

**THIS CIRCULAR TO SHAREHOLDERS OF GUH HOLDINGS BERHAD (“GUH” OR THE “COMPANY”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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## **GUH HOLDINGS BERHAD**

Registration No. 196101000062 (4104-W)  
(Incorporated in Malaysia)

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

- I. PROPOSED BONUS ISSUE OF UP TO 140,680,120 WARRANTS IN GUH (“WARRANTS”) ON THE BASIS OF 1 WARRANT FOR EVERY 2 EXISTING ORDINARY SHARES IN GUH HELD BY THE SHAREHOLDERS OF GUH WHOSE NAMES APPEAR IN THE COMPANY’S RECORD OF DEPOSITORS ON THE ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED BONUS ISSUE OF WARRANTS”); AND**
- II. PROPOSED DIVERSIFICATION OF THE EXISTING PRINCIPAL ACTIVITIES OF GUH AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE ENTITIES TO INCLUDE RENEWABLE ENERGY BUSINESS AND RELATED ACTIVITIES (“PROPOSED DIVERSIFICATION”)**

**(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)**

**AND**

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Adviser*

## **UOB KayHian**

### **UOB KAY HIAN SECURITIES (M) SDN BHD**

Registration No. 199001003423 (194990-K)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The extraordinary general meeting (“**EGM**”) of GUH will be held virtually by way of live streaming via remote participation and electronic voting facilities from the broadcast venue at the Auditorium of the Company at 2nd Floor, Plot 1240 & 1241 Bayan Lepas Free Industrial Zone, Phase 3, 11900 Bayan Lepas, Penang on Wednesday, 31 May 2023 at 11.00 a.m., or immediately following the conclusion or adjournment of the 59th annual general meeting (“**AGM**”) of the Company which will be held at the same venue and on the same day at 10.30 a.m., whichever is later.

Shareholders are advised to refer to the Notice of EGM, together with the Proxy Form and the Administrative Guide for further details and instructions for participating in the EGM.

The Proxy Form with the proxy's email address and mobile phone number should be deposited at the office of the Poll Administrator, Mega Corporate Services Sdn Bhd situated at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan or submitted via email to support.GUH@megacorp.com.my, not less than 48 hours before the appointed time set for holding the meeting or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Monday, 29 May 2023 at 11.00 a.m.

Date and time of the EGM : Wednesday, 31 May 2023 at 11.00 a.m., or immediately after the conclusion or adjournment (as the case may be) of the 59th AGM of the Company, which will be held at the the same venue and on the same day at 10.30 a.m.

This Circular is dated 28 April 2023

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## DEFINITIONS

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

“Act”	:	The Companies Act 2016 and all regulations made thereunder
“BNM”	:	Bank Negara Malaysia
“Board”	:	The Board of Directors of GUH
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
“Circular”	:	This circular to shareholders of GUH dated 28 April 2023 in relation to the Proposals
“CMSA”	:	Capital Markets and Services Act, 2007
“Deed Poll”	:	The deed poll constituting the Warrants to be executed by GUH
“Depositories Act”	:	Securities Industry (Central Depositories) Act 1991
“Director(s)”	:	The directors of GUH and shall have the meaning given in section 2(1) of the Act and section 2(1) of the CMSA
“EGM”	:	Extraordinary general meeting of GUH
“Entitled Shareholder(s)”	:	The shareholder(s) of GUH whose names appear in the Record of Depositors of GUH on the Entitlement Date
“Entitlement Date”	:	The date at the close of business (to be determined and announced later by the Board) on which the names of shareholders of GUH must be entered as a member in the Record of Depositors of GUH in order to be entitled to and participate in Proposed Bonus Issue of Warrants
“EPS”	:	Earnings per Share
“Existing SGP”	:	Employees’ share scheme of our Company which was established on 10 July 2020
“FDI”	:	Foreign direct investment
“FPE”	:	Financial period ending
“FYE”	:	Financial year ended/ending, as the case may be
“GDP”	:	Gross domestic product
“GUH” or the “Company”	:	GUH Holdings Berhad (Registration No. 196101000062 (4104-W))
“GUH Group” or the “Group”	:	Collectively, GUH and its subsidiaries, associates and joint venture entities
“GUH Share(s)” or “Share(s)”	:	Ordinary share(s) in GUH
“GW”	:	Gigawatts

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## DEFINITIONS (Cont'd)

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“Hsinjing”	: Hsinjing Renewable Energy Investment Co., Ltd (Business Registration No.: 83785506)
“Indicative Exercise Price”	: The illustrative exercise price per Warrant adopted in this Circular being RM0.54 per Warrant, as set out in <b>Section 2.2</b> of this Circular. The actual exercise price of the Warrants will only be determined and announced at a later date, and will be subject to the adjustments in accordance with the terms and provisions of the Deed Poll during the exercise period
“Leader Energy”	: Leader Energy Holding Berhad (formerly known as Leader Energy Holding Sdn Bhd) (Registration No.: 202101022179 (1422479-U))
“Leader GUH Energy”	: Leader GUH Renewable Energy Sdn Bhd (Registration No. 197901001434 (45674-U)), a 40% owned associate of GUH
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities
“LPD”	: 17 April 2023, being the latest practicable date prior to the printing and despatch of this Circular
“Market Day(s)”	: Any day(s) from Mondays to Fridays (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for trading of securities
“Maximum Scenario”	: Assuming all of the 115,264 treasury shares of GUH as at the LPD are resold to the market prior to the implementation of the Proposed Bonus Issue of Warrants
“Minimum Scenario”	: Assuming none of the 115,264 treasury shares of GUH as at the LPD are resold to the market prior to the implementation of the Proposed Bonus Issue of Warrants
“MWp”	: Megawatt peak
“NA”	: Net assets attributable to the owners of GUH
“PCB”	: Printed circuit boards
“Proposals”	: Collectively, the Proposed Bonus Issue of Warrants and Proposed Diversification
“Proposed Bonus Issue of Warrants”	: The issuance of up to 140,680,120 Warrants on the basis of 1 Warrant for every 2 existing GUH Shares held by the Entitled Shareholders on the Entitlement Date
“Proposed Diversification”	: Proposed diversification of the existing principal activities of GUH Group to include renewable energy business and related activities
“Record of Depositors”	: A record of depositors established by Bursa Depository under the Rules of Bursa Depository
“Rules of Bursa Depository”	: The Rules of Bursa Depository as issued pursuant to the Depositories Act
“Sanding”	: Sanding Energy Co., Ltd (Business Registration No.: 29062243)

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## DEFINITIONS (Cont'd)

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“Sanding Solar Projects”	: A collection of 7 small ground and rooftop photovoltaic projects undertaken by Sanding across Taiwan, with a total contracted capacity of 5.8MWp and total contract value of approximately NTD212.26 million. Further details of the Sanding Solar Projects are set out in <b>Section 3.2</b> of this Circular
“SGP”	: Share Grant Plan
“SGP Shares”	: Shares granted under the Existing SGP
“Solar Project Entities”	: Collectively, Yabisi, Sanding, VSPCL I, VSPCL II and VSPCL III
“Taiwan Solar Projects”	: Collectively the Sanding Solar Projects, VSPCL Solar Projects and Yabisi Solar Project
“UOBKH” or the “Adviser”	: UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K))
“VSPCL Solar Projects”	: A development of 11 small scale rooftop solar projects undertaken by VSPCL I and VSPCL II across Taiwan, with a total contracted capacity of 16.4MWp and total contract value of approximately NTD887.05 million. Further details of the VSPCL Solar Projects are set out in <b>Section 3.2</b> of this Circular
“VSPCL I”	: Vision I Solar Power Co., Ltd (Business Registration No.: 90359422)
“VSPCL II”	: Vision II Solar Power Co., Ltd (Business Registration No.: 90359437)
“VSPCL III”	: Vision III Solar Power Co., Ltd (Business Registration No.: 90365830)
“VWAP”	: Volume weighted average market price
“Warrant(s)”	: Up to 140,680,120 free warrants in GUH to be issued pursuant to the Proposed Bonus Issue of Warrants
“Yabisi”	: Yabisi Solar Power Co., Ltd (Business Registration No.: 54984323)
“Yabisi Solar Project”	: A 20-year renewable energy power generation project undertaken by Yabisi in Taiwan with a contract value of approximately NTD9.52 billion. Further details of the Yabisi Solar Project are set out in <b>Section 3.2</b> of this Circular
“YOY”	: Year-over-year

### Currencies

“NTD”	: New Taiwan Dollar
“RM” and “sen”	: Ringgit Malaysia and sen, respectively
“USD”	: United States Dollar

All references to “we”, “us”, “our” and “ourselves” are made to GUH, or where the context requires, shall include our subsidiaries.

All references to “you” in this Circular are made to shareholders who are entitled to attend, participate, speak and vote at the EGM. Unless specifically referred to, words denoting incorporating the singular shall, where applicable include the plural and vice versa and words denoting incorporating 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.

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**DEFINITIONS (Cont'd)**

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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.

Unless otherwise stated, the exchange rate of NTD100 : RM14.4818 as extracted from BNM as at 17 April 2023, being the foreign exchange rate used through this Circular.

