

**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 adviser immediately.

This Circular has been reviewed by KAF Investment Bank Berhad, the Adviser to HLT Global Berhad (“**HLT**”) for the Proposed Capital Reduction (as defined herein).

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**HLT GLOBAL BERHAD**  
**(Registration No.: 201501038003 (1163324-H))**  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF HLT PURSUANT TO SECTION 116 OF THE COMPANIES ACT, 2016 (“PROPOSED CAPITAL REDUCTION”)**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Adviser*



**INVESTMENT BANK BERHAD**  
Registration No. 197401003530 (20657-W)

The Notice convening the Extraordinary General Meeting (“**EGM**”) of HLT to be held at Langkawi Room, Second Floor, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, on Monday, 12 June 2023 at 11:30 a.m. or immediately following the conclusion of the Eighth Annual General Meeting (“**8<sup>th</sup> AGM**”) of the Company which is scheduled to be held at the same venue on the same day at 10:30 a.m. or any adjournment thereof, together with the Proxy Form is enclosed herewith.

The Proxy Form should be lodged at the share registrar’s office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the EGM or any adjournment thereof. The lodgement of the Proxy Form will not preclude you from participating and voting at the EGM should you subsequently wish to do so.

**IMPORTANT DATES**

Last date and time for lodging the Proxy Form	: Saturday, 10 June 2023 at 11:30 a.m.
Date and time for the EGM	: Monday, 12 June 2023 at 11:30 a.m. or immediately following the conclusion of the 8 <sup>th</sup> AGM which is scheduled to be held at the same venue on the same day at 10:30 a.m.

This Circular is dated 28 April 2023

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## DEFINITIONS

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In this Circular, unless otherwise indicated, the following words and abbreviations shall have the following meanings:-

“Act”	: The Companies Act 2016
“Board”	: Board of directors of HLT
“Bursa Securities”	: Bursa Malaysia Securities Berhad [Registration No. 200301033577(635998-W)]
“CCM”	: Companies Commission of Malaysia
“Circular”	: This circular dated 28 April 2023 to the shareholders of HLT in relation to the Proposed Capital Reduction
“Court”	: High Court of Malaya
“EGM”	: Extraordinary general meeting
“ESOS”	: HLT’s Employees Share Option Scheme
“ESOS Options”	: Options granted pursuant to the ESOS
“Exercisable ESOS Options”	: 13,342,000 outstanding ESOS options which are exercisable immediately
“FYE”	: Financial year ended/ending 31 December
“HLT” or the “Company”	: HLT Global Berhad [Registration No. 201501038003(1163324-H)]
“HLT Group” or the “Group”	: HLT and its subsidiary, collectively
“HLT Share(s)” or “Share(s)”	: Ordinary shares in the Company
“KAF IB”	: KAF Investment Bank Berhad [Registration No. 197401003530(20657-W)]
“LPD”	: 31 March 2023, being the latest practicable date prior to the printing of this Circular
“Maximum Scenario”	: Assuming all of the 13,342,000 Exercisable ESOS Options as at the LPD will be exercised into new HLT Shares prior to the implementation of the Proposed Capital Reduction
“Minimum Scenario”	: Assuming none of the 13,342,000 Exercisable ESOS Options as at the LPD will be exercised into new HLT Shares prior to the implementation of the Proposed Capital Reduction
“NA”	: Net assets
“PAT / (LAT)”	: Profit after tax / (Loss after tax)
“Proposed Capital Reduction”	: Proposed reduction of the issued share capital of HLT pursuant to Section 116 of the Act
“RM” and “sen”	: Ringgit Malaysia and sen, respectively
“Warrants”	: Warrants 2017/2022 of HLT which had expired and lapsed on 27 December 2022

Words denoting the singular number only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender, neuter gender and vice versa. Reference to persons shall include a body of persons, corporate or unincorporated (including a trust). Any reference to a time of day shall be a reference to Malaysian time, unless otherwise stated. Any reference to any statute is a reference to that statute as for the time being amended or re-enacted.

