020 – 2026), 6WResearch)

6.3 Overview and outlook of the manufacturing industry in Indonesia

Indonesia's non-oil manufacturing sector has demonstrated impressive performance, achieving a growth rate of 4.8% in 2024, an increase from 4.7% in the previous year. The manufacturing sector remains a key contributor to Indonesia's GDP, which grew by 5.0% last year. In the fourth quarter of 2024, the non-oil processing industry recorded a growth of 4.9%, surpassing the third quarter's 4.8 % and the same period in 2023, which was only 4.5%.

According to data from the Central Statistics Agency (BPS), the growth of the manufacturing industry in 2024 was driven by a remarkable 13.34% increase in the basic metal industry, fueled by rising export market demand. Additionally, the food and beverage industry showed significant growth of 5.90%, driven by both domestic and international demand. The metal goods, computer, electronics, optics, and electrical equipment industries also recorded positive growth of 6.16%, thanks to strong foreign demand.

(Source: Indonesia's Manufacturing Sector Sees Positive Growth in 2024, Jakarta Daily)

Coordinating Minister for Economic Affairs Airlangga Hartarto said national manufacturing businesses remain optimistic about Indonesia’s economic outlook. This was reflected in Indonesia’s Manufacturing Purchasing Managers’ Index (“**PMI**”) for November 2025, which rose back above the 50.0 threshold to 53.3.

According to Airlangga, the improvement in the manufacturing sector was driven by strengthening domestic market conditions. He noted at least three factors supporting this domestic optimism: government budget placements in banks, reductions in the benchmark interest rate, and rising investment in battery-electric vehicles (“**BEV(s)**”).

The PMI measures a country’s manufacturing performance. A reading below 50.0 indicates contraction, while a figure above 50.0 signals expansion. According to Airlangga, one factor pushing the PMI above 50.0 is the reduction of BEV prices to below IDR 300 million per unit. He said some BEVs are currently priced between IDR 175 million and IDR 195 million in the domestic market.

S&P Global Market Intelligence economist Usamah Bhatti said Indonesia’s Manufacturing PMI increase to 53.3 in November 2025 was driven by stronger new orders in the manufacturing sector. Domestic market demand became the main driver for non-oil and gas manufacturing performance at the end of the year.

Usamah noted that rising new orders led to higher inventory volumes of finished goods in warehouses, as manufacturers expect strong domestic demand to continue in the coming months. The manufacturing sector also began increasing hiring in November 2025, signaling improved business confidence heading into next year.

(Source: Indonesia’s Manufacturing PMI Continues to Expand, Business Indonesia)

6.4 Overview and outlook of the healthcare industry in Malaysia

Malaysia is projected to shift from an ageing to aged nation by 2048, with 14% of the population aged 65 and above. Such status requires improvements in healthcare and living standards, resulting in larger allocations on healthcare and social protection systems. While addressing the crucial needs of an ageing population, the Government continues to explore opportunities in leveraging the potential capacity of older Malaysians in contributing to the economy beyond retirement. With proper policies, ageing does not need to translate into economic dependency, but is seen as another component of human capital agenda, emphasising lifelong learning and reskilling as tools to sustain productivity and encourage active ageing.

The Government remains committed to building a sustainable and resilient healthcare system that guarantees universal access to quality and affordable services. Therefore, under Budget 2026, hospitals and clinics will continuously be equipped with appropriate advanced facilities and sufficient healthcare personnel for a more conducive environment across all healthcare centres. Initiatives related to sustainable healthcare financing will be explored to mobilise additional funding beyond traditional government allocation to offer premium economy services, while retaining talents in the public sector. Nevertheless, priority will continue to be given in improving access to affordable medicines, enhancing rural primary healthcare and accelerating digitalisation of healthcare services.

The Malaysia Year of Medical Tourism 2026 initiative, emphasising affordability and high-quality healthcare services will attract more healthcare travellers. The healthcare industry will continue to focus on a targeted marketing campaign, particularly in China, India and Indonesia. Meanwhile, the private education segment is expected to remain robust, anchored by ongoing initiatives to draw in students such as through educational tourism, international partnerships and mobility programmes.

(Source: Economic Outlook 2026, Ministry of Finance, Malaysia)

6.5 Prospects of HWGB Group

Despite the broadly positive overview and outlook of the wire and cable market in North America, Malaysia, Indonesia, Thailand, Taiwan and Singapore, our Board is of the view that the business operations of the moulded power supply cord sets division remain challenging. This is mainly due to the high working capital requirements, intense competition in the United States of America ("**USA**") market, rising inflationary cost in Indonesia (especially the compulsory annual increment of wages and salaries), rising cost of materials and components, significant fluctuation of copper price and the higher shipping and freight charges, among others. In addition, growing concerns over a potential economic recession in the USA and the escalation of geopolitical tensions have further added to the already challenging operating environment of the moulded power supply cord sets division.

To counter these unfavourable conditions, the moulded power supply cord sets division will continue to focus on a continuous lean manufacturing process by improving through ongoing lean practices. These practices include reducing on manpower by semi-automating our processes, speeding up the production time for our products and reducing deficiencies as well as defective products. As part of our Group's efforts to reduce manpower by semi-automating our processes, our Group is progressively enhancing and maintaining our moulded power supply cord production line by phasing out older machineries with semi-automated machineries. To support this process until 2028, our Group allocates an annual budget of USD300,000. This will improve our Group's operational productivity, improve efficiencies, and better product quality in order to be more competitive and attract more customers.

As for the healthcare segment, it is observed that consumers are increasingly more aware about health and safety precautions, and the importance of maintaining healthy lifestyles and habits. With the advent of online e-commerce, greatly boosted during the COVID-19 Pandemic lockdowns of recent years, consumers are now more highly informed and more aware of the needs for personal well-being, as well as existence of products in the market which will aid them in maintaining their well-being. Although our Group has temporarily ceased operations within its healthcare segment, the ongoing shift in consumer behaviour toward greater health awareness and preventive wellness allows our Group to reassess on any potential re-entry to the healthcare industry.

(Source: Management of our Group)

6.6 Value creation and impact of the Proposals to HWGB and our shareholders

Our Board is of the view that the Proposed Debt Settlement will enable our Company to settle the Settlement Amount without incurring additional debt obligation or interest expenses, thereby strengthening our equity base and NA as well as improving our overall financial position immediately after the Proposed Debt Settlement. In addition, the Proposed Debt Settlement will allow our Company to preserve our cash and bank balances, which may instead be utilised for other purposes, including the financing of its general working capital requirements. As at the LPD, our cash and bank balances amounts to RM15.72 million.

As set out in Section 3.5 of this Circular, the Proposed Private Placement is intended to raise funds for the repayment of the Bridging Loan. The Proposed Private Placement will enable our Company to raise funds without incurring additional interest cost associated with borrowings, thereby minimising further cash outflows for interest servicing and preserving our Group's cash flow, while directly enhancing shareholders' value.

As illustrated in Section 7 of this Circular, the Proposals are expected to enlarge the share capital of HWGB and increase our shareholders' funds. The increase in the number of issued HWGB Shares arising from the Proposals may have a dilutive impact on the shareholdings of our Company's existing shareholders. It may also dilute the EPS of our Group if the earnings of our Group do not increase in tandem with the increase in the number of HWGB Shares issued pursuant to the Proposals.

Nevertheless, the Proposals are expected to have a positive impact on our Group's future earnings by providing HWGB with the necessary funding to repay our indebtedness to the Creditors, which will in turn allow our Group to preserve our core business operations and improve our overall financial position.

6.7 Adequacy of the Proposals in addressing the financial concerns of our Group

Based on our Group's latest audited financials for the FYE 31 December 2024, our Group's total equity is approximately RM84.23 million. Notwithstanding, our Group's total debts amounted to approximately RM19.80 million, representing a gearing ratio of 0.24 time.