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**NOTICE OF EGM****ENCLOSED****PROXY FORM****ENCLOSED**



## **GUH HOLDINGS BERHAD**

Registration No. 196101000062 (4104-W)  
(Incorporated in Malaysia)

### **Registered office**

Part of Plot 1240 & 1241  
Bayan Lepas Free Industrial Zone  
Phase 3, 11900 Bayan Lepas  
Penang

28 April 2023

### **Board of Directors**

Tan Sri Dato' Seri H'ng Bok San	<i>(Executive Chairman)</i>
Datuk Seri Kenneth H'ng Bak Tee	<i>(Chief Executive Officer / Group Managing Director)</i>
Dato' Harry H'ng Bak Seah	<i>(Non-Executive Director)</i>
Datin Seri Jessica H'ng Hsieh Ling	<i>(Non-Executive Director)</i>
Dato' Dr. Gan Kong Meng	<i>(Independent Non-Executive Director)</i>
Teng Chang Yeow	<i>(Independent Non-Executive Director)</i>
Phoon Yee Min	<i>(Independent Non-Executive Director)</i>

### **To: Our shareholders**

Dear Sir/Madam,

#### **I. PROPOSED BONUS ISSUE OF WARRANTS; AND**

#### **II. PROPOSED DIVERSIFICATION**

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### **1. INTRODUCTION**

On 20 February 2023, UOBKH had, on behalf of our Board, announced that we proposed to undertake the following:-

- (i) proposed bonus issue of up to 140,135,650 Warrants on the basis of 1 Warrant for every 2 GUH Shares held by the Entitled Shareholders of GUH on the Entitlement Date to be determined and announced later; and
- (ii) proposed diversification of the existing principal activities of our Group to include renewable energy business and related activities.

Further to the announcement above, on 28 March 2023, UOBKH, on behalf of our Board envisaged that an additional 1,088,939 unvested SGP Shares to the eligible employees may vest prior to the Entitlement Date for the Proposed Bonus Issue of Warrants. As a result, the maximum number of up to 140,135,650 Warrants initially announced on 20 February 2023 had been revised of up to 140,680,120 Warrants. For information purposes, the entire block of 1,088,939 unvested SGP Shares were fully vested on 10 April 2023.

On 14 April 2023, UOBKH had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 13 April 2023, approved the following:-

- (i) the admission of the Warrants to the Official List of Bursa Securities;
- (ii) listing of and quotation for the Warrants on the Main Market of Bursa Securities; and
- (iii) listing of and quotation for the new GUH Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.**

## **2. PROPOSED BONUS ISSUE OF WARRANTS**

### **2.1 Details of the Proposed Bonus Issue of Warrants**

The Proposed Bonus Issue of Warrants entails the issuance of up to 140,680,120 Warrants on the basis of 1 Warrant for every 2 existing GUH Shares held by our Entitled Shareholders on the Entitlement Date.

As at the LPD, GUH has an issued share capital comprising of 281,360,240 GUH Shares (including 115,264 treasury shares held by our Company). For information purposes, as at the LPD, the Company has 10,433,763 outstanding SGP Shares granted under the Existing SGP. However, the outstanding SGP Shares will not be vested prior to the implementation of the Proposed Bonus Issue of Warrants.

Assuming all existing 115,264 treasury shares are resold in the open market prior to the Entitlement Date, a maximum number of 140,680,120 Warrants will be issued pursuant to the Proposed Bonus Issue of Warrants.

For information purposes, the entitlement basis for the Proposed Bonus Issue of Warrants was determined based on the following:-

- (i) the amount of proceeds which could potentially be raised by our Company as and when the Warrants are exercised during the exercise period of the Warrants;
- (ii) the dilutive effects arising from the full exercise of Warrants on the EPS and NA per Share of our Company; and
- (iii) compliance with Paragraph 6.50 of the Listing Requirements which states that our Company must ensure that the number of new shares which will arise from the exercise or conversion of all outstanding convertible equity securities, does not exceed 50% of the total number of issued shares of our Company (excluding treasury shares and before the exercise of the convertible equity securities) at all times.



The actual number of Warrants to be issued under the Proposed Bonus Issue of Warrants will depend on the number of GUH Shares in issue on the Entitlement Date. Fractional entitlements arising from the Proposed Bonus Issue of Warrants, if any, will be disregarded, and dealt with in such manner as our Board may in its absolute discretion deem fit and expedient, and in the best interest of our Company.

The Warrants will be issued in registered form and constituted by a Deed Poll to be executed by our Company. The indicative salient terms of the Deed Poll are set out in **Appendix I** of this Circular. The Proposed Bonus Issue of Warrants will not be implemented in stages over a period of time.

## **2.2 Basis and justification of determining the exercise price of the Warrants**

The Warrants will be issued at no cost to the Entitled Shareholders.

The exercise price of the Warrants will be determined by our Board at a later date after all relevant approvals have been obtained but before the announcement of the Entitlement Date, after taking into consideration, among others, the following:-

- (i) the historical price movement of GUH Shares;
- (ii) the 5-day VWAP of GUH Shares and the prevailing market price of GUH Shares; and
- (iii) the future prospects and potential funding requirements of our Group.

In any case, it is the intention of our Board to fix the exercise price of the Warrants at a premium of not more than 10% to the 5-day VWAP of GUH Shares up to and including the date prior to the price-fixing date, in view that the Warrants are issued at no cost, and are exercisable into new GUH Shares over a 5-year tenure.

For illustrative purposes, the Indicative Exercise Price of the Warrants is assumed to be at RM0.54, which represents a premium of 2.80% to the 5-day VWAP of GUH Shares up to and including the LPD of RM0.5253.

Our Board wishes to emphasise that the Indicative Exercise Price should not be taken as an indication of or reference to the actual exercise price of the Warrants as it will only be determined and announced at a later date and dependent on the abovementioned factors.

## **2.3 Ranking of the Warrants and the new GUH Shares to be issued arising from the exercise of the Warrants**

The Warrant holders are not entitled to any voting rights in any general meeting of our Company or participation in any form of distribution and/or offer of securities in our Company until and unless new shares are issued pursuant to such Warrant holders exercising their Warrants.

The new GUH Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank equally in all aspects with the existing GUH Shares, save and except that the new GUH Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, where the entitlement date precedes the date of allotment and issuance of such new GUH Shares.

## 2.4 Listing of and quotation for the Warrants and new GUH Shares to be issued arising from the exercise of the Warrants

We have received the approval from Bursa Securities for the admission of the Warrants to the Official List of Bursa Securities as well as for the listing of and quotation for the Warrants and the new GUH Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities vide its letter dated 13 April 2023, subject to the conditions as stated under **Section 8** of this Circular.

## 2.5 Utilisation of proceeds

The Proposed Bonus Issue of Warrants will not raise any immediate funds as the Warrants will be issued at no cost to the Entitled Shareholders.

The amount of proceeds to be raised from the exercise of the Warrants would depend on the final exercise price and actual number of Warrants exercised during the exercise period. As such, the exact quantum and timeframe for the utilisation of the proceeds to be raised cannot be determined at this juncture. However, we envisage that the proceeds will be utilised within 12 months from the date of receipt.

Assuming that all Warrants are exercised at the Indicative Exercise Price of RM0.54 each, we will raise gross proceeds of up to approximately RM75.97 million. The amount of proceeds to be raised from the exercise of the Warrants would depend on the actual number of Warrants exercised during the exercise period of the Warrants as well as the exercise price of the Warrants, which is to be determined at a later date.

The actual breakdown on utilisation of such proceeds has not been determined by our management as at this juncture and will be dependent on the operating and funding requirements of our Group at the time of utilisation. Nevertheless, we intend to allocate proceeds to be raised from the exercise of the Warrants to be utilised in the following manner:-

	Estimated allocation of proceeds (%)
<b><u>Working Capital</u></b>	
<u>Renewable energy business</u> - to part fund the development cost of the Taiwan Solar Projects as set out in <b>Section 3.2</b> of this Circular (which includes the payment of RM194.43 million towards the development cost of the Taiwan Solar Projects)	50.00
<u>Electronic Segment and Property Segment</u> - to be utilised to part fund operating costs (such as payment to suppliers and contractors, staff-related expenses, as well as general and administrative expenses which includes utilities, maintenance and upkeep of our office and factory and other overheads)	50.00
<b>Total</b>	<b>100.00</b>

The proceeds to be utilised for each component of working capital are subject to the operating requirements of our Group at the time and therefore, may be subject to changes.

Pending use of the proceeds raised as and when the Warrants are exercised, such proceeds will be placed in deposits with financial institutions or short-term money market instruments as our Board deems fit. The interest derived from the deposits with financial institutions or any gain arising from short-term money market instruments will also be to support our working capital.

## 2.6 Fund-raising exercises undertaken in the past 12 months

We have not undertaken any fund-raising exercises in the past 12 months prior to the date of this Circular.

## 3. PROPOSED DIVERSIFICATION

### 3.1 Background for the Proposed Diversification

Our Group's existing principal business comprises, amongst others, the manufacturing and sales of PCB catering to communication, audio and video, computer, automotive, home appliance and other consumer products, which has been our Group's mainstay operations and primary contributor to our revenue and profitability since 1987.