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## EXECUTIVE SUMMARY

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**This Executive Summary only highlights the key information of this Circular. It does not contain all the information that may be important to you. You should read and understand the contents of this Circular before making a decision on the Proposed Capital Reduction.**

Key information	Description	Reference to the Circular
<b>Summary of the Proposed Capital Reduction</b>	The Proposed Capital Reduction entails the reduction of RM120,000,000 of the issued share capital of HLT pursuant to Section 116 of the Act.	Section 2.1
<b>Rationale for the Proposed Capital Reduction</b>	The Proposed Capital Reduction will enable the Company to rationalise its statement of financial position by eliminating its accumulated losses. The reduced issued share capital pursuant to the Proposed Capital Reduction will also reflect more accurately the value of the underlying assets and the financial position of the Company. Further, the elimination of the accumulated losses from the statement of financial position of the Company would not only enhance the credibility of the Company with the bankers, customers, suppliers, investors and other stakeholders, but also provide a better financial platform for HLT Group's future growth moving forward.	Section 3.0
<b>Approvals required</b>	<p>The Proposed Capital Reduction is subject to the following approvals being obtained:-</p> <ul style="list-style-type: none"><li>(a) the shareholders of HLT for the Proposed Capital Reduction at an EGM to be convened;</li><li>(b) the sanction of the Court pursuant to Section 116 of the Act; and</li><li>(c) any other relevant authorities/parties (if applicable).</li></ul>	Section 5.0
<b>Director's statement and recommendation</b>	The Board, having considered all aspects of the Proposed Capital Reduction, including but not limited to the rationale and financial effects of the Proposed Capital Reduction, is of the opinion that the Proposed Capital Reduction is in the best interest of the Company. Accordingly, the Board recommends you to vote in favour of the resolution in relation to the Proposed Capital Reduction to be tabled at the forthcoming EGM.	Section 8.0

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**HLT GLOBAL BERHAD**  
**(Registration No.: 201501038003 (1163324-H))**  
(Incorporated in Malaysia)

**Registered Office:**  
Unit 521, 5th Floor, Lobby 6  
Block A, Damansara Intan  
No. 1, Jalan SS20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan

**28 April 2023**

## **BOARD OF DIRECTORS**

Wong Wai Tzing (Independent Non-Executive Chairperson)  
Wong Kok Wah (Deputy Chairman / Executive Director)  
Chan Yoke Chun (Executive Director / Chief Executive Officer)  
Chui Mee Chuen (Executive Director / Chief Financial Officer)  
Yau Ming Teck (Non-Independent Non-Executive Director)  
Wong Koon Wai (Independent Non-Executive Director)

**To: The Shareholders of HLT**

Dear Sir/Madam,

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## **PROPOSED CAPITAL REDUCTION**

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### **1.0 INTRODUCTION**

On 17 March 2023, KAF IB had, on behalf of the Board, announced that the Company is proposing to undertake the Proposed Capital Reduction.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE THE SHAREHOLDERS OF HLT WITH THE DETAILS OF THE PROPOSED CAPITAL REDUCTION AND TO SEEK YOUR APPROVAL ON THE RESOLUTION PERTAINING TO THE PROPOSED CAPITAL REDUCTION TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE FORTHCOMING EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED HEREWITH IN THIS CIRCULAR.**

**SHAREHOLDERS OF HLT ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED CAPITAL REDUCTION TO BE TABLED AT THE FORTHCOMING EGM.**

## **2.0 DETAILS OF THE PROPOSED CAPITAL REDUCTION**

### **2.1 Proposed Capital Reduction**

The Proposed Capital Reduction entails the reduction of RM120,000,000 of the issued share capital of HLT pursuant to Section 116 of the Act. The corresponding credit of RM120,000,000 arising from such cancellation will be utilised to set-off against the accumulated losses of the Company and the remaining balance, if any, will be credited to the retained earnings of the Company which shall be utilised in such manner as the Board deems fit, as permitted by the relevant and applicable laws, the ACE Market Listing Requirements of Bursa Securities as well as the Constitution of the Company.

As at the LPD, the issued share capital of HLT was RM208,274,306 comprising 775,388,049 Shares. As at the LPD, the Company does not have any treasury shares except 18,326,000 outstanding ESOS Options, which can be exercised into 18,326,000 new HLT Shares. Out of the said 18,326,000 outstanding ESOS Options as at the LPD, of which 13,342,000 outstanding ESOS Options are the Exercisable ESOS Options, whilst the remaining 4,984,000 outstanding ESOS Options can only be exercised from 24 July 2023 onwards and are therefore, excluded in the subsequent illustration.

