

**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, solicitor, accountant, bank manager or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") takes no responsibility for the contents of the 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 the Circular.

Bursa Securities has perused Part B of this Circular on a limited review basis pursuant to the provisions of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

# EXSIM

## HOSPITALITY

### EXSIM HOSPITALITY BERHAD

Registration No.: 198301000236 (95469-W)  
(Incorporated in Malaysia)

#### CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:-

##### PART A

- I. PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF EXSIM HOSPITALITY BERHAD ("EHB" OR THE "COMPANY") AND ITS SUBSIDIARIES ("EHB GROUP" OR THE "GROUP") TO INCLUDE THE BUSINESS OF CONSTRUCTION WORKS AND RELATED ACTIVITIES ("GENERAL CONTRACTING BUSINESS") ("PROPOSED DIVERSIFICATION INTO GENERAL CONTRACTING BUSINESS"); AND
- II. PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF EHB GROUP TO INCLUDE THE BUSINESS OF CENTRALISED PROCUREMENT OF BUILDING MATERIALS AND HOUSEHOLD APPLIANCES AND RELATED ACTIVITIES ("CENTRALISED PROCUREMENT BUSINESS") ("PROPOSED DIVERSIFICATION INTO CENTRALISED PROCUREMENT BUSINESS")

(COLLECTIVELY REFERRED TO AS THE "PROPOSED DIVERSIFICATIONS")

##### PART B

PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/ OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE")

AND

#### NOTICE OF EXTRAORDINARY GENERAL MEETING II

*Adviser*

## UOBKayHian

### UOB Kay Hian (M) Sdn Bhd

(formerly known as UOB Kay Hian Securities (M) Sdn Bhd)  
Registration No. 199001003423 (194990-K)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting II ("**EGM II**") of EHB will be held at Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Main Venue**") on Monday, 13 April 2026 at 9:30 a.m. or immediately upon the conclusion of Extraordinary General Meeting I ("**EGM I**") held earlier prior to this EGM II, or any adjournment thereof. The Notice of EGM II, together with the Proxy Form for the EGM II are enclosed herewith.

A member who is entitled to attend, participate, speak and vote at the EGM II is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote on his/ her behalf. In such event, the completed and signed Proxy Form must be deposited at the office of the Company's Share Registrar, Symphony Corporate Services Sdn Bhd situated at S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia, or alternatively in the case of electronic appointment, the Proxy Form must be deposited via <https://www.symphonycorporateservices.com.my> (Domain Registration No. D1C534619-MYNIC) not less than forty-eight (48) hours before the time for holding the EGM II or any adjournment thereof at which the person named in the instrument proposes to vote. The lodging of the Proxy Form will not preclude a shareholder from attending, participating, speaking and voting in person at the EGM II should the shareholder subsequently wish to do so.

Last date and time for lodging the Proxy Form : Saturday, 11 April 2026 at 9:30 a.m.

Date and time of the EGM II : Monday, 13 April 2026 at 9:30 a.m. or immediately upon the conclusion of EGM I or any adjournment thereof

This Circular is dated 27 March 2026

---

## DEFINITIONS

---

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

"AC"	:	Audit Committee of EHB
"Act"	:	Companies Act 2016
"AGM"	:	Annual general meeting of the Company
"Board"	:	The Board of Directors of EHB
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
"CAGR"	:	Compound annual growth rate
"Centralised Procurement Business"	:	Business of centralised procurement of building materials and household appliances and related activities such as sourcing, bulk procurement, trading, logistics and warehousing of construction materials, mechanical and electrical components, wood products, fixtures, fittings and household appliances
"Circular"	:	This circular to shareholders of EHB dated 27 March 2026 in relation to the Proposed Diversifications and Proposed New Shareholders' Mandate
"Director(s)"	:	Director(s) of EHB, and shall have the meaning given in Section 2(1) of the Capital Markets And Services Act 2007, and includes any person who is or was, within the preceding 6 months of the date on which the terms of the transaction were agreed upon:-  (i) a director of EHB, its subsidiaries or holding company; and  (ii) a chief executive of EHB, its subsidiaries or holding company
"EGM II"	:	Extraordinary general meeting of the Company in relation to the Proposed Diversifications and Proposed New Shareholders' Mandate
"EHB Group" or the "Group"	:	EHB and its subsidiaries, collectively
"EHB" or the "Company"	:	EXSIM Hospitality Berhad (Registration No.: 198301000236 (95469-W))
"EHHSB"	:	EXSIM Hospitality Holdings Sdn Bhd (Registration No.: 202401003593 (1549443U))
"EPS"/ "(LPS)"	:	Earnings/ (Loss) per Share
"Exsim Concepto"	:	EXSIM Concepto Sdn Bhd (Registration No.: 202401027790 (1573639X))
"FPE"	:	Financial period ended/ ending
"FYE"	:	Financial year ended/ ending
"General Contracting Business"	:	Business of construction works and related activities such as interior construction and renovation work, exterior and ancillary works, foundation work, mechanical and electrical works, refurbishments, upgrading and reconfiguration works

---

## DEFINITIONS (CONT'D)

---

"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	12 March 2026, being the last practicable date of this Circular
"Major Shareholder(s)"	:	<p>A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares is:-</p> <ol style="list-style-type: none"><li>i. 10% or more of the total number of voting shares in the Company; or</li><li>ii. 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.</li></ol> <p>For the purpose of this definition, "<b>interest</b>" shall have the meaning of "interest in shares" given in Section 8 of the Act.</p> <p>This includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of the Company, or any other corporation which is its subsidiary or holding company</p>
"Mr Param"	:	Paramjit Singh Gill A/L Gurdev Singh
"Mr Tan"	:	Tan Hai Liang
"NA"	:	Net assets attributable to owners of the company
"PAT"/ "(LAT)"	:	Profit/ (loss) after taxation attributable to owners of the company
"PBT"/ "(LBT)"	:	Profit/ (loss) before taxation attributable to owners of the company
"Person(s) Connected"	:	<p>In relation to a Director or a Major Shareholder (collectively referred to as the "<b>said Person</b>"), means such a person who falls under any one of the following categories:-</p> <ol style="list-style-type: none"><li>i. A family member of the said Person, which means such person who falls within any one of the following categories:-<ol style="list-style-type: none"><li>a. spouse;</li><li>b. parent;</li><li>c. child including an adopted child and step-child;</li><li>d. brother or sister; and</li><li>e. spouse of the person referred to in items c. and d. above.</li></ol></li><li>ii. A trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person or a family member of the said Person is the sole beneficiary;</li><li>iii. A partner of the said Person, which means such person who falls within any one of the following categories:-<ol style="list-style-type: none"><li>a. a person with whom the said Person, is in or proposes to enter into partnership with. "<b>Partnership</b>" for this purpose refers to a "<b>partnership</b>" as defined in Section 3 of the Partnership Act 1961 or "<b>limited liability partnership</b>" as defined in Section 2 of the Limited Liability Partnerships Act 2012, as the case may be; or</li></ol></li></ol>

---

## DEFINITIONS (CONT'D)

---

- b. a person with whom the said Person has entered or proposes to enter into a joint venture, whether incorporated or not.
  - iv. A person, or where the person is a body corporate, the body corporate or its directors, who is/ are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
  - v. A person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under obligation, whether formal or informal, to act;
  - vi. A body corporate in which the said Person, or Persons Connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
  - vii. A body corporate which is a related corporation of the said Person.
- "Petaling Jaya Hotel" : A 5-star hotel tower together with a retail podium, comprising 294 hotel rooms, a restaurant, ballroom, swimming pool, retail spaces and other supporting facilities located in Empire City, Damansara
- "Port Dickson Hotel" : A 200-room hotel located in Port Dickson
- "Proposed Diversification into Centralised Procurement Business" : Proposed diversification of the existing business of EHB Group to include the Centralised Procurement Business
- "Proposed Diversification into General Contracting Business" : Proposed diversification of the existing business of EHB Group to include the General Contracting Business
- "Proposed Diversifications" : Proposed Diversification into General Contracting Business and Proposed Diversification into Centralised Procurement Business, collectively
- "Proposed New Shareholders' Mandate" : Proposed shareholders' mandate for the Group's new RRPTs
- "Protégé" or "IMR" : Protégé Associates Sdn Bhd, the Independent Market Researcher for the Proposed Diversifications (Registration No.: 200401037256 (675767H))
- "Related Party(ies)" : Director(s), Major Shareholder(s) or Person(s) Connected with such Director or Major Shareholder
- "RM" and "sen" : Ringgit Malaysia and sen, respectively
- "RRPT(s)" : Recurrent related party transaction(s) which is/ are recurrent, of a revenue and/ or trading nature and which is/ are necessary for the day-to-day operations and within the ordinary course of business of the Group
- "SC" : Securities Commission Malaysia

---

**DEFINITIONS (CONT'D)**

---

"UOBKH" or the : UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M)  
"Adviser" Sdn Bhd) (Registration No.: 199001003423 (194990-K))

"Visky Tong" : Tong Thong Yi

All references to "**you**" or "**your(s)**" in this Circular is to the shareholders of the Company who are entitled to attend and vote at the EGM II.

Unless specifically referred to, words denoting the singular shall, where applicable include the plural and vice versa and words denoting the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference to a time of day and date in this Circular shall be a reference to Malaysian time and date, respectively, unless otherwise specified. Any discrepancy in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding adjustments.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted.

<b>THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK</b>
--

---

**TABLE OF CONTENTS**

---

	<b>PAGE</b>
<b>EXECUTIVE SUMMARY</b>	vii
<b><u>PART A</u></b>	
<b>CIRCULAR TO SHAREHOLDERS OF EHB IN RELATION TO THE PROPOSED DIVERSIFICATIONS</b>	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED DIVERSIFICATIONS	2
3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED DIVERSIFICATIONS	7
4. INDUSTRY OVERVIEW AND OUTLOOK AND FUTURE PROSPECTS OF THE GROUP	10
5. RISK FACTORS	14
6. EFFECTS OF THE PROPOSED DIVERSIFICATIONS	15
7. APPROVALS REQUIRED	16
8. PROPOSALS ANNOUNCED BUT PENDING COMPLETION	16
9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED WITH THEM	16
10. DIRECTORS' STATEMENT AND RECOMMENDATION	16
11. ESTIMATED TIMEFRAME FOR COMPLETION	16
12. EGM II	17
13. FURTHER INFORMATION	17
<b><u>PART B</u></b>	
<b>LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED NEW SHAREHOLDERS' MANDATE CONTAINING:-</b>	
1. INTRODUCTION	19
2. DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE	19
3. RATIONALE FOR AND BENEFITS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE	27
4. EFFECTS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE	28
5. APPROVAL REQUIRED	28
6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED WITH THEM	28
7. DIRECTORS' STATEMENT AND RECOMMENDATION	29
8. EGM II	29
9. FURTHER INFORMATION	29

---

**TABLE OF CONTENTS (CONT'D)**

---

	<b>PAGE</b>
<b>APPENDIX</b>	
I. FURTHER INFORMATION	30
<b>NOTICE OF EGM II</b>	<b>ENCLOSED</b>
<b>PROXY FORM</b>	<b>ENCLOSED</b>

**THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK**

---

## EXECUTIVE SUMMARY

---

*This Executive Summary highlights only the salient information of the Proposed Diversifications and the Proposed New Shareholders' Mandate. You are advised to read the Circular in its entirety for further details and not to rely solely on this Executive Summary in arriving at a decision on the Proposed Diversifications and the Proposed New Shareholders' Mandate before voting at the forthcoming EGM II.*