Over the years, due to the increasing competition in the PCB manufacturing industry and the emergence of new competitors, our Group has explored various initiatives and ventures to diversify our earnings base. These ventures include the renewable energy business and related activities, such as solar energy, which are undertaken via our Group's utilities division. In particular, we had previously, via a 20%-owned associate, Cambodia Utilities Pte Ltd, undertaken an 18-year Build Operate and Transfer power generation project until the expiry of the concession in 2015.

In line with our Group's recent diversification strategies, we had, vide our 40%-owned associate, Leader GUH Energy, undertaken the following investments to participate in renewable energy businesses:-

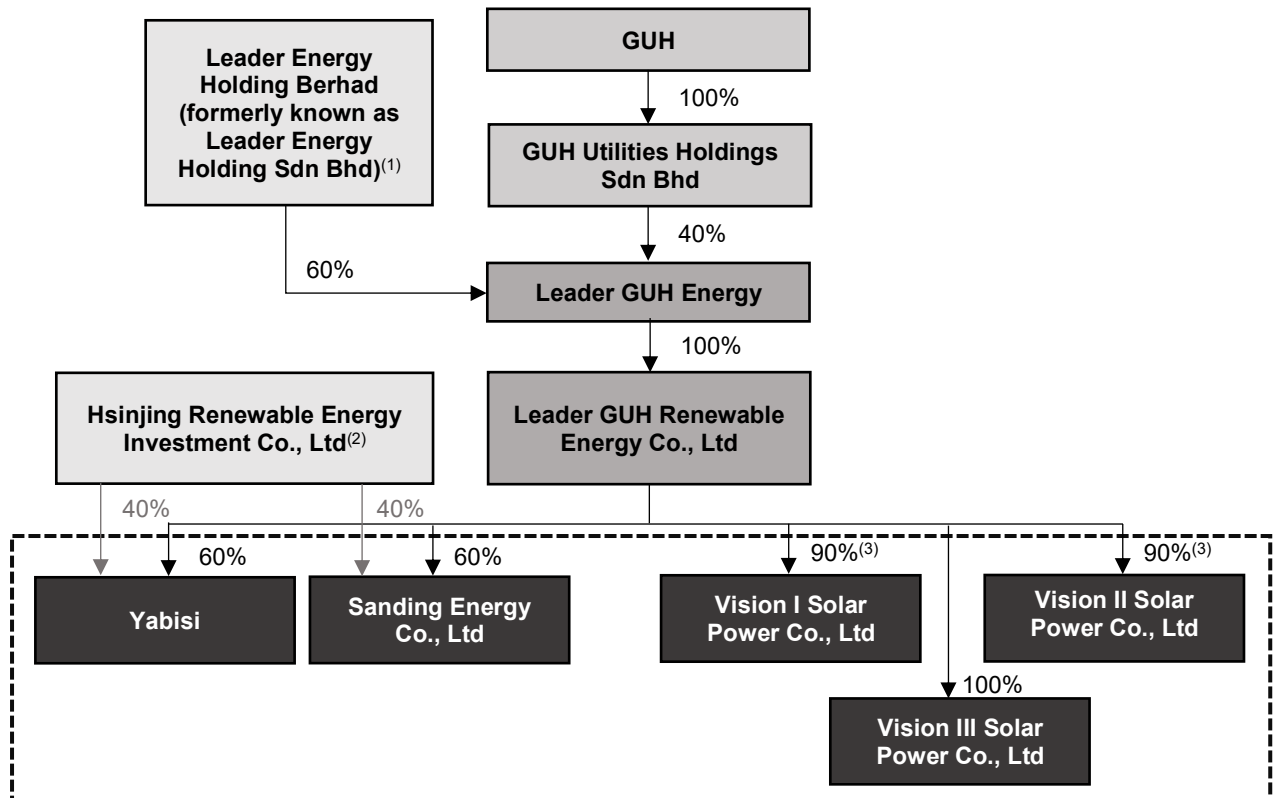
- (a) invested in Yabisi a company incorporated in Taiwan, vide a subscription of 300,000 new shares in Yabisi, representing 60% equity interest, for a total cash consideration of NTD3,000,000 ("**Yabisi Subscription**"). The Yabisi Subscription was effected through a subscription agreement entered into between GUH and Hsinking Co., Limited on 18 August 2020.

Upon completion of the Yabisi Subscription on 3 March 2021, Yabisi became an associate of GUH, with GUH owning 24% effective equity interest in Yabisi. Yabisi is presently undertaking the development of a large-scale 76.5 MWp floating solar photovoltaic project in Taiwan, details of which are set out in **Section 3.2** of this Circular; and

- (b) established 4 new entities under Leader GUH Energy, namely Sanding, VSPCL I, VSPCL II and VSPCL III, all of which are incorporated in Taiwan, with the intended goals of bidding for and securing new renewable energy projects in Taiwan. These entities are presently in the process of bidding for and undertaking smaller-scale ground and rooftop solar photovoltaic projects across Taiwan, details of which are set out in **Section 3.2** of this Circular.

In view of the estimated development costs of Taiwan Solar Projects as set out in **Section 3.2** of this Circular totalling approximately RM194.43 million, we expect that the total investment for the projects to potentially exceed 25% of our Group's net assets in the near term, and as such, we have resolved to undertake the Proposed Diversification as detailed in **Section 3.4** of this Circular.

Our Group structure and the details of the other owners of our Solar Project Entities are illustrated below:-



**Notes:-**

Denotes the entities undertaking the renewable energy and related activities pursuant to the Proposed Diversification.

- (1) Leader Energy is a private limited company incorporated in Malaysia on 23 June 2021 and subsequently converted to a public company on 1 March 2023, and principally involved in investment holding. Through its subsidiaries, the Leader Energy group of companies has over 28 years of experience in the power sector, owning and operating a diverse portfolio of power and transmission assets in Southeast Asia and Taiwan.
- (2) Hsinjing is a company established by the laws of Republic of China, principally involved in investment holding, provision of technical and installation services as an experienced solar photovoltaics contractor, and investment in solar power generation companies/project.
- (3) The remaining 10% equity interest in VSPCL I and VSPCL II is held by Zhao Feng Holdings Co., Ltd, a company established by the laws of Republic of China (Business Registration No.: 90081480), principally involved in investment holding.

**3.2 Information on the solar projects undertaken**

As at the LPD, the details of the renewable energy projects undertaken by our Group are set out as follows:-

- (i) Yabisi is primarily involved in a 20-year renewable energy power generation project with a contract value (including concession period) of approximately NTD9.52 billion (or approximately RM1.38 billion) for the development of a large-scale 76.5MWp floating solar photovoltaic project in Taiwan. The Yabisi Solar Project is expected to be developed at a cost of up to NTD4.05 billion (or approximately RM586.51 million). The commercial operational date of the Yabisi Solar Project is expected to commence by the end of 2024;

- (ii) Sanding is undertaking a collection of 7 small ground and rooftop photovoltaic projects across Taiwan, with a total contracted capacity of 5.8MWp and total development cost of approximately NTD212.26 million (or approximately RM30.74 million) for a 20-year term. To-date, a total of 6 projects have been completed and operational since 2019, while the remaining project was completed in the first quarter of 2023; and
- (iii) VSPCL I and VSPCL II are undertaking the development of 11 small scale rooftop solar projects across Taiwan, with a total contracted capacity of 16.4MWp and total development cost of approximately NTD887.05 million (or approximately RM128.46 million). The commercial operational date of the VSPCL Solar Projects is expected to commence by the 3<sup>rd</sup> quarter of 2023.

We will be undertaking the abovementioned Taiwan Solar Projects through collaborations with its joint venture partner, Leader Energy, who has over 28 years of experience in the renewable energy industry, as well as with local established renewable energy providers in the Taiwan region, namely Hsinjing. The collaboration will enable GUH to tap into the expertise and technical know-how of the parties, as well as enable the parties to share the resources in undertaking the Taiwan Solar Projects.

For information purposes, the development cost incurred by GUH on the abovementioned Taiwan Solar Projects are as follows:-

Taiwan Solar Projects	Development cost incurred / to be incurred				Current Status
	Total		GUH's portion only		
	(NTD'million)	*(RM'million)	(NTD'million)	*(RM'million)	
Yabisi Solar Project	4,050.00	586.51	<sup>(1)</sup> 972.00	<sup>(1)</sup> 140.76	In the midst of obtaining approval from the local authorities (The project is expected to be completed by end of 2024)
Sanding Solar Projects	212.26	30.74	<sup>(2)</sup> 50.94	<sup>(2)</sup> 7.38	Completed
VSPCL Solar Projects	887.05	128.46	<sup>(3)</sup> 319.34	<sup>(3)</sup> 46.25	In the midst of obtaining approval from the local authorities (The project is expected to be completed by 3rd quarter of 2023)
<b>Total</b>	<b>5,149.31</b>	<b>745.71</b>	<b>1,342.28</b>	<b>194.39</b>	

**Notes:-**

\* Computed based on the closing exchange rate of NTD100 : RM14.4818 as extracted from BNM as at 17 April 2023.

(1) Representing 24% of the total development cost of Yabisi Solar Project.

