

HWGG Entertainment Limited

A Nevada Corporation
Wisma Ho Wah Genting
No.35, Jalan Maharajalela,
50150 Kuala Lumpur, Malaysia

(603) 2141 – 6422
www.hwgg.com.my
ongkt@hwgg.com.my
SIC code: 7389

Annual Report **For the year ending: December 31, 2022** (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

As of December 31, 2022, the number of shares outstanding of our Common Stock was: 500,027,774

As of December 31, 2021, the number of shares outstanding of our Common Stock was: 500,027,774

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☒ No: ☐

1) Name of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

The Company was incorporated under the name of Computron, Inc.. On October 28, 2016, the Company changed its name from Computron, Inc. to Ho Wah Genting Group Limited. On July 28, 2020, the Company changed its name from Ho Wah Genting Group Limited to HWGG Entertainment Limited.

¹ “Change in Control” shall mean any events resulting in:

(i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The Company was incorporated in Nevada on August 22, 2014 and is active as at the date of reporting.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

The address(es) of the issuer's principal executive office:

Wisma Ho Wah Genting, No.35, Jalan Maharajalela, 50150 Kuala Lumpur, Malaysia.

The address(es) of the issuer's principal place of business:

☒ Check if principal executive office and principal place of business are the same address:

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Securities Transfer Corporation

Phone: 469-633-0101

Email: JStackhouse@stctransfer.com

Address: 1: 2901 Dallas Parkway, Suite 380, Plano, Texas 75093, United States

Publicly Quoted or Traded Securities

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading Symbol:	HWGG
Exact title and class of securities outstanding:	Common Stock
CUSIP:	40441K108
Par or Stated Value:	\$0.0002
Total shares authorized:	750,000,000 as of date: 31/12/2022
Total shares outstanding:	500,027,774 as of date: 31/12/2022

Other classes of authorized or outstanding equity securities

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of securities outstanding:	Preferred Stock
CUSIP (if applicable):	-
Par or Stated Value:	\$0.0002
Total shares authorized:	30,000,000 as of date: 31/12/2022
Total shares outstanding (if applicable):	0 as of date: 31/12/2022
Total number of shareholders of record (if applicable):	0 as of date: 31/12/2022

Security Description

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Common stockholders of the Company are entitled to receive any dividend declared by the Company, eligible to vote and have no preemption rights to purchase any classes of the Company's securities. There's no provision in our charter that would delay, defer or prevent a Change in Control of the Company.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

The articles of incorporation of the Company authorizes the issuance of 30,000,000 shares of preferred stock, par value \$0.0002 per share.

On October 21, 2022, the Company has designated twelve (12) million of the preferred stock as Redeemable Convertible Preferred Stock ("RCPS") with the following provisions:

- a. **Voting Rights:** The holders of the RCPS will not have any voting rights, except as otherwise provided herein or as required by law.
- b. **Dividend & Liquidation Rights:** The holders of the RCPS are entitled to receive cash dividends at the rate of 12% on \$1.00 per share of the RCPS per annum, and are entitled to the distribution of assets upon the liquidation, dissolution, or winding up. The RCPS will rank, with respect to rights to the payment of dividends and the distribution of assets in the event of any liquidation, dissolution or winding up of the Company, (i) senior to all classes or series of the Company's common stock, par value \$0.0002 per share; (ii) on parity with all equity securities issued by the Company with terms specifically providing that those equity securities rank on parity with the RCPS with respect to rights to the payment of dividends and the distribution of assets upon any liquidation, dissolution or winding up of the Company; (iii) junior to all equity securities issued by the Company with terms specifically providing that those equity securities rank senior to the RCPS with respect to rights to the payment of dividends and the distribution of assets upon any liquidation, dissolution or winding up of the Company; and (iv) effectively junior to all existing and future indebtedness (including indebtedness convertible into Common Stock or Preferred Stock) of the Company and to any indebtedness and other liabilities of subsidiaries of the Company.
- c. **Conversion:** On the earlier of the third year anniversary date of the issuance of the RCPS and any time thereafter and a resolution of the Board authorizing the conversion of the RCPS, the holders of the RCPS shall have the right, upon the payment to the Company of \$1.00 per share, to convert one (1) share of RCPS into one (1) share of Common Stock.
- d. **Redemption:** The Company may, at its option, redeem the RCPS, in whole or in part, at any time or from time to time, for cash at a redemption price of \$1.00 per share, plus any accumulated and unpaid dividends thereon to, but not including, the date fixed for redemption.