### PART A – PROPOSED DIVERSIFICATIONS

<b>Key information</b>	<b>Description</b>	<b>Reference to Part A of this Circular</b>
<b>Details of the Proposed Diversifications</b>	<p>The Proposed Diversifications are undertaken in line with the Group's ongoing efforts to broaden its operational scope and enhance its earnings base, the Board proposes to diversify the existing principal activities of the Group. The Board anticipates that both the Group's General Contracting Business and Centralised Procurement Business may contribute 25% or more of the net profits of the Group and/ or result in a diversion of 25% or more of the NA of the Group towards these businesses moving forward.</p>	Section 2
<b>Rationale and justifications</b>	<p>The Group is mainly involved in 3 business segments, i.e., Own and Operate, Hospitality Operator and the Fit-Out segment. The Proposed Diversifications are intended to complement and extend the Group's existing business segments, particularly the Fit-Out and Hospitality Operator businesses, by broadening the Group's involvement across the construction and asset enhancement value chain.</p> <p>The Board is of the view that the Proposed Diversifications will complement the existing Fit-Out and Hospitality Operator segments, create operational synergies across the Group, and reduce reliance on any single business segment. Collectively, the Proposed Diversifications will allow the Group to participate in a wider spectrum of activities along the construction and refurbishment value chain, including procurement, material supply, construction and fit-out works. This integrated approach is expected to enhance operational coordination between the Group's business segments and improve alignment across project planning, cost control and execution processes. The Board believes that this will contribute positively towards strengthening the Group's overall project management and delivery capabilities over time.</p>	Section 3
<b>Risk factors</b>	<p>Pursuant to the Proposed Diversifications, the Group would be exposed to the following risks:-</p> <ol style="list-style-type: none"><li>i. Business diversification risk;</li><li>ii. Dependency on key management personnel; and</li><li>iii. Competition risk.</li></ol>	Section 5
<b>Approvals required</b>	<p>The Proposed Diversifications are subject to the approval of the shareholders of EHB at the forthcoming EGM II.</p> <p>The Proposed Diversification into General Contracting Business and Proposed Diversification into Centralised Procurement Business are not inter-conditional upon each other.</p> <p>The Proposed Diversifications are not conditional upon any other corporate proposals undertaken or to be undertaken by the Company.</p>	Section 7
<b>Interested parties</b>	<p>None of the Directors and/ or Major Shareholders of EHB and/ or persons connected to them have any interest, either direct or indirect, in the Proposed Diversifications.</p>	Section 9

---

**EXECUTIVE SUMMARY (CONT'D)**

---

<b>Key information</b>	<b>Description</b>	<b>Reference to Part A of this Circular</b>
<b>Board's recommendation</b>	<p>The Board, after having considered all aspects of the Proposed Diversifications including but not limited to the rationale, prospects and risk factors of the Proposed Diversifications, is of the opinion that the Proposed Diversifications are in the best interest of the Company.</p> <p>Accordingly, the Board recommends that you <b>vote in favour</b> of the resolutions pertaining to the Proposed Diversifications at the EGM II.</p>	Section 10

<b>PART B – PROPOSED NEW SHAREHOLDERS' MANDATE</b>
--

<b>Key information</b>	<b>Description</b>	<b>Reference to Part B of this Circular</b>
<b>Details of the Proposed Shareholders' Mandate</b>	EHB proposes to seek its shareholders' approval for the Proposed New Shareholders' Mandate to enable the Group to enter into the RRPTs pursuant to Paragraph 10.09(2) and Practice Note 12 of the Listing Requirements.	Section 2
<b>Rationale for and benefits of the Proposed Shareholders' Mandate</b>	<p>The Proposed New Shareholders' Mandate will:-</p> <ol style="list-style-type: none"><li>i. enable the Group to enter into RRPTs that are necessary for the day-to-day operations and within the ordinary course of business of the Group and on terms not more favourable to the Related Parties than those generally available to and/ or from the public;</li><li>ii. enable the Group to leverage on the reliability and expertise of the related parties, resulting in cost and operational efficiencies, thereby improving business and administrative efficacy of the Group. In addition, the established business relationships and mutual understanding between the parties can benefit from conducting the RRPTs and, where applicable, contributes additional revenue stream to EHB Group; and</li><li>iii. enhance the Group's ability to pursue business opportunities which are time-sensitive in nature and eliminate the need for the Company to convene a separate general meeting to seek shareholders' approval for each RRPT.</li></ol>	Section 3
<b>Approval required</b>	The Proposed New Shareholders' Mandate is subject to the approval of the shareholders of the Company at the forthcoming EGM II.	Section 5
<b>AC's statement</b>	<p>The AC has seen and reviewed the guidelines and procedures set out in <b>Section 2.9, Part B</b> of this Circular and is of the view that they are sufficient to ensure that the RRPT will be carried out at arm's length and on normal commercial terms which are not more favourable to the Related Parties involved than those generally available to the public and not detrimental to the interest of the Company and its minority shareholders.</p> <p>The AC is of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner. The AC shall review these procedures and processes once a year. This is to ensure that the RRPT are not detrimental or prejudicial to the minority shareholders of the Company.</p>	Section 2.12

---

**EXECUTIVE SUMMARY (CONT'D)**

---

<b>Key information</b>	<b>Description</b>	<b>Reference to Part B of this Circular</b>
<b>Interests of Directors, Major Shareholders or Persons Connected with them</b>	<p>The interested Major Shareholders, will abstain from voting in respect of their direct and indirect shareholdings (if any) on the resolution approving the Proposed New Shareholders' Mandate at the forthcoming EGM II. In this regard, the interested Major Shareholders have undertaken to ensure that all Persons Connected with them will abstain from voting in respect of their direct and indirect shareholdings (if any) on the resolution approving the Proposed New Shareholders' Mandate at the forthcoming EGM II.</p> <p>Mr Param and Mr Tan (collectively referred to as "<b>Interested Directors</b>") have abstained and will continue to abstain from all Board deliberations and voting in relation to the Proposed New Shareholders' Mandate. The Interested Directors will also abstain from voting in respect of their direct and/ or indirect shareholdings (if any) on the resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming EGM II. In this regard, the Interested Directors have undertaken to ensure that all Persons Connected with them will abstain from voting in respect of their direct and indirect shareholdings (if any) on the resolution approving the Proposed New Shareholders' Mandate at the forthcoming EGM II.</p>	Section 6
<b>Board's recommendation</b>	<p>The Board (save for Mr Param and Mr Tan) having considered all aspects of the Proposed New Shareholders' Mandate, is of the opinion that the Proposed New Shareholders' Mandate is in the best interest of the Group.</p> <p>Accordingly, the Board (save for Mr Param and Mr Tan) recommends that you vote in favour of the resolution in relation to the Proposed New Shareholders' Mandate to be tabled at the forthcoming EGM II.</p>	Section 7

<b>THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK</b>
--

**PART A**

**CIRCULAR TO THE SHAREHOLDERS OF EHB IN RELATION TO THE PROPOSED  
DIVERSIFICATIONS**

**EXSIM**  
HOSPITALITY  
**EXSIM HOSPITALITY BERHAD**  
Registration No.: 198301000236 (95469-W)  
(Incorporated in Malaysia)

**Registered Office**

No. D-09-02, Level 9, EXSIM Tower  
Millerz Square @ Old Klang Road  
Megan Legasi  
No. 357, Jalan Kelang Lama  
58000 Kuala Lumpur  
Wilayah Persekutuan, Malaysia

27 March 2026

**Board of Directors**

Datuk Leong Kam Weng (*Independent Non-Executive Chairman*)  
Tan Hai Liang (*Managing Director*)  
Paramjit Singh Gill A/L Gurdev Singh (*Executive Director*)  
Yong Hui Nee (*Independent Non-Executive Director*)  
Freda Liu Phit Jang (*Independent Non-Executive Director*)

**To: The shareholders of EHB**

Dear Sir/ Madam,

**PROPOSED DIVERSIFICATIONS**

---

**1. INTRODUCTION**

On 10 February 2026, UOBKH had, on behalf of the Board, announced that the Company intends to undertake the following:-

- i. a proposed diversification of the existing business of EHB Group to include the General Contracting Business; and
- ii. a proposed diversification of the existing business of EHB Group to include the Centralised Procurement Business.

Further details of the Proposed Diversifications are set out in the ensuing sections of **Part A** of this Circular.

**THE PURPOSE OF PART A OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED DIVERSIFICATIONS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED DIVERSIFICATIONS TO BE TABLED AT THE FORTHCOMING EGM II. THE NOTICE OF EGM II AND THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF PART A OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTIONS TO BE TABLED AT THE FORTHCOMING EGM II.**

## 2. DETAILS OF THE PROPOSED DIVERSIFICATIONS

As at the LPD, EHB is an investment holding company and through its subsidiaries, EHB Group is primarily engaged in hotel operations, hospitality services and interior design and fit-out services. EHB's business is segmented into the following core principal activities:-

- i. hotel operations which encompass its directly owned hospitality asset ("**Own and Operate**");
- ii. provision of short-term accommodation, management of property units owned by third party owners ("**Managed Properties**"), such as serviced residences and en bloc boutique hotels, to be rented out to guests ("**Hospitality Operator**"); and
- iii. provision of fit-out works for hospitality assets, including interior design, finishing works and related project coordination services ("**Fit-Out**").

In line with the Group's ongoing efforts to broaden its operational scope and enhance its earnings base, the Board proposes to diversify the existing principal activities of the Group to include the following additional business segments:-

- i. General Contracting Business; and
- ii. Centralised Procurement Business.

Further details of the Proposed Diversifications are set out in **Sections 2.1 and 2.2, Part A** of this Circular.

### 2.1 Details of the Proposed Diversification into General Contracting Business

In respect of the Proposed Diversification into General Contracting Business, the Group intends to expand its existing scope of activities to undertake a broader range of construction-related activities where it may act as a main contractor or package contractor for renovation, upgrading and construction works.

The General Contracting Business will involve the provision of end-to-end construction and refurbishment solutions, including the coordination and management of multiple construction trades and specialist subcontractors. The scope of works is expected to include, amongst others:-

- i. interior construction and renovation works, including partitioning, non-load-bearing wall construction, ceiling, flooring and finishing works;
- ii. exterior and ancillary works, including façade and external finishing, architectural treatments, landscaping, flooring, hardscape works and related external works;
- iii. foundational, structural and architectural work;
- iv. mechanical and electrical works ancillary to renovation and upgrading projects, including the installation, alteration, testing and commissioning of building systems and services, including but not limited to lifts and vertical transportation systems, air-conditioning and mechanical ventilation (ACMV) systems, firefighting and fire protection systems, plumbing and sanitary systems, electrical and lighting installations, solar photovoltaic systems and extra-low voltage (ELV) systems;
- v. refurbishment, upgrading and reconfiguration works for existing buildings; and
- vi. overall project management functions, including planning, scheduling, site supervision, subcontractor coordination, progress monitoring and quality control for the above works.

## 2.2 Details of the Proposed Diversification into Centralised Procurement Business

In respect of the Proposed Diversification into Centralised Procurement Business, the Group intends to formalise and expand its procurement function to undertake the sourcing, bulk purchasing, supply, logistics coordination and warehousing of construction materials, mechanical and electrical components, fixtures, fittings and household appliances for projects undertaken by the Group and, where appropriate, for third-party customers.

Under the Centralised Procurement Business, the Group will undertake activities including, but not limited to:-

- i. sourcing and evaluation of suppliers for construction materials, mechanical and electrical components, fixtures and fittings, furnishings and household appliances;
- ii. bulk purchasing and consolidation of procurement requirements across multiple projects;
- iii. supply, distribution and coordination of delivery of such materials and equipment to project sites; and
- iv. inventory planning and logistics coordination, including warehousing arrangements where required.

The warehousing and logistics arrangements will be carried out via third-party logistics providers. For avoidance of doubt, the Group have yet to identify said third-party logistics providers at this juncture. However, pursuant to prevailing market practices, logistics providers typically charge based on factors such as transportation distance, type and size of goods, delivery volume, handling requirements, warehousing or temporary storage (if required).

Operations are expected to commence on or around the fourth quarter of the FYE 30 June 2026 (i.e. April 2026 – June 2026). These procurement activities are expected to primarily support projects undertaken by the Group under its Fit-Out and General Contracting segments. Where appropriate and subject to internal capacity, the Group may also extend procurement and supply services to third-party customers on a project-by-project basis. For shareholder information, as at the LPD, the Group has undertaken the following notable projects in relation to its Fit-Out services segment:-

Contract	Details	Status
Design and building of architecture, interior design and fit-out works to guest rooms for a 294-room hotel building located in Empire City	Awarded on 18 October 2024 Awarded by Totalbuildz Sdn Bhd Contract Sum: RM 60,000,000	Ongoing
Interior design works for common area and unit carpentry works in a 42-levels of serviced apartment located in Bukit Jalil	Awarded on 21 February 2025 Awarded by Taghill Projects Sdn Bhd Contract Sum: RM 13,000,000	Ongoing
Renovation, interior design and build works for Lumba Kuda sales gallery and show unit	Awarded on 3 March 2025 Awarded by EXSIM Lumba Kuda Sdn Bhd Contract Sum: RM 8,510,175	Completed
Supply, fabrication, delivery and installation of carpentry works to apartment units	Awarded on 21 October 2025 Awarded by Binastra Builders Sdn Bhd Contract sum: RM 17,638,694	Ongoing

Contract	Details	Status
Renovation and fit out work to a bank branch situated in Kulai	Awarded on 30 September 2025  Awarded by Epic Team Construction Sdn Bhd  Contract Sum: RM 625,400	Completed
Supply, fabrication, delivery and installation of interior fit-out works to apartment units for a 50-storey mixed commercial development located in Jalan Sultan Ismail	Awarded on 16 January 2026  Awarded by HAB Construction Sdn Bhd  Contract Sum: RM 21,900,000	Ongoing
Design, supply, fabrication, construction, completion, testing and commission, maintenance and guarantee (turnkey) for water park works	Awarded on 27 February 2026  Awarded by Aqua Empire Sdn Bhd  Contract Sum: RM 54,500,000	Ongoing

Under the General Contracting Business and Centralised Procurement Business, the Group may undertake projects for its own Managed Properties as well as for third-party clients in the hospitality, residential, commercial and corporate sectors, subject to project suitability and internal capacity. The Board intends to progressively build the Group's general contracting capabilities in line with project opportunities, operational readiness and market conditions.