Our Board is of the view that the Proposed Debt Settlement will reduce our Group's indebtedness to the Creditors and improve our Group's gearing ratio. The Proposed Debt Settlement will also enable our Company to settle the Settlement Amount owing to the Creditors without depleting our cash reserves or increasing our gearing ratio.

Our Board is of the view that the Proposed Private Placement is the most appropriate avenue of raising funds for the purposes and rationale set out in Section 3.5 and Section 5 of this Circular, respectively.

Our Board believes that the Proposals together with its utilisation of proceeds therefrom, and barring any unforeseen circumstances, are adequate to fulfil our Group's immediate financing requirements to improve our financial performance and thereby, enhances our shareholders' value.

6.8 Steps taken or to be taken to improve the financial performance and condition of our Group

The operating landscape remains challenging for our Group's existing business, which is principally the manufacturing of wire and cable and moulded power supply cord sets. This division is a key contributor to the revenue of our Group.

Further details of our Group's segmental revenue and profit contribution are as follows:

	Audited 12-month FYE 31 December 2023		**Audited 12-month FYE 31 December 2024**	
	Revenue	**PAT/(LAT)**	**Revenue**	**PAT/(LAT)**
Business segment	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Investments	100	(9,436)	75	(10,104)
Moulded power supply cord sets	254,791	9,898	328,159	7,148

Business segment	Audited 12-month FYE 31 December 2023		Audited 12-month FYE 31 December 2024	
	Revenue	PAT/(LAT)	Revenue	PAT/(LAT)
	RM'000	RM'000	RM'000	RM'000
Healthcare	85	(475)	-	(58)
Travel services	[(i)]247	(58)	-	-
Elimination	-	1,228	-	786
Discontinued operation	[(i)](247)	-	-	-
Non-controlling interest	-	35	-	-
Total	**254,976**	**1,192**	**328,234**	**(2,228)**

Note:

(i) The travel services segment was discontinued in the FYE 31 December 2023, upon our Group's disposal of Ho Wah Genting Holiday Sdn Bhd and HWG Travel (MM2H) Sdn Bhd on 27 February 2023.

Recognising the challenges, our Group had undertaken several business initiatives to improve its financial situation:

(a) HWGB had on 19 May 2023 announced that our Company proposed to undertake Private Placement 2023. The Private Placement 2023 was completed on 12 December 2023, raising RM10.00 million over 2 tranches (i.e. 25,517,600 HWGB Shares at the issue price of RM0.2704 which was listed on 16 August 2023 and 14,384,900 HWGB Shares at the issue price of RM0.2155 which was listed on 20 October 2023).

(b) HWGB had on 8 July 2022 announced that our Company proposed to undertake Private Placement 2022. The Private Placement 2022 was completed on 28 July 2022, raising RM2.94 million over a single tranche with the issuance of 23,708,000 HWGB Shares at the issue price of RM0.124 which was listed on 28 July 2022.

(c) HWGB had on 12 January 2021 announced that our Company proposed to undertake Private Placement 2021. The Private Placement 2021 was completed on 22 December 2021, raising approximately RM19.97 million over 3 tranches (i.e. 17,858,000 HWGB Shares at the issue price of RM0.5600 which was listed on 10 February 2021, 20,871,000 HWGB Shares at the issue price of RM0.2650 which was listed on 30 July 2021 and 19,307,000 HWGB Shares at the issue price of RM0.2300 which was listed on 22 December 2021).

Moving forward, our Group envisages implementing the following initiatives to enhance the profitability and returns on shareholders' funds:

(a) For the moulded power supply cord sets division, our Group will continue to focus on lean manufacturing process and automation of manufacturing process for better operational productivity, improve efficiency and enhance product quality, in order to increase our overall competitiveness and attract more customers. The lean manufacturing process is a continuous process as our Group continues improving through ongoing lean practices. As part of our Group's efforts to reduce manpower by semi-automating manufacturing processes, our Group is progressively enhancing and maintaining our moulded power supply cord production line by phasing out older machineries with semi-automated machineries. To support this process until 2028, our Group allocates an annual budget of USD300,000.

The division intends to leverage on its extensive network of customers and suppliers of raw materials to minimise the volatile nature of the price of raw materials which it utilises, such as copper and resin, in order to improve our Group's revenue.

(b) For the healthcare division, although our Group has temporarily ceased operations within its healthcare segment, the ongoing shift in consumer behaviour toward greater health awareness and preventive wellness allows our Group to reassess on any potential re-entry to the healthcare industry. The overview and outlook of the healthcare industry in Malaysia is set out in Section 6.4 of this Circular.

In view of the above, our Group believes that the steps undertaken and to be undertaken will improve our Group's financial performance and condition moving forward. As our Group returns to profitability, our value will be enhanced, and shareholders will benefit from the improved performance of our Company.

7. EFFECTS OF THE PROPOSALS

7.1 Share capital

As at the LPD, the Company does not hold any treasury shares. The pro forma effects of the Proposals on the issued share capital of our Company are set out below:

	No. of Shares ('000)	RM ('000)
Issued share capital as at LPD	205,547	165,736
To be issued pursuant to the Proposed Debt Settlement	(i)20,554	(i)2,518
To be issued pursuant to the Proposed Private Placement	(ii)20,554	(ii)2,518
Enlarged share capital	**(iii)246,656**	**170,772**

Notes:

(i) Based on issuance of 20,554,700 Settlement Shares under the Proposed Debt Settlement at the Indicative Settlement Share Issue Price.

(ii) Based on issuance of 20,554,700 Placement Shares under the Proposed Private Placement at the Indicative Issue Price.

(iii) Total amount does not add up due to rounding differences.

7.2 NA and gearing

The pro forma effects of the Proposals on the NA and gearing of our Company based on the latest audited consolidated statement of financial position of our Group as at 31 December 2024 are set out below:

	Audited as at 31 December 2024	After subsequent event up to the LPD	After the Proposed Debt Settlement	After the Proposed Private Placement
	RM'000	**RM'000**	**RM'000**	**RM'000**
Share capital	165,736	165,736	(i)168,254	(ii)170,772
Revaluation reserve	17,612	17,612	17,612	17,612
Employee share option reserve	16,593	16,593	16,593	16,593
Foreign currency translation reserve	2,512	2,512	2,512	2,512
Accumulated losses	(118,222)	(118,222)	(118,222)	(iii)(118,572)
Equity attributable to owners of our Company	**84,231**	**84,231**	**86,749**	**88,917**
Non-controlling interests	-	-	-	-
Total equity	**84,231**	**84,231**	**86,749**	**88,917**
No. of Shares ('000)	205,547	205,547	226,101	246,656
NA per Share (Sen)	40.98	40.98	38.37	36.05
Borrowings (RM '000)	19,803	(iv)26,401	23,883	21,715
Gearing (times)	0.24	0.31	0.28	0.24

Notes:

(i) Based on issuance of 20,554,700 Settlement Shares at the Indicative Settlement Share Issue Price.

(ii) Based on issuance of 20,554,700 Placement Shares at the Indicative Issue Price.

(iii) After setting off the estimated expenses for the Proposals of RM350,000.

(iv) After accounting for the Bridging Loan Agreement entered between our Company and the Creditors on 14 February 2025.

7.3 Losses and LPS

Save for the dilution in LPS as a result of the increase in the number of HWGB Shares to be issued pursuant to the Proposals, the Proposals are not expected to have any immediate material effect on the consolidated earnings/losses of our Group.