For illustration purpose, the pro forma effects of the Proposed Capital Reduction on the accumulated losses of the Company as well as HLT Group based on its latest audited consolidated financial statements for the FYE 2022 are as follows:-

	<b>Company (RM)</b>	<b>Group (RM)</b>
(Accumulated losses)	(98,425,501)	(70,294,603)
Add : Credit arising from the Proposed Capital Reduction	120,000,000	120,000,000
Less : Estimated expenses for the Proposed Capital Reduction	(200,000)	(200,000)
Resultant retained earnings	<b>21,374,499</b>	<b>49,505,397</b>

For the avoidance of doubt, the Proposed Capital Reduction will not result in any adjustment to the share price of HLT and the existing number of HLT Shares in issue.

The effective date for the Proposed Capital Reduction will be the date of lodgement of the sealed court order of the Court for the Proposed Capital Reduction with the CCM.

## **3.0 RATIONALE FOR THE PROPOSED CAPITAL REDUCTION**

The Proposed Capital Reduction will enable the Company to rationalise its statement of financial position by eliminating its accumulated losses. The reduced issued share capital pursuant to the Proposed Capital Reduction will also reflect more accurately the value of the underlying assets and the financial position of the Company. Further, the elimination of the accumulated losses from the statement of financial position of the Company would not only enhance the credibility of the Company with the bankers, customers, suppliers, investors and other stakeholders, but also provide a better financial platform for HLT Group's future growth moving forward.

## **4.0 EFFECTS OF THE PROPOSED CAPITAL REDUCTION**

The Proposed Capital Reduction will not have any impact on the substantial shareholders' shareholdings and earnings of HLT.

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#### 4.1 Issued share capital

The pro forma effects of the Proposed Capital Reduction on the issued share capital of HLT are as follows:-

	<b>Minimum Scenario</b>		<b>Maximum Scenario</b>	
	<b>No. of Shares</b>	<b>RM</b>	<b>No. of Shares</b>	<b>RM</b>
As at the LPD	775,388,049	208,274,306	775,388,049	208,274,306
To be issued upon full exercise of the Exercisable ESOS Options <sup>(1)</sup>	-	-	13,342,000	16,944,340
	775,388,049	208,274,306	788,730,049	225,218,646
Reduction pursuant to the Proposed Capital Reduction	-	(120,000,000)	-	(120,000,000)
<b>After Proposed Capital Reduction</b>	<b>775,388,049</b>	<b>88,274,306</b>	<b>788,730,049</b>	<b>105,218,646</b>

*Note:-*

(1) Assuming the issuance of 13,342,000 new HLT Shares upon full exercise of 13,342,000 Exercisable ESOS Options into new HLT Shares at an exercise price of RM0.70 per ESOS Option and the fair value of RM7,604,940 pertaining to the 13,342,000 Exercisable ESOS Options.

#### 4.2 NA and gearing

The pro forma effects of the Proposed Capital Reduction on the NA per Share and gearing of HLT based on the latest audited consolidated financial statements of HLT as at 31 December 2022 are as follows:-

##### Minimum Scenario

	<b>(I)</b>	<b>(II)</b>
	<b>Audited as at 31.12.2022</b>	<b>Adjustments for subsequent events up to the LPD</b>
	<b>RM</b>	<b>RM</b>
Share capital	207,161,816	<sup>(1)</sup> 208,274,306
Merger deficit	(22,032,990)	(22,032,990)
Employee share option reserves	10,351,580	10,351,580
(Accumulated losses) / Retained profits	(70,294,603)	(70,294,603)
<b>Shareholders' equity/NA</b>	<b>125,185,803</b>	<b>126,298,293</b>
No. of Shares	769,825,599	775,388,049
NA per Share (RM)	0.16	0.16
Borrowings	509,706	509,706
Gearing (times)	* <sub>-</sub>	* <sub>-</sub>

##### Maximum Scenario

	<b>(I)</b>	<b>(II)</b>	<b>(III)</b>
	<b>Audited as at 31.12.2022</b>	<b>Adjustments for subsequent events up to the LPD</b>	<b>After (I) and full exercise of Exercisable ESOS Options</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
Share capital	207,161,816	<sup>(1)</sup> 208,274,306	225,218,646
Merger deficit	(22,032,990)	(22,032,990)	(22,032,990)
Employee share option reserves	10,351,580	10,351,580	<sup>(3)</sup> 2,746,640
(Accumulated losses) / Retained profits	(70,294,603)	(70,294,603)	(70,294,603)
<b>Shareholders' equity/NA</b>	<b>125,185,803</b>	<b>126,298,293</b>	<b>135,637,693</b>
No. of Shares	769,825,599	775,388,049	788,730,049
NA per Share (RM)	0.16	0.16	0.17
Borrowings	509,706	509,706	509,706
Gearing (times)	* <sub>-</sub>	* <sub>-</sub>	* <sub>-</sub>