The General Contracting Business and Centralised Procurement Business are expected to be undertaken under the existing subsidiary, namely Exsim Concepto, whose current principal activity is the provision of specialised fit-out services for hospitality assets. While the Group's past projects were primarily undertaken under its fit-out scope, the Group had also previously secured and completed works of a similar nature across other asset classes, including renovation works for sales galleries, fit-out works for residential and commercial buildings, as well as renovation works for bank branches.

The General Contracting Business and Centralised Procurement Business will be spearheaded by the key management personnels as set out in **Section 2.3, Part A** of this Circular. For information purposes, Exsim Concepto is currently a Grade G7 contractor which allows Exsim Concepto to tender for projects without any limitation in the size or value ("**G7 License**"). The G7 License is effective from 23 August 2024 and is valid for a period of 2 years, following which, the Group will take the necessary action to renew its G7 license.

In relation to implementing its General Contracting Business, the Group has been actively seeking project opportunities and participating in tenders to kickstart this segment. Recently on 13 March 2026, the Group (through Exsim Concepto) had accepted a letter of award ("**LOA**") dated 10 March 2026 from Binastra Builders Sdn Bhd for the supply and installation of building services and general building works ("**Contract Works**") with a contract sum of approximately RM73.66 million. As at the LPD, Exsim Concepto has not commenced works, and that the implementation of such contract works is subject to the approval of shareholders of EHB for the Proposed Diversification into General Contracting Business at the forthcoming EGM II. In addition, the Group has been actively participating in tenders for projects for the General Contracting Business and has insofar submitted for tenders worth approximately RM530.00 million within this scope.

In relation to implementing its Centralised Procurement Business, while the Group has yet to secure any standalone contracts or projects as at the LPD, the Group intends to progressively develop this segment by leveraging on procurement requirements arising from its existing Fit-Out segment, the aforementioned Contract Works under the LOA, as well as potential projects under the General Contracting Business. The Centralised Procurement Business is expected to support these projects through the sourcing, consolidation and supply of materials, equipment and related components, thereby enabling the Group to enhance operational efficiencies and expand its service offering.

In view of the above, the Board anticipates that, barring any unforeseen circumstances, the Proposed Diversifications are expected to result in either:-

- i. the contribution of 25% or more of the net profits of the Group; or
- ii. the diversion of 25% or more of the NA of the Group to an operation which differs widely from those operations previously carried on by the Group.

In forming its view, the Board has considered, amongst others, the scale of the Contract Works under the LOA referred above, the Group's ongoing projects and tender pipeline, as well as the potential expansion in scope of services arising from the Proposed Diversifications, all of which are expected to contribute substantially to the Group's scale of operations and future financial performance going forward.

As such, the Board proposes to seek the approval from the shareholders of EHB for the Proposed Diversifications pursuant to Paragraph 10.13(1) of the Listing Requirements at the forthcoming EGM II. Notwithstanding the Proposed Diversifications, the Board intends to continue with the existing business segments of the Group in the same manner and the Board will review the Group's business operations from time to time with the intention to further improve the Group's financial performance.

### **2.3 Key management personnel**

The Group has identified the following personnel to oversee the General Contracting Business and Centralised Procurement Business. The profiles of the key personnel are set out below:-

#### **i. Mr Param**

Mr Param, a Malaysian male aged 40, was appointed as an Executive Director with Exsim Concepto, where he supports the business development and day-to-day management of the Exsim Concepto. He assumed the current position on 11 July 2024 and will be responsible for overseeing the business development and management of the General Contracting Business and Centralised Procurement Business. He obtained his Bachelor of Science (Honours) in Microbiology in 2009 from University Putra Malaysia (UPM).

Mr Param began his career in 2009 at Maybank Investment Bank Berhad as an Analyst in the Investment Banking Division, where he worked on several initial public offerings (IPOs) and merger & acquisition transactions in Malaysia.

In 2011, he joined OCBC Bank (Malaysia) Berhad ("**OCBC Bank**") as an Assistant Vice President in the Public & Institutional/ Corporate Banking Department. Thereafter in 2015, he served as a Director and Malaysia Cluster Head for the Mezzanine Capital Unit (Private Equity & Special Opportunities), the Private Equity arm of OCBC Bank, managing over SGD1 billion in assets under management across Southeast Asia and China. His scope of work covers deal origination and participated in prominent corporate transactions regionally within OCBC Bank's core markets. He left OCBC Bank in 2022.

Subsequently in 2022, Mr Param joined Malaysia Venture Capital Management Berhad (MAVCAP) as the Chief Investment Officer, where he led the investment unit focusing on fund of funds investments (i.e. an investment vehicle that pools capital to invest in a portfolio of other funds). He left MAVCAP in December 2024.

On 27 May 2024, he joined the Group as an Executive Director, where he oversees the Company's growth strategy and Hospitality Operator investments. His responsibilities include setting the Group's strategic direction, driving business integration, and executing growth plans. Since July 2024, he has also been assisting with the management of Exsim Concepto.

Currently, Mr Param sits on the Board of BEDI Berhad (formerly known as WMG Holdings Bhd), a diversified property development group listed on the Main Market of Bursa Securities, as a non-independent director. Mr Param is also the co-founder and director of Bila Bila Mart, a premier convenience grocer chain established in 2020.

Mr Param has a wide experience spanning over 15 years in corporate investment banking, private equity and venture capital. The Group believes that Mr Param's experience in corporate finance, investment evaluation and strategic business expansion, together with his prior exposure to the Group's Hospitality Operator investments and operational management at Exsim Concepto, will be beneficial in supporting the strategic development and commercial growth of the Group's General Contracting Business and Centralised Procurement Business throughout its initial phase and thereafter its day-to-day operations.

**ii. Visky Tong**

Visky Tong, a Malaysian male aged 34, was appointed as an Assistant Contract Manager with Exsim Concepto, and supports the procurement, post contract and monitoring business cash flow for all the awarded project. He assumed his current position on 1 April 2025 and will be involved in the business development as well as management of the General Contracting Business and Centralised Procurement Business.

Visky Tong completed a Board of Quantity Surveyors Malaysia (BQSM) accredited Diploma in 2013 and obtained his Bachelor Degree of Quantity Surveying from Kolej University Tunku Abdul Rahman in 2015.

He began his career at YTL Construction Berhad as a Contract Officer in 2016 and subsequently, he was promoted to Contract Executive in 2024. During his tenure in YTL Construction Berhad, he was responsible for site assessments, tender management, cost control, and board documentation on Residential Building and Hospitality projects. He left YTL Construction Berhad in 2025.

On 1 April 2025, Visky Tong joined the Group as Assistant Contract Manager to support the Group's construction business, where he was responsible for supporting procurement and post contract matters, monitoring business cash flow, overseeing the business development and assisting the management of the Company.

Leveraging on his experience spanning over 9 years in contract administration and project coordination, the Group believes that Visky Tong's experience in construction contract management and cost control, particularly in quantity surveying, tender evaluation and post-contract administration, will be beneficial in supporting the General Contracting Business and Centralised Procurement Business throughout its initial phase and thereafter its day-to-day operations.

Moving forward, as and when required, the Group intends to expand its number of employees pursuant to the Proposed Diversifications in order to ensure adequate staff resources are available to support the General Contracting Business and Centralised Procurement Business. This is expected to be carried out within approximately 12 to 24 months from the implementation of the Proposed Diversifications, depending on the scale and pace of the projects secured by the Group. The planned expansion, as an initial step, will include recruitment of additional project managers, site supervisors, contract administration personnel (including quantity surveyors) and procurement or supply chain personnel, in line with the anticipated scale-up of the General Contracting Business and Centralised Procurement Business.

## 2.4 Additional financial commitment required

The Proposed Diversifications are not expected to result in any material immediate capital expenditure as the Group intends to leverage its existing operational infrastructure, personnel and supplier network in the initial phase of implementation. Nevertheless, as and when the General Contracting Business and Centralised Procurement Business scale over time, the Group may incur additional financial commitments, which may include, amongst others:-

- i. working capital requirements for project mobilisation, including payments to subcontractors and suppliers;
- ii. procurement deposits and inventory holding costs in relation to the Centralised Procurement Business;
- iii. acquisition or leasing of tools, machinery, equipment and information systems to support project execution and procurement operations;
- iv. staff-related costs arising from the recruitment of additional project management, technical, contract administration and procurement personnel; and
- v. warehousing, logistics and related operational expenses.

The quantum of such financial commitments will depend on, amongst others, the scale and number of projects secured, procurement volumes, credit terms negotiated with suppliers and customers, and overall market conditions at the relevant time. At this juncture, the management is unable to reasonably estimate the financial commitment required in the foreseeable future in view that such commitments are inherently dependent on factors including, but not limited to, the timing and value of contracts secured, project specifications, procurement volumes, and credit terms with customers and suppliers, none of which can be determined with certainty at this stage. Notwithstanding that, the Group intends to adopt a progressive and project-driven approach, where financial commitments will be incurred in tandem with the securing of contracts and corresponding revenue visibility.

The Group intends to fund the additional financial commitments arising from the Proposed Diversifications through a combination of internally generated funds and/ or bank borrowings. The Board will ensure that the Group maintains a prudent capital structure and sufficient liquidity to support the expansion of the General Contracting Business and Centralised Procurement Business.

## 3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED DIVERSIFICATIONS

The Group is mainly involved in 3 business segments, i.e., Own and Operate, Hospitality Operator and the Fit-Out segment. The key financial performance of the Group's financial performance based on its audited consolidated financial statements for the past 3 years up to the FYE 30 June 2025, as well as the latest unaudited 6-month FPE 31 December 2025, are as follows:-

	<-----Audited FYE 30 June----->			Unaudited 6-month FPE 31 December
	2023	2024	2025	2025
	RM'000	RM'000	RM'000	RM'000
<b><u>Segmental Revenue</u></b>				
Own and Operate	5,313	5,695	4,141	-
Hospitality Operator	-	-	3,927	13,382

	<-----Audited FYE 30 June----->			Unaudited 6-month FPE 31 December
	2023	2024	2025	2025
	RM'000	RM'000	RM'000	RM'000
Fit-Out	-	-	138,463	92,440
Investment holding	-	-	-	-
<b>Total</b>	<b>5,313</b>	<b>5,695</b>	<b>146,531</b>	<b>105,822</b>
<b><u>PBT/ (LBT)</u></b>				
Own and Operate	-	(2,394)* <sup>1</sup>	(2,702)* <sup>1</sup>	(966)* <sup>1</sup>
Hospitality Operator	267	-	(155)	7,694
Fit-Out	-	-	32,502	19,026
Investment holding	(443)	(10,360)* <sup>2</sup>	4,672* <sup>2</sup>	(821)
Finance cost	(784)	(736)	(1,933)* <sup>3</sup>	(3,134)
Consolidation adjustment	-	-	(6,406)* <sup>4</sup>	-
<b>Total</b>	<b>(960)</b>	<b>(13,490)</b>	<b>25,978</b>	<b>21,799</b>
<b>PAT/ (LAT)</b>	<b>(800)</b>	<b>(13,330)</b>	<b>18,036</b>	<b>16,601</b>

**Notes:-**

<sup>\*1</sup> The LBT for FYE 30 June 2024 and FYE 30 June 2025 was mainly due to low occupancy rate and average room rate due to the aged condition of the hotel.

Additionally, the LBT for 6-month FPE 31 December 2026 was due to the commencement of renovation of the Group's property in May 2025 thus not contributing any revenue in this period. The losses were mainly attributed to administrative and overhead expenses of the Group.