For illustrative purposes, assuming that the Proposals have been completed at the beginning of the FYE 31 December 2024 of HWGB, the pro forma effects on the losses and LPS of our Group are as follows:

		No. of Shares	EPS
	RM'000	**('000)**	**(Sen)**
Audited LAT attributable to shareholders as at 31 December 2024	(2,228)	205,547	(1.08)
After the Proposed Debt Settlement	[(i)](2,578)	[(ii)]226,101	(1.14)
After the Proposed Private Placement	[(i)](2,578)	[(iii)]246,656	(1.05)

Notes:

(i) After setting off the estimated expenses for the Proposals of RM350,000.

(ii) Based on issuance of 20,554,700 Settlement Shares at the Indicative Settlement Share Issue Price.

(iii) Based on issuance of 20,554,700 Placement Shares at the Indicative Issue Price.

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7.4 Substantial shareholders' shareholdings

The pro forma effects of the Proposals on the shareholdings of the substantial shareholders of HWGB are set out in the table below:

	As at the LPD				After Proposed Debt Settlement				After Proposed Private Placement			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Substantial shareholders	**No. of Shares**	**(i)%**	**No. of Shares**	**(i)%**	**No. of Shares**	**(ii)%**	**No. of Shares**	**(ii)%**	**No. of Shares**	**(iii)%**	**No. of Shares**	**(iii)%**
Chien, Chao-Chuan	25,503,850	12.4	-	-	25,503,850	11.3	-	-	25,503,850	10.3	-	-
Ho Wah Genting Holding Sdn Bhd	21,942,766	10.7	-	-	21,942,766	9.7	-	-	21,942,766	8.9	-	-
Dato' Lim Ooi Hong	343,750	0.2	(iv)21,942,766	10.7	343,750	0.2	(iv)21,942,766	9.7	343,750	0.1	(iv)21,942,766	8.9
Lim Wee Kiat	250,000	0.1	(iv)21,942,766	10.7	250,000	0.1	(iv)21,942,766	9.7	250,000	0.1	(iv)21,942,766	8.9
Creditors (collectively)(v)	-	-	-	-	20,554,700	9.1	-	-	20,554,700	8.3	-	-
Placees (collectively)(vi)	-	-	-	-	-	-	-	-	20,554,700	8.3	-	-

Notes:

(i) Based on the existing share capital of 205,547,000 Shares as at the LPD.

(ii) Based on the enlarged share capital of 226,101,700 Shares after the Proposed Debt Settlement.

(iii) Based on the enlarged share capital of 246,656,400 Shares after the Proposed Private Placement.

(iv) Indirect interest held through Ho Wah Genting Holding Sdn Bhd by virtue of Section 8(4) of the Act.

(v) Mr Tan is the sole shareholder of AOF and the sole management shareholder of AOF I.

(vi) The Placees are yet to be identified as at the LPD.

7.5 Public shareholding spread

The Proposals are not expected to result in any breach in the public shareholding spread requirement by our Company under Paragraph 8.02(1) of the Listing Requirements, which stipulates that a listed corporation must ensure that at least 25.0% of its total listed shares (excluding treasury shares, if any) are in the hands of public shareholders. The pro forma effects of the Proposals on the public shareholding spread of HWGB are illustrated as follows:

	As at the LPD		After the Proposals	
	No. of Shares	**%**	**No. of Shares**	**%**
Share capital	205,547,000	100.0	246,656,400	100.0
Less: Shareholdings of Directors and substantial shareholders of HWGB, and their associates[(i)]	(48,286,691)	(23.5)	(48,286,691)	(19.6)
Less: Shareholders holding less than 100 shares each	(125,082)	(0.1)	(125,082)	(0.1)
Public shareholding spread	**157,135,227**	**76.4**	**198,244,627**	**80.3**

Notes:

(i) The shareholdings of Directors and substantial shareholders of HWGB, and their associates are as follows:

		As at the LPD		After the Proposals	
Shareholders	**Relationship with Company**	**No. of shares**	**%**	**No. of shares**	**%**
Chien, Chao-Chuan	Executive Director and substantial shareholder	25,503,850	12.4	25,503,850	10.3
Ho Wah Genting Holding Sdn Bhd	Substantial shareholder	21,942,766	10.7	21,942,766	8.9
Dato' Lim Ooi Hong	Substantial shareholder	343,750	0.2	343,750	0.1

Shareholders	Relationship with Company	As at the LPD		After the Proposals	
		No. of shares	%	No. of shares	%
Lim Wee Kiat	Executive Director and Chief Executive Officer	250,000	0.1	250,000	0.1
Khoo Boon Han	Independent Non-Executive Director	200,000	0.1	200,000	0.1
Lim Ean Chin	Independent Non-Executive Director	46,325	<0.1	46,325	<0.1
Total		**48,286,691**	**23.5**	**48,286,691**	**19.6**

For clarity, the shareholdings of AOF and AOF I pursuant to the Proposals is 7,810,800 and 12,743,900, representing 3.2% and 5.2% of the enlarged share capital of 246,656,400 Shares after the Proposals. AOF 1 will subsequently emerge as a substantial shareholder after the Proposals, but is included as a public shareholder due to the following:

- AOF I's interest, directly or indirectly is not more than 15.0% of the enlarged share capital of HWGB after the Proposals;
- AOF I is not a specified shareholder of HWGB; and
- AOF I is an entity established as a collective investment scheme.

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7.6 Convertible Securities

Save for the 6,580,408 outstanding ESOS Options at exercise prices ranging between RM0.488 to RM2.480, which are out of the money and unlikely to be exercised, our Company does not have any other outstanding convertible securities as at the LPD. The Proposals will not have any effect on the outstanding ESOS Options.

In accordance with the provision of the by-laws governing the ESOS, the Proposals will not result in any adjustment to the exercise price and number of granted ESOS Options.

8. APPROVALS REQUIRED

The Proposals are subject to the approvals being obtained from the following:

(i) Bursa Securities, for the listing and quotation of the Settlement Shares and Placement Shares on the Main Market of Bursa Securities which was obtained vide its letter dated 21 January 2026, and is subject to the following conditions:

No.	Conditions	Status of Compliance
1.	HWGB and M & A Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposals	To be complied
2.	HWGB and M & A Securities to inform Bursa Securities upon the completion of the Proposed Debt Settlement and Proposed Private Placement respectively	To be complied
3.	HWGB and M & A Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed	To be complied
4.	HWGB to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders in the general meeting approving the Proposals prior to the listing and quotation of the new shares	To be complied
5.	HWGB/M & A Securities must ensure full compliance with the 25.0% public shareholding spread requirement pursuant to paragraph 8.02(1) of the Listing Requirements in relation to the Proposed Debt Settlement	To be complied

(ii) our shareholders at the forthcoming EGM to be convened for the Proposals; and

(iii) any other relevant persons or authorities, if required.

The Proposed Debt Settlement and the Proposed Private Placement are not inter-conditional upon each other. The Proposals are not conditional upon any other corporate proposals undertaken or to be undertaken by HWGB.

9. HISTORICAL SHARE PRICE PERFORMANCE

The monthly highest and lowest prices of HWGB Shares as traded on the Main Market of Bursa Securities for the period of 12 months up to December 2025 are as follows:

	High	Low
	RM	**RM**
2024		
December	0.2500	0.2150
2025		
January	0.2450	0.2250
February	0.2400	0.2300
March	0.2750	0.2200
April	0.2550	0.2000
May	0.2300	0.2100
June	0.2100	0.1900
July	0.2400	0.1900
August	0.2000	0.1750
September	0.1850	0.1600
October	0.1950	0.1650
November	0.1800	0.1500
December	0.1700	0.1350
The last transacted market price of HWGB Shares immediately prior to the announcement of the Proposals on 12 November 2025		0.1600
Last transacted market price on LPD		0.1400

(Source: M & A Securities)

10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, major shareholders, chief executive and/or persons connected with them have any interest, whether direct or indirect, in the Proposals.