3. Describe any other material rights of common or preferred stockholders.

None.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☒ Yes: ☐

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☒ Yes: ☐

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

We are currently engaged in promoting entertainment membership, junket operating and marketing of real estate property through our wholly owned subsidiary, Ho Wah Genting Group Sdn Bhd ("HWGG"). One of the main products we offer is an exclusive travel membership that focuses on travel and entertainment around the world ("Exclusive Travel Membership"). We strive to serve our member's every travel need by offering our members discounted vacation packages, hotel and room accommodations, flight arrangements and various on ground transportation means. We are developing our website and mobile application so members can purchase our membership packages online via their computer and mobile device. Currently, a person can purchase a member package at our sales office in Kuala Lumpur, Malaysia. Member packages include products and points that carry a value that approximates the package price. Each member package is available in English and Chinese and typically includes booklets describing us, our compensation plan and rules of member conduct, various training and promotional materials, member applications and a product and services catalog. The price of a member package varies by package type and provides a low-cost entry for incoming members. We are operating from Kuala Lumpur office and customers are mainly from Southeast Asia countries.

B. List any subsidiaries, parent company, or affiliated companies.

We are currently engaged in promoting entertainment membership, junket operating and marketing of real estate property through our wholly owned subsidiary, HWGG.

C. Describe the issuers' principal products or services.

On June 19, 2015, we began offering the following four member packages:

- Holiday Card Member
- Classic Card Member
- Gold Card Member
- Black Card Member

The Classic Card Member package is our entry-level package. It requires a yearly subscription payment of US\$8,000 for our International Membership Subscription, or RM 20,000 for our Local Membership Subscription. It provides members up to 12% discount rewards per annum and access to our entertainment services, air ticket purchase services, value travel packages and accommodation booking services.

The Gold Card Member package is our advanced level package. This package provides members up to 13.2% discount rewards per annum and access to our travel arrangement services, entertainment services, air ticket purchase services, value travel packages and accommodation booking services. It requires a yearly subscription payment of US\$16,000 for our International Subscription or RM 50,000 for our Local Membership Subscription.

The Black Card Member package is our professional package. It requires a yearly subscription payment of US\$32,000 for our International Membership Subscription or RM 100,000 for our Local Membership Subscription. It provides members up to 14.4% discount rewards per annum and access to our travel arrangement services, entertainment services, air ticket purchase services, value travel packages and accommodation booking services.

Members' subscription amount will be converted into member redemption points ("MRP") on an equivalent basis. MRPs can be utilized to purchase products and services offered by us and our partnering company Ho Wah Genting Holiday Sdn Bhd ("HWGH"), a Malaysian corporation, which pursuant to our Travel and Junket Service Contract dated April 1, 2016, provides travel agency services and prepares tour packages, hotel bookings, and transportation arrangements to offer HWGG's members and customers. We will recognize revenue from our Exclusive Travel Membership once our members utilize their MRPs on such services and facilities. Discount rewards will be calculated based on month end point balance and rewarded based on month end MRP balance. Discount rewards can be exchanged for entertainment vouchers at selected destinations. All of our membership options terminate after twelve (12) months.

In connection to our Exclusive Travel Membership, we also provide junket operating services by promoting premium market players to our partner's resorts and cruise lines. We currently have an agreement to operate as a licensed junket operator for Genting Malaysia Berhad, a Malaysian public company involved in the leisure and hospitality business covering theme parks, gaming, hotels, seaside resorts and entertainment for over fifty years throughout Asia, and Genting Hong Kong Limited, a Hong-Kong based investment holding company principally engaged in cruise businesses. To date, HWGG is an approved junket operator and local group casino rebate programme for Genting Malaysia Berhad's casino in Peninsular Malaysia and Genting Hong Kong Limited's entire Star Cruises Fleet and Resorts World Manila. Pursuant to the Travel and Junket Service Contract, we shared 50% of the commission earned through certain junket operations with HWGH. Starting 2017, HWGG takes 100% of the junket commission from its operations with HWGH. Our Exclusive Travel Membership members may exchange their MRPs for junket services at various leisure entities such as resorts and cruises offered by our strategic partners. HWGG earns an average of 1.0% - 1.5% for the rolling activities of our players.