<sup>\*2</sup> For clarification purposes, the Group's Investment holding segment comprise mainly investment, dormant and inactive subsidiaries.

The LBT for FYE 30 June 2024 was mainly due to a one-off impairment loss of RM9.33 million on an amount owed by an associate of the Group, following the associate's default in repaying advances.

Additionally, the PBT for FYE 30 June 2025 was mainly driven by an impairment of investment in a subsidiary amounting to RM25.39 million, partially offset by a reversal of RM31.80 million relating to amounts owed by a subsidiary, which contributed positively to PBT.

<sup>\*3</sup> The increase in the Group's finance cost for FYE 30 June 2025 is mainly attributable to an increase in short term financing drawdown for the Group's ongoing Fit-Out segment

<sup>\*4</sup> The PBT/ (LBT) reported at segment level includes the effect of inter-segment transactions, which are eliminated in the Group's consolidated financial statements under "consolidation adjustment".

As shown in the table above, the Fit-Out segment has been the Group's largest revenue contributor in the FYE 30 June 2025. The Group recorded an increase in revenue for the FYE 30 June 2025 by RM140.83 million or 2,470.71% to RM146.53 (FYE 30 June 2024: RM5.70 million), mainly contributed by the new revenue stream from the Fit-Out segment and continued growth in the Hospitality Operator segment. The revenue from Own and Operate Segment for the FYE 30 June 2025 decreased by 27.29% or RM1.55 million to RM4.14 million as the Group's hotel asset, namely Port Dickson Hotel, commenced major refurbishment works in May 2025. The Group had successfully turned around to profitability for the FYE 30 June 2025 after registering losses for the past 4 financial years. The rise in PAT was in tandem with the increase in revenue from the Fit-Out segment.

For information, the Group had on 22 August 2024 announced its proposed diversification into the Fit-Out segment, which was approved in the extraordinary general meeting on 11 October 2024 to complement the existing Hospitality Operator segment, ensuring timing and cost of fit-out works for its own hospitality assets and the Managed Properties. The Group has since secured contracts with an aggregate value of RM343.39 million, of which RM138.46 million was recognised as revenue in the FYE 30 June 2025.

For the 6-months FPE 31 December 2025, the Group's revenue recorded an increase of RM84.11 million or 387.43% to RM105.82 million, as compared to RM21.71 million in the preceding year's corresponding quarter. The Fit-Out segment contributed approximately 87.35% to the Group's revenue for the 6-month FPE 31 December 2025. The growth in revenue was primarily driven by the Fit-Out segment and continued growth in Hospitality Operator segment. The Own and Operate segment has not contributed revenue in current quarter, as the directly owned hospitality asset, namely Port Dickson Hotel, currently remains under renovation with operations expected to commence in the second half of 2026. For the 6-months FPE 31 December 2025, the Group recorded a PAT of RM21.80 million, which represents an increase of RM18.85 million or 638.98% as compared to RM2.95 million in the preceding year's corresponding quarter. The rise in PAT was mainly contributed by the Fit-Out segment and Hospitality segment.

Further to the above, the Board notes that the introduction of the Fit-Out segment has contributed positively to the Group's financial performance and enabled the Group to exercise greater control over project timelines, cost management and quality standards for its hospitality assets and Managed Properties. This has resulted in improved coordination between design, procurement and project implementation functions, thereby strengthening the overall execution capabilities of the Group.

The Proposed Diversifications are intended to complement and extend the Group's existing business segments, particularly the Fit-Out and Hospitality Operator businesses, by broadening the Group's involvement across the construction and asset enhancement value chain.

The Group's experience in the Fit-Out segment has enabled it to develop capabilities in project coordination, cost control, scheduling and on-site execution. These competencies are directly transferable to the General Contracting Business, which represents a natural progression from interior fit-out works to a wider scope of renovation, upgrading and construction activities. By assuming a broader role in project delivery, the Group will be able to offer more integrated solutions to clients and capture a larger portion of the overall project value, while leveraging its existing technical expertise and project management framework.

At the same time, the Centralised Procurement Business is expected to support both the Fit-Out and General Contracting segments by streamlining and consolidating procurement activities across projects. The establishment of a centralised procurement function allows the Group to coordinate material sourcing more efficiently, standardise specifications where appropriate and improve delivery planning across multiple sites. This integrated approach is expected to improve cost visibility and operational coordination between procurement and project teams.

In addition, the Centralised Procurement Business will strengthen the Group's supply chain management by leveraging purchasing volumes across projects, thereby supporting more consistent pricing and supply reliability. These operational efficiencies are expected to improve overall project execution and margin management within the Group's construction-related activities.

The Board is of the view that the Proposed Diversifications will complement the existing Fit-Out and Hospitality Operator segments, create operational synergies across the Group, and reduce reliance on any single business segment. Collectively, the Proposed Diversifications will allow the Group to participate in a wider spectrum of activities along the construction and refurbishment value chain, including procurement, material supply, construction and fit-out works. This integrated approach is expected to enhance operational coordination between the Group's business segments and improve alignment across project planning, cost control and execution processes. The Board believes that this will contribute positively towards strengthening the Group's overall project management and delivery capabilities over time.

## 4. INDUSTRY OVERVIEW AND OUTLOOK AND FUTURE PROSPECTS OF THE GROUP

### 4.1 Overview and outlook of the Malaysian economy

In 2026, Malaysia's economy is projected to expand between 4% 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 ("SSPA"), continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026 (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.

In 2026, domestic demand is expected to register a growth of 5.4%, steered by sustained private sector expenditure at 5.7%. Strong consumption and investment activities will keep the private sector's contribution significant at 4.5 ppt to GDP growth. Meanwhile, public expenditure is anticipated to rise by 4.4%, contributing 0.8 ppt to overall growth.

Private consumption is projected to grow by 5.1%, driven by sustained income growth and favourable employment prospects. In addition, spillover effects from the implementation of Phase 2 of the SSPA, Sumbangan Tunai Rahmah (STR) and the BUDI MADANI RON95 (BUDI95) targeted subsidy programme are expected to provide further impetus to household spending, particularly among lower- and middle-income groups. Consumer spending will also be stimulated by higher tourism-related activities alongside major national and international events, including VM2026 and Malaysia Agriculture, Horticulture & Agrotourism Exhibition 2026 as well as the 2026 FIFA World Cup and BWF Thomas & Uber Cup 2026.

Private investment is anticipated to register a growth of 7.8% in 2026, driven by increased capital spending on structures and machinery & equipment in technology-intensive manufacturing and services sectors. The large volume of approved investments is expected to be realised, particularly in semiconductors, renewable energy and data centres. This outlook is reinforced by the strong implementation track record, with the execution of 85.1% of manufacturing projects approved between 2021 and June 2025. Strong global demand for electrical and electronics (E&E), coupled with automation and digitalisation, is expected to further stimulate investment in high-value and innovation-led activities. At the same time, ongoing initiatives such as GEAR-uP and the rollout of national masterplans will strengthen investor confidence and Malaysia's position as a competitive investment destination.

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

### 4.2 Overview and outlook of the construction industry in Malaysia

Malaysia's construction industry generated revenue of RM66.58 billion in 2024 and is estimated to grow 12.44% to RM74.86 billion in 2025. The breakdown between the real estate construction and civil engineering and special trade work segments are 44.25% and 55.75%, respectively. The industry is largely domestic-oriented and is a key component of the Malaysian economy, given its strategic and extensive linkages with the rest of the local economy. As such, the Malaysian Government's policies have been accommodative and supportive of growth in the local construction industry, typically including proposed government projects as part of its development expenditure.

Under the Budget 2026 ("**4th MADANI Budget**"), RM81.0 billion (excluding RM2.0 billion earmarked for contingency reserves) was allocated for development expenditure, which will drive growth in the local construction industry. Affordable housing for the rakyat remains one of the Malaysian Government's foremost priorities, with RM672 million allocated for the construction of rakyat housing. Sabah and Sarawak are major beneficiaries of the 4th MADANI Budget, with development allocations of RM6.9 billion and RM6.0 billion, respectively, and special grants of RM600 million each. It was also announced that RM1.67 billion has been set aside to ensure that the Pan Borneo Sabah highway proceeds on schedule.

The growth of the construction industry is influenced by the development of related industries, such as various building materials manufacturing and production industries, along with supporting services like building materials distribution. The construction industry is reliant on the building materials industry to produce wood and wood products, basic metals, metal fabrication, and non-metallic products. These construction materials are necessary for the construction process and are consumed for the building of houses, factories, other types of real estate and infrastructure.

The building materials industry has grown and evolved in tandem with the construction industry's expansion. To continue developing, the National Construction Policy 2030 has outlined various strategies to advance the construction industry, including increasing local production of building materials to reduce import dependency, encouraging the exports of building materials, and encouraging the adoption of green building materials. In line with this policy, the Government has exempted several raw building materials, such as sand, cement, and steel, from sales tax while imposing import duties to incentivise local production and consumption. Concurrently, sustained economic growth, reflected in per capita income rising from RM52,991 in 2023 to RM54,894 in 2024, and steady population growth, creates a stable, growing demand for properties, which in turn drives the need for building materials.

However, building material prices are facing upward pressure due to several key factors, including volatile exchange rates, the removal of diesel subsidies, petrol subsidy rationalisation, and an increase in sales and service tax from 6% to 8%. According to the Department of Statistics Malaysia, the average prices of sand, cement, mild steel round bars and aggregates increased during the 2022 to 2025 period, with sand increasing 44.75% (RM36.31 to RM52.56 per metric ton), cement increasing 17.18% (RM20.95 to RM24.55 per 50-kilogram bag), mild steel round bars increasing 3.28% (RM3,614.55 to RM3,733.04 per metric ton), and aggregates increasing 14.11% (RM42.16 to RM48.11 per metric ton). Rising fuel prices, increased taxation, and currency fluctuations have continued to push up production and transportation costs, leading to persistent price hikes. As such, these challenges could curb construction activity, as higher material costs may discourage new property launches and infrastructure investments.

The outlook of the local construction industry is positive, with factors boosting growth within the construction industry likely to come from the government-led initiatives and spending, particularly those relating to infrastructure and housing development, an expected stable and favourable interest rate environment, as well as steady population growth. Nevertheless, the prospects for the building materials industry remain positive, driven by government-led initiatives and spending, sustained economic growth that stimulates property investment, and steady population growth. Protégé Associates projects the size (revenue) of the construction industry in Malaysia to reach RM91.66 billion in 2029, registering a CAGR of 5.19% for the forecast period of 2025 to 2029 (base year of 2024).

*(Source: Independent market research report on the construction industry in Malaysia, Protégé)*

### 4.3 Overview and outlook of the tourism and hospitality industry in Malaysia

Tourism is the act of spending time away from home in pursuit of recreation, relaxation, and pleasure, while using the commercial provision of services. It encompasses a broad spectrum of experiences and engagements that individuals undertake while exploring different destinations. Tourism activities are diverse and cater to varied interests and preferences, ranging from sightseeing and adventure sports to cultural immersion and leisurely pursuits. Meanwhile, accommodation in the hospitality industry provides travellers with a temporary place to unwind and recharge. There are various types of accommodation which travellers can choose from, depending on their budgets, requirements, and interests. This includes lodgings such as hotels, resorts, motels, and chalets.

Five years after the onset of the COVID-19 pandemic, Malaysia's tourism and hospitality industry has shown strong recovery and is close to reaching pre-pandemic levels. Following the reopening of Malaysia's international borders in April 2022, the country experienced a surge in foreign tourist arrivals, with 10.07 million recorded in 2022, an increase of 7,646.15% from 134,728 in 2021. Consequently, foreign tourist expenditure increased by 8,225.64% from RM0.39 billion in 2021 to RM32.47 billion in 2022. In 2023, foreign tourist arrivals increased to 20.14 million while expenditure increased to RM72.99 billion. Tourism continued to expand in 2024, with tourist arrivals rising to 25.02 million and tourist receipts reaching RM102.82 billion. Tourists from Singapore, Indonesia, and China accounted for the top 3 arrivals in the country in 2024. Additionally, the COVID-19 pandemic had a significant impact on hospitality, as many were forced to temporarily or permanently shut down due to a decline in tourism. Nevertheless, with the recovery in the tourism sector in Malaysia, the average accommodation occupancy rate increased from 28.2% in 2021 to 54.9% in 2024.