(2) Representing 24% of the total development cost of Sanding Solar Projects.

(3) Representing 36% of the total development cost of VSPCL Solar Projects.

### 3.3 Existing principal business of our Group

As at the LPD, our Group is principally involved in the following business segments:-

- (i) **Electronic segment:-** manufacturing and sales of printed circuit boards catering to communication, audio and video, computer, automotive, home appliance and other consumer products;
- (ii) **Property development segment:-** residential and commercial development;
- (iii) **Utilities segment:-** installation of water and wastewater treatment plant and construction of road; and
- (iv) **Plantation segment:-** cultivation of oil palm.

The Group is also exploring the business of assembly and distribution of electric scooters, bicycles and motorbikes.

The key financial performance of our Group for the past 4 financial years up to the FYE 31 December 2022 are as follows:-

	Audited FYE 31 December			
	2019 (RM'000)	2020 (RM'000)	2021 (RM'000)	2022 (RM'000)
Revenue	335,990	239,872	278,796	275,842
Gross profit	35,076	9,660	29,798	25,395
Profit/(Loss) before tax	7,096	(40,258)	18,058	1,062
Profit/(Loss) after tax	5,010	(44,972)	14,569	(4,288)
Profit/(Loss) attributable to owners of the Company	5,018	(44,968)	14,573	(4,282)

In addition, a summary of our Group's revenue based on the existing operating segments for the past 4 financial years up to the FYE 31 December 2022 are as follows:-

Revenue based on operating segments	Audited FYE 31 December							
	2019		2020		2021		2022	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
<b><u>Electronic</u></b>								
Manufacture of printed circuit boards	289,637	86.2	213,338	88.9	210,910	75.7	213,885	77.5
<b><u>Property development</u></b>								
Properties under development	9,985	3.0	8,259	3.4	15,946	5.7	14,704	5.3
Completed development units	11,884	3.5	5,725	2.4	30,813	11.1	31,425	11.4
<b><u>Utilities</u></b>								
Management and construction of water and wastewater	16,430	4.9	8,734	3.6	16,816	6.0	10,676	3.9
<b><u>Plantation</u></b>								
Fresh fruit bunches	818	0.3	916	0.4	1,708	0.6	1,602	0.6

Revenue based on operating segments	Audited FYE 31 December							
	2019		2020		2021		2022	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
<b>Electrical<sup>(1)</sup></b>								
Electrical appliance	5,477	1.6	874	0.4	-	-	-	-
Unallocated non-operating segments <sup>(2)</sup>	1,759	0.5	2,026	0.9	2,603	0.9	3,550	1.3
<b>Total revenue</b>	<b>335,990</b>	<b>100.0</b>	<b>239,872</b>	<b>100.0</b>	<b>278,796</b>	<b>100.0</b>	<b>275,842</b>	<b>100.0</b>

**Notes:-**

(1) Our Group has discontinued its electrical segment since 2020.

(2) Includes dividend income and lease rental.

Based on the table above, the electronic segment is our Group's primary revenue contributor in the past 4 years up to FYE 31 December 2022 contributing approximately 75.7% to 88.9% to our Group's revenue.

### 3.4 Details of the Proposed Diversification

Our Board has considered the following potential contribution of the renewable energy business to our Group:-

- (i) a total contract value in respect of the Taiwan Solar Projects attributed to GUH of approximately NTD2.98 billion<sup>(1)</sup> (or approximately RM432.20 million), computed based on our effective ownership stakes in the Solar Project Entities multiplied by the total contract value of the Taiwan Solar Projects, which are expected to be realised over the concession period / tenure of the projects; and

**Note:**

(1)

Taiwan Solar Projects	Contract value		(%)
	(NTD'million)	*(RM'million)	
Yabisi Solar Project	2,284.80	330.88	76.56
Sanding Solar Projects	69.60	10.08	2.33
VSPCL Solar Projects	630.00	91.24	21.11
<b>Total</b>	<b>2,984.4</b>	<b>432.20</b>	<b>100.00</b>

**Note:-**

\* Computed based on the closing exchange rate of NTD100 : RM14.4818 as extracted from BNM as at 17 April 2023.

- (ii) Leader GUH Energy may, through the Solar Project Entities, bid or acquire other new renewable energy projects, which will in turn increase the total potential contribution to our Group's renewable energy business.

Based on the above, our Board anticipates that, barring any unforeseen circumstances, our Group's new business activities in renewable energy may contribute 25% or more of our net profits and/or result in a diversion of more than 25% of our net assets towards the aforesaid new business activities moving forward. Furthermore, our Board anticipates that the renewable energy business segment may largely contribute to our Group's earnings in the future as it will continue to identify and secure additional solar energy projects resulting in further expansion of this business segment in the long term. As such, our Board proposes to seek the approval from the shareholders for the Proposed Diversification pursuant to Paragraph 10.13 of the Listing Requirements at the forthcoming EGM.

Notwithstanding the Proposed Diversification, our Board intends to continue with our Group's existing principal activities in the same manner and our Board will review our Group's business operations from time to time with the intention to further improve our Group's financial performance.

### 3.5 Key management personnel

We will leverage on the skillset and expertise of our joint venture partner, Leader Energy's management team to undertake the Taiwan Solar Projects. In addition, our Group has also identified existing experienced personnel of our Group, namely, Datuk Seri Kenneth H'ng Bak Tee (the Chief Executive Officer/Group Managing Director of GUH) and Lewis H'ng Chun Li (the Chief Operating Officer of GUH), as the key management personnel to lead and oversee the operations pertaining to the Taiwan Solar Projects as well as other renewable energy activities (if any) moving forward.

Further details of the qualification and experience of the key management personnel are set out below:-

- i. **Datuk Seri Kenneth H'ng Bak Tee** (Male), a Malaysian aged 63, is the Chief Executive Officer/Group Managing Director of our Group. He was appointed to our Board on 1 September 2004. He will be responsible for overseeing long-term business expansion, strategic planning and performance review of the renewable energy business. Previously he was actively involved in our Group's power generation business in Cambodia.

He graduated with a Bachelor of Mathematics (Double Honours) in Computer Science and Combinatoric & Optimization and also holds a Master of Applied Science (Management Science) from University of Waterloo, Canada. He is currently a Fellow Member of the Institute of Approved Company Secretaries, an Affiliate Member of the Malaysian Institute of Chartered Secretaries and Administrators and a Member of the Registered Financial Planner.

Prior to joining GUH, he was with International Business Machines (IBM) in Kuala Lumpur and IBM in Asia South Pacific Area (ASPA) HQ in Hong Kong. He was also with Leader Universal Holdings Berhad for 16 years. As Chief Executive Officer/Group Managing Director of GUH, he is responsible for overseeing the overall operations and management of our Group.

- ii. **Lewis H'ng Chun Li** (Male), a Malaysian aged 35, is the Chief Operating Officer of GUH, where he was appointed on 1 October 2017. He will be responsible for managing the overall resources and operations of our Group's renewable energy business, and was instrumental in acquiring the renewable energy projects in Taiwan.

He graduated with Bachelor Degree in Economics from Monash University, Australia. Upon graduation, he joined Citigroup in 2010 as a Transaction Service Analyst, and thereafter Kiyamas Chemical Sdn Bhd ("**Kiyamas**") from 2010 to 2012 as an Operations and Management (O&M) Executive. Subsequently, he left Kiyamas and joined GUH in 2013 as the deputy general manager of GUH Circuit Industry (Suzhou) Co. Ltd. and returned to GUH corporate office in 2015 as the Personal Assistant to the Chief Executive Officer/Group Managing Director and subsequently general manager of the corporate division and appointed to the current position of Chief Operating Officer in October 2017. His primary duties are to manage, plan and oversee projects implementation of our Group. He also sits on our board of a majority of the subsidiaries of GUH.



Our Group believes that the above key management personnel have the requisite project management experience and expertise to assist our Group's venture into the renewable energy business. Like our other business segments, our Group has put in place management succession strategies and plans with the aim of ensuring business continuity of the new renewable energy business, and such strategies entails the following:-

- (i) identifying promising internal candidates for grooming and training to further develop their competencies and skills to fill leadership positions within our organisation; and
- (ii) encouraging our middle management to accelerate their learning curve and equip themselves with the required knowledge and competencies to succeed in more senior positions in the future by taking on more responsibilities beyond their existing roles and scope of work.

Further, in the event of the resignation of any of the above key personnel, our Group has identified George Koay Soo Keat, GUH's Corporate Planning General Manager to assume the roles and responsibilities of the above key personnel as part of our Group's ongoing management succession strategies and plans. George Koay Soo Keat is deemed to be a suitable successor given his experience and expertise in the renewable energy business, where he has been actively involved in the planning, feasibility studies and financing of renewable energy projects. He also sits on the boards of Leader GUH Energy and Leader GUH Renewable Energy Co., Ltd. Notwithstanding having succession plans in place, there is no management agreement entered into between our Company and George Koay Soo Keat. Hence, in the event that George Koay Soo Keat is unable to assume the role of key personnel or resigns from our Group, our Company will then engage the services of external consultants to carry out the key functions until such time we are able to secure a suitable replacement.