11. DIRECTORS' RECOMMENDATION

Our Board, after having considered all aspects of the Proposals (including, but not limited to the proposed utilisation of proceeds, rationale and the effects of the Proposals), is of the opinion that the Proposals are in the best interest of our Group and our shareholders.

Accordingly, our Board recommends that you vote in favour of the resolutions in relation to the Proposals to be tabled at the forthcoming EGM to be convened.

12. ADVISER AND PLACEMENT AGENT

M & A Securities has been appointed as the Adviser and Placement Agent to our Company for the Proposals.

13. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all relevant approvals being obtained by us, the Proposals are expected to be completed by the first half of 2026.

The tentative timetable in relation to the Proposals is as follows:

Date	Events
13 February 2026	EGM to approve the Proposals
End February 2026	Listing and quotation of the Settlement Shares and Placement Shares and completion of the Proposals

14. CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals, there are no other corporate exercises that have been announced but are pending completion as at the date of this Circular.

15. EGM

The EGM, the notice and the Proxy Form are enclosed in this Circular. The EGM will be conducted at Phoenix 3, 4 & 5, Level 7, Howard Johnson By Wyndham Kuala Lumpur 118, Jalan Kampung Attap, 50460 Kuala Lumpur on Friday, 13 February 2026 at 09:30 a.m. or at any adjournment thereof (as the case may be), for the purpose of considering, and if thought fit, passing with or without modification, the resolutions to give effect to the Proposals.

Shareholders are encouraged to attend, participate and vote at the EGM. If shareholders are not able to participate and vote in the EGM, shareholders may complete, sign and return the enclosed Proxy Form in accordance with the instructions contained therein, to be deposited at the registered office of our Company at 1st Floor, Wisma Ho Wah Genting, No. 35, Jalan Maharajalela, 50150, Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time set for holding the EGM or at any adjournment thereof. The completion and lodging of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

16. FURTHER INFORMATION

Please refer to the Appendix III set out in this Circular for further information.

Yours faithfully
For and on behalf of the Board
HO WAH GENTING BERHAD

LIM WEE KIAT
Executive Director

The following is a summary of the salient terms of the Debt Settlement Agreement:

(a) Purpose

(i) At the request of HWGB, the Creditors hereby agree that a portion of the total sum due and owing by HWGB to the Creditors amounting to the Settlement Amount shall be settled by way of issuance of the Settlement Shares by HWGB pursuant to the terms and conditions herein contained whereupon the issue price of the Settlement Shares shall be offset against the Settlement Amount.

It is further agreed that in the event:

(aa) where the Settlement Amount is fully extinguished prior to the full issuance of the Settlement Share(s), the balance Settlement Share(s) shall not be issued to the Creditors; or

(bb) where the Settlement Share(s) are fully issued and allotted to the Creditors and the Settlement Amount is not fully extinguished, the balance amount due and owing by HWGB to the Creditors shall be settled by way of cash to the Creditors by 31 March 2026.

(ii) Upon occurrence of the event under Appendix I (a)(i)(aa) or Appendix I (a)(i)(bb) above, whichever is the earlier, the Proposed Debt Settlement shall be deemed completed.

(iii) In addition to the settlement of the Settlement Amount by way of issuance of Settlement Shares as set out in Appendix I(a)(i) above, HWGB undertakes to pay and settle RM3,299,000, being the remaining portion of the total sum due and owing by HWGB (after deducting the Settlement Amount) ("**Balance Debt**") by way of cash to the Creditors in the proportion set out in the Debt Settlement Agreement, by 31 March 2026.

(b) Conditions Precedent

(i) The Proposed Debt Settlement pursuant to the Debt Settlement Agreement is conditional upon the following being obtained (collectively referred to as the "**Conditions Precedent**"):

(aa) HWGB obtaining the approval of the shareholders of HWGB for the issuance of the Settlement Shares as settlement of the Settlement Amount upon the terms and conditions in the Debt Settlement Agreement;

(bb) HWGB obtaining the approval of Bursa Securities for the listing of and quotation of the Settlement Shares on the Main Market of Bursa Securities; and

(cc) the approvals, consents authorisations, permits or waivers of any other relevant authorities and any other third parties necessary or appropriate for the issuance of the Settlement Shares and /or settlement of the Settlement Amount pursuant to the terms of the Debt Settlement Agreement having been obtained.

(ii) The parties to the Debt Settlement Agreement ("**Party**" or "**Parties**") shall also furnish evidence of the approvals immediately upon receipt of the same and such information required by the other Party.

(iii) In the event that any approvals set out in Appendix I (b)(i) is subject to any conditions, variations or modifications ("**Adverse Condition**") which materially affects any Party ("**Affected Party**"), the Affected Party shall be entitled to give notice in writing of the same to the other Party within 2 market days (or such other extension of time as may be agreed upon by the Parties hereto) of the Affected Party being notified of such terms and conditions, failing which the Affected Party shall be deemed to have accepted such terms and conditions and such approval or waiver, as the case may be, shall be deemed to have been obtained. However, if the Affected Party decides to seek an amendment or waiver of such terms and condition, then:

(aa) the Affected Party, if such Affected Party is the applicant, shall have 5 market days from the date of the receipt of such terms and conditions; or

(bb) if the Affected Party is not the applicant, the applicant shall have 5 market days from the date of the receipt of the notification from the Affected Party,

to submit to the authorities an appeal for an amendment or waiver of such terms and conditions and if such amendment or waiver is not obtained within 1 month from the date of the submission of the appeal or such further extension as may be agreed by the Parties, the relevant approval or waiver shall be deemed not to have been obtained.

(iv) Notwithstanding anything to the contrary, the Conditions Precedent shall be satisfied on or before 3 months from the date of the Debt Settlement Agreement ("**Cut-Off Date**"). Thereafter, the Parties may (before or on expiry of the Cut-Off Date) have an extension(s) of time as may be agreed between the Parties to comply with the Conditions Precedent. If the Conditions Precedent has not been fulfilled on the expiry of the Cut-Off Date or such extension of time agreed between the Parties, then the Debt Settlement Agreement shall lapse and cease to have any further force or effect and thereafter none of the Parties shall have any further rights against the other(s) save for any antecedent breaches.

(v) The Parties hereby agree that the Debt Settlement Agreement shall be unconditional upon the fulfilment of all the Condition Precedents set out in Appendix I (b) ("**Unconditional Date**").

(c) Settlement

(i) The Parties hereby agree that the settlement of the Settlement Amount shall be conditional on all Parties complying with their respective obligations and the listing and quotation of the Settlement Shares on the Main Market of Bursa Securities.

(ii) HWGB shall within the period 15 days from Unconditional Date, subject to any extended period as the Parties may mutually agree upon in writing ("**Settlement Date**"), (i) fix the issue price of the Settlement Shares based on the 5D-VWAMP of HWGB Shares up to and including the last trading date immediately preceding the price fixing date; and (ii) issue and allot the Settlement Shares directly into the CDS Account of the Creditors or the corporation of the Creditors to be nominated in writing by the Creditors to accept the issuance and allotment of the Settlement Shares ("**Nominated Party**") in the proportion set out in the Debt Settlement Agreement.

(iii) The Creditors shall, before the Cut-Off Date, notify HWGB in writing of the details of the Creditors' or its Nominating Party's CDS Accounts and hereby authorises HWGB, through its agents or otherwise, for the purposes of crediting/ allotting/ issuing the Settlement Shares.

(iv) Upon issuance and allotment of the Settlement Shares to the Creditors or its Nominated Party, the issue price of the Settlement Shares shall be offset against the Settlement Amount and the Settlement Amount shall be deemed repaid or settled up to the amount of the issue price of the Settlement Shares. Upon the Creditors' or its Nominated Party's receipt of the Settlement Shares, the Creditors shall be deemed to have accepted the Settlement Shares as settlement of the Settlement Amount to the extent of the issue price of the Settlement Shares and the Settlement Amount (amounting to the aggregate issue price of the Settlement Shares) shall be deemed fully extinguished on the Settlement Date.