The Malaysian tourism and hospitality industry continued to improve, registering a growth of 38.23% from RM85.88 billion in 2023 to RM118.71 billion in 2024. It is then estimated to grow by 36.03% to RM161.48 billion in 2025, driven by the revitalisation of tourism activities and tourist arrivals post-pandemic. Factors that are expected to drive demand for tourism and hospitality services in the forecast period include increasing consumer affluence, as inbound tourism expenditure outpaces inbound arrivals; the introduction of the Malaysian Visa Liberation Plan, which extends Visa exemption for China and India citizens, and increases the eligibility period of visas and social visit passes; access to Malaysia via multiple modes of transportation, including air, land, sea and rail road modes of transportation; and the expansion and upgrading of airports, as planned in the 4th MADANI Budget. Growth of the industry is also likely to be driven by support from the Malaysian Government, sufficient supply of hotels and hotel rooms, and growing digitalisation. However, the industry may be hampered by a labour shortage due to restrictions on foreign worker and expatriate applications, as well as planned levies on foreign labour. Nevertheless, as an important service industry that can act as an economic multiplier, the Malaysian tourism and hospitality industry can expect to enjoy continued support from various stakeholders. The tourism and hospitality industry is forecast to grow at a CAGR of 19.41% from RM161.48 billion in 2025 to RM392.07 billion in 2030.

*(Source: Independent market research report on the tourism and hospitality industry in Malaysia, Protégé)*

### 4.4 Future prospects of EHB Group

The Group's recent financial performance reflects a shift towards construction-related and asset enhancement activities, while the Group continues to strengthen its hospitality platform as a core earnings pillar.

As set out in **Section 3, Part A** of this Circular, the Port Dickson Hotel is currently under refurbishment works to reposition the property to enhance its competitiveness and market appeal. Upon its completion, the upgraded hotel is expected to feature improved facilities and amenities, which the Board believes will support higher occupancy levels and average room rates over time.

Further, the Group had on 28 February 2025 acquire the Petaling Jaya Hotel ("**Hotel Acquisition**"). Renovation works are currently in progress, with completion targeted by the fourth quarter of 2026 (i.e. October 2026 – December 2026). Upon completion of the renovations, the Hotel Acquisition will be finalised and the Petaling Jaya Hotel is expected to commence operation in the first quarter of 2027 (i.e. January 2027 – March 2027). The Petaling Jaya Hotel is expected to provide geographical diversification and strengthen the Group's presence within the Klang Valley. Following stabilisation of operations, the Board expects the property to contribute recurring income and improve the visibility of the Group's long-term earnings.

In addition, the Group continues to expand its Hospitality Operator segment through the onboarding of additional third-party Managed Properties. As at the LPD, the Group has the following Managed Properties:-

<b>Managed Properties</b>	<b>FYE 30 June 2025</b>	<b>As at LPD</b>
Operational	131	2,539
Under construction and pending commencement	871	1,688
<b>Total</b>	<b>1,002</b>	<b>4,227</b>

The above Managed Properties are expected to progressively commence operations in the coming financial years, thereby enlarging the Group's base of recurring management income.

These hospitality-focused initiatives are expected to generate a steady pipeline of refurbishment and upgrading activities within the Group's owned and Managed Properties. In turn, this is expected to create opportunities for the Group's Fit-Out, General Contracting and Centralised Procurement segments to support such works, thereby fostering operational linkages across the Group's business segments.

In parallel, the Proposed Diversifications into the General Contracting Business and Centralised Procurement Business are expected to strengthen the Group's ability to participate in a wider range of construction-related projects beyond its existing fit-out scope. The General Contracting Business will enable the Group to undertake a broader scope of renovation, upgrading and construction works, while the Centralised Procurement Business is intended to enhance coordination of material sourcing, cost management and supply reliability across projects.

Together, these initiatives are expected to deepen the Group's participation across multiple stages of the asset enhancement and construction value chain, allowing the Group to capture a larger portion of project value and improve integration between procurement, construction and fit-out functions. Over time, the Board believes that this integrated operating platform, combined with the expansion of the Group's hospitality asset base and operator model, will contribute towards a more diversified earnings base and reduce reliance on any single business segment.

Notwithstanding the above, the Group's performance will remain subject to general economic conditions, tourism trends, construction input cost fluctuations, labour availability and regulatory developments. The Board will continue to adopt a prudent approach in pacing the Group's expansion and managing its capital commitments.

Barring any unforeseen circumstances, the Board is of the view that the combination of hospitality asset enhancement, expansion of the hospitality operator model and growth of the Group's construction-related segments will place the Group on a stronger footing to achieve more sustainable and resilient earnings over the medium to long term.

*(Source: Management of EHB)*

## 5. RISK FACTORS

### 5.1 Business diversification risk

Pursuant to the Proposed Diversification into the General Contracting Business, the Group's business will be subject to risks inherent in the construction industry. These include, but are not limited to, competition from existing and established developers and contractors which include competition in various aspects including pricing, financial position and strength, ability to obtain adequate financing, reputation for safety, quality and track record for timely completion of project, changes in the demand and supply of properties and construction projects as the Generalised Construction Business is largely dependent on the sustainability and ability to replenish the Group's order book. In this respect, construction contracts are normally awarded on a project-to-project basis. There is no assurance of continuity from one project to the next project. Additionally, depending on the business and economic environment, customers may cancel or delay their projects, which in turn, could adversely affect our Group's revenue and future financial performance, fluctuations in building material and labour costs, delays in project approvals or completion, and changes in laws, regulations or policies affecting the construction industries.

Additionally, pursuant to the Proposed Diversification into Centralised Procurement Business, the Group will also be subject to risks inherent in the centralised procurement industry. These include, but are not limited to, quality and performance risk, in which the Group may be liable for any defects in products supplied to its customers. Cashflow risk arising from the need to pay suppliers upfront while allowing customers to enjoy credit terms.

Notwithstanding the above, the Board is of the view that the risks associated with the Proposed Diversifications can be mitigated through careful financial management, the engagement of experienced management personnel, strict vetting of suppliers, implementation of stringent quality control procedures and the adoption of efficient operational controls. The Group also intends to monitor market conditions, regulatory developments, and project performance closely to ensure that its activities are aligned with prevailing industry trends and requirements.

However, there can be no assurance that the Group will be able to successfully mitigate the various risks inherent in the property development and construction industries. If the Group is unable to do so, the business operations and financial performance of the Group may be adversely affected.

In addition, certain major shareholders and/ or directors of the Group may have interests in other businesses that are involved in construction or contracting activities which may be similar to those undertaken by the Group pursuant to the Proposed Diversifications.

As such, potential conflicts of interest may arise between the Group and such related parties. The Group will manage such situations in accordance with the applicable corporate governance requirements and the Listing Requirements. In particular, any conflict of interest or potential conflict of interest involving the directors or key senior management of the Group will be disclosed and reviewed by the Audit Committee, which will assess the nature and extent of the conflict and the appropriate measures to address, eliminate or mitigate such conflicts. Where applicable, such interested director will abstain from deliberation and voting on matters in which he or she has a direct or indirect interest.

Further, such transactions between the Group and any related parties will be conducted on an arm's length basis and in compliance with the relevant requirements governing related party transactions under the Listing Requirements. Notwithstanding the above measures, there can be no assurance that all potential conflicts of interest may be entirely avoided. If such conflicts are not appropriately managed, the business operations and financial performance of the Group may be adversely affected.

## **5.2 Dependency on key management personnel**

The success of the Proposed Diversifications will depend, to a significant extent, on the abilities, experience and continued service of the key management personnel appointed to oversee the General Contracting Business and Centralised Procurement Business. As this business segment is at an early stage of operations, the Group is reliant on these key management personnel to provide technical capabilities and operational oversight. The loss of any such personnel without suitable and timely replacement may disrupt the execution of projects, delay implementation and adversely affect the Group's ability to expand its General Contracting Business and Centralised Procurement Business.

Recognising the importance of retaining qualified and experienced personnel, the Group intends to adopt appropriate measures to attract and retain such individuals, including offering competitive remuneration packages and maintaining a conducive and professional working environment to promote loyalty and productivity. The Group also aims to gradually develop a broader pool of management and operational personnel to reduce reliance on any particular individual, thereby enhancing organisational continuity and succession planning.

Notwithstanding the above, there can be no assurance that the Group will be able to retain or replace its key management personnel when required. The loss of any such personnel, or the inability to attract and retain additional qualified individuals, may have an adverse effect on the Group's operations and financial performance.

## **5.3 Competition risk**

The construction and procurement industries in Malaysia are highly competitive and comprise numerous established contractors, service providers and material suppliers with varying levels of financial resources, technical capabilities and industry track records. As the Group expands its involvement in these sectors, it may face competition in securing projects and procurement-related assignments, as well as in maintaining commercially competitive pricing, competition from existing and established companies in which, the aforementioned companies may existing established supply chains and customer base.

Competitive pressures may result in tighter margins, more stringent contractual terms and increased pressure on project timelines. In addition, competitors with stronger financial capacity or longer operating histories may have advantages in bidding for certain projects.

There can be no assurance that the Group will be able to secure projects on commercially favourable terms or maintain its competitive position in the industry. Increased competition may adversely affect the Group's revenue, margins and overall financial performance.

# **6. EFFECTS OF THE PROPOSED DIVERSIFICATIONS**

## **6.1 Issued share capital and substantial shareholders' shareholdings**

The Proposed Diversifications will not have any effect on the issued share capital and the substantial shareholders' shareholdings in the Company as there is no issuance of new ordinary shares in EHB involved.

## **6.2 NA per share and gearing level**

Barring any unforeseen circumstances, the Proposed Diversifications are not expected to have any immediate material effect on the NA and gearing level of EHB Group for the FYE 30 June 2026. However, the earnings to be derived from the General Contracting Business and Centralised Procurement Business may have a positive impact on the future NA of EHB Group.

## **6.3 Earnings and EPS**

The Proposed Diversifications are not expected to have any immediate material effect on the earnings and EPS of EHB Group for the FYE 30 June 2026. Nevertheless, barring any unforeseen circumstances, the Proposed Diversifications are expected to contribute positively to the future earnings and EPS of EHB Group.

## **7. APPROVALS REQUIRED**

The Proposed Diversifications are subject to the approval of the shareholders of EHB at the forthcoming EGM II.

The Proposed Diversification into General Contracting Business and Proposed Diversification into Centralised Procurement Business are not inter-conditional upon each other.

The Proposed Diversifications are not conditional upon any other corporate proposals undertaken or to be undertaken by the Company.

## **8. PROPOSALS ANNOUNCED BUT PENDING COMPLETION**

Save for the Proposed Diversifications, the Board is not aware of any outstanding proposals, which was announced but are not completed yet.

## **9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED WITH THEM**

None of the Directors and/ or Major Shareholders of EHB and/ or persons connected to them have any interest, either direct or indirect, in the Proposed Diversifications.

## **10. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board, after having considered all aspects of the Proposed Diversifications including but not limited to the rationale, prospects and risk factors of the Proposed Diversifications, is of the opinion that the Proposed Diversifications are in the best interest of the Company.

Accordingly, the Board recommends that you **vote in favour** of the resolutions pertaining to the Proposed Diversifications at the EGM II.

## **11. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Diversifications are expected to take effect immediately upon obtaining shareholders' approval at the forthcoming EGM II.

## **12. EGM II**

The EGM II, the notice of which is enclosed in this Circular, will be held at Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Main Venue**") on Monday, 13 April 2026 at 9:30 a.m. or immediately upon the conclusion of EGM I held earlier prior to this EGM II, or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolutions to give effect to the Proposed Diversifications.

If you are unable to attend, participate, speak and vote in person at the EGM II, you may complete, sign and return the enclosed Proxy Form in accordance with the instructions contained therein, to be deposited at the Company's Share Registrar office Symphony Corporate Services Sdn Bhd, situated at S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time stipulated for holding the EGM II or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, participating, speaking and voting in person at the EGM II should you subsequently wish to do so.

## **13. FURTHER INFORMATION**

Shareholders are advised to refer to the appendix set out in this Circular for further information.