Moving forward, upon successful implementation of the Proposed Diversification and in tandem with the potential growth of the renewable energy business as an important contributor to the Group, we intend to appoint additional technical personnel to assist and support our Group in its renewable energy business activities and to tap into the strengths of the partners.

Based on the above, our Board believes that, by leveraging on the expertise of the aforesaid key management personnel and partners, namely Leader Energy and Hsinjing, we have the capacity, capability and resources to diversify into renewable energy business and related activities.

#### **4. RATIONALE AND JUSTIFICATION FOR THE PROPOSALS**

##### **4.1 Proposed Bonus Issue of Warrants**

After due consideration of the various options available, our Board is of the view that the Proposed Bonus Issue of Warrants is an appropriate avenue for our Company to reward its existing shareholders after taking consideration the following:-

- (i) reward our Company's existing shareholders for their continuous support by enabling them to participate in our Company's listed convertible securities, without incurring any cost;
- (ii) provide existing shareholders of our Company with an opportunity to further increase their equity participation in our Company by exercising the Warrants at a pre-determined price over the tenure of the Warrants;

- (iii) allow existing shareholders of our Company to benefit from any potential capital appreciation of the Warrants as the Warrants will be listed and can be traded; and
- (iv) strengthen our financial position and capital base, as the Warrants will potentially provide our Group with additional working capital as and when the Warrants are exercised without incurring interest costs as compared to bank borrowings.

## 4.2 Proposed Diversification

In order to mitigate the reliance on its existing activities as well as to diversify its earnings base moving forward, our Group has been continuously seeking opportunities to diversify into other viable businesses. In line with its strategy, we have identified renewable energy businesses and related activities such as solar energy as a viable business to venture into.

Solar energy has been in the forefront of energy development in many developed countries and a potential source of energy to developing countries like Taiwan. The Taiwan government will install an additional 2.5 GW of solar power generation capacity in 2022 surpassing previous annual high of 1.883 GW in 2021.

In addition, the Taiwanese government is transitioning towards a more sustainable environment by aggressively increasing the usage of renewable energy to reduce carbon emission which forms part of Taiwan's net-zero emissions goal by 2050.

*(Source: News article entitled "Economics minister pledges 2.5GW of new solar power capacity in 2022", <https://focustaiwan.tw/business/202209120019#:~:text=Taiwan%20is%20pursuing%20the%20development,mostly%20coal%20and%20natural%20gas.> published on 12 September 2022)*

Premised on the above, our Group is of the view that the Proposed Diversification into the business of renewable energy provides our Group with an additional, steady stream of income as well as potential synergies such as the expansion of our business footprint into a greener portfolio whilst knowledge gained from the renewable energy projects, which may be utilised in our other existing business' segments. In the long term, such diversification will provide us with opportunities to network with experienced industry players which will help us meet growing environmental demands across all our businesses.

The joint venture arrangement of undertaking the Taiwan Solar Projects together with Leader Energy also reduces the financial risk exposure on our Group, or any single entity. Further, our Group will also be able to leverage on the expertise and industry know-how of its joint venture partners in undertaking its responsibilities under the Taiwan Solar Projects.

On an overall basis, the Proposed Diversification is expected to augur well in the overall structure of our Group's existing business moving forward and at the same time reduce its reliance on our Group's existing business portfolios. Barring any unforeseen circumstances, our Board believes that the Proposed Diversification will potentially contribute positively to our Group's future earnings. Notwithstanding the above, upon completion of the Proposed Diversification, our Group's existing business would remain and continue as part of the core business of our Group.

## 5. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

### 5.1 Overview and outlook of the Malaysian economy

The GDP growth in 2022 moderated to 3.4% reflecting the economic slowdown in advanced economies as well as emerging market and developing economies (EMDEs). Despite the softened global growth, Malaysia's economy recorded a strong growth of 8.7% in 2022, exceeding the initial projection of 6.5% - 7%, whereby real output value reached above the pre-pandemic level. The commendable performance was driven by domestic demand and improved labour market in line with the transition to the endemic phase. These resulted from an increase in economic activities which include household spending, investment and tourism. Subsequently, encouraging expansion in all economic sectors primarily the services and manufacturing have also provided continuous impetus to the significant economic growth in 2022. Furthermore, the growth was attributed to robust external demand, especially among Malaysia's major trading partners.

In 2023, global growth is expected to further soften at 2.9% on the back of persistent pressures such as inflation, tightening global financial conditions and economic deceleration among major economies. Meanwhile, Malaysia's economic growth is projected to moderate amid the signs of weakness in the global growth momentum. The growth will be mainly supported by steady domestic demand primarily private expenditure as well as initiatives under the Budget 2023 and development expenditure under the Twelfth Malaysia Plan, 2021 – 2025 (12MP). However, a slowdown in external demand is expected to moderate exports growth, particularly in the electrical and electronic (E&E) products and major commodities.

On the supply side, all economic sectors are expected to remain in the positive growth trajectory in 2023, driven by the services and manufacturing sectors. Other sectors, namely agriculture, mining and construction are also expected to grow further in line with the improvement in economic activities. However, downside risks such as prolonged geopolitical conflict, climate-related disasters and persistently high inflation are expected to further hampering the global economic growth, hence, affecting Malaysia's performance. Overall, the nation's GDP is forecast to grow approximately 4.5% in 2023.

*(Source: Updates on Economic & Fiscal Outlook and Revenue Estimates 2023, Ministry of Finance of Malaysia)*

### 5.2 Overview and outlook of the Taiwan economy

Global economic growth is projected to slow down due to the demand crunch caused by the ongoing Russia's war in Ukraine and tightening monetary policy against inflation across countries, as well as the cooling down of material and product prices and inventory adjustments. According to International Monetary Fund, the crumbled momentum of global demand is indicated by the world trade volume projected to grow by 2.4% in 2023, lower than 5.4% in 2022. However, the increase of surged inbound tourists would spur travel revenue. In aggregate with services exports, real exports of goods and services will grow by 0.04% in 2023.

Real private consumption will grow by 5.24%. As the domestic COVID-19 control eased, consumption is backing to normality. The growth also benefits from the improvement of labor market and the flourishing out-bound tourism owing to the reopening of borders.

The continuing investment of semiconductor industry, the reshoring Taiwan's overseas companies, sustaining investment in offshore wind energy and airline companies expanding aircraft fleets to cope with the increasing cross-border tourism, all will support investment. However, companies' capital spendings may be cautious due to the uncertainty toward global outlook and the effect of a high base. Real private fixed capital formation will decrease by 1.13%.

Combining the above components as well as the public sector, Taiwan's real GDP is projected to grow by 2.12% in 2023, revised downward by 0.63 percentage point from the previous forecast.

Consumer price Index will increase 2.16%, revised upward by 0.30 percentage point, mainly reflecting the extended price surge in food away from home and residential rent. The costs of travel are also expected to be raised owing to increasing of the cross-border tourism.

*(Source: GDP: Preliminary Estimate for 2022Q4 and Outlook for 2023, News Release, Directorate-General of Budget, Accounting and Statistics, Executive Yuan, R.O.C. (Taiwan))*

### **5.3 Overview and outlook of the renewable sector in Taiwan**

Taiwan has strived to enact relevant regulation to fight climate change. Taiwan set a goal for renewable energy sources to provide 27 GW of capacity by 2025. Taiwan aims to phase out nuclear power by 2025 and derive 20 percent of its power supply from renewable sources (mainly solar and offshore wind installation). Taiwan industry continues to question the feasibility for Taiwan to phase out nuclear power by 2025 and increase the use of liquified natural gas and renewables.

In promotion of Taiwan's green energy industry, Taiwan's National Development Fund and local banks collectively provided USD3.4 billion in financial guarantees to steer continued green investment into offshore wind projects and other major infrastructure projects in Taiwan. Since 2018, international renewable energy companies have rushed to set up offshore wind farms in Taiwan because of the 20-year power purchase agreement and generous feed-in tariffs ("FIT") pricing scheme. Taiwan's domestic banks have provided special loans of over USD42 billion to green energy companies and nearly USD9.1 billion to offshore wind businesses. Taiwan's installed solar photovoltaic ("PV") capacity had tripled over the past four years to reach 7.8 GW since Taiwan authorities in 2016 announced the 2025 installed solar capacity target of 20 GW. Investors have been drawn to Taiwan's streamlined application process for solar PV projects and incentives such as higher FIT rates.

*(Source: 2022 Investment Climate Statements: Taiwan, U.S. Department of State)*

### **5.4 Prospects of GUH Group**

The Taiwanese government had, in 2016 approved a plan to promote green energy technology and industrial innovation as part of the government's "five plus two" innovative industries plan, which calls for 20 percent of Taiwan's energy to come from renewable sources by 2025, out of which nearly two thirds will be solar power. This plan is in line with the Taiwanese government's goal to achieve net-zero emissions by 2050.

Premised on the above, venturing into the renewable energy business would provide our Group with the option to explore and undertake sustainable energy opportunities, particularly in the solar energy sector in Taiwan. Our Group has, together with its joint venture partners, collaborated to undertake the Taiwan Solar Projects, enabling our Group to participate in power generation projects in Taiwan, ranging from the larger-scale 76.5MWp floating solar Yabisi Solar Project, to smaller scale ground and rooftop photovoltaic projects across Taiwan.