**Notes:-**

\* *Negligible*

- (1) *After adjusted for the exercise of 5,562,450 Warrants at an exercise price of RM0.20 per Warrant on 5 January 2023.*
- (2) *After setting off RM120,000,000 from the Group's accumulated losses due to the cancellation of HLT's issued share capital and deducting the estimated expenses of RM200,000 in relation to the Proposed Capital Reduction.*
- (3) *After reversal of RM7,604,940 pertaining to the full exercise of 13,342,000 Exercisable ESOS Options.*

#### **4.3 Convertible securities**

As at the LPD, save for the 18,326,000 outstanding ESOS Options, the Company does not have any outstanding convertible securities. Based on the by-laws governing the ESOS Options, no adjustments are expected to be made to the exercise price and the number of outstanding ESOS Options pursuant to the Proposed Capital Reduction.

#### **5.0 APPROVALS REQUIRED**

The Proposed Capital Reduction is subject to the following approvals being obtained:-

- (a) the shareholders of HLT for the Proposed Capital Reduction at an EGM to be convened;
- (b) the sanction of the Court pursuant to Section 116 of the Act; and
- (c) any other relevant authorities/parties (if applicable).

#### **6.0 CONDITIONALITY**

The Proposed Capital Reduction is not conditional upon any other proposal undertaken or to be undertaken by the Company.

#### **7.0 INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM**

None of the directors, major shareholders and/or persons connected with them has any interest, direct or indirect, in the Proposed Capital Reduction.

#### **8.0 DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board, having considered all aspects of the Proposed Capital Reduction, including, but not limited to, the rationale and financial effects of the Proposed Capital Reduction, is of the opinion that the Proposed Capital Reduction is in the best interest of the Company and accordingly, on the basis above, recommends you to vote in favour of the resolution in relation to the Proposed Capital Reduction to be tabled at the forthcoming EGM.

#### **9.0 OUTSTANDING CORPORATE EXERCISES**

Save for the Proposed Capital Reduction, there are no other intended corporate exercises/schemes which have been announced but yet to be completed by the Group prior to the printing of this Circular.



## **10.0 ESTIMATED TIME FRAME FOR COMPLETION OF THE PROPOSED CAPITAL REDUCTION**

Subject to the approvals as stated in Section 5.0 above and barring any unforeseen circumstances, the Proposed Capital Reduction is expected to be completed by the third (3<sup>rd</sup>) quarter of 2023. The tentative timetable in relation to the Proposed Capital Reduction is set out as below:-

<b>Date</b>	<b>Events</b>
12 June 2023	Convening of the EGM to obtain the approval of the shareholders of HLT for the Proposed Capital Reduction
Mid-September 2023	Confirmation from the Court for the Proposed Capital Reduction
Mid-September 2023	<ul style="list-style-type: none"><li>• Lodgement of the sealed court order of the Court with the CCM</li><li>• Completion of the Proposed Capital Reduction</li></ul>

## **11.0 EGM**

The EGM, notice of which is enclosed in this Circular, will be held at Langkawi Room, Second Floor, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 12 June 2023 at 11:30 a.m. or immediately following the conclusion of the Eighth Annual General Meeting (“8<sup>th</sup> AGM”) which is scheduled to be held at the same venue on the same day at 10:30 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the resolution pertaining to the Proposed Capital Reduction.

If you are unable to attend and vote in person at the EGM, you may complete, sign and return the Proxy Form enclosed in this Circular in accordance with the instructions printed therein as soon as possible so as to arrive at the share registrar’s office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not later than forty-eight (48) hours before the time set for holding the EGM or any adjournment thereof. The lodgement of the Proxy Form will not preclude you from attending and voting at the EGM should you subsequently wish to do so.

## **12.0 FURTHER INFORMATION**

Shareholders are advised to refer to the attached Appendix I for further information.