With such an attractive line-up of privileges and benefits exclusively available to our members, we believe our membership program will stand out as a popular product in Asia's premium entertainment market. Our Exclusive Travel Membership will further add value to the company as we progress into a future that is increasingly dominated by big data technologies.

5) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

Our principal executive office is currently located at Wisma Ho Wah Genting, No. 35, Jalan Maharajalela, 50150 Kuala Lumpur, Malaysia, where the Company leases approximately 800 square feet free of charge from Ho Wah Genting Berhad (“HWGB”), a public Malaysian corporation. We believe our facilities are adequate for our current needs.

We own the Endah Puri Condominium located at A-19-02, Jalan 3/149E, Bandar Baru Sri Petaling, 57000 Kuala Lumpur, Malaysia. The property is currently rented out with a monthly rental of RM 2,000 (approximately US\$ 480.00).

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuers securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Name of Officer/Director or and Control Person	Affiliation with Company (e.g. Officer/Director/ Owner of more than 5%)	Residential Address (City /State Only)	Number of shares owned	Share type/classes	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
Dato’ Lim Hui Boon	President	No. 35, Jalan Maharajalela, 50150 Kuala Lumpur, Malaysia.	293,126,299	Common	58.62%	N/A
Thong Wai Lun, Eddy	Chief Executive Officer, Chief Financial Officer and Director	45, Jalan Ch 1, Taman Cheras Hartamas, 43200 Cheras, Selangor, Malaysia.	150,000	Common	0.03%	N/A
Liew Jenn Lim	Chairman of the Board and Director	No.11, Jalan 6/149K, Bandar Baru Sri Petaling, 57000 Kuala Lumpur, Malaysia.	27,778	Common	0.01%	N/A
Yap Hui Ling	Secretary and Director	Unit B-9-13, Block B, Sterling Condominium, Jalan SS7/19 47301, Petaling Jaya, Selangor, Malaysia.	-	-	-	N/A

Low Huu Yau	Director	Lot 17, Kampung Baru Tambahan, Lorong KBT 3, Ulu Yam Lama, 44300 Batang Kali, Ulu Selangor, Malaysia.	-	-	-	N/A
HWG Value Capital Sdn Bhd (formerly known as Anjuran Stabil Sdn Bhd)	Owner of more than 5%	No.7-1, Jalan 109F, Plaza Danau 2, Taman Danau Desa, 58100 Kuala Lumpur, Malaysia.	37,868,947	Common	7.57%	Lim Ooi Hong
Lim Ooi Hong	Owner of more than 5%	2A, Jln Setia Tropika U13/20B, Setia Eco Park, Seksyen U13, 40170 Shah Alam, Selangor, Malaysia.	37,131,053	Common	7.43%	N/A
Mok Lip Bin	Owner of more than 5%	No. 37, Jalan 14/37, Taman Bukit Maluri, Kepong, 52100 Kuala Lumpur, Malaysia.	32,747,621	Common	6.55%	N/A

7) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None.

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None.

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None.

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers.

Securities Counsel

Name: Mark Crone

Firm: The Crone Law Group P.C.

Address 1: 500 Fifth Ave, Suite 938, New York, NY 10110

Address 2: 9665 Wilshire Boulevard, Suite 895, Beverly Hills, CA 90212

Phone: 646-861-7891

Email: mcrone@cronelawgroup.com

Accountant or Auditor

Name: None

Firm:

Address 1:

Address 2:

Phone:

Email:

Investor Relations

Name: None

Firm:

Address 1:

Address 2:

Phone:

Email:

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: None

Firm:

Nature of Services:

Address 1:

Address 2:

Phone:

Email:

9) Financial Statements

A. The following financial statements were prepared in accordance with:

☐ IFRS

☒ U.S. GAAP

B. The financial statements for this reporting period were prepared by (name of individual):

Name: Thong Wai Lun, Eddy

Title: Chief Financial Officer

Relationship to Issuer: Employee

Describe the qualifications of the person or persons who prepared the financial statements: Thong Wai Lun, Eddy is the Chief Financial Officer of the Company.