Yours faithfully,  
For and on behalf of the Board  
**EXSIM HOSPITALITY BERHAD**

**DATUK LEONG KAM WENG**  
Independent Non-Executive Chairman

**PART B**

**LETTER TO THE SHAREHOLDERS OF EHB IN RELATION TO THE PROPOSED NEW  
SHAREHOLDERS' MANDATE**

# EXSIM

HOSPITALITY

## EXSIM HOSPITALITY BERHAD

Registration No.: 198301000236 (95469-W)  
(Incorporated in Malaysia)

### Registered Office

No. D-09-02, Level 9, EXSIM Tower  
Millerz Square @ Old Klang Road  
Megan Legasi  
No. 357, Jalan Kelang Lama  
58000 Kuala Lumpur  
Wilayah Persekutuan, Malaysia

27 March 2026

### Board of Directors

Datuk Leong Kam Weng (*Independent Non-Executive Chairman*)  
Tan Hai Liang (*Managing Director*)  
Paramjit Singh Gill A/L Gurdev Singh (*Executive Director*)  
Yong Hui Nee (*Independent Non-Executive Director*)  
Freda Liu Phit Jang (*Independent Non-Executive Director*)

### To: The shareholders of EHB

Dear Sir/ Madam,

### PROPOSED NEW SHAREHOLDERS' MANDATE

---

#### 1. INTRODUCTION

On 10 February 2026, the Board announced that the Company intends to seek shareholders' approval at the forthcoming EGM II in respect of the Proposed New Shareholders' Mandate.

**THE PURPOSE OF PART B OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED NEW SHAREHOLDERS' MANDATE AND TO SEEK YOUR APPROVAL ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED NEW SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING EGM II. THE NOTICE OF EGM II TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.**

**SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF PART B OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED NEW SHAREHOLDERS' MANDATE AT THE FORTHCOMING EGM II.**

#### 2. DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

##### 2.1 Provisions under the Listing Requirements

Pursuant to Paragraph 10.09(2) and Practice Note 12 of the Listing Requirements, the Company may seek the shareholders' mandate in respect of RRPT which are necessary for its day-to-day operations subject to, among others, the following:-

- i. the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- ii. the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the prescribed threshold as follows:-
  - a. in relation to a listed corporation with a share capital which is less than RM60 million:-
    - the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
    - the percentage ratio of such RRPT is 1% or more,
 whichever is the lower; or
  - b. in relation to a listed corporation with a share capital of RM60 million and above:-
    - the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
    - the percentage ratio of such RRPT is 1% or more,
 whichever is the higher;
- iii. the Company's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities for perusal together with a checklist showing compliance with such information;
- iv. in a meeting to obtain a shareholders' mandate, the interested Directors, interested Major Shareholder(s), interested Persons Connected with a Director or Major Shareholder, and where the interest of an interested Person Connected with a Director or Major Shareholder is involved, such Director or Major Shareholder, must not vote on the resolution in respect of the RRPT. An interested Director or interested Major Shareholder must ensure that Persons Connected with him abstain from voting on the resolution in respect of the RRPT; and
- v. the Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by the Company, exceeds the estimated value of the RRPT disclosed in the Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

**2.2** EHB Group, in the ordinary course of its business, is anticipated to continue to enter into certain RRPT with the Related Parties, the details of which as set out in **Section 2.7, Part B** of this Circular. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

**2.3** These RRPT, which are necessary for the day-to-day operations of EHB Group, in the ordinary course of business, will be based on normal commercial terms, at arms' length, and will be transacted on terms that are not more favourable to the Related Parties than those generally available to the public, and not detrimental to the minority shareholders of the Company.

## 2.4 Validity Period of the Proposed New Shareholders' Mandate

The Proposed New Shareholders' Mandate, if approved by the shareholders at the forthcoming EGM II, will take effect from the date of the passing of the ordinary resolution at the forthcoming EGM II and shall continue to be in force until:-

- i. the conclusion of the next AGM following the general meeting at which the ordinary resolution for the Proposed New Shareholders' Mandate was passed, at which time it shall lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- ii. the expiration of the period within which the next AGM after that date is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- iii. revoked or varied by an ordinary resolution passed by the shareholders at a general meeting,

whichever is the earlier.

## 2.5 Principal Activities of the Group

The principal activity of the Company is investment holding. As at LPD, the principal activities of the subsidiaries are as follows:-

Name	Effective equity interest (%)	Principal activities
<b><u>Subsidiaries of the Company</u></b>		
Pengkalen Holiday Resort Sdn Bhd	100.00	Operating a hotel
Exsim Concepto	100.00	Provide specialised fit-out services for hospitality assets
Mana Mana Holdings Sdn Bhd ("Mana Mana")	100.00	Investment holding; operator of hospitality assets and renovation and refurbishment works and other related activities
Uppervista Sdn Bhd	100.00	Investment holding and operator of hospitality assets
Blossom Hectares Sdn Bhd	100.00	Investment holding and operator of hospitality assets
Golden Carps Pte Ltd	100.00	Dormant
Grandvestment Company Limited	100.00	Dormant
Asia Entertainment Network Sdn Bhd ("AEN") <sup>*1</sup>	60.00	Under liquidation
Pengkalen Building Materials Sdn Bhd <sup>*2</sup>	100.00	Under liquidation
Pengkalen Electronics Industries Sdn Bhd ("PEI") <sup>*1</sup>	67.00	Under liquidation
Technitone (M) Sdn Bhd ("Technitone") <sup>*3</sup>	64.10	Under liquidation

<b>Name</b>	<b>Effective equity interest (%)</b>	<b>Principal activities</b>
<b><u>Subsidiaries of Mana Mana</u></b>		
The Flash Living Sdn Bhd	60.00	To carry on business in providing short-term accommodation, property management and all other related activities
Mana Mana Style Sdn Bhd	100.00	To carry on business in providing short-term accommodation, property management and all other related activities
MyKey International Sdn Bhd	100.00	To engage in property management, acquisition and leasing services; to operate in trade, import, export, distribution and retail of goods and commodities; and investment holding
MyKey (Sarawak) Sdn Bhd	60.00	To engage in property management, acquisition and leasing services; to operate in trade, import, export, distribution and retail of goods and commodities; and investment holding
<b><u>Subsidiary of The Flash Living Sdn Bhd</u></b>		
BYON ALV Sdn Bhd	60.00	To promote, market and operate all short term stay, long-term stay, hotel-style management and/or any other types of hospitality sites under the "Mana Mana" brand in the Northern Region
<b><u>Subsidiary of Technitone</u></b>		
Office Business Systems Sdn Bhd ("OBS") <sup>*3</sup>	100.00	Under liquidation
<b><u>Subsidiaries of OBS</u></b>		
Office Business Systems (Malacca) Sdn Bhd <sup>*3</sup>	65.00	Under liquidation
Office Business Systems (Penang) Sdn Bhd <sup>*3</sup>	100.00	Under liquidation
Sensor Equipment Sdn Bhd <sup>*3</sup>	100.00	Under liquidation

Notes:-

\*1 *Under liquidation due to a winding-up order made by the Kuala Lumpur High Court against AEN and PEI. The cost of investment in AEN and PEI has been fully written down and the amount due from AEN and PEI has been fully provided for by the Company.*

\*2 *Ceased operation and placed under voluntary liquidation due to exercises to divest and wind-up non-core business.*

\*3 *Under liquidation due to Technitone and OBS being placed under receivership and subsequently Technitone, OBS and its subsidiaries, namely, Office Business Systems (Malacca) Sdn Bhd, Office Business Systems (Penang) Sdn Bhd and Sensor Equipment Sdn Bhd are under voluntary winding-up. The cost of these investments have been fully written down and the amounts due from them have been fully provided for by the Company.*

## **2.6 Classes of Related Parties**

The Proposed New Shareholders' Mandate would apply to RRPT to be entered into by the EHB Group which involves the interest, direct or indirect, of the following Related Parties described below.

As at the LPD, details of such Related Parties including their relationship with EHB and their names are as follows:-

No.	Name	Principal activities	Relationship
1.	Milux Sales & Service Sdn Bhd (" <b>MSSSB</b> ")	Trading in gas and electrical appliances.	<p>MSSSB is 100.00% owned by Milux Corporation Berhad ("<b>Milux</b>"), of which its 64.14% equity interest is owned by ABS Capital Sdn Bhd ("<b>ABS Capital</b>").</p> <p>ABS Capital is owned by:-</p> <ul style="list-style-type: none"> <li>i. 27.50% by Lim Aik Hoe ("<b>LAH</b>"); and</li> <li>ii. 27.50% by Lim Aik Kiat ("<b>LAK</b>").</li> </ul> <p>LAH and LAK are brothers, directors of ABS Capital, indirect major shareholders of Milux and indirect Major Shareholders of the Company who holds 72.56% indirect equity interest in the Company, by virtue of their interest in EHHBSB.</p>
2.	Movon Sdn Bhd (" <b>Movon</b> ")	Business of direct selling, selling and marketing of product and services (home/ office appliances, security appliance, baby and children's products, mother care products, cosmetics and skincare products and a wide range of goods, services products and solutions) and other information technology service activities.	<p>Movon is 90.00% owned by Abletech Solutions Sdn Bhd ("<b>ASSB</b>").</p> <p>ASSB is owned by:-</p> <ul style="list-style-type: none"> <li>i. 8.00% by LAH;</li> <li>ii. 8.00% by LAK; and</li> <li>iii. 65.00% owned by Theta Property Sdn Bhd ("<b>TPSB</b>").</li> </ul> <p>TPSB is owned by:-</p> <ul style="list-style-type: none"> <li>i. 50.00% by LAH; and</li> <li>ii. 50.00% by LAK.</li> </ul> <p>LAH and LAK are brothers, directors and major shareholders of TPSB and indirect Major Shareholders of the Company who holds 72.56% indirect equity interest in the Company, by virtue of their interest in EHHBSB.</p>
3.	BilaBila Retails Sdn Bhd (" <b>BilaBila</b> ")	Operation of convenience stores, cafeterias and canteens and retail sale of rice, flour, other grains and sugars.	<p>BilaBila is owned by:-</p> <ul style="list-style-type: none"> <li>i. 51.00% by Wawasan Lumayan Sdn Bhd ("<b>Wawasan</b>");</li> <li>ii. 20.00% by LAH; and</li> <li>iii. 19.00% by LAK.</li> </ul> <p>Wawasan is owned by:-</p> <ul style="list-style-type: none"> <li>i. 30.00% by Mr Param;</li> <li>ii. 30.00% by Mr Tan; and</li> <li>iii. 40.00% by Lee Hui Jing.</li> </ul>

No.	Name	Principal activities	Relationship
			<p>Mr Param and Mr Tan are directors of Wawasan and Directors of the Company.</p> <p>Lee Hui Jing is the spouse of Mr Tan.</p> <p>LAH and LAK are brothers and indirect Major Shareholders of the Company who holds 72.56% indirect equity interest in the Company, by virtue of their interest in EHHSB.</p>
4.	Causeway Advisory Sdn Bhd (" <b>Causeway</b> ")	Management and consultancy, and manpower outsourcing	<p>Causeway is owned by:-</p> <ul style="list-style-type: none"> <li>i. 50.00% by EXSIM Holdings Sdn Bhd ("<b>EHSB</b>");</li> <li>ii. 25.00% by Mr Param; and</li> <li>iii. 25.00% by Mr Tan.</li> </ul> <p>Mr Param and Mr Tan are directors of Causeway and Directors of the Company.</p> <p>LAH is a director of Causeway.</p> <p>EHSB is owned by:-</p> <ul style="list-style-type: none"> <li>i. 37.50% by LAH;</li> <li>ii. 37.50% by LAK; and</li> <li>iii. 25.00% by Lim Aik Fu ("<b>LAF</b>").</li> </ul> <p>LAH, LAK and LAF are brothers, directors of EHSB and indirect Major Shareholders of the Company, by virtue of their interest in EHHSB.</p>
5.	Sunthesis Sdn Bhd (" <b>Sunthesis</b> ")	Building construction contractor, builders, carpenter, general decorator and building renovation and civil, electrical and mechanical engineering.	<p>Sunthesis is 15.00% owned by EHSB.</p> <p>EHSB is owned by:-</p> <ul style="list-style-type: none"> <li>i. 37.50% by LAH;</li> <li>ii. 37.50% by LAK; and</li> <li>iii. 25.00% by LAF.</li> </ul> <p>LAH, LAK and LAF are brothers, directors of EHSB and indirect Major Shareholders of the Company, by virtue of their interest in EHHSB.</p>

**THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK**

## 2.7 Nature of the RRPT contemplated under the Proposed New Shareholders' Mandate

Details of the RRPT to be entered under the Proposed New Shareholders' Mandate, including the classes of Related Party with whom the transactions will be carried out, are as follows:-