Yours faithfully,  
For and on behalf of the Board of Directors of  
**HLT GLOBAL BERHAD**

**WONG WAI TZING**  
**Independent Non-Executive Chairperson**

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**FINANCIAL INFORMATION OF THE GROUP**


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The audited consolidated financial information of HLT for the past three (3) FYE 2020 to FYE 2022 are as follows:-

	<-----Audited----->		
	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM
Revenue	240,785,841	270,314,222	75,670,196
Profit /(Loss) before tax	45,963,831	33,586,125	(53,713,250)
PAT / (LAT) (attributable to owners of HLT)	15,915,975	8,891,580	(53,461,295)
Share capital	98,318,247	188,730,326	207,161,816
Current assets	193,943,461	119,428,800	123,182,612
Total assets	240,797,875	225,232,066	230,212,875
Current liabilities	99,066,684	61,298,337	100,226,614
Total liabilities	103,757,752	65,722,689	104,538,051
Shareholders' equity / NA	101,160,558	158,948,233	125,185,803
Number of Shares	616,546,049	707,393,149	769,825,599
Earnings / (Loss) per Share (sen)	2.58	1.26	(6.94)
NA per Share (RM)	0.16	0.22	0.16
Current ratio (times)	1.96	1.95	1.23
Borrowings	812,894	662,524	509,706
Gearing ratio (times)	0.01	*-	*-

Note \*:- Negligible

**Commentary on the financial performance**
**FYE 2020**

The Group recorded a higher revenue of approximately RM240.79 million for FYE 2020 as compared with the revenue of RM144.43 million recorded in the FYE 2019 which was mainly attributable to the increase in the revenue from both glove-dipping line segment and rubber gloves segment. In tandem, the Group recorded a higher PAT of approximately RM15.92 million for the FYE 2020 as compared with the PAT of approximately RM4.84 million recorded in the previous financial year. This was mainly due to surge in demand of the rubber gloves and increased in the average selling price of rubber glove during COVID-19 pandemic period.

**FYE 2021**

The Group recorded a higher revenue of approximately RM270.31 million as compared with the revenue of RM240.79 million recorded in the previous financial year. The increase in revenue was mainly attributable to the outstanding orders secured in FYE 2020 and new orders secured in FYE 2021 for glove-dipping line segment. However, despite the increase in revenue, the Group recorded a lower PAT of approximately RM8.89 million for FYE 2021 as compared with the PAT of approximately RM15.92 million recorded in FYE 2020, mainly attributed to the inventories written down to net realisable value in the rubber glove segment.

**FYE 2022**

The Group recorded a lower revenue of approximately RM75.67 million as compared with the revenue of RM270.31 million recorded in the previous financial year. The decrease in revenue was mainly attributable to the lower sales generated from both glove-dipping line segment and rubber gloves segment. In tandem, the Group recorded a LAT of approximately RM53.46 million for FYE 2022 as compared with the PAT of approximately RM8.89 million recorded in FYE 2021. This was driven by lower average selling price in rubber glove segment as well as higher labour and material cost incurred in the glove-dipping line segment. Additionally, the impairment loss on property, plant and equipment of RM20.13 million had caused the increase in the total expenses for the Group, which in turn dampened the Group's profit.

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**FURTHER INFORMATION**


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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

**2. CONSENT**

KAF IB, as the adviser to HLT in relation to the Proposed Capital Reduction, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto, where relevant, in the form and context in which it appears.

**3. DECLARATION**

KAF IB confirms that it is not aware of any conflict of interest that exist or likely to exist that affect or may affect its ability to act independently and objectively as the adviser in connection with the Proposed Capital Reduction.

**4. MATERIAL CONTRACTS**

HLT Group has not entered into any other material contracts (not being contracts entered into in the ordinary course of business) during the past two (2) years immediately preceding the date of this Circular.

**5. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

Save as disclosed below, as at the LPD, HLT Group is not involved in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board has no knowledge of any proceedings pending or threatened against the Group or any facts which are likely to give rise to any proceedings, which may materially and adversely affect the business or financial position of the HLT Group:-

- (a) Kuala Lumpur High Court Civil Suit No.: WA-22NCC-390-08/2020 (“**Suit 390**”): WRP Asia Pacific Sdn. Bhd. (“**the Plaintiff**”) v Lee Son Hong (“**Dato’ Lee**”) (1<sup>st</sup> Defendant), Too Sooi Keng (“**Too**”) (2<sup>nd</sup> Defendant), HL Advance Technologies (M) Sdn. Bhd. (“**HLA**”) (3<sup>rd</sup> Defendant), Chan Yoke Chun (“**Chan**”) (4<sup>th</sup> Defendant), Wong Kok Wah (“**Wong**”) (5<sup>th</sup> Defendant), Lee Soon Khim (“**Khim**”) (6<sup>th</sup> Defendant) and Cheong Ah Yoke (“**Cheong**”) (7<sup>th</sup> Defendant).