HWGG ENTERTAINMENT LIMITED

FINANCIAL STATEMENTS

(UNAUDITED)

HWGG ENTERTAINMENT LIMITED AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

	Dec 31, 2022	Dec 31, 2021
	<u>USD</u>	<u>USD</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	409,315	660,351
Other receivables, deposits and prepayment	9,838,489	11,108,768
Amount due from related party	757,756	1,743,496
Short-term investments	1,329,405	1,480,737
TOTAL CURRENT ASSETS	12,334,965	14,993,352
NON-CURRENT ASSETS		
Property and equipment, net	121,641	180,226
TOTAL ASSETS	12,456,606	15,173,578
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Other payables and accrued expenses	20,031,860	17,009,592
Amounts due to related party	10,578,917	10,079,524
TOTAL CURRENT LIABILITIES	30,610,777	27,089,116
TOTAL LIABILITIES	30,610,777	27,089,116
STOCKHOLDERS' EQUITY		
Preferred stock par value \$0.0002: 30,000,000 shares authorized; and 0 outstanding	—	—
Common stock (Par value of \$0.0002: 750,000,000 shares authorized; 500,027,774 shares issued and outstanding)	100,006	100,006
Additional paid in capital	302,166	302,166
Accumulated deficit	(19,058,871)	(13,055,089)
Accumulated other comprehensive income	502,528	737,379
TOTAL STOCKHOLDERS' EQUITY	(18,154,171)	(11,915,538)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	12,456,606	15,173,578

The accompanying notes are an integral part of these condensed consolidated financial statements.

HWGG ENTERTAINMENT LIMITED AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited)

	Twelve Months Ended December 31,	
	2022	2021
	<u>USD</u>	<u>USD</u>
Revenue	5,457	5,749
Cost of Goods Sold	(1,981)	(3,845)
Gross Profit	<u>3,476</u>	<u>1,904</u>
Administrative Expenses	(4,333,997)	(2,794,278)
OPERATING LOSS	<u>(4,330,521)</u>	<u>(2,792,374)</u>
Other Income	12,082	3,799
Other Operating Expenses	(1,685,344)	(419,174)
OTHER EXPENSE, NET	<u>(1,673,262)</u>	<u>(415,375)</u>
NET LOSS	<u>(6,003,783)</u>	<u>(3,207,749)</u>
Foreign currency translation adjustment	(234,851)	-
TOTAL COMPREHENSIVE LOSS	<u>(6,238,634)</u>	<u>(3,207,749)</u>
Weighted average number of shares outstanding during the period - basic and diluted	500,027,774	500,027,774
Net loss per share – basic and diluted	<u>(0.01)</u>	<u>(0.01)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

HWGG ENTERTAINMENT LIMITED AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

	Common Stock Shares	Amount	Additional Paid Up Capital	Accumulated Deficit	Accumulated Other comprehensive income (loss)	Total
		<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Balances at December 31, 2020	500,027,774	100,006	302,166	(9,847,339)	475,468	(8,969,699)
Net Loss	-	-	-	(3,207,749)	-	(3,207,749)
Foreign currency translation gain	-	-	-	-	261,911	261,911
Balances at December 31, 2021	500,027,774	100,006	302,166	(13,055,088)	737,379	(11,915,537)
Net Loss	-	-	-	(6,003,783)	-	(6,003,783)
Foreign currency translation loss	-	-	-	-	(234,851)	(234,851)
Balances at December 31, 2022	500,027,774	100,006	302,166	(19,058,871)	502,528	(18,154,171)

The accompanying notes are an integral part of these condensed consolidated financial statements.