No.	Transacting parties		Nature of RRPT	Interested Related Party(ies)	Estimated Aggregate Value during the validity period of the mandate* <sup>1</sup> (RM'000)
	EHB Group	Related Parties			
1.	<ul style="list-style-type: none"> <li>• Mana Mana (recipient)</li> <li>• Exsim Concepto (recipient)</li> </ul>	MSSSB (service provider)	Purchase of household appliances	<ul style="list-style-type: none"> <li>• Milux</li> <li>• ABS Capital</li> <li>• LAH</li> <li>• LAK</li> </ul>	50,000
2.	<ul style="list-style-type: none"> <li>• Mana Mana (recipient)</li> <li>• Exsim Concepto (recipient)</li> </ul>	Movon (service provider)	Purchase of household appliances	<ul style="list-style-type: none"> <li>• ASSB</li> <li>• TPSB</li> <li>• LAH</li> <li>• LAK</li> </ul>	50,000
3.	<ul style="list-style-type: none"> <li>• Exsim Concepto (service provider)</li> </ul>	BilaBila (recipient)	Renovation and fit-out services	<ul style="list-style-type: none"> <li>• Wawasan</li> <li>• LAH</li> <li>• LAK</li> <li>• Mr Param</li> <li>• Mr Tan</li> <li>• Lee Hui Jing</li> </ul>	15,000
4.	<ul style="list-style-type: none"> <li>• EHB Group (recipient)</li> </ul>	Causeway (service provider)	Outsourced manpower services	<ul style="list-style-type: none"> <li>• EHSB</li> <li>• LAH</li> <li>• LAK</li> <li>• LAF</li> <li>• Mr Param</li> <li>• Mr Tan</li> </ul>	500
5.	<ul style="list-style-type: none"> <li>• Exsim Concepto (recipient)</li> </ul>	Sunthesis (service provider)	Building construction and fit-out services	<ul style="list-style-type: none"> <li>• EHSB</li> <li>• LAH</li> <li>• LAK</li> <li>• LAF</li> </ul>	100,000

**Note:-**

<sup>1</sup> The validity period of the Proposed New Shareholders' Mandate is described in **Section 2.4, Part B** of this Circular and the estimated aggregate value of the transactions was determined based on management's best estimates, taking into consideration the expected transaction volumes arising from the project pipelines and business plans of the Related Parties and the Group's anticipated involvement in such projects. Accordingly, the actual value of the transactions may differ from the estimated amount disclosed above.

## **2.8 Amount due and owing by Related Party(ies) pursuant to the RRPT**

As at LPD, the Group has not entered into the RRPT with the Related Party(ies), hence, there is no amount owing by the Related Party(ies) pursuant to the RRPT that has exceeded the credit terms.

## **2.9 Review Procedures for the RRPT**

The Group had established various guidelines and procedures to ensure that the RRPTs are undertaken on normal commercial terms, an arm's length basis, on transaction prices and terms not more favourable to the Related Parties involved than those generally available to the public and not detrimental to the minority shareholders of the Company.

The Group shall review the RRPT based on the following parameters/ procedures:-

- i. The finance department of the Company will keep the list of Related Parties of EHB Group duly identified by the Group and make available on the Company's internal portal and circulate periodically to the heads of the respective departments within the Group;
- ii. All RRPTs to be entered into will be subject to review by the AC and to be reported to the Board to ensure that the transactions are in the best interest of the Company, fair, reasonable and on normal commercial terms, not more favourable to the Related Parties and will not be detrimental to the minority shareholders of the Company. If a member of the Board or AC has an interest, he/ she will abstain from any decision making by the Board or AC in respect of the said transaction;
- iii. The transaction prices, terms and conditions which are market driven are to be determined at arms' length on a customer/ supplier relationship basis at mutually agreed rates after due consideration of benefits to be derived from the transaction, under similar commercial terms for transactions with unrelated third parties, which depend on demand and supply, quality, level of service and other related factors;
- iv. Some transactions may be on a cost recovery basis, being the recovery of part of the costs for sharing or provision of some services or on a negotiated basis where both parties would contract on terms which are mutually acceptable and beneficial;
- v. Where practicable and feasible, quotation and/ or tenders from at least two (2) other contemporaneous transactions with unrelated third parties for similar products/ services and/ or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/ by the Related Parties are fair and reasonable and comparable to those offered to/ by other unrelated third parties for the same or substantially similar type of products/ services and/or quantities;
- vi. If a quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be based on its usual business practice to ensure that the RRPTs are entered into on an arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders;
- vii. The annual internal audit plan should incorporate a review of the RRPT entered into with Related Parties to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;
- viii. Records will be maintained by the respective companies to capture all RRPTs which are entered pursuant to the shareholders' mandate;
- ix. The finance department of the Company will closely monitor cumulative value of transactions from time to time to comply with the obligations under the Listing Requirements; and

- x. The Board and the AC may at its discretion, adopt new review and disclosure procedures and/ or amend the existing procedures to ensure that the RRPTs are at all times on terms consistent with the Group's usual business practices and policies.

#### **2.10 Disclosure in Annual Report**

Disclosure will be made in the Annual Report of the breakdown of the aggregate value of transactions conducted, types of transactions made, name of the Related Parties involved and their relationship with the Company pursuant to the Proposed New Shareholders' Mandate during the financial year, and in the Annual Report for subsequent financial years in which the Proposed New Shareholders' Mandate continues to be in force.

#### **2.11 Threshold for authority**

There are no specific thresholds for approval of RRPTs within the Group. However, all RRPTs are subject to the approval of the Board, subject to the provisions in the Listing Requirements and/ or the Act, where necessary. Where any Director has any interest (direct or indirect) in any RRPTs, such Director shall abstain from deliberating and voting on the particular resolution in approving the transaction. If it is determined that the current guidelines and/ or procedures stipulated in **Section 2.9, Part B** of this Circular are inadequate to ensure that:-

- i. RRPTs will be conducted on normal commercial terms, an arms' length basis, on transaction prices which are not more favourable to the Related Parties than those generally available to the public; and
- ii. such transactions will not be detrimental to the minority shareholders of the Company, a fresh shareholders' mandate based on new guidelines and procedures shall be obtained.

#### **2.12 Statement by AC**

The AC has seen and reviewed the guidelines and procedures set out in **Section 2.9, Part B** of this Circular and is of the view that they are sufficient to ensure that the RRPT will be carried out at arm's length and on normal commercial terms which are not more favourable to the Related Parties involved than those generally available to the public and not detrimental to the interest of the Company and its minority shareholders.

The AC is of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner. The AC shall review these procedures and processes once a year. This is to ensure that the RRPT are not detrimental or prejudicial to the minority shareholders of the Company.

### **3. RATIONALE FOR AND BENEFITS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE**

The RRPT pursuant to the Proposed New Shareholders' Mandate are all entered into in the ordinary course of business and are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and may arise from time to time.

The Related Parties involved in the RRPTs have established reliability and expertise in their respective fields. Leveraging on such expertise and resources would result in cost and operational efficiencies, thereby improving business and administrative efficacy of the Group. In addition, transacting with the Related Parties enhances the ability of EHB Group to explore beneficial business opportunities within the Group. The established business relationships and mutual understanding between the parties can benefit from conducting the RRPTs and, where applicable, contributes additional revenue stream to EHB Group.

The Proposed New Shareholders' Mandate will enable the Group to enter into RRPT with the Related Parties which are necessary for the day-to-day operations of the Group and which are time-sensitive in nature, and on terms which are not more favourable to the Related Parties than those generally available to and/ or from the public, where applicable, and, in the Company's opinion, are not detrimental to its minority shareholders.

In addition, the Proposed New Shareholders' Mandate will facilitate the efficient conduct of RRPT necessary for the Group's business operations, eliminate the need for the Company to convene a separate general meeting to seek shareholders' approval for each RRPT and hence, reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficiency and allow resources to be channelled towards attaining other corporate objectives while ensuring that shareholders are kept informed of the extent of RRPT undertaken by the Group.

#### 4. EFFECTS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

The Proposed New Shareholders' Mandate is not expected to have any material impact on the share capital, substantial shareholders' shareholdings, earnings, gearing and NA of the Group for the FYE 30 June 2026.

#### 5. APPROVAL REQUIRED

The Proposed New Shareholders' Mandate is subject to the approval of the shareholders of the Company at the forthcoming EGM II.

#### 6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED WITH THEM

Saved as disclosed below, none of the other Directors, Major Shareholders and/ or Persons Connected, have any interest, direct or indirect, in the Proposed New Shareholders' Mandate:-

	Shareholdings as at the LPD			
	Direct		Indirect	
	No. of Shares	% <sup>*1</sup>	No. of Shares	% <sup>*1</sup>
<b><u>Interested Major Shareholders</u></b>				
EHHSB	1,684,868,200	72.56	-	-
LAH	-	-	1,684,868,200 <sup>*2</sup>	72.56
LAK	-	-	1,684,868,200 <sup>*2</sup>	72.56
LAF	-	-	1,684,868,200 <sup>*2</sup>	72.56
<b><u>Interested Directors of the Company</u></b>				
Mr Tan	-	-	-	-
Mr Param	-	-	-	-

**Note:**

<sup>\*1</sup> Based on the total issued shares of 2,322,168,527 in EHB

<sup>\*2</sup> Deemed interested by virtue of their direct interest in EHHSB pursuant to Section 8 of the Act

The interested Major Shareholders, will abstain from voting in respect of their direct and indirect shareholdings (if any) on the resolution approving the Proposed New Shareholders' Mandate at the forthcoming EGM II. In this regard, the interested Major Shareholders have undertaken to ensure that all Persons Connected with them will abstain from voting in respect of their direct and indirect shareholdings (if any), deliberating or approving the resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming EGM II.

Mr Param and Mr Tan (collectively referred to as "**Interested Directors**") have abstained and will continue to abstain from all Board deliberations and voting in relation to the Proposed New Shareholders' Mandate. The Interested Directors will also abstain from voting in respect of their direct and/ or indirect shareholdings (if any) on the resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming EGM II. In this regard, the Interested Directors have undertaken to ensure that all Persons Connected with them will abstain from voting in respect of their direct and indirect shareholdings (if any), deliberating or approving the resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming EGM II.

## **7. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board (save for the Interested Directors) having considered all aspects of the Proposed New Shareholders' Mandate, is of the opinion that the Proposed New Shareholders' Mandate is in the best interest of the Group.

Accordingly, the Board (save for the Interested Directors) recommends that you vote in favour of the resolution in relation to the Proposed New Shareholders' Mandate to be tabled at the forthcoming EGM II.

## **8. EGM II**

The EGM II, the notice of which is enclosed in this Circular, will be held at Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Main Venue**") on Monday, 13 April 2026 at 9:30 a.m. or immediately upon the conclusion of EGM I held earlier prior to this EGM II, or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolution to give effect to the Proposed New Shareholders' Mandate.

If you are unable to attend, participate, speak and vote in person at the EGM II, you may complete, sign and return the enclosed Proxy Form in accordance with the instructions contained therein, to be deposited at the Company's Share Registrar office Symphony Corporate Services Sdn Bhd, situated at S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time stipulated for holding the EGM II or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, participating, speaking and voting in person at the EGM II should you subsequently wish to do so.

## **9. FURTHER INFORMATION**

Shareholders are advised to refer to the appendix set out in this Circular for further information.

Yours faithfully,  
For and on behalf of the Board  
**EXSIM HOSPITALITY BERHAD**

**DATUK LEONG KAM WENG**  
Independent Non-Executive Chairman

---

**APPENDIX I – FURTHER INFORMATION**

---

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein 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 herein misleading.

**2. CONSENT**

UOBKH, being the Adviser for the Proposed Diversifications, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

Protégé, being the IMR for the Proposed Diversifications, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

**3. DECLARATION OF CONFLICT OF INTERESTS**

UOBKH has given their written confirmation that there is no situation of conflict of interests that exists or is likely to exist in relation to its roles as the Adviser to the Company for the Proposed Diversifications.

Protégé has given their written confirmation that there is no situation of conflict of interests that exists or is likely to exist in relation to its roles as the IMR to the Company for the Proposed Diversifications.