On 28 August 2020, HLA, a wholly-owned subsidiary of the Company has been served with a sealed Writ of Summons No. WA-22NCC-390-08/2020 accompanied by a Statement of Claim, both dated 18 August 2020 by the Plaintiff who alleges, inter alia, that in the course of an internal investigation conducted by the Plaintiff, it was discovered that Dato’ Lee, Too, HLA, Chan and/or Wong had conspired to pay a total of RM36,000,000.00 to HLA to the detriment of the Plaintiff.

On 6 October 2020, HLA filed its defence disputing the Plaintiff’s claim and counterclaim against the Plaintiff and WRP Specialty Products Sdn Bhd (“**WRP Specialty**”). HLA has amongst others, counterclaimed against the Plaintiff and WRP Specialty the indemnity for the stamp duty and ancillary expenses relating to the settlement agreement and in the event the settlement agreement is held to be null and void, the sum of RM10,080,444.57 against the Plaintiff and RM6,354,577.14 against WRP Specialty. HLA’s counterclaim against the Plaintiff and WRP Specialty was subsequently withdrawn.

The Plaintiff’s Statement of Claim was subsequently amended to include Khim and Cheong as the 6<sup>th</sup> and 7<sup>th</sup> Defendants respectively. The Plaintiff’s claim sum was also amended to RM 49,954,578.84.

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**FURTHER INFORMATION (CONT'D)**


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On 30 March 2022, the Court of Appeal struck out the Plaintiff's claim against both Chan and Wong. On 13 April 2022, the Plaintiff made amendments to its Statement of Claim to remove Chan and Wong as parties to the proceedings.

The matter is fixed for continued trial on 19 May 2023, 22 May 2023, 23 May 2023, 24 May 2023 and 25 May 2023 together with Suit 103 below.

The solicitor for HLA is of the view that HLA has a reasonable chance of success in defending the claim by the Plaintiff. The solicitor of HLA is however unable to give any estimation on the amount of potential loss or gain at this juncture.

- (b) Kuala Lumpur High Court Civil Suit No.: WA-22NCC-103-03/2022 ("**Suit 103**"): HLA v WRP Asia Pacific Sdn. Bhd., WRP Specialty, Sng Beng Hock Michael, Loong Mei Yin and Abinash Majhi.

On 15 March 2022, HLA has filed a Writ Summons and Statement of Claim at the Court at Kuala Lumpur against the following parties:-

- WRP Asia Pacific Sdn. Bhd. ("**1<sup>st</sup> Defendant**");
- WRP Specialty ("**2<sup>nd</sup> Defendant**");
- Sng Beng Hock Michael ("**3<sup>rd</sup> Defendant**");
- Loong Mei Yin ("**4<sup>th</sup> Defendant**"); and
- Abinash Majhi ("**5<sup>th</sup> Defendant**").