(d) Events of Default

An event of default shall have occurred if:

(i) a Party ("**Defaulting Party**") fails to observe or perform any of its obligations under the Debt Settlement Agreement or commits a breach of any of the terms of the Debt Settlement Agreement and in respect of any such failure or breach which is capable of remedy, such action as the other Party(s) ("**Non-Defaulting Party**") may require shall not have been taken to remedy such failure or breach to the Non-Defaulting Party's satisfaction within 5 market days from the Non-Defaulting Party notifying the Defaulting Party of such default and of such required action or within such longer period as the Non-Defaulting Party may in their sole discretion grant to the Defaulting Party, as the case may be;

(ii) any representation, warranty or statement which is made (or acknowledged to have been made) by the Defaulting Party in the Debt Settlement Agreement which is contained in any certificate, statement or notice provided under or in connection herewith or therewith proves to be incorrect in any material respect, or if repeated at any time with reference to the facts and circumstances subsisting at such time would not be accurate in all material respects;

(iii) prior to the completion of matters in the Debt Settlement Agreement, bankruptcy notice has been issued against the Defaulting Party or the Defaulting Party convenes a meeting of its creditors or proposes or makes any arrangement or composition with, or any assignment for the benefit of, its creditors or a petition is presented or a meeting is convened for the purpose of considering a resolution or other steps are taken for making an administration order against or for winding up of the Defaulting Party which is not withdrawn, discharged or stayed within 20 market days of the presentation of the petition or commencement of the meeting, as the case may be,

then, and in any such case and at anytime thereafter, any of the Non-Defaulting Party(s) may terminate the Debt Settlement Agreement and claim for damages in addition to any other remedies as may be available to it under law and equity.

APPENDIX II – SALIENT TERMS OF THE BRIDGING LOAN AGREEMENT

(a) Purpose

The intended utilisation purpose of the Bridging Loan is to bridge HWGB's expected fund-raising proceeds from the Proposed Notes Issuance for the working capital and/or general corporate purpose of HWGB, or such other purpose expressly provided under the Bridging Loan Agreement, the security documents, and such other documents, agreements or letters that may be entered into between HWGB and the Creditors in respect of the Bridging Loan concurrent with or after the date of the Bridging Loan Agreement ("**Transaction Document**") or which the Creditors may permit in writing.

(b) Loan Amount

(i) HWGB agrees to borrow from the Creditors and the Creditors agree to lend HWGB SGD2,000,000 ("**Loan Amount**"). The Loan Amount shall be disbursed in such ratio as the Creditors may solely decide amongst themselves ("**Lenders' Ratio**").

(ii) The Loan Amount shall be disbursed within 5 business days from the satisfaction (or waiver by the Creditors) of the last condition precedent of the Bridging Loan Agreement or in accordance with such other schedule agreed in writing between the Creditors and HWGB ("**Disbursement Date**") based on the prevailing rate of SGD1: RM3.299 (based on the 7-day volume weighted average price as published on Bloomberg as at the date of the Bridging Loan Agreement) to the bank account of HWGB after making the deductions as set out in Appendix II (b)(iii) below.

(iii) The total amount disbursed to HWGB under the Bridging Loan on the Disbursement Date shall be the Loan Amount deducting:

(aa) the Upfront Interest;

(bb) the administrative fee agreed to be payable by HWGB to Advance Capital Partners Pte. Ltd. (Singapore Company Registration Number 200506044H) amounting to SGD120,000 which is equivalent to 6.0% of the Loan Amount; and

(cc) the costs and expenses amounting to SGD20,000

("**Drawdown Amount**").

(iv) The tenure of the Bridging Loan shall be for a period of 90 calendar days from the Disbursement Date ("**Loan Tenure**"). Subject always to HWGB not being in default of payment of interest on the Interest Payment Date and there being no occurrence of an event of default, the Creditors shall at HWGB's written request, extend the Loan Tenure on a month-to-month basis based on the provisions set out in Appendix II (c)(ii) ("**Extended Loan Tenure**").

(c) Interest

(i) Interest Periods

(aa) Each interest period for the Bridging Loan ("**Interest Period**") is 1 month. For all successive Interest Periods, each Interest Period shall be for a period of 1 month and shall commence from (and including) the day immediately following the conclusion of the preceding Interest Period and ending (and including) on the last day of the expiry of the said 1 month period.

(bb) Notwithstanding any provisions under the Bridging Loan Agreement, HWGB agrees that interest for the first 3 consecutive Interest Periods shall amount to SGD180,000 ("**Upfront Interest**"), and shall be deemed to have fully accrued and payable on the Disbursement Date, being tantamount to part of the necessary consideration or compensation payable to the Creditors considering the costs of funding and the form of security contemplated under the Transaction Documents.

(ii) Calculation of interest

(aa) The interest rate for the first 3 Interest Periods of the Bridging Loan is 3.0% per month, calculated on a daily rest basis.

(bb) Should the Loan Tenure be extended in accordance with Appendix II (b)(iv), the interest rate for the Extended Loan Tenure, if applicable, shall be 2.5% per month ("**Extended Loan Tenure Interest Rate**").

(collectively "**Interest Rate**")

(cc) Interest shall accrue daily from (and including) the first day of an Interest Period to (and including) the last day of an Interest Period; and be calculated on the basis of the number of days and the actual days elapsed for each Interest Period.

(iii) Payment of interest

Other than the Upfront Interest which shall be deemed accrued and payable on the Disbursement Date, HWGB shall pay the Extended Loan Tenure Interest Rate on the first business day of each Interest Period ("**Interest Payment Date**") during the Extended Loan Tenure (if applicable). Default interest shall accrue on the amount outstanding on a daily basis at the rate of 8.0% per month up to and including the date on which the Creditors receive full payment of the outstanding amount, together with the accrued default interest.

(d) Repayment

(i) HWGB agrees that the Bridging Loan, together with any outstanding interest and such outstanding fees and expenses as may be payable by HWGB in respect of the Bridging Loan under the terms and conditions of the Transaction Documents shall be repaid in full without any deduction on or before the date falling 90 calendar days from the Disbursement Date or if the Loan Tenure is extended the date of the expiry of the Extended Loan Tenure, and if such date is not a business day, on the immediately preceding business day, unless otherwise agreed in writing by the Creditors. Interest shall accrue on any amount outstanding on a daily basis at the respective rates as set out in Appendix II (c) up to and including the date on which the Creditors receive full payment of the outstanding Bridging Loan, together with such outstanding interest or default interest (if applicable) and such outstanding fees and expenses payable by HWGB under the Bridging Loan Agreement.

(ii) In the event HWGB (i) does not proceed to hold an EGM within 2 months from the date of obtaining Bursa Securities' approval in relation to the Proposed Notes Issuance to obtain shareholders' approval for the Proposed Notes Issuance; (ii) and/or fails to obtain shareholders' approval for the Proposed Notes Issuance; and/or (iii) HWGB decides not to proceed with the Proposed Notes Issuance, HWGB shall settle all outstanding amounts as may be payable in respect of the Bridging Loan (including all accrued outstanding interest) in cash or by issuing such amount of newly issued and paid-up shares in HWGB to the Creditors or its nominee at a rate of discount to be mutually agreed between the Creditors and HWGB. A default interest rate of 18.0% per annum shall accrue on such outstanding amount from the due date of such outstanding amount until the date of full repayment, to be calculated on the basis of a year of 365 days and the actual days elapsed.

