HAP SENG CONSOLIDATED BERHAD ("HSCB" OR "COMPANY")

PROPOSED DISPOSAL BY HAP SENG INVESTMENT HOLDINGS PTE LTD ("HSIH"), A WHOLLY-OWNED SUBSIDIARY OF HSCB OF 218,790,000 ISSUED AND PAID-UP ORDINARY SHARES IN HAFARY HOLDINGS LIMITED ("HHL") ("HHL SHARES"), REPRESENTING 50.82% EQUITY INTEREST IN HHL, PURSUANT TO A VOLUNTARY CONDITIONAL TAKE-OVER OFFER BY 23 CAPITAL PTE LTD FOR A TOTAL CASH CONSIDERATION OF APPROXIMATELY SGD140.03 MILLION ("PROPOSED DISPOSAL")

(Unless otherwise stated, the exchange rate of SGD1.00: RM3.1878 which is based on Bank Negara Malaysia's middle exchange rate as at 5.00 p.m. on 25 September 2026, being the market day preceding to the date of this Announcement, is used throughout this Announcement for illustrative purposes only)

1. INTRODUCTION

On 28 September 2026, United Overseas Bank Limited ("**UOB**") had, for and on behalf of 23 Capital Pte. Ltd. ("**Offeror**"), announced to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") a voluntary conditional take-over offer by the Offeror, in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers, to acquire all HHL Shares (excluding treasury shares) ("**Offer Shares**") for a cash offer price of Singapore Dollar ("**SGD**") 0.64 (equivalent to Ringgit Malaysia ("**RM**") 2.04 per Offer Share ("**Offer**") ("**Offer Announcement**").

Accordingly, on behalf of the Board of Directors of HSCB ("**Board**"), Maybank Investment Bank Berhad ("**Maybank IB**") wishes to announce that HSIH, a wholly-owned subsidiary of HSCB has resolved to accept the Offer based on the terms and conditions set out in the offer document to be issued by UOB for and on behalf of the Offeror ("**Offer Document**"). At the request of the Offeror, HSIH has on even date provided its irrevocable undertaking to the Offeror to accept the Offer in respect of all 218,790,000 HHL Shares held by HSIH as at the date of the Offer Announcement and any other HHL Shares or securities in the capital of HHL that it may directly or indirectly acquire, or which may be issued or unconditionally allotted to it, on or after the date of HSIH's irrevocable undertaking in relation to the Offer ("**HSIH Irrevocable Undertaking**").

2. DETAILS OF THE PROPOSED DISPOSAL

2.1 Background of the Offer

As at 28 September 2026, being the date of the Offer Announcement ("**Offer Announcement Date**"), the Offeror does not hold any HHL Shares.

Subject to the terms and conditions set out in the Offer Document and based on the Offer Announcement, the Offer is being made on the following basis:

(i) the Offer will be extended to each holder of the Offer Shares for all the Offer Shares;

(ii) the price for each Offer Share is SGD0.64 per Offer Share ("**Offer Price**") to be fully satisfied in cash;

(iii) the Offer Shares will be acquired:

  (a) fully paid;

  (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and any other third party rights or interests of any nature whatsoever; and

(c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, other distributions and/or return of capital, whether in cash or in kind, if any, which may be announced, declared, paid or made thereon by HHL on or after the Offer Announcement Date.

(iv) the Offer will be subject to the Offeror having:

(a) received valid acceptances (which have not been withdrawn) in respect of; and/or

(b) acquired or agreed to acquire (other than pursuant to valid acceptances), such number of Offer Shares which in aggregate entitle the Offeror to exercise rights of compulsory acquisition under Section 215(1) of the Companies Act 1967 of Singapore ("**Singapore CA**") by the close of the Offer.

(Collectively, "**Minimum Acceptance Condition**")

Save for the Minimum Acceptance Condition, the Offer will be unconditional in all other respects.

As at the Offer Announcement Date, Low See Ching, Low Kok Ann and Low Bee Lan, Audrey being the shareholders of the Offeror (collectively, "**Promoters**"), collectively held 168,528,540 HHL Shares, representing 39.14% equity interest in HHL ("**Promoters' Shares**"). Each of the Promoters had, on even date, provided an irrevocable undertaking in favour of the Offeror ("**Promoter Irrevocable Undertakings**") to, *inter-alia*:

(a) accept or procure the acceptance of the Offer in respect of:

(i) all the Offer Shares held or controlled by each of them; and

(ii) any other HHL Shares or securities in the capital of HHL that each of them may directly or indirectly acquire, or which may be issued or unconditionally allotted to each of them on or after the date of their respective Promoter Irrevocable Undertakings;

(b) waive their rights to receive any cash settlement or payment for their acceptance of the Offer within the time period prescribed under Rule 30 of the Singapore Code on Take-overs and Mergers; and

(c) that the total cash consideration payable by the Offeror for such acceptances by them will be regarded as interest-free shareholder loans extended by them to the Offeror.

