



HO WAH GENTING BERHAD (272923-H)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE EXTRAORDINARY GENERAL MEETING HELD AT CONNEXION CONFERENCE & EVENT CENTRE @ THE VERTICAL, THE SUMMIT 1, (LEVEL M1), THE VERTICAL, BANGSAR SOUTH CITY, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR ON TUESDAY, 30 JUNE 2020 AT 10:10 A.M.

- Present**
- : Dato' Lim Ooi Hong - *Managing Director/CEO*
 - : Mr. Lim Wee Kiat - *Executive Director*
 - : Ms. Elaine Tan Ai Lin - *Senior Independent Non-Executive Director*
 - : Mr. Kenny Yeoh Khi Khen - *Independent Non-Executive Director*
 - : Mr. Bernard Lim Soon Chiang - *Independent Non-Executive Director*
- In attendance** : Coral Hong Kim Heong - *Company Secretary*
- By Invitation**
- : Boardroom Share Registrars Sdn Bhd - *Share Registrars and Poll Administrator*
 - : Malaysian Issuing House Sdn Bhd - *Scrutineers*
 - : Tan, Goh & Associates - *Legal Adviser*
 - : Russel Bedford LC & Co - *Auditors*
 - : M&A Securities Sdn Bhd - *Main Adviser*
- Shareholders** : *10 members present in person and 5 members present by proxies.*

No. Items

EGM 1 PRELIMINARY

Mr. Bernard Lim Soon Chiang was elected as Chairman of the Meeting and he extended a warm welcome to everyone present at the Meeting.

EGM 2 QUORUM

The requisite quorum being present in accordance with Article 16.1 of the Company's Constitution, the Chairman declared the Meeting duly convened.

EGM 3 NOTICE

The Notice convening the Meeting having been previously circulated to all shareholders and advertised in New Straits Times on 15 June 2020 within the prescribed period was taken as read.



No. Items

MEETING PROCEDURES

Prior to proceeding to the agenda of the meeting, the Chairman briefed shareholders on the procedures of the meeting including voting and the rights of shareholder and proxy to vote and speak.

The Chairman further informed that Pursuant to requirement in Paragraph 8.29A of Bursa Malaysia Listing Requirements, voting was by Poll. The poll would be conducted electronically on Ordinary Resolution as set out in the Notice of Meeting dated 15 June 2020 and would be taken after completion of the Meeting.

The shareholders were also informed that the Share Registrar of the Company was the Poll administrator to conduct the polling process and Messrs. Malaysian Issuing House Sdn Bhd was appointed as Scrutineer to verify the vote cast and compilation of results.

EGM 4 ORDINARY RESOLUTION - PROPOSED DIVERSIFICATION OF HWGB AND ITS SUBSIDIARIES TO INCLUDE THE HEALTHCARE RELATED BUSINESS (“PROPOSED DIVERSIFICATION”)

The Circular to shareholders contained:

- a. Notice convening the meeting, and
- b. Proposed Diversification of Ho Wah Genting Berhad (“HWGB”) and its subsidiaries to include the healthcare related business,

hereinafter referred to as “Proposed Diversification”, which had been previously circulated to all shareholders, was tabled.

The Chairman briefed the shareholders on the Proposed Diversification as follows:

Proposed Diversification

HWGB Group intends to undertake a proposed diversification of its existing businesses to include healthcare related business, which includes the health supplement, biotechnology and healthcare technology sub-segment.

The Board anticipates the healthcare related business to be one of the key contributors of the Group’s future earnings and is expected to result in either:

- the diversion of 25% or more of the NA of the HWGB Group to healthcare related business segment; or
- the contribution from healthcare related business segment of 25% or more of the net profits of HWGB Group.

No. Items

Hence, shareholders' approval is required pursuant to Paragraph 10.13(1) of the Listing Requirements.

Rationale and benefits of the Proposed Diversification

The Board believes that the Proposed Diversification would enable the Group to mitigate the risk of dependence on its existing core business and create another stream of revenue to the Group.

The Board also believes that the Proposed Diversification would contribute positively to the Group's future earnings and improve the Group's financial position in view of the good long term growth prospects of the healthcare industry.

Key risks of the Proposed Diversification

- The Proposed Diversification is subject to certain business diversification risk inherent in the healthcare industry which include, but is not limited to fluctuations in the changes in general economic and business conditions and government regulation on the healthcare industry;
- The Group has no prior experience in the healthcare related business and may be subjected to challenges and initial risks arising from venturing into healthcare industry;
- The Group will face competition from both new entrants and established players in the healthcare industry;
- The Group's growth and success in the healthcare industry depends largely on the abilities, skills and experience of the advisers/consultants; and
- The Company is subject to regulatory risk as the products distributed by the Company require registrations and approval of MOH and must comply with all conditions imposed in order to retain the registrations.

Parties involved and the element of conflict of interests

None of the Directors and major shareholders of the Company as well as persons connected with them have any interest, direct and/or indirect, in the Proposed Diversification.

The Board was of the opinion that the Proposed Diversification is in the best interest of the Company and recommends that the Shareholders/Proxies to vote in favour of the resolution pertaining to the Proposed Diversification.



No. Items

Thereafter, the Chairman invited questions from the floor on the Proposed Diversification. The following question was raised by a shareholder and answered by Dato' Lim Ooi Hong, the Managing Director/CEO of HWGB Group:

*Question 1 Which sector or any specific segment in the healthcare business that HWGB Group is
Mr. Ng Aik interested in?
Cheong:*

*Replied: HWGB Group is heading into 3 specific areas in healthcare business:
1)health supplement – i.e. upper respiratory supplements products.
2)biotechnology and
3)healthcare technology sub-segment.*

Detailed information was as disclosed in the Circular to Shareholders dated 15 June 2020.

As there was no other question raised, the Chairman put the motion to the meeting and requested for a proposer and a seconder to approve the Ordinary Resolution.

The Ordinary Resolution was duly proposed and seconded by shareholder/proxy from the floor. No further questions were raised by the shareholders present.

COMMENCEMENT OF POLLING

The Chairman announced that since the procedures for the electronic polling were explained in the AGM held earlier, and the members present remained the same, he then asked the members present if there were any objections from the floor if the polling procedures are not explained for a second time. Since there were no objections, he then commenced the polling.

The polling began with Scrutineers present monitoring the process.

Upon completion of the voting, the Share Registrar and the Scrutineers proceeded with the counting and verification of vote casted.



No. Items

ANNOUNCEMENT OF POLLING RESULTS

At 10:26 a.m. the Chairman called the Meeting to order for declaration of the poll results. The results verified by the Scrutineers was announced by the Chairman as follows:

Resolution	FOR		AGAINST		TOTAL		ABSTAIN	Results
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	
1	260,415,280	100	0	0	260,415,280	100	0	Carried

A copy of the above results was display on the screen in the meeting room.

Based on the poll results verified by the Scrutineers, the Chairman declared that Ordinary Resolution was unanimously carried.

EGM 6 TERMINATION

There being no further business, the meeting terminated at 10:26 a.m. with a vote of thanks to the Chair.