(e) Event of default or potential event of default

(i) At any time after the occurrence of an event of default or a potential event of default pursuant to the terms of the Bridging Loan Agreement, the Creditors may without further formality save with a written instruction to the legal counsel of the Creditors or such other party as may be appointed as an escrow agent ("**Escrow Agent**"), demand that the escrow documents namely:

(aa) the share pledge agreement duly executed by HWGB (as chargor) and AOF (as chargee), together with the prescribed documents to be lodged with a charge, statement of particulars to be lodged with a charge and other instrument(s) necessary for the creation of the exclusive first charge security over the Charged Shares created or to be created by HWGB in favour of AOF as security agent ("**Share Pledge**")("**Share Pledge Agreement**");

(bb) the original instruments and all other documents of title or evidence of ownership in respect of the 7,500,000 shares representing 100% of the entire issued and paid-up capital of Ho Wah Genting Trading Sdn. Bhd. (Malaysian Company Registration No.: 244973-P) which is legally and beneficially owned by HWGB as at the date of the Bridging Loan Agreement ("**Charged Shares**");

(cc) the corresponding instrument(s) of transfer in respect of the Charged Shares duly signed by HWGB in accordance with the provisions of the Act and such other documents as may be requested by the Creditors (or AOF) in order to enable the Creditors or its nominee(s) or any purchaser(s) to be registered as the owner or otherwise obtain a legal title to such Charged Shares; and

(dd) certified copies of all resolutions and authorisations by the board of directors of HWGB approving the execution of the Share Pledge Agreement, the prescribed documents to be lodged with a charge, statements of particulars relating to the Share Pledge, (as applicable) and other instrument(s) necessary for the creation of the Share Pledge and any instrument(s) of transfer or other transfer forms and registration of any such transfer in respect of the transfer of the Charged Shares in favour of the Creditors or the Creditors' nominee or the purchaser(s).

(collectively "**Escrow Documents**"), be delivered to the Creditors.

(ii) Upon the receipt of the aforesaid written instructions from the Creditors, the Escrow Agent shall within 5 business days deliver the Escrow Documents to the Creditors for its safekeeping and/or further action as the case may be.

(iii) Upon receipt of the Escrow Documents, the Creditors shall be entitled to take such actions and do such things to perfect the Escrow Documents.

(iv) All costs and expenses incurred by the Creditors in perfecting the security documents entered or to be entered into by HWGB for the purposes of creating security from time to time in favour of the Creditors (or its nominee), to secure the performance of the obligations of HWGB under the Bridging Loan Agreement which shall include the Share Pledge Agreement and any other document designated as such by the

Creditors, as amended, modified and supplemented from time to time, shall be fully borne and reimbursed by HWGB.

(f) Advance payment of interest pursuant to the Extended Maturity Date

Pursuant to the 1st supplemental agreement dated 4 September 2025 ("**1st Supplemental Agreement**") entered into between HWGB and the Creditors, the Creditors agreed to extend the initial maturity date up till 28 June 2026 ("**Extended Maturity Date**"). In consideration of the Extended Maturity Date, HWGB agreed to make advance payment of interest at the Extended Loan Tenure Interest Rate in 2 tranches to the Creditors, the payment periods of which are as follows:

(i) 1st tranche – for the period from 29 June 2025 to 28 December 2025; and

(ii) 2nd tranche – for the period from 29 December 2025 to 28 June 2026.

The Creditors acknowledged and have received payment for the 1st tranche as at the date of the 1st Supplemental Agreement.

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1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board and they individually and collectively accept full responsibility for the accuracy of the information given in this Circular and confirm that, after making all reasonable enquiries to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. CONSENTS AND DECLARATIONS

2.1 M & A Securities

M & A Securities being the Adviser and Placement Agent for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereon in the form and context in which they appear in this Circular.

M & A Securities do hereby confirm that, there are no circumstances or relationships which would give rise to a conflict of interest or potential conflict of interest situation in its capacity to act as the Adviser and Placement Agent of our Company for the Proposals.

3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and there are no proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position or business of our Group.

4. MATERIAL COMMITMENT AND CONTINGENT LIABILITIES

As at the LPD, there are no material commitment and contingent liabilities, incurred or known to be incurred by our Group, which upon becoming due or enforceable, may have a material impact on the financial position or business of our Group.

5. COMMENTARY ON THE FINANCIAL PERFORMANCE AND FINANCIAL POSITION OF OUR GROUP FOR THE PAST 4 FINANCIAL YEARS

The financial performance and financial position of our Group for the past 4 financial years are as follows:

	Audited				Unaudited	
	1 May 2021 to 30 April 2022	1 May 2022 to 31 December 2022(i)	1 January 2023 to 31 December 2023	1 January 2024 to 31 December 2024	1 January 2024 to 30 September 2024	1 January 2025 to 30 September 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Continuing operations						
Revenue	451,102	278,846	254,976	328,234	274,309	231,481
GP	15,108	16,327	18,307	18,323	16,562	14,610
(LBT)/ PBT	(3,397)	1,941	3,923	(287)	3,061	(919)
(Loss)/ Profit from continuing operations, net of tax	(5,454)	(866)	1,215	(2,228)	875	(3,057)
Net (loss)/ profit attributable to owners of our Company	(5,432)	(1,130)	1,192	(2,228)	875	(2,944)
Total current assets	136,784	91,279	90,365	100,624	89,893	92,600
Total current liabilities	92,575	44,584	30,637	44,173	34,440	35,199
Equity attributable to owners of our Company	72,826	74,181	88,208	84,231	80,884	82,334
Total borrowings	33,503	19,180	9,206	19,803	5,601	19,512
Net cash used in operating activities	(13,829)	22,160	(4,003)	(3,900)	16,567	8,371
Weighted average number of Shares in issue ('000)	621,513	654,256	176,430	205,547	205,547	205,547
Basic (LPS)/ EPS (sen)(ii)	(0.87)	(0.17)	0.66	(1.08)	0.43	(1.43)
Number of Shares in issue ('000)	638,870	662,578	205,547	205,547	205,547	205,547
NA per share (sen)(iii)	0.11	0.11	0.43	0.41	0.39	0.40
Current ratio (times)(iv)	1.48	2.05	2.95	2.28	2.61	2.63
Gearing (times)(v)	0.46	0.26	0.10	0.24	0.07	0.24

Notes:

(i) Based on the announcement made on 2 November 2022, our Company changed our financial year from 30 April to 31 December. Due to the change in financial year, the comparative figures for the 8-month FPE 31 December 2022 may not be entirely comparable to the 12-month FYE 30 April 2022 and 12-month FYE 31 December 2023.

However, the financial information on an annualised basis for the 8-month FPE 31 December 2022 is provided as below:

	1 May 2022 to 31 December 2022
	RM'000
Continuing operations	
Revenue	418,269
GP	24,491
PBT	2,912
Loss from continuing operations, net of tax	(1,299)
Net loss attributable to owners of our Company	(1,695)

(ii) Derived based on the net loss/ profit attributable to owners of our Company divided by the weighted average number of Shares in issue.

(iii) Derived based on the equity attributable to owners of our Company divided by the number of Shares in issue.

(iv) Derived based on the total current assets divided by the total current liabilities.

(v) Derived based on the total borrowings divided by the equity attributable to owners of our Company.

Financial commentaries between 12-month FYE 30 April 2022 and 8-month FPE 31 December 2022

Our Group recorded a revenue of RM278.85 million for the FPE 31 December 2022 (for the ongoing operations) (annualised: RM418.27 million), representing a decrease of RM32.83 million or 7.3% as compared to RM451.10 million for the FYE 30 April 2022. The lower revenue on an annualised basis is mainly due to lower demand from the existing customers for the moulded power supply cord sets division. The lower demand is attributable to the customers clearing the inventories they had purchased for the FYE 30 April 2022.