The aggregate number of Offer Shares under the HSIH Irrevocable Undertaking and the Promoter Irrevocable Undertakings is 387,318,540 HHL Shares, representing approximately 89.96% of the total number of issued HHL Shares as at the Offer Announcement Date.

Further information on the terms and conditions of the Offer are set out in the Offer Announcement, a copy of which is available on the website of the SGX-ST at https://www.sgx.com.

The full terms and conditions of the Offer and the appropriate form(s) of acceptance will be set out and enclosed in the Offer Document.

2.1.1 Information on the Offeror and Promoters

Offeror

The Offeror is a special purpose vehicle incorporated by the Promoters under the laws of Singapore on 27 July 2026. As at the Offer Announcement Date:

(a) the Offeror has an issued and paid-up share capital of S$100,000 comprising 100,000 ordinary shares, which are held by the Promoters as follows:

Promoter	**No. of ordinary shares in Offeror**	**Shareholding in the Offeror (%)***
Low Kok Ann	21,864	21.86
Low See Ching	65,002	65.00
Low Bee Lan, Audrey	13,134	13.13
Total	**100,000**	**100.00**

Note:

* *Any discrepancies between the Promoters' percentage shareholdings in the Offeror and the total shown thereof are due to rounding.*

(b) the board of directors of the Offeror comprises the following individuals:

(i) Low Kok Ann; and

(ii) Low See Ching; and

(c) the Offeror does not own any HHL Shares.

Promoters

The profiles of the Promoters are as follows:

(i) Low Kok Ann is a Singapore citizen who resides in Singapore is the Executive Director and Chief Executive Officer of HHL. Low Kok Ann is the father of Low See Ching and Low Bee Lan, Audrey. Low Kok Ann holds 36,847,403 HHL Shares representing 8.56% equity interest in HHL as at the Offer Announcement Date;

(ii) Low See Ching is a Singapore citizen who resides in Singapore is the Non-Independent Non-Executive Director of HHL. Low See Ching holds 109,547,280 HHL Shares representing 25.44% equity interest in HHL as at the Offer Announcement Date; and

(iii) Low Bee Lan, Audrey is a Singapore citizen who resides in Singapore. Low Bee Lan, Audrey holds 22,133,857 HHL Shares representing 5.14% equity interest in HHL as at the Offer Announcement Date.

2.2 Background of the Proposed Disposal

The Proposed Disposal entails the disposal of 218,790,000 HHL Shares ("**Disposal Shares**") by HSIH to the Offeror, representing 50.82% equity interest in HHL, for a total cash consideration of SGD140,025,600 (equivalent to RM446,373,608) ("**Disposal Consideration**") via the Offer, subject to the terms and conditions set out in the Offer Document.

Upon completion of the Proposed Disposal, HHL will cease to be a subsidiary of HSIH.

2.2.1 Basis and justification for the Disposal Consideration

The Disposal Consideration was arrived at based on the Offer Price.

The Disposal Consideration is deemed attractive after taking into consideration the following justifications:

(i) based on the Offer Announcement, the Offer Price represents the following premium over the historical traded prices of HHL Shares on the SGX-ST up to and including 25 September 2026 ("**Last Trading Day of HHL Shares**"):

	Price	**Premium**
	(SGD)	**(%)**
Last transacted price per HHL Share as quoted on the SGX-ST on the Last Trading Day of HHL Shares	0.610	4.9
Lowest closing price of the HHL Shares traded on the SGX-ST for the one (1)-year period prior to and including the Last Trading Day of HHL Shares	0.445	43.8
Highest closing price of the HHL Shares traded on the SGX-ST for the one (1)-year period prior to and including the Last Trading Day of HHL Shares	0.615	4.1
Volume weighted average price ("**VWAP**") of the HHL Shares traded on the SGX-ST for the one (1)-month period prior to and including the Last Trading Day of HHL Shares	0.584	9.6
VWAP of the HHL Shares traded on the SGX-ST for the three (3)-month period prior to and including the Last Trading Day of HHL Shares	0.560	14.3
VWAP of the HHL Shares traded on the SGX-ST for the six (6)-month period prior to and including the Last Trading Day of HHL Shares	0.541	18.3
VWAP of the HHL Shares traded on the SGX-ST for the 12-month period prior to and including the Last Trading Day of HHL Shares	0.534	19.9