As set out in **Section 4.2** of this Circular, our Board believes that the Proposed Diversification may enhance our Group's future prospects as it represents an opportunity for our Group to obtain additional stream of income and strengthen the financial position of our Group.

## 6. EFFECTS OF THE PROPOSALS

The Proposed Diversification, on a standalone basis, will not have any effect on our issued share capital, NA, NA per Share, gearing, substantial shareholders' shareholdings, earnings and EPS.

The pro forma effects of the Proposed Bonus Issue of Warrants on our issued share capital, NA, gearing, substantial shareholders' shareholdings and earnings and EPS are as follows:-

### 6.1 Issued share capital

The effects of the Proposed Bonus Issue of Warrants are set out below:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	(RM)	No. of Shares	(RM)
Issued share capital as at the LPD	281,360,240	279,520,108	281,360,240	279,520,108
Less: Treasury shares <sup>(1)</sup>	(115,264)	(147,935)	-	-
	<b>281,244,976</b>	<b>279,372,173</b>	<b>281,360,240</b>	<b>279,520,108</b>
To be issued assuming full exercise of the Warrants	<sup>(3)</sup> 140,622,488	<sup>(2)</sup> 75,936,144	<sup>(3)</sup> 140,680,120	<sup>(2)</sup> 75,967,265
<b>Enlarged issued share capital</b>	<b>421,867,464</b>	<b>355,308,317</b>	<b>422,040,360</b>	<b>355,487,373</b>

#### Notes:-

- (1) Assuming all of the existing 115,264 treasury shares are resold in the open market prior to the Entitlement Date at the respective acquisition cost.
- (2) Computed based on the Indicative Exercise Price of RM0.54 per Warrant.
- (3) The number of new Shares to be issued arising from the full exercise of Warrants does not exceed 50% of the total number of issued shares of GUH before the exercise of Warrants, GUH is in compliance with Paragraph 6.50 of the Listing Requirements.

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## 6.2 NA, NA per Share and gearing

Based on GUH's latest available audited consolidated statement of financial position for the FYE 31 December 2022, the pro forma effects of the Proposed Bonus Issue of Warrants on the NA, NA per Share and gearing of our Group are as follows:-

Minimum Scenario	Audited as at 31 December 2022 (RM'000)	<sup>(1)</sup> After adjusting for subsequent event (RM'000)	Pro forma I	Pro forma II
			After the Proposed Bonus Issue of Warrants (RM'000)	After pro forma I and the full exercise of Warrants (RM'000)
Share capital	279,084	279,520	279,520	<sup>(4)</sup> 355,456
Treasury shares	(148)	(148)	(148)	(148)
Warrants reserve	-	-	<sup>(2)</sup> 19,687	-
Share grant reserve	991	555	555	555
Statutory reserve	13,960	13,960	13,960	13,960
Currency translation reserve	38,615	38,615	38,615	38,615
Retained profits	150,054	150,054	<sup>(2)(3)</sup> 130,187	<sup>(4)</sup> 149,874
<b>Equity attributable to owners of the Company/NA</b>	<b>482,556</b>	<b>482,556</b>	<b>482,376</b>	<b>558,312</b>
Non-controlling interests	(25)	(25)	(25)	(25)
<b>Total equity</b>	<b>482,531</b>	<b>482,531</b>	<b>482,351</b>	<b>558,287</b>
No. of shares in issue ('000)	*280,156	*281,245	*281,245	*421,867
<b>NA per share (RM)</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.32</b>
Total borrowings (RM'000)	52,852	52,852	52,852	52,852
<b>Gearing (times)</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.09</b>

### Notes:-

\* Excluding 115,264 treasury shares held.

(1) After adjusting for 1,088,939 SGP Shares under the Existing SGP which were vested on 10 April 2023 and listed on 11 April 2023.

(2) Computed based on the theoretical fair value of RM0.14 per Warrant derived from Trinomial Option Pricing Model as extracted from Bloomberg.

(3) After deducting the estimated expenses of RM0.18 million in relation to the Proposals.

(4) Based on the Indicative Exercise Price of RM0.54 per Warrant and after accounting for the reversal of warrants reserve.

	Audited as at 31 December 2022	<sup>(1)</sup> After adjusting for subsequent event	Pro forma I	Pro forma II	Pro forma III
			<sup>(2)</sup> After the resale of treasury shares in the open market	After pro forma I and the Proposed Bonus Issue of Warrants	After pro forma II and the full exercise of Warrants
Maximum Scenario	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital	279,084	279,520	279,520	279,520	355,487
Treasury shares	(148)	(148)	-	-	-
Warrants reserve	-	-	-	<sup>(3)</sup> 19,695	-
Share grant reserve	991	555	555	555	555
Statutory reserve	13,960	13,960	13,960	13,960	13,960
Currency translation reserve	38,615	38,615	38,615	38,615	38,615
Retained profits	150,054	150,054	150,054	<sup>(3)(4)</sup> 130,179	<sup>(5)</sup> 149,874
<b>Equity attributable to owners of the Company/NA</b>	<b>482,556</b>	<b>482,556</b>	<b>482,704</b>	<b>482,524</b>	<b>558,491</b>
Non-controlling interests	(25)	(25)	(25)	(25)	(25)
<b>Total equity</b>	<b>482,531</b>	<b>482,531</b>	<b>482,679</b>	<b>482,499</b>	<b>558,466</b>
No. of shares in issue ('000)	*280,156	*281,245	281,360	281,360	422,040
<b>NA per share (RM)</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.71</b>	<b>1.32</b>
Total borrowings (RM'000)	52,852	52,852	52,852	52,852	52,852
<b>Gearing (times)</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.09</b>

**Notes:-**

\* Excluding 115,264 treasury shares held.

(1) After adjusting for 1,088,939 SGP Shares under the Existing SGP which were vested on 10 April 2023 and listed on 11 April 2023.

(2) Assuming the resale of 115,264 treasury shares held as at the LPD at the respective acquisition cost.

(3) Computed based on the theoretical fair value of RM0.14 per Warrant derived from Trinomial Option Pricing Model as extracted from Bloomberg.

(4) After deducting the estimated expenses of RM0.18 million in relation to the Proposals.

(5) Based on the Indicative Exercise Price of RM0.54 per Warrant and after accounting for the reversal of warrants reserve.

### **6.3 Earnings and EPS**

Save for the estimated expenses of approximately RM0.18 million, the Proposals are not expected to have any material effect on the earnings of our Group for the financial year ending 31 December 2023. However, our EPS will be correspondingly diluted in the event there is an increase in the number of GUH Shares in issue upon the exercise of the Warrants. The Proposed Diversification is expected to contribute positively to the future earnings of our Group as and when we are able to realise our investments from the new renewable energy business and related activities.

### **6.4 Convertible securities**

As at the LPD, we do not have any convertible securities in issuance.

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## 6.5 Substantial shareholder's shareholdings

Assuming all the shareholders exercise their respective Warrants, the Proposed Bonus Issue of Warrants will not result in any change to the percentage equity interest of our Company's substantial shareholders as the Warrants will be issued on a pro-rata basis to all Entitled Shareholders. The total number of GUH Shares owned will, however, increase proportionately to their existing shareholdings in our Company as illustrated below:-

Minimum Scenario	Shareholdings as at the LPD				After the Proposed Bonus Issue of Warrants and assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	<sup>(1)</sup> (%)	No. of Shares	<sup>(1)</sup> (%)	No. of Shares	<sup>(2)</sup> (%)	No. of Shares	<sup>(2)</sup> (%)
Gold Connection Assets Limited	47,740,072	16.97	-	-	71,610,108	16.97	-	-
Zun Holdings Sdn Bhd	32,435,375	11.53	-	-	48,653,062	11.53	-	-
Puan Sri Datin Seri Ang Gaik Nga	12,103,708	4.30	<sup>(3)</sup> 32,435,375	11.53	18,155,562	4.30	<sup>(3)</sup> 48,653,062	11.53
Datin Seri Jessica H'ng Hsieh Ling	3,598,465	1.28	<sup>(3)</sup> 32,435,375	11.53	5,397,697	1.28	<sup>(3)</sup> 48,653,062	11.53
Dato' H'ng Chun Hsiang	2,438,748	0.87	<sup>(3)</sup> 32,435,375	11.53	3,658,122	0.87	<sup>(3)</sup> 48,653,062	11.53
H'ng Chun Ching	1,965,200	0.70	<sup>(3)</sup> 32,435,375	11.53	2,947,800	0.70	<sup>(3)</sup> 48,653,062	11.53
H'ng Hsieh Fern	894,199	0.32	<sup>(3)</sup> 32,435,375	11.53	1,341,298	0.32	<sup>(3)</sup> 48,653,062	11.53
Tan Sri Dato' Seri H'ng Bok San	750,031	0.27	<sup>(4)</sup> 53,435,695	19.00	1,125,046	0.27	<sup>(4)</sup> 80,153,542	19.00

### Notes:-

- (1) Based on the existing issued share capital comprising 281,244,976 Shares (excluding 115,264 treasury shares) as at the LPD.
- (2) Based on the enlarged issued share capital comprising 421,867,464 Shares assuming full exercise of Warrants issued pursuant to the Proposed Bonus Issue of Warrants.
- (3) Deemed interested by virtue of their shareholdings held through Zun Holdings Sdn Bhd pursuant to the Act.
- (4) Deemed interested by virtue of his spouse's and children's shareholdings in our Company, as well as his shareholdings held through Zun Holdings Sdn Bhd, pursuant to Act.