For the FPE 31 December 2022, our Group posted a PBT of RM1.94 million (for the ongoing operations) (annualised: RM2.91 million), representing a decrease of RM6.31 million or 185.6% as compared to a LBT of RM3.40 million for the FYE 30 April 2022, mainly due to the following:

(a) PBT of RM13.06 million (annualised PBT of RM19.59 million) for the FPE 31 December 2022 as compared to PBT of RM9.46 million for the FYE 30 April 2022 from the moulded power supply cords sets division was mainly due to higher profit margins earned and better products mix sold;

(b) LBT of RM5.43 million (annualised LBT of RM8.15 million) for the FPE 31 December 2022 as compared to LBT of RM1.22 million for the FYE 30 April 2022 from the healthcare division was mainly due to inventories written off, inventories written down and impairment loss on assets; and

(c) LBT of RM5.60 million (annualised LBT of RM8.40 million) for the FPE 31 December 2022 as compared to LBT of RM6.28 million for the FYE 30 April 2022 from the investment division was mainly due to net allowance for expected credit loss and impairment loss on investment in subsidiaries which was offset by the reversal of impairment loss on investment in subsidiaries.

Financial commentaries between 8-month FPE 31 December 2022 and 12-month FYE 31 December 2023

For the ongoing operations, our Group recorded a total revenue of RM254.98 million for the FYE 31 December 2023, representing a decrease of RM163.29 million or 39.0% as compared to RM278.85 million for the FPE 31 December 2022 (annualised: RM418.27 million). The lower revenue on an annualised basis is mainly due to lower demand from the existing customers for the moulded power supply cord sets division. Aside from the customers clearing inventories purchased for the FYE 30 April 2022, the lower demand was further contributed by challenging macroeconomic conditions due to high inflation rates and aggressive monetary policy tightening, resulting in consumers becoming more cautious in their purchasing activities.

For the FYE 31 December 2023, our Group posted a PBT of RM3.92 million (for the ongoing operations), representing an increase of RM1.01 million or 34.7% (FPE 31 December 2022: PBT of RM1.94 million or annualised PBT of RM2.91 million) mainly due to the following:

(a) PBT of RM12.75 million for the FYE 31 December 2023 as compared to PBT of RM13.06 million for the FPE 31 December 2022 (annualised PBT of RM19.59 million) from the moulded power supply cords sets division was due to lower revenue generated from the moulded power supply cord sets division resulted from the lower demand from customers as explained above;

(b) LBT of RM0.48 million for the FYE 31 December 2023 as compared to LBT of RM5.43 million for the FPE 31 December 2022 (annualised LBT of RM8.15 million) from the healthcare division was due to integration issues with newly acquired entities, regulatory hurdles that delayed product launches, and competitive pressures from established pharmaceutical and biotech companies; and

(c) LBT of RM9.58 million for the FYE 31 December 2023 as compared to LBT of RM5.60 million for the FPE 31 December 2022 (annualised LBT of RM8.40 million) from the investment division was due to strategic reassessment and reallocation of resources towards more profitable avenues.

Financial commentaries between 12-month FYE 31 December 2023 and 12-month FYE 31 December 2024

Our Group recorded a revenue of RM328.23 million for the FYE 31 December 2024, representing an increase of RM73.25 million or 28.7% as compared to RM254.98 million for the FYE 31 December 2023. Our Group's revenue is mainly derived from the moulded power supply cord sets division which represented approximately 99.98% (FYE 31 December 2023: 99.93%) of the total revenue of our Group. The higher revenue was due to the higher demand from existing customers.

Our Group incurred LBT of RM0.29 million in the current FYE 31 December 2024, representing a decrease of RM4.21 million or 107.4% as compared to PBT of RM3.92 million for the FYE 31 December 2023 mainly due to the following:

(a) lower PBT of RM9.21 million (FYE 31 December 2023: PBT of RM12.75 million) from the moulded power supply cords sets division due to volatile copper prices, which averaged USD9,325 per metric tonne (FYE 2023: USD9,046), competitive pricing pressures, and allowance for expected credit losses;

(b) no LBT was incurred from the travel services division in the current financial year after the disposal of the division in the FYE 31 December 2023 as compared to LBT of RM0.06 million in the FYE 31 December 2023;

(c) lower LBT of RM0.06 million (FYE 31 December 2023: LBT of RM0.48 million) from the healthcare division due to strategic reassessment, leading to a temporary pause in certain operations due to shifting consumer preferences, pricing challenges, and supply chain disruptions;

(d) higher LBT of RM10.22 million (FYE 31 December 2023: LBT of RM9.58 million) from the investment division due to ongoing strategic investments and capital allocation adjustments; and

(e) inter-group elimination mainly on allowance for expected credit loss on amount due from subsidiaries of RM0.30 million (FYE 31 December 2023: RM0.51 million) and reversal of impairment of investments in subsidiaries of RM0.66 million (FYE 31 December 2023: RM0.85 million).

Financial commentaries between 9-month FPE 30 September 2024 and 9-month FPE 30 September 2025

Our Group recorded a revenue of RM231.48 million for the FPE 30 September 2025, representing a decrease of RM42.83 million or 15.6% as compared to RM274.31 million for the FPE 30 September 2024. Our Group's revenue is mainly derived from the moulded power supply cord sets division which represented approximately 99.5% (FPE 30 September 2024: 99.9%) of the total revenue of our Group. The lower revenue was due to lower demand from existing customer, coupled with the strengthening of RM against USD as our sales from the moulded power supply cord sets division is denominated is USD.

Our Group incurred LBT of RM0.92 million in the FPE 30 September 2025, representing a decrease of RM3.98 million or 130.1% as compared to PBT of RM3.06 million for the FPE 30 September 2024 mainly due to the following:

(a) lower PBT of RM8.59 million (FPE 30 September 2024: PBT of RM9.97 million) from the moulded power supply cords sets division due to lower revenue generated from the moulded power supply cord sets division;

(b) higher LBT of RM0.28 million (FPE 30 September 2024: LBT of RM0.04 million) from the healthcare division mainly contributed by the LBT of a 55.0% owned subsidiary, Advanced Apotheke Sdn Bhd, which was acquired on 5 March 2025 and subsequently disposed on 30 June 2025;

(c) higher LBT of RM9.99 million (FPE 30 September 2024: LBT of RM6.87 million) from the investment division due to corporate exercise expenses of RM1.10 million for the Proposed Notes Issuance and consultancy fees of RM0.59 million; and

(d) reclassification of unrealised foreign exchange loss arising from intercompany balances of RM0.76 million (FPE 30 September 2024: nil).

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of our Company at 1st Floor, Wisma Ho Wah Genting, No. 35, Jalan Maharajalela, 50150, Kuala Lumpur, Wilayah Persekutuan during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the EGM:

(a) Constitution of HWGB;

(b) audited consolidated financial statements of HWGB for the FYE 31 December 2023, FYE 31 December 2024 and the unaudited quarterly report on consolidated financial statements of HWGB for the 9-month FPE 30 September 2025;

(c) the Debt Settlement Agreement;

(d) the Bridging Loan Agreement; and

(e) letters of consent and declarations as referred to in Section 2 of this Appendix.