(Source: Offer Announcement)

(ii) the Offer Price represents a price-to-book ratio ("**PBR**") of 1.9 times based on the audited consolidated net assets ("**NA**") of HHL as at 31 December 2025 and a price-to-earnings ("**PER**") ratio of 9.2 times based on the consolidated earnings per HHL Share ("**EPS**") for the financial year ended ("**FYE**") 31 December 2025, which are within the range of and above the average multiples of the comparable companies listed below:

Company	**Principal activity**	**Exchange**	**PBR ^ (times)**	**PER ^ (times)**
SCG Decor Public Company Limited ("**SCGD**")	SCGD operates as holding company in which its subsidiaries and associates operate business as manufacturer of floor tiles, wall tiles in Thailand and other countries such as Vietnam, Philippines, and Indonesia, and manufacturer of bathroom products in Thailand.	Thailand	0.5	9.7
PT Arwana Citramulia Tbk ("**AC**")	AC engages in the manufacturing and distribution of ceramic and porcelain tiles.	Indonesia	2.0	9.5
Vicostone Joint Stock Company ("**VJSC**")	VJSC manufactures and distributes quartz-based compound stone related products.	Vietnam	1.0	7.6
PT Surya Toto Indonesia Tbk ("**STI**")	STI engages in the manufacturing and sale of sanitary ware, fittings, kitchen systems, and other related activities.	Indonesia	1.0	7.1
BMS Holdings Berhad ("**BMSH**")	BMSH is principally involved in investment holding and through its subsidiaries are involved in retailing, wholesaling and project sales of tiles and stone surfaces.	Malaysia	0.7	10.4
Average			**1.0**	**8.8**

***Note**:*

^ *Based on the closing market prices as at 25 September 2026 as extracted from Bloomberg and the financial results for the latest financial year of the respective comparable companies.*

(iii) rationale and benefits of the Proposed Disposal as set out in Section 3 of this Announcement.

2.3 Information on HHL

2.3.1 Background information

As at 25 September 2026, being the latest practicable date prior to this Announcement ("**LPD**"), HHL is a 50.82% subsidiary of HSIH. HHL was incorporated in Singapore on 6 October 2009 with limited liability and is listed on the Main Board of the SGX-ST with effect from 18 June 2013.

The principal activity of HHL is investment holding while its subsidiaries are involved in the import, export, distribution, wholesale, trading and manufacturing of building materials such as tiles, stone, mosaic, wood-flooring, quartz tops and sanitary ware and fittings.

2.3.2 Share capital

As at the LPD, the issued share capital of HHL is SGD26.9 million, comprising 430.6 million HHL Shares. HHL does not hold any treasury shares as at the LPD.

2.3.3 Directors

As at the LPD, the directors of HHL and their respective shareholding in HHL are as follows:

		Direct		Indirect	
Name	**Designation**	**No. of HHL Shares**	**%**	**No. of HHL Shares**	**%**
Low See Ching[1,2]	Non-Independent Non-Executive Director	109,547,280	25.44	-	-
Low Kok Ann[1]	Executive Director and Chief Executive Officer	36,847,403	8.56	-	-
Foo Yong How	Independent Non-Executive Chairman	-	-	-	-
Datuk Edward Lee Ming Foo	Non-Independent Non-Executive Director	-	-	-	-
Cheah Yee Leng	Non-Independent Non-Executive Director	-	-	-	-
Darrell Lim Chee Lek	Independent Director	-	-	-	-
Lim Wah Fong	Independent Director	-	-	-	-

Notes:

(1) Low Kok Ann is the father of Low See Ching.

(2) 33,630,000 HHL Shares are held in the name of Hong Leong Finance Nominees Pte Ltd; 21,000,000 HHL Shares are held in the name of Maybank Securities Pte. Ltd. and 40,000,000 HHL Shares are held in the name of CGS International Securities Singapore Pte. Ltd.