The circumstances leading to the filing of the Writ Summons and Statement of Claim by HLA is based on, inter alia, the sum of RM16,435,021.71 ("**Outstanding Sums**") as at 30 November 2018 due and owing by the 1<sup>st</sup> and 2<sup>nd</sup> Defendants to HLA for equipment, goods and services provided by HLA to the 1<sup>st</sup> and 2<sup>nd</sup> Defendants and the interests on the Outstanding Sums. HLA contends that HLA was requested by the 1<sup>st</sup> and 2<sup>nd</sup> Defendants through their director, to enter into a Settlement Agreement whereby Advanced Healthcare Products Sdn Bhd ("**AHP**") will effect payment of the Outstanding Sums on behalf of the 1<sup>st</sup> and 2<sup>nd</sup> Defendants. AHP was, however subsequently wound-up by the Court at Ipoh and the 1<sup>st</sup> and 2<sup>nd</sup> Defendants accordingly remain liable to HLA for the Outstanding Sums. HLA also sought for a declaration that the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Defendants are guilty of fraudulent trading under Section 540 of the Act and for the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Defendants to be personally liable for the Outstanding Sums, given among others, the involvement of the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Defendants in the business of the 1<sup>st</sup> and 2<sup>nd</sup> Defendants, and that the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Defendants in having first allowed the said Outstanding Sums to be incurred and/or continuing to deny the liability of the 1<sup>st</sup> and 2<sup>nd</sup> Defendants for the said Outstanding Sums. Further, HLA also contends that the 3<sup>rd</sup> and 4<sup>th</sup> Defendants are guilty of fraudulent trading under Section 540 of the Act given among others, the following involvements of the 3<sup>rd</sup> and 4<sup>th</sup> Defendants in the 3 business of 1<sup>st</sup> and 2<sup>nd</sup> Defendants, Tael Management Co. (Malaysia) Sdn Bhd and Tael Group which HLA contends, are clearly intended to relegate the rights and interests of the creditors of the 2<sup>nd</sup> Defendant, including HLA:-

- Tael Management Co. (Malaysia) Sdn Bhd, the appointed receiver and manager of the property of the 2<sup>nd</sup> Defendant;
- Tael Management Co (Malaysia) Sdn Bhd is part of the Tael Group which is a substantial investor in the 1<sup>st</sup> Defendant;
- The 3<sup>rd</sup> and 4<sup>th</sup> Defendants are co-founders of the Tael Group; and
- The Notice of Appointment of Receiver of the 2<sup>nd</sup> Defendant was signed by the 4<sup>th</sup> Defendant for and on behalf of Tael Management Co (Malaysia) Sdn Bhd pursuant to a purported Debenture dated 3 September 2019.

On 25 July 2022, the 1<sup>st</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Defendants filed an application ("**Application**") for the following orders:-

- that the Statement of Claim be struck out;
- alternative, that the claim against the 1<sup>st</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Defendants be struck out;
- consequent to the order made upon prayers 1 and/or 2 above, HLA's action against the 1<sup>st</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Defendants stand dismissed;

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**FURTHER INFORMATION (CONT'D)**


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- such further and/or other orders and/or relief as this Honourable Court deems just and appropriate; and
- costs.

The Application was heard and dismissed on 4 October 2022, with costs of RM 3,500.00 to be paid by the 1<sup>st</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Defendants to HLA.

The 2<sup>nd</sup> Defendant, WRP Specialty has counterclaimed against the HLA for the following reliefs:-

- a declaration that this action is an abuse of the Court's process;
- a declaration that the settlement agreement dated 15 May 2019 is valid and enforceable;
- general damages for abuse of the court's process be assessed and paid by the HLA to the 2<sup>nd</sup> Defendant;
- aggravated damages;
- exemplary damages;
- interests at a rate of 5% per annum from the judgment date; and
- costs to be paid by HLA on an indemnity basis.

The matter is fixed for continued trial on 19 May 2023, 22 May 2023, 23 May 2023, 24 May 2023 and 25 May 2023 together with Suit 390 above.

The solicitor for HLA is of the view that HLA has a reasonable chance of success in the claim against the Defendants and in the defence against the 2<sup>nd</sup> Defendant's counterclaim. The solicitor for HLA is however unable to give any estimation on the amount of potential loss or gain at this juncture.

## **6. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection at the registered office of HLT at Unit 521, 5th Floor, Lobby 6, Block A, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan during ordinary business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM:-

- (a) the Constitution of the Company;
- (b) the audited consolidated financial statements of HLT for the FYE 2021 and FYE 2022;
- (c) the letters of consent and conflict of interests referred to in Section 2 and Section 3 respectively of this Appendix I; and
- (d) the relevant cause papers in respect of the material litigation referred to in Section 5 of this Appendix I.