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HO WAH GENTING BERHAD
(Registration No. 199301018185 (272923-H))
(Incorporated in Malaysia under the Companies Act 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Ho Wah Genting Berhad ("**HWGB**" or the "**Company**") will be conducted at Phoenix 3, 4 & 5, Level 7, Howard Johnson By Wyndham Kuala Lumpur 118, Jalan Kampung Attap, 50460 Kuala Lumpur on Friday, 13 February 2026 at 09:30 a.m. or at any adjournment thereof (as the case may be), for the purpose of considering and, if thought fit, passing the following resolutions, with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED SETTLEMENT OF AN AGGREGATE AMOUNT OF RM3,299,000 DEBT OWING TO ADVANCE OPPORTUNITIES FUND ("AOF") AND ADVANCE OPPORTUNITIES FUND I ("AOF I") (COLLECTIVELY, THE "CREDITORS") BY HWGB, VIA THE ISSUANCE OF UP TO 20,554,700 NEW ORDINARY SHARES IN HWGB ("HWGB SHARE(S)" OR "SHARE(S)") ("PROPOSED DEBT SETTLEMENT")

"**THAT**, subject to and conditional upon the approvals of all relevant authorities and persons (if any), approval be and is hereby given to the Company to allot and issue up 20,554,700 new HWGB Shares ("**Settlement Shares**") to the Creditors, at an issue price to be determined and fixed by the Board, which shall be determined later after all the relevant approvals have been obtained, in the manner and subject to the terms and conditions contained in the Debt Settlement Agreement dated 12 November 2025 entered into between the Company and the Creditors;

THAT, such Settlement Shares will, upon allotment and issuance, rank equally with the existing HWGB Shares, except that holders of the Settlement Shares will not be entitled to any dividends, rights, allotments or other forms of distributions, that may be declared to the shareholders of the Company, which the entitlement date (namely the date as at the close of business on which the shareholders must be registered in order to be entitled to any dividends, rights, allotments or other distributions) is prior to the date of allotment of the Settlement Shares;

AND THAT, the Board be and is hereby authorised to do all such acts and things that are necessary to give full effect to the Proposed Debt Settlement with full powers to assent to any conditions, modifications, variations and/or amendments deemed necessary or expedient in the interest of the Company and/or as may be required by the relevant authorities and to take all steps and actions they consider necessary or as may be required to give full effect to and complete the Proposed Debt Settlement."

ORDINARY RESOLUTION 2

PROPOSED PRIVATE PLACEMENT OF UP TO 20,554,700 NEW ORDINARY SHARES, WHICH WAS ARRIVED BASED ON 10.00% OF THE TOTAL NUMBER OF ISSUED SHARES IN HWGB ("PROPOSED PRIVATE PLACEMENT")

"**THAT**, subject to and conditional upon the approvals of all relevant authorities and persons (if any), approval be and is hereby given to the Company to increase the share capital of HWGB by way of private placement of up to 20,554,700 new HWGB Shares ("**Placement Shares**"), which was arrived based on 10.00% of the Company's existing issued Shares to independent third party investor(s) to be identified, at an issue price for each tranche to be determined and fixed by the Board, which shall be determined later after all the relevant approvals have been obtained. In any event, the issue price shall not be at a discount of more than 10% from the 5-day volume weighted average market price of the HWGB Shares immediately preceding the price fixing date;

THAT, such Placement Shares will, upon allotment and issuance, rank equally with the existing HWGB Shares, except that holders of the Placement Shares will not be entitled to any dividends, rights, allotments or other forms of distributions, that may be declared to the shareholders of the Company, which the entitlement date (namely the date as at the close of business on which the shareholders must be registered in order to be entitled to any dividends, rights, allotments or other distributions) is prior to the date of allotment of the Placement Shares;

AND THAT, the Board be and is hereby authorised to do all such acts and things that are necessary to give full effect to the Proposed Private Placement with full powers to assent to any conditions, modifications, variations and/or amendments deemed necessary or expedient in the interest of the Company and/or as may be required by the relevant authorities and to take all steps and actions they consider necessary or as may be required to give full effect to and complete the Proposed Private Placement."

BY ORDER OF THE BOARD OF
HO WAH GENTING BERHAD

Coral Hong Kim Heong
Company Secretary
(MAICSA 7019696) (SSM PC No.:201908001943)

Kuala Lumpur

28 January 2026

Notes:

1. Members Entitled To Attend: Only members whose names appear in the Record of Depositors as at 5 February 2026 shall be entitled to attend the meeting.

2. Voting By Poll: Pursuant to Article 16.5 of the Company's Constitution, the resolution set out in this Notice shall be put to vote by poll.

3. A proxy appointed to attend and vote shall have the same rights as the member to speak at the meeting.

4. A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member / authorized nominee / exempt authorized nominee appoints two (2) proxies, the appointment shall be invalid unless the proportions of shareholdings to be represented by each proxy is specified.

5. Where a member of the Company is an exempt authorized 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 authorized nominee may appoint in respect of each Omnibus Accounts it holds.

6. The instrument appointing a proxy must be deposited at the registered office of the Company at 1st Floor, Wisma Ho Wah Genting, No. 35, Jalan Maharajalela, 50150, Kuala Lumpur, Wilayah Persekutuan, not less than twenty-four (24) hours before the time appointed for the meeting.

7. In the case of a corporate member, the instrument appointing a proxy must be executed under its Common Seal or under the hand of its attorney duly authorized in writing.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

HO WAH GENTING BERHAD
[Registration No.: 199301018185 (272923-H)]

Total number of ordinary shares held	
CDS Account No.	

PROXY FORM

I/We,..., ...
(Full Name in Block Letters) (NRIC/Registration No.)

Of ....
(Full Address)

Email Address:.. Contact No. ....

being a member/members of **Ho Wah Genting Berhad** [Registration No. 199301018185 (272923-H)] hereby appoint:

Name of Proxy (Full Name)	NRIC No./Passport No.	% of Shareholding to be represented (refer to Note 4 set out below)
Address	Email Address	Contact No.

and/or failing him/her

Name of Proxy (Full Name)	NRIC No./Passport No.	% of Shareholding to be represented (refer to Note 4 set out below)
Address	Email Address	Contact No.

or failing him/her, *the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Extraordinary General Meeting of the Company that will be conducted at Phoenix 3, 4 & 5, Level 7, Howard Johnson By Wyndham Kuala Lumpur 118, Jalan Kampung Attap, 50460 Kuala Lumpur on Friday, 13 February 2026 at 09:30 a.m. or at any adjournment thereof (as the case may be).

My/our proxy is to vote as indicated below:-

Ordinary Resolution	**For**	**Against**
Proposed Debt Settlement		
Proposed Private Placement		

(Please indicate with an "X" where in the space provided on how you wish to cast your vote. If you do not so do so, the proxy will vote or abstain from voting at his discretion.)

Dated this ....day of..................................... 2026

....
Signature/ Common Seal of shareholder

Notes:

1. Members Entitled To Attend: Only members whose names appear in the Record of Depositors as at 5 February 2026 shall be entitled to attend the meeting.

2. Voting By Poll: Pursuant to Article 16.5 of the Company's Constitution, the resolution shall be put to vote by poll.

3. A proxy appointed to attend and vote shall have the same rights as the member to speak at the meeting.

4. A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member / authorized nominee / exempt authorized nominee appoints two (2) proxies, the appointment shall be invalid unless the proportions of shareholdings to be represented by each proxy is specified.

5. Where a member of the Company is an exempt authorized 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 authorized nominee may appoint in respect of each Omnibus Accounts it holds.

6. The instrument appointing a proxy must be deposited at the registered office of the Company at 1st Floor, Wisma Ho Wah Genting, No. 35, Jalan Maharajalela, 50150, Kuala Lumpur, Wilayah Persekutuan, not less than twenty-four (24) hours before the time appointed for the meeting.

7. In the case of a corporate member, the instrument appointing a proxy must be executed under its Common Seal or under the hand of its attorney duly authorized in writing.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the Extraordinary General Meeting dated 28 January 2026.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretary of **HO WAH GENTING BERHAD**
[Registration No.: 199301018185 (272923-H)

1st Floor, Wisma Ho Wah Genting,
No. 35, Jalan Maharajalela,
50150, Kuala Lumpur, Wilayah Persekutuan

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