2.3.4 Substantial shareholders

As at the LPD, the substantial shareholders of HHL and their respective shareholding in HHL are as follows:

	Direct		Indirect	
	No. of HHL Shares	%^	No. of HHL Shares	%^
HSIH	218,790,000	50.82	-	-
HSCB[(1)]	-	-	218,790,000	50.82
Gek Poh (Holdings) Sdn Bhd ("**GPH**")[(1)]	-	-	218,790,000	50.82
Magic Principle Assets Limited ("**MPAL**")[(2)]	-	-	218,790,000	50.82
HSBC International Trustee Limited[(2)]	-	-	218,790,000	50.82
Tan Sri Datuk Seri Panglima Lau Cho Kun @ Lau Yu Chak ("**Tan Sri Lau**")[(3)]	-	-	218,790,000	50.82
Low Kok Ann[(4)]	36,847,403	8.56	-	-
Low See Ching[(4,5)]	109,547,280	25.44	-	-
Low Bee Lan, Audrey[(4)]	22,133,857	5.14	-	-

Notes:

^ *Based on 430,550,000 HHL Shares.*

(1) GPH holds a 62.64% equity interest in HSCB comprising direct and indirect equity interest of 54.63% and 8.01% respectively, which wholly owns HSIH. GPH and HSCB are each deemed to be interested in the 218,790,000 HHL Shares which HSIH is interested in, pursuant to Section 7 of the Singapore CA.

*(2) MPAL holds 44% equity interest in GPH, and is wholly-owned by HSBC International Trustee Limited ("**HSBC**"). MPAL and HSBC are deemed interested in the 218,790,000 HHL Shares which HSIH is interested in, pursuant to Section 7 of the Singapore CA.*

(3) Tan Sri Lau holds 56% equity interest in GPH, and is deemed to be interested in the 218,790,000 HHL Shares which HSIH is interested in, pursuant to Section 7 of the Singapore CA.

(4) Low Kok Ann is the father of Low See Ching and Low Bee Lan, Audrey.

(5) 33,630,000 HHL Shares are held in the name of Hong Leong Finance Nominees Pte Ltd; 21,000,000 HHL Shares are held in the name of Maybank Securities Pte. Ltd. and 40,000,000 HHL Shares are held in the name of CGS International Securities Singapore Pte. Ltd.

2.3.5 Summary of financial information

A summary of the consolidated financial information of HHL based on its audited financial statements for the past 3 FYEs 31 December 2023, 2024 and 2025 is set out below:

	<----------Audited---------->		
	FYE 31 December 2023	**FYE 31 December 2024**	**FYE 31 December 2025**
	SGD'000	**SGD'000**	**SGD'000**
Revenue	226,422	263,136	286,991
Profit before income tax	48,969	36,909	38,795
Profit, net of tax	40,096	28,699	31,051
Profit attributable to owners of the parent, net of tax	39,066	27,551	29,865
Equity attributable to owners of HHL / NA	118,148	129,268	146,119
Earnings per HHL Share (cents)	9.1	6.4	6.9
NA per HHL Share (cents)	27.4	30.0	33.9
Total gross dividend per share (cents)	2.75	2.75	2.75
Net debt to equity ratio (times)	2.2	2.1	1.7

2.3.6 Date and original cost of investment

The date and original cost of investment of HSIH in HHL are as follows:

Date of investment	**No. of HHL Shares**	**%**	**Cost of investment**
			SGD
23 February 2015	218,790,000	50.82	52,509,600

2.3.7 Liabilities and guarantees

There are no liabilities, including contingent liabilities, which will remain with HSIH after the Proposed Disposal.

There is no guarantee given by HSCB or HSIH to HHL or the Offeror.

2.3.8 Cash company or Practice Note 17 ("PN17") company

Based on the audited consolidated financial statements of the Company for the FYE 31 December 2025, the Proposed Disposal will not result in the Company becoming a cash company or a PN17 company as defined under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**").

3. RATIONALE AND BENEFITS OF THE PROPOSED DISPOSAL

The Proposed Disposal which arises from the Offer will enable HSIH to realise its investment in HHL at the Offer Price which represents a premium of SGD0.40 per HHL Share over its initial cost of investment in HHL of SGD0.24 per HHL Share. Further, the Offer Price represents a premium over the prevailing market price and historical trading prices of HHL Shares as set out in Section 2.2.1 of this Announcement.

While HSCB and its subsidiaries ("**HSCB Group**" or "**Group**") will forego future earnings contribution from HHL, the Proposed Disposal enables the Group to realise its investment in cash at an attractive valuation, thereby strengthening its financial position and enhancing financial flexibility.

The Proposed Disposal also provides HSIH with the opportunity to exit the downstream segment of the building materials market and realise an estimated gross gain on disposal of approximately RM187.3 million.