Maximum Scenario	Shareholdings as at the LPD				Pro forma I After the resale of treasury shares in the open market			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)(%)	No. of Shares	(1)(%)	No. of Shares	(2)(%)	No. of Shares	(2)(%)
Gold Connection Assets Limited	47,740,072	16.97	-	-	47,740,072	16.97	-	-
Zun Holdings Sdn Bhd	32,435,375	11.53	-	-	32,435,375	11.53	-	-
Puan Sri Datin Seri Ang Gaik Nga	12,103,708	4.30	(4)32,435,375	11.53	12,103,708	4.30	(4)32,435,375	11.53
Datin Seri Jessica H'ng Hsieh Ling	3,598,465	1.28	(4)32,435,375	11.53	3,598,465	1.28	(4)32,435,375	11.53
Dato' H'ng Chun Hsiang	2,438,748	0.87	(4)32,435,375	11.53	2,438,748	0.87	(4)32,435,375	11.53
H'ng Chun Ching	1,965,200	0.70	(4)32,435,375	11.53	1,965,200	0.70	(4)32,435,375	11.53
H'ng Hsieh Fern	894,199	0.32	(4)32,435,375	11.53	894,199	0.32	(4)32,435,375	11.53
Tan Sri Dato' Seri H'ng Bok San	750,031	0.27	(5)53,435,695	19.00	750,031	0.27	(5)53,435,695	19.00

Maximum Scenario	Pro forma II After pro forma I, the Proposed Bonus Issue of Warrants and assuming full exercise of Warrants			
	Direct		Indirect	
	No. of Shares	(3)(%)	No. of Shares	(3)(%)
Gold Connection Assets Limited	71,610,108	16.97	-	-
Zun Holdings Sdn Bhd	48,653,063	11.53	-	-
Puan Sri Datin Seri Ang Gaik Nga	18,155,562	4.30	(4)48,653,063	11.53
Datin Seri Jessica H'ng Hsieh Ling	5,397,698	1.28	(4)48,653,063	11.53
Dato' H'ng Chun Hsiang	3,658,122	0.87	(4)48,653,063	11.53
H'ng Chun Ching	2,947,800	0.70	(4)48,653,063	11.53
H'ng Hsieh Fern	1,341,299	0.32	(4)48,653,063	11.53
Tan Sri Dato' Seri H'ng Bok San	1,125,047	0.27	(5)80,153,543	18.99

**Notes:-**

- (1) *Based on the existing issued share capital comprising 281,244,976 Shares (excluding 115,264 treasury shares) as at the LPD.*
- (2) *Based on the enlarged issued share capital comprising 281,360,240 Shares after the resale of 115,264 treasury shares in the open market.*
- (3) *Based on the enlarged issued share capital comprising 422,040,360 Shares assuming full exercise of Warrants issued pursuant to the Proposed Bonus Issue of Warrants.*
- (4) *Deemed interested by virtue of their shareholdings held through Zun Holdings Sdn Bhd pursuant to the Act.*
- (5) *Deemed interested by virtue of his spouse's and children's shareholdings in our Company, as well as his shareholdings held through Zun Holdings Sdn Bhd, pursuant to Act.*

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## 7. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of GUH Shares as traded on Bursa Securities for the past 12 months preceeding the date of this Circular are set as follows:-

	High (RM)	Low (RM)
<b><u>2022</u></b>		
April	0.585	0.490
May	0.520	0.450
June	0.460	0.365
July	0.430	0.370
August	0.490	0.390
September	0.525	0.430
October	0.465	0.400
November	0.435	0.400
December	0.460	0.405
<b><u>2023</u></b>		
January	0.425	0.400
February	0.475	0.410
March	0.520	0.450
Last transacted market price of GUH Shares as at 17 February 2023 (being the latest trading day prior to the announcement on the Proposals)		0.410
Last transacted market price on 17 April 2023 (being the LPD prior to the printing of this Circular)		0.540

(Source: Bloomberg)

## 8. APPROVALS REQUIRED/OBTAINED AND INTER-CONDITIONALITY

The Proposals are subject to the approvals being obtained from the following:-

- (i) Bursa Securities, for the following:-
  - (a) the admission of the Warrants to the Official List of Bursa Securities;
  - (b) listing of and quotation for the Warrants on the Main Market of Bursa Securities;  
and
  - (c) listing of and quotation for the new GUH Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities.

The approval of which has been obtained vide Bursa Securities' letter dated 13 April 2023 subject to the following conditions:-

	<b>Conditions</b>	<b>Status of compliance</b>
1	GUH and UOBKH must fully comply with the relevant provisions under the Listing Requirements of Bursa Securities pertaining to the implementation of the Proposed Bonus Issue of Warrants;	To be complied
2	UOBKH to inform Bursa Securities upon the completion of the Proposed Bonus Issue of Warrants;	To be complied
3	UOBKH to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue of Warrants is completed; and	To be complied
4	GUH is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied

- (ii) our shareholders' approval for the Proposals at the forthcoming EGM; and
- (iii) any other relevant authorities, if required.

The Proposed Bonus Issue of Warrants and Proposed Diversification are not inter-conditional upon each other. The Proposals are not conditional upon any other proposals undertaken or to be undertaken by our Company.

**9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM**

None of our Directors, major shareholders and chief executive and/or persons connected with them have any interest, whether direct or indirect, in the Proposals, save for their respective entitlements as shareholders of our Company under the Proposed Bonus Issue of Warrants, to which all other shareholders of our Company are similarly entitled.

**10. ESTIMATED TIMEFRAME FOR COMPLETION AND TENTATIVE TIMETABLE FOR IMPLEMENTATION**

Barring any unforeseen circumstances the Proposed Diversification will take immediate effect upon obtaining the approval from the shareholders of our Company at the forthcoming EGM.

The tentative timetable for the Proposed Bonus Issue of Warrants is set out as below:-

<b>Month</b>	<b>Events</b>
31 May 2023	<ul style="list-style-type: none"> <li>• Convening of EGM to obtain the approval of our shareholders for the Proposals</li> </ul>
Early June 2023	<ul style="list-style-type: none"> <li>• Announcement of the Entitlement Date for the Proposed Bonus Issue of Warrants</li> </ul>
Mid June 2023 / End June 2023	<ul style="list-style-type: none"> <li>• Entitlement Date</li> <li>• Listing and quotation of the Warrants on the Main Market of Bursa Securities and the completion of the Proposed Bonus Issue of Warrants</li> </ul>

## **11. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION**

Save for the Proposals (which are the subject matter of this Circular), there are no other outstanding proposals which have been announced by us but not yet completed as at the date of this Circular.

## **12. DIRECTORS' RECOMMENDATION**

Our Board, having considered all aspects of the Proposals, including but not limited to the rationale and prospects for the Proposals, the effects of the Proposed Bonus Issue of Warrants as well as the proposed utilisation of proceeds to be raised from the Proposed Bonus Issue of Warrants, is of the opinion that the Proposals are in the best interest of our Company. Accordingly, our Board recommends that you **vote in favour** of the resolutions pertaining to the Proposals at the forthcoming EGM.

## **13. EGM**

The EGM will be held virtually by way of live streaming via remote participation and electronic voting facilities from the broadcast venue at the Auditorium of our Company at 2nd Floor, Plot 1240 & 1241, Bayan Lepas Free Industrial Zone, Phase 3, 11900 Bayan Lepas, Penang on Wednesday, 31 May 2023 at 11.00 a.m., or immediately following the conclusion or adjournment of the 59th Annual General Meeting of our Company which will be held at the same venue and on the same day at 10.30 a.m., whichever is later.