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**HLT GLOBAL BERHAD**  
**(Registration No.: 201501038003 (1163324-H))**  
(Incorporated in Malaysia)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“EGM” or “Meeting”) of HLT Global Berhad (“HLT” or the “Company”) will be held at Langkawi Room, Second Floor, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 12 June 2023 at 11:30 a.m. or immediately following the conclusion of the Eighth Annual General Meeting (“8<sup>th</sup> AGM”) which is scheduled to be held at the same venue on the same day at 10:30 a.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolution, with or without any modifications:-

### **SPECIAL RESOLUTION**

#### **PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF HLT PURSUANT TO SECTION 116 OF THE COMPANIES ACT, 2016 (“ACT”) (“PROPOSED CAPITAL REDUCTION”)**

“THAT subject to all approvals being obtained from the relevant authorities and/or relevant parties and the confirmation by the High Court of Malaya (“Court”) pursuant to Section 116 of the Act, approval be and is hereby given to the Company to implement the Proposed Capital Reduction and reduce RM120,000,000 of the issued share capital of the Company and that the corresponding credit of RM120,000,000 arising from such cancellation shall be utilised to set-off against the accumulated losses of the Company and the remaining balance, if any, will be credited to the retained earnings of the Company which shall then be utilised in a manner as the board of directors of HLT (“Board”) deems fit, as permitted by the relevant and applicable laws, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad as well as the Constitution of the Company.

**AND THAT** the Board be and are hereby authorised to do all acts, deeds and things and to execute, sign and deliver on behalf of the Company all such documents and/or agreements as the Board may deem necessary and/or expedient to finalise, implement and give full effect to complete the Proposed Capital Reduction including without limitation, with full power to assent to any condition, modification, variation and/or amendment in any manner as may be required by the relevant authorities/parties or the Court.”

### **BY ORDER OF THE BOARD**

**KHOO MING SIANG (MAICSA 7034037)**  
**SSM Practising Cert. No.: 202208000150)**  
Company Secretary

Selangor Darul Ehsan  
**28 April 2023**

#### **Notes:-**

- 1) *A member who is entitled to attend, participate, speak and vote at the EGM shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.*
- 2) *For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Company’s Constitution to issue a General Meeting Record of Depositors as at 6 June 2023. Only members whose names appear in the General Meeting Record of Depositors as at 6 June 2023 shall be regarded as members and entitled to attend, participate, speak and vote at the Meeting.*
- 3) *A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.*

- 4) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.*
- 5) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- 6) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.*
- 7) *To be valid, the instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof at which the person named in the appointment proposes to vote.*
- 8) *The resolution set out in the Notice of EGM will be put to vote by poll.*

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate 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.



**HLT GLOBAL BERHAD**  
**(Registration No.: 201501038003 (1163324-H))**  
(Incorporated in Malaysia)

**PROXY FORM**

(Before completing this form please refer to the notes below)

No. of shares held	:	
CDS Account No.	:	

I/We \* \_\_\_\_\_ NRIC/Passport/Registration No.\* \_\_\_\_\_  
(Full name in block)

of \_\_\_\_\_  
(Address)

with email address \_\_\_\_\_ mobile phone no. \_\_\_\_\_

being a member/members\* of HLT GLOBAL BERHAD (“HLT” or “the Company”) hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

and/or

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

or failing him/her\*, the Chairperson of the Meeting as my/our\* proxy to vote for me/us\* on my/our\* behalf at the Extraordinary General Meeting (“EGM” or “Meeting”) of the Company to be held at Langkawi Room, Second Floor, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 12 June 2023 at 11:30 a.m. or immediately following the conclusion of the Eighth Annual General Meeting (“8<sup>th</sup> AGM”) which is scheduled to be held at the same venue on the same day at 10:30 a.m. or at any adjournment thereof.

Please indicate with an “X” in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her\* discretion.

SPECIAL RESOLUTION	FOR	AGAINST
Proposed Capital Reduction		

\* delete whichever not applicable

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023

\_\_\_\_\_  
Signature of Member(s) / Common Seal





**Notes:-**

- 1) *A member who is entitled to attend, participate, speak and vote at the EGM shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.*
- 2) *For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 6 June 2023. Only members whose names appear in the General Meeting Record of Depositors as at 6 June 2023 shall be regarded as members and entitled to attend, participate, speak and vote at the Meeting.*
- 3) *A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.*
- 4) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.*
- 5) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- 6) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.*
- 7) *To be valid, the instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof at which the person named in the appointment proposes to vote.*
- 8) *The resolution set out in the Notice of EGM will be put to vote by poll.*

**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 EGM dated 28 April 2023.*

Fold this flap for sealing

Then fold here

AFFIX  
STAMP

The Share Registrar of  
**HLT Global Berhad**  
  
**Securities Services (Holdings) Sdn. Bhd.**  
Level 7, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Malaysia

1st fold here