4. USE OF PROCEEDS

The gross proceeds to be raised from the Proposed Disposal of SGD140.03 million (equivalent to RM446.38 million) is intended to be used in the following manner:

Description of use	SGD 'million	RM 'million	Estimated timeframe for the use of proceeds from the completion of the Proposed Disposal
Repayment of borrowings(1)	139.72	445.38	Within 36 months
Defray expenses relating to the Proposed Disposal(2)	0.31	1.0	Within 1 month
Total	**140.03**	**446.38**	

Notes:

(1) Based on the audited consolidated financial statements of HSCB for the FYE 31 December 2025, the total borrowings of the HSCB Group as at 31 December 2025 is approximately RM6.9 billion.

For illustrative purposes only, based on the average interest rate of the HSCB Group's borrowings of approximately 4.40% per annum and assuming the repayment of borrowings of RM445.37 million is undertaken simultaneously, the expected interest savings (net of tax) arising from such repayment is approximately RM14.9 million per annum.

Pending utilisation, the proceeds will be placed in interest-bearing deposit and/or short-term money market instrument(s) with licensed financial institutions as the Board may deem fit prior to its actual use as indicated above. Any interest income and/or gains derived from such deposits or instruments will be utilised as working capital for the HSCB Group.

(2) The expenses relating to the Proposed Disposal comprise of professional fees, other fees and expenses incurred in connection with the Proposed Disposal, and miscellaneous expenses and contingencies. Any excess/shortfall in the actual amount to be used to defray the estimated expenses relating to the Proposed Disposal will be adjusted to/from the portion allocated for the repayment of borrowings.

5. RISKS IN RELATION TO THE PROPOSED DISPOSAL

5.1 Non-completion of the Proposed Disposal

The Offer is conditional upon the fulfilment of the Minimum Acceptance Condition. In the event the Minimum Acceptance Condition is not fulfilled by the closing date of the Offer, the Offer will be deemed to have failed and the Offer Shares will be returned to the respective shareholders and as a consequence, the Proposed Disposal will not proceed although the resources and costs towards the Proposed Disposal would have been incurred.

The Offeror would hold 89.96% equity interest of HHL pursuant to the HSIH Irrevocable Undertaking and the Promoter Irrevocable Undertakings.

5.2 Foreign exchange risk

The Disposal Consideration is denominated in SGD whereas HSCB's financial statements are presented in RM. Accordingly, the proceeds from the Proposed Disposal, upon receipt and/or repatriation to Malaysia, shall be subject to fluctuations in the SGD/RM exchange rate between the date of the Offer and the receipt of the proceeds.

Any adverse movement in the SGD/RM exchange rate during the intervening period may result in the RM equivalent value of the proceeds actually received by HSCB being lower than that computed based on the exchange rate assumed as at the date of the Offer, thereby affecting the gain on disposal ultimately recognised by HSCB.

5.3 Loss of income from the disposal of HHL

Upon completion of the Proposed Disposal, HHL shall cease to be a subsidiary of HSCB Group. Accordingly, HSCB will cease to consolidate the financial results of HHL. HSCB shall therefore forgo any future contribution from HHL to the revenue, profit and NA of the HSCB Group, including any dividend income to be declared by HHL to its shareholders.

6. EFFECTS OF THE PROPOSED DISPOSAL

6.1 Share capital and substantial shareholders' shareholding

The Proposed Disposal will not have any effect on the issued share capital of HSCB and the substantial shareholders' shareholdings in HSCB as the Proposed Disposal does not involve any issuance of new ordinary shares in HSCB ("**HSCB Shares**").

6.2 NA per HSCB Share and gearing

For illustrative purposes only, based on the audited consolidated statement of financial position of HSCB as at 31 December 2025 and assuming that the Proposed Disposal had been effected on that date, the pro forma effects of the Proposed Disposal on the NA per HSCB Share and gearing of the HSCB Group are as follows:

	As at 31 December 2025	After the Proposed Disposal
	(RM'000)	**(RM'000)**
Share capital	3,519,554	3,519,554
Non-distributable reserve	94,090	86,562[(1)]
Retained profit	4,323,896	4,510,194[(2)]
Treasury shares	(113)	(113)
Shareholders' funds / NA	**7,937,427**	**8,116,197**
Non-controlling interests[(3)]	1,447,716	1,172,940
Total equity	**9,385,143**	**9,289,137**
Total equity (excluding intangible assets)	9,324,951	9,251,609
Number of HSCB Shares in issue ('000)[(4)]	2,489,670	2,489,670
NA per Share (RM)[(5)]	3.19	3.26
Total borrowings	6,933,369	5,677,200[(6)]

	As at 31 December 2025	After the Proposed Disposal
	(RM'000)	(RM'000)
Net borrowings[7]	3,796,858	2,610,242[8]
Debt-to-equity ratio (times)[9]	0.74	0.61
Net debt-to-equity ratio (times)[10]	0.41	0.28

Notes:

(1) After taking into account the reversal of foreign exchange reserves due to the Proposed Disposal.