**4. MATERIAL CONTRACTS**

Save as disclosed below, the Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past 2 years immediately preceding the LPD:-

- i. Port Dickson Hotel Refurbishment via a letter of award for design and build dated 23 May 2025 issued by Pengkalen Holiday Resort Sdn Bhd, a wholly-owned subsidiary of EHB and duly accepted by Totalbuildz Sdn Bhd (as contractor) for the contract sum of RM120.00 million in relation to the "Design And Build For Cadangan Tambahan Dan Ubahsuai Hotel 11 Tingkat Sedia Ada Yang Mengandungi Kerja-Kerja Pembinaan Lif Dan Ubahsuai Dalaman Di Lantai Tingkat Tanah Bawah 3 Di Atas Lot 288 (Yang Dulu Dikenali Sebagai Lot 820, PT 430) PN 2475, Batu 2 1/2, Jalan Pantai, Mukim Port Dickson, Daerah Port Dickson"; and
- ii. sale and purchase agreement dated 28 February 2025 entered in between Uppervista Sdn Bhd, a wholly-owned subsidiary of EHB and Arcadia Hospitality Sdn Bhd to acquire a 26-storey hotel building with retail podium for the consideration of RM240,249,305 satisfied via cash. The acquisition was deemed unconditional on 23 December 2025 and is pending completion of renovation and the redemption of the vendor's loan.

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

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

---

**APPENDIX I – FURTHER INFORMATION (CONT'D)**

---

**6. MATERIAL COMMITMENTS**

Save as disclosed below, there are no material commitments incurred or known to be incurred by EHB Group which, upon becoming enforceable, may have a material impact on the financial results/ position of EHB Group:-

	<b>RM'000</b>
<b>As at 31 December 2025</b>	
Approved and contracted for:-	
- Acquisition of hotel building	181,175
- Hotel refurbishment	55,712
- Renovation of the Group's corporate office	542

**7. CONTINGENT LIABILITIES**

As at the LPD, the Board confirms that there are no contingent liabilities incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

**8. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of EHB at No. D-09-02, Level 9, EXSIM Tower, Millerz Square @ Old Klang Road, Megan Legasi, No. 357, Jalan Kelang Lama, 58000 Kuala Lumpur Wilayah Persekutuan, Malaysia, during the normal business hours from Monday to Friday (except public holidays) from the date hereof up to the time stipulated for the holding of the EGM II:-

- i. the constitution of EHB;
- ii. the independent market research report on the construction industry in Malaysia by Protégé;
- iii. audited consolidated financial statements of EHB Group for the past 2 financial years up to the FYE 30 June 2025 and the latest unaudited 6-month FPE 31 December 2025;
- iv. the material contracts referred to in **Section 4** above; and
- v. the letter of consents and declarations of conflict of interests referred to in **Sections 2 and 3** above, respectively.

<b>THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK</b>
--

# EXSIM

HOSPITALITY

## EXSIM HOSPITALITY BERHAD

Registration No.: 198301000236 (95469-W)  
(Incorporated in Malaysia)

### NOTICE OF EXTRAORDINARY GENERAL MEETING II

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting II ("**EGM II**") of EXSIM Hospitality Berhad ("**EHB**" or the "**Company**") will be held at Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Main Venue**") on Monday, 13 April 2026 at 9:30 a.m. or immediately upon the conclusion of Extraordinary General Meeting I held earlier prior to this EGM II, or any adjournment thereof for the purpose of considering and, if thought fit, passing, with or without modifications, the resolutions set out below.

#### ORDINARY RESOLUTION 1

**PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF EHB AND ITS SUBSIDIARIES ("EHB GROUP" OR THE "GROUP") TO INCLUDE THE BUSINESS OF CONSTRUCTION WORKS AND RELATED ACTIVITIES ("GENERAL CONTRACTING BUSINESS") ("PROPOSED DIVERSIFICATION INTO GENERAL CONTRACTING BUSINESS")**

"**THAT**, subject to the approvals of all relevant authorities and/ or parties being obtained, approval be and is hereby given to the Group to diversify the existing principal activities to include the General Contracting Business as described in the circular to shareholders dated 27 March 2026 ("**Circular**").

**AND THAT** the Board of Directors of EHB be and is hereby authorised to sign and execute all necessary documents, do all acts, deeds and things as may be required to give effect to the Proposed Diversification into General Contracting Business with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Diversification into General Contracting Business."

#### ORDINARY RESOLUTION 2

**PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF EHB GROUP TO INCLUDE THE BUSINESS OF CENTRALISED PROCUREMENT OF BUILDING MATERIALS AND HOUSEHOLD APPLIANCES AND RELATED ACTIVITIES ("CENTRALISED PROCUREMENT BUSINESS") ("PROPOSED DIVERSIFICATION INTO CENTRALISED PROCUREMENT BUSINESS")**

"**THAT**, subject to the approvals of all relevant authorities and/ or parties being obtained, approval be and is hereby given to the Group to diversify the existing principal activities to include the Centralised Procurement Business as described in the Circular.

**AND THAT** the Board of Directors of EHB be and is hereby authorised to sign and execute all necessary documents, do all acts, deeds and things as may be required to give effect to the Proposed Diversification into Centralised Procurement Business with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Diversification into Centralised Procurement Business."

### ORDINARY RESOLUTION 3

#### PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/ OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE")

"**THAT**, authority be and is hereby given in line with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, for EHB Group to enter into any of the recurrent related party transactions with the related party(ies) as set out in **Section 2.7, Part B** of the circular to shareholders dated 27 March 2026 in relation to the Proposed New Shareholders' Mandate which are necessary for the day-to-day operations of EHB Group within the ordinary course of business of EHB Group, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company.

**AND THAT** such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:-

- i. the conclusion of the next annual general meeting ("**AGM**") of the Company following the general meeting at which the ordinary resolution for the Proposed New Shareholders' Mandate was passed, at which time it shall lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- ii. the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- iii. revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is the earlier.

**AND FURTHER THAT** the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/ or appropriate in order to implement the Proposed New Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/ or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/ or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed New Shareholders' Mandate in the best interest of the Company."

#### BY ORDER OF THE BOARD

**TEO SOON MEI (MAICSA 7018590) (SSM PC No. 201908000235)**  
**NAZIRAH BINTI NAZRI (MAICSA 7071328) (SSM PC No. 202408000275)**

**Company Secretaries**

Kuala Lumpur, Malaysia  
27 March 2026

**Notes :**

- (1) *The EGM II will be held at Main Venue. Members and proxies will have to attend physically in person at the Main Venue.*
- (2) *A member who is entitled to attend and vote at the EGM II shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote on his/ her behalf at the EGM II. Where a member appoints two (2) proxies to attend the EGM II, the member shall specify the proportion of his/ her shareholding to be represented by each proxy, failing which the appointment shall be invalid.*
- (3) *The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register and/ or subject to Clause 70 of the Company's Constitution in relation to the Record of Depositors made available to the Company.*
- (4) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/ she may appoint one (1) proxy only in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- (5) *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 two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.*
- (6) *The instrument appointing a proxy and the power of attorney or other authority, if any, shall be in writing under the hand of the appointer or of their attorney duly authorised in writing or a copy of that power of attorney, certified by an advocate and solicitor, or where the appointer is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. Any alteration in the Proxy Form must be initialled.*
- (7) *The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the EGM II or any adjournment thereof:-*
  - i. *In Hardcopy Form*

*The Proxy Form shall be deposited at S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia.*
  - ii. *By Electronic Means*

*The Proxy Form shall be electronically submitted via Symphony Corporate Services Sdn Bhd's Online website at <https://www.symphonycorporateservices.com.my> (Domain Registration No. D1C534619-MYNIC).*

*Please refer to the Administrative Guide for the EGM II for further information on the electronic submission.*
- (8) *Pursuant to Paragraph 8.29 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this notice of the EGM II will be put to vote by poll.*
- (9) *In respect of deposited securities, only members whose names appear in the Record of Depositors on 6 April 2026 (General Meeting Record of Depositors) shall be entitled to attend, participate, speak and vote at the EGM II, or to appoint proxy(ies) to attend, participate, speak and vote on their behalf.*
- (10) *Those proxy forms which are indicated with "√" in the spaces provided to show how the votes are to be cast will also be accepted.*

**Personal data privacy:**

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, participate, speak and vote at the EGM II and/or any adjournment thereof, a member of the Company:-

- i. consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of processing and the administration by the Company (or its agents) of proxies and representatives appointed for the EGM II (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM II (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- ii. warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclose of the proxy(ies) and/or representative(s) personal data by the Company 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.

# EXSIM

## HOSPITALITY

**EXSIM HOSPITALITY BERHAD**  
Registration No.: 198301000236 (95469-W)  
(Incorporated in Malaysia)

### PROXY FORM

**IMPORTANT!**

Please take note that all the fields underlined in this proxy form are mandatory and must be completed in full and accurately. The Company reserves the right to invalidate and/or reject any proxy form which is not complete or accurately filled in.

CDS Account No.	Number of Shares Held

I/We ..... NRIC/ Passport No./ Registration No.: .....  
(FULL NAME IN BLOCK LETTER)

of .....  
(FULL ADDRESS)

with email:.....and mobile phone no.....

, being a \*member/members of **EXSIM Hospitality Berhad** (Registration No. 198301000236 (95469-W)), hereby appoint(s):

Full Name (in Block) [Proxy 1]	NRIC/ Passport No:-	Proportion of shareholdings represented	
		No. of shares	Percentage (%)
Full Address:-			
Email Address:-			
Mobile Phone No.:-			

\*and [if more than one (1) proxy] or failing \*him/her

Full Name (in Block) [Proxy 2]	NRIC/ Passport No:-	Proportion of shareholdings represented	
		No. of shares	Percentage (%)
Full Address:-			
Email Address:-			
Mobile Phone No.:-			

or failing whom, the CHAIRMAN OF THE MEETING, as \*my/our proxy, to attend and vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting II ("**EGM II**") of the Company to be held at Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Main Venue**") on Monday, 13 April 2026 at 9:30 a.m. or immediately upon the conclusion of Extraordinary General Meeting I held prior to this EGM II, or any adjournment thereof and to vote as indicated below:-

	Ordinary Resolutions	For	Against
1	Proposed Diversification into General Contracting Business		
2	Proposed Diversification into Centralised Procurement Business		
3.	Proposed New Shareholders' Mandate		

Please indicate with an "X" in the above columns how you wish your vote to be cast. In the absence of specific direction, your proxy(ies) may vote or abstain at his/her discretion.

\* Strike out if not available

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
Signature/Common Seal of member



**Notes :**

- (1) *The EGM II will be conducted physically. Members and proxies are required to attend in person at the Main Venue.*
- (2) *A member who is entitled to attend and vote at the EGM II shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote on his/ her behalf at the EGM II. Where a member appoints two (2) proxies to attend the EGM II, the member shall specify the proportion of his/ her shareholding to be represented by each proxy, failing which the appointment shall be invalid.*
- (3) *The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register and/ or subject to Clause 70 of the Company's Constitution in relation to the Record of Depositors made available to the Company.*
- (4) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/ she may appoint one (1) proxy only in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- (5) *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 two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.*
- (6) *The instrument appointing a proxy and the power of attorney or other authority, if any, shall be in writing under the hand of the appointer or of their attorney duly authorised in writing or a copy of that power of attorney, certified by an advocate and solicitor, or where the appointer is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. Any alteration in the Proxy Form must be initialled.*
- (7) *The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the EGM II or any adjournment thereof:-*
  - i. *In Hardcopy Form*

*The Proxy Form shall be deposited at S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia.*
  - ii. *By Electronic Means*

*The Proxy Form shall be electronically submitted via Symphony Corporate Services Sdn Bhd's Online website at <https://www.symphonycorporateservices.com.my> (Domain Registration No. D1C534619-MYNIC).*

*Please refer to the Administrative Guide for the EGM II for further information on the electronic submission.*
- (8) *Pursuant to Paragraph 8.29 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this notice of the EGM II will be put to vote by poll.*
- (9) *In respect of deposited securities, only members whose names appear in the Record of Depositors on 6 April 2026 (General Meeting Record of Depositors) shall be entitled to attend, participate, speak and vote at the EGM II, or to appoint proxy(ies) to attend, participate, speak and vote on their behalf.*
- (10) *Those proxy forms which are indicated with "\|" in the spaces provided to show how the votes are to be cast will also be accepted.*

**Personal data privacy:**

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, participate, speak and vote at the EGM II and/or any adjournment thereof, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of EGM II dated 27 March 2026.

*Fold this flap for sealing*

*Then fold here*

AFFIX  
STAMP

The Share Registrar of  
**EXSIM HOSPITALITY BERHAD**  
**(Registration No.: 198301000236 (95469-W))**  
**c/o: SYMPHONY CORPORATE SERVICES SDN BHD**  
S-4-04, The Gamuda Biz Suites  
Jalan Anggerik Vanilla 31/99  
Kota Kemuning  
40460 Shah Alam  
Selangor Darul Ehsan  
Malaysia

*1<sup>st</sup> fold here*