HWGG ENTERTAINMENT LIMITED AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Twelve months ended December 31,	
	2022	2021
	<u>USD</u>	<u>USD</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss Before Tax	(6,003,783)	(3,207,749)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation – property and equipment	29,632	11,266
(Gain)/Loss from disposal of property, plant and equipment	(14,576)	-
(Gain)/Loss from sale of investment	-	(39,313)
Fair value (gain)/loss on short-term investment	-	226
Other receivables, deposits and prepayment	1,270,279	(11,128,237)
Other payables and accrued expenses	3,022,268	4,470,372
NET CASH USED IN OPERATING ACTIVITIES	<u>(1,696,180)</u>	<u>(9,893,434)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(3,293)	(72,557)
Purchase of short-term investments	151,332	-
Proceed from disposal of property, plant and equipment	37,598	-
Proceed from sale of investments	-	1,285,844
NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES	<u>185,637</u>	<u>(1,358,401)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from related parties	1,485,133	11,249,066
NET CASH GENERATED FROM FINANCING ACTIVITIES	<u>1,485,133</u>	<u>11,249,066</u>
EFFECT OF EXCHANGE RATES ON CASH	<u>(225,626)</u>	<u>383,207</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(251,036)</u>	<u>(2,769)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>660,351</u>	<u>279,913</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>409,315</u>	<u>660,351</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	<u>409,315</u>	<u>660,351</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

HWGG ENTERTAINMENT LIMITED AND SUBSIDIARY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note A- Basis of Presentation and Accounting Policies

The accompanying unaudited condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States for financial information. Accordingly, they do not include all the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. The interim unaudited consolidated financial statements should be read in conjunction with those unaudited consolidated financial statements included in this Annual Report.

On August 2, 2018, the Company filed a Form-15 with the SEC to deregister its common stock and suspend its reporting obligations under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The Company believes that the deregistering its common stock will reduce significant expenses associated with regulatory compliance and that will be able to reallocate our resources towards improving growth and profitability. Our stock is currently traded on the OTC Pink operated by OTC Markets.

Note B: Stockholder’s Equity

Common Stock

The Company’s authorized common stock is \$0.0002: 750,000,000 shares, with 500,027,774 shares issued and outstanding during the year ended December 31, 2022 and 2021

Preferred Stock

On October 21, 2022, the Company filed with the Secretary of State of the State of Nevada a Certificate of Designation of the Relative Rights and Preferences of The Redeemable Convertible Preferred Stock (the “Certificate of Designation”). Pursuant to the Certificate of Designation, the board of directors of the Company authorized the creation 30,000,000 shares of Redeemable Convertible Preferred Stock, par value \$0.0002 per share (the “RCPS”). The RCPS is ranked senior to all classes or series of the Company’s common stock and does not have any voting rights. However, the holders of the RCPS are entitled to receive, when declared by the board of directors, cumulative cash dividends at the rate of 12% per annum on each \$1.00 per RCPS. Commencing on the date of issuance, the dividends on the RCPS shall accrue and be cumulative, payable annually in arrears on the 30th business day on each anniversary of the issue date. Dividends will accumulate whether or not the Company has earnings or whether funds are legally available or declared by the Board, and no interest will be payable on any dividends which may be in arrears. Each share of RCPS shall be convertible into one share of common stock of the Company, upon the Board approving the initiation of the listing process to list the shares of the Company on any stock exchange, or upon the written approval of the Company. The Company may also, at its option, redeem the RCPS for cash at a redemption price of \$1.00 per share plus any accumulated and unpaid dividends thereon. Notwithstanding, all outstanding RCPS shall be redeemable by the Company on the second anniversary of the issuance date thereof.

No issuance of RCPS has occurred as of December 31, 2022.

Note C- Stock-Based Compensation

The Company did not have any stock-based compensation.

10) Issuer Certification

Principal Executive Officer:

I, Thong Wai Lun, Eddy, certify that:

1. I have reviewed this Disclosure Statement for HWGG Entertainment Limited;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

/s/ Thong Wai Lun, Eddy
Thong Wai Lun, Eddy
Principal Executive Officer

Date: April 25, 2023

Principal Financial Officer:

I, Thong Wai Lun, Eddy, certify that:

1. I have reviewed this Disclosure Statement for HWGG Entertainment Limited;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

/s/Thong Wai Lun, Eddy
Thong Wai Lun, Eddy
Principal Financial Officer

Date: April 25, 2023