(2) After taking into account the expected gross gain from the Proposed Disposal of approximately RM187.3 million (including reversal of foreign exchange reserves to income statement of approximately RM7.5 million) less the estimated expenses relating to the Proposed Disposal of RM1.0 million.

(3) After taking into account the reduction in non-controlling interests of RM274.8 million due to the Proposed Disposal.

(4) Number of HSCB Shares after deducting 12,000 treasury shares held by the Company as at 31 December 2025 from the total number of issued HSCB Shares of 2,489,681,583.

(5) Computed based on shareholders' funds / NA over number of HSCB Shares in issue, net of treasury shares.

(6) After taking into account the reduction in borrowings of RM810.8 million due to the de-consolidation of HHL and repayment of borrowings of RM445.38 million pursuant to the Proposed Disposal.

(7) Computed based on total borrowings less money market deposits and cash and bank balances.

(8) After taking into account the reduction in borrowings of RM810.8 million and reduction in cash and bank balances of RM69.6 million due to the de-consolidation of HHL and repayment of borrowings of RM445.38 million pursuant to the Proposed Disposal.

(9) Computed based on total borrowings over total equity (excluding intangible assets).

(10) Computed based on net borrowings over total equity (excluding intangible assets).

6.3 Earnings and EPS

For illustrative purposes only, based on the latest audited consolidated financial statements of HSCB for the FYE 31 December 2025 and assuming that the Proposed Disposal had been effected on 1 January 2025, being the beginning of the financial year, the pro forma effects of the Proposed Disposal on the profit after tax and non-controlling interests ("**PATNCI**") of the HSCB Group and EPS are as follows:

	PATNCI	**EPS[(1)]**
	RM 000	Sen
PATNCI and EPS for the FYE 31 December 2025	500,323	20.10
Add/ (Less)		
Gain arising from the Proposed Disposal	215,857	8.66
HSCB share of HHL's profit for FYE 2025	(48,408)	(1.94)
HSCB share of HHL's dividend for FYE 2025	19,849	0.80
Proforma gain as at 31 December 2025	187,298	7.52
Estimated interest savings (Net of tax at 24%)[(2)]	14,894	0.60
Estimated expenses relating to the Proposed Disposal	(1,000)	(0.04)
Proforma PATNCI and EPS (after the Proposed Disposal)	701,515	28.18

Notes:

(1) Based on the weighted average number of HSCB Shares in issue net of treasury shares of 2,489,670,000.

(2) Estimated interest savings per annum arising from the repayment of borrowings of RM445.38 million pursuant to the Proposed Disposal.

7. PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Listing Requirements is 9.7% based on the audited net profits attributable to the owners of HHL (before other comprehensive income or loss) represented by the equity interest being disposed of approximately RM48.41 million, compared with the audited net profits attributable to the owners of HSCB (before other comprehensive income or loss) of approximately RM500.32 million for the FYE 31 December 2025.

8. APPROVALS REQUIRED

The Proposed Disposal is not subject to the approval of the shareholders of HSCB and/or any relevant authorities.

The Proposed Disposal is not conditional upon any other corporate exercise/scheme of HSCB.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THEM

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

10. DIRECTORS' STATEMENT

The Board, having considered the advice and recommendation by the Principal Adviser as well as all aspects of the Proposed Disposal, including but not limited to the terms and conditions of the Offer as set out in the Offer Announcement, basis and justification for the Disposal Consideration, rationale, benefits and effects of the Proposed Disposal, is of the opinion that the Proposed Disposal is in the best interest of the Company.

11. ADVISER

Maybank IB has been appointed as Principal Adviser to HSCB for the Proposed Disposal.

12. ESTIMATED TIME FRAME COMPLETION OF THE PROPOSED DISPOSAL

Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed by December 2026, upon the successful closing of the Offer.

This Announcement is dated 28 September 2026.