Shareholders are advised to refer to the Notice of EGM, together with the Proxy Form and the Administrative Notes enclosed herein for further details and instructions for participating in the EGM.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend, participate, speak and vote on your behalf by completing, signing and sending the Proxy Form to the office of the Poll Administrator, Mega Corporate Services Sdn Bhd situated at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan or submit via email to support.GUH@megacorp.com.my, not less than 48 hours before the appointed time set for holding the EGM, or any adjournment thereof at which the person named in the instruction contained therein and should you fail to do so, the instrument or proxy will not be valid. The lodging of the Proxy Form does not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

## **14. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of the Board  
**GUH HOLDINGS BERHAD**

**TAN SRI DATO' SERI H'NG BOK SAN**  
Executive Chairman

## INDICATIVE SALIENT TERMS OF THE WARRANTS

The indicative salient terms of Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants, are set out as follows:-

<b>Issue size</b>	:	Up to 140,680,120 Warrants arising in connection with the Proposed Bonus Issue of Warrants.
<b>Form</b>	:	The Warrants will be issued in registered form and will be constituted by the Deed Poll.
<b>Tenure of Warrants</b>	:	5 years from the date of issuance of Warrants.
<b>Exercise Rights</b>	:	The Warrants entitle the registered holders, at any time during the Exercise Period, to subscribe for new GUH Shares on the basis of 1 Warrant for every 1 GUH Share at the exercise price at any time during the Exercise Period, subject to adjustments in accordance with the provisions of the Deed Poll.
<b>Exercise Period</b>	:	The Warrants may be exercised at any time within a period of 5 years, which shall commence from and including the date of issuance of the Warrants and ending on the Expiry Date.
<b>Mode of exercise</b>	:	The registered holder of the Warrant is required to lodge a subscription form, as set out in the Deed Poll, with the Company's registrar or via electronic submission, duly completed, signed and stamped together with payment of the exercise price by bankers' cheque, cashier's order drawn on a bank operating in Malaysia, money order or postal order issued by a post office in Malaysia, or via electronic method in accordance with the Deed Poll.
<b>Indicative exercise price</b>	:	RM0.54 per Warrant, subject to the adjustments in accordance with the terms and provisions of the Deed Poll during the Exercise Period.
<b>Expiry Date</b>	:	A date being 5 years from and including the date of issuance of the Warrants, and if such a day is not a market day, on the immediate preceding market day.
<b>Participating rights of the holders of Warrants in any distribution and/ or offer of further securities</b>	:	The Warrant holders are not entitled to vote in any general meeting of the Company (and/or to participate in any distribution) other than on winding-up, compromise or arrangement of the Company and/or offer of further securities in the Company unless and until the holder of Warrants becomes a shareholder of the Company as a result of new GUH Shares being issued pursuant to the Warrant holder exercising his/her Warrants into new GUH Shares or unless otherwise resolved by the Company in a general meeting.
<b>Adjustments in the exercise price and/ or number of Warrants</b>	:	Subject to the provisions of the Deed Poll, the Exercise Price and/or number of unexercised Warrants in issue may be subject to adjustments by the Board in consultation with an approved adviser appointed by the Company or the auditors in the event of alteration with the share capital of GUH at any time during the tenure of the Warrants, by way of capitalisation issue, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital.

## INDICATIVE SALIENT TERMS OF THE WARRANTS (Cont'd)

<b>Rights in the event of winding-up, liquidation, compromise and/ or arrangement</b>	:	Where a resolution has been passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then every holder of Warrants shall be entitled upon and subject to the provisions of the Deed Poll at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of the Company or 6 weeks after the granting of the court order approving the compromise or arrangement, by surrender of his/her Warrants to the Company, elect to be treated as if he/she had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the exercise rights represented by his/her Warrants to the extent specified in the relevant subscription forms and be entitled to receive out of the assets of the Company which would be available in liquidation as if he/she had on such date been the holder of the new Shares to which he/she would have been entitled to pursuant to such exercise.
<b>Ranking of the new GUH Shares to be issued pursuant to the exercise of Warrants</b>	:	The new GUH Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issue, rank <i>equally</i> in all respects with the existing GUH Shares, save and except that the new GUH Shares to be issued arising from the exercise of the Warrants shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid where the entitlement date precedes the date of allotment and issuance of such new GUH Shares.
<b>Board lot</b>	:	For the purpose of trading in Bursa Securities, a board lot of Warrants shall comprise 100 Warrants carrying the right to subscribe for 100 new GUH Shares at any time during the Exercise Period, or in such denomination as determined by Bursa Securities.
<b>Listing status</b>	:	The Warrants will be listed on the Main Market of Bursa Securities.  Bursa Securities had, vide its letter dated 13 April 2023, approved the admission of Warrants to the Official List of Bursa Securities and the listing of and quotation for the Warrants and new GUH Shares to be issued from the exercise of the Warrants on the Main Market of Bursa Securities.
<b>Modifications</b>	:	The Company may, from time to time, subject to the terms and conditions of the Deed Poll, without the consent or sanction of the warrant holders, modify, amend or add to the Deed Poll if such modification, amendment or addition made does not materially prejudice the interests of the Warrant holders or is made to correct a manifest error or to comply with the prevailing laws of Malaysia.  Save for the above, any modification, amendment, deletion or addition to the Deed Poll shall require the approval of the holders of Warrants sanctioned by special resolution and may be effected only by a supplemental Deed Poll, executed by the Company and expressed to be supplemental to the Deed Poll thereto and subject to the approval of the relevant authorities, if necessary.
<b>Governing law</b>	:	Laws of Malaysia.



## FURTHER INFORMATION

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by our Board, who 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 our Adviser for the Proposals, 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 INTEREST**

UOBKH has given their written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as our Adviser for the Proposals.

**4. MATERIAL LITIGATION**

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

(a) **Adjudication between Teknoserv Engineering Sdn Bhd ("TESB") against JAKS Sdn Bhd and KACC Construction Sdn Bhd**

Our Company's wholly-owned subsidiary, TESB previously initiated adjudication proceedings against the unincorporated joint venture known as "JKJV" (whose members comprise JAKS Sdn Bhd and KACC Construction Sdn Bhd) under the Construction Industry Payment & Adjudication Act 2012 on 18 August 2022. The adjudication decision was delivered by the Learned Adjudicator on 23 December 2022 in favour of TESB wherein JKJV was ordered to pay TESB the following within 14 days from the award date (i.e.: 6 January 2023):-

- (i) adjudicated sum of RM11,491,322.00;
- (ii) simple interest at the rate of 5% per annum on the amount of:-
  - a. RM2,221,694.23 from 10 August 2021;
  - b. RM8,994,785.07 from 23 November 2021; and
  - c. RM274,842.70 from the date of the adjudication decision;
- (iii) a sum of RM54,995.69 incurred by TESB on respect of adjudicator's fee and the Asian International Arbitration Centre's fees; and
- (iv) JKJV shall pay to TESB a sum of RM120,000.00 as party and party costs.

(collectively referred to as the "Adjudication Decision")

## FURTHER INFORMATION (Cont'd)

As at 10 January 2023, JKJV has failed to make any payment to TESB pursuant to the Adjudication Decision despite the fact that the deadline to do so had lapsed. Consequently, TESB has filed an Originating Summons in the Kuala Lumpur High Court to enforce the Adjudication Decision on a joint and several basis against members of JKJV ("**Enforcement of the Adjudication Decision**").

On 17 February 2023, JKJV served the following documents to oppose the aforesaid Enforcement of Adjudication Decision filed by TESB.

- (i) Originating Summons in respect of the Setting Aside of Adjudication Decision;
- (ii) Affidavit in Support in respect of the Setting Aside of Adjudication Decision;
- (iii) Originating Summons in respect of the Stay of Adjudication Decision; and
- (iv) Affidavit in Support in respect of the Stay of Adjudication Decision.

Subsequently, pursuant to the directions of the court TESB has duly filed the Affidavit in Reply in the Kuala Lumpur High Court in respect of the Enforcement of Adjudication Decision.

(b) **Application by JKJV to set aside and stay the Adjudication Decision**

JKJV had filed on 16 February 2023 the following applications:-

- (i) Application to stay the execution of the Adjudication Decision; and
- (ii) Application to set aside the Adjudication Decision.

TESB will be contesting the said applications and has filed its Affidavit in Reply on 15 March 2023 in respect of the same.

The said applications by JKJV and the application to enforce the Adjudication Decision by TESB have been fixed for hearing on 25 August 2023.

(c) **Arbitration between JKJV and TESB**

On 27 December 2022, our Company announced that TESB has also received a notice of arbitration from JKJV on 23 December 2022 claiming:-

- (i) a declaration that TESB's self-determination of its employment is wrong and unlawful;
- (ii) general damages arising from the alleged wrongful termination and unlawful self-determination;
- (iii) loss and damage amounting to RM11,773,250.00;
- (iv) costs and disbursements;
- (v) pre-award and post-award interest; and
- (vi) other reliefs the learned arbitrator deems just and appropriate.

(collectively referred to as "**Notice of Arbitration**")

TESB has served its response to the Notice of Arbitration on 20 January 2023.

## FURTHER INFORMATION (Cont'd)

In essence, TESB's position is that it had performed all of its obligations in accordance with the Sub-Contract Agreement, and that its determination of the Sub-Contract Agreement is valid, justifiable and rightful. Consequently, JKJV is not entitled to the reliefs sought in the Notice of Arbitration. In addition, as TESB is not agreeable to the arbitrator proposed by JKJV, TESB proposes that JKJV makes an application to the Director of Asian International Arbitration Centre ("**AIAC**") for the appointment of a sole arbitrator in accordance with the rules of the AIAC Arbitration Rules 2021.

## 5. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, our Board confirms that there is no material commitments incurred or known to be incurred by our Group that has not been provided for which, upon becoming enforceable, may have a material impact on the financial results/position of our Group.

	(RM'000)
<b>Approved but not contracted for:-</b>	
- Acquisition of property, plant and equipment in relation to the electronic segment	1,295

## 6. CONTINGENT LIABILITIES

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

## 7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at Part of Plot 1240 & 1241, Bayan Lepas Free Industrial Zone, Phase 3, 11900 Bayan Lepas, Penang during the normal business hours from 9:00 a.m. to 5:00 p.m. Monday to Friday (except public holidays) from the date hereof up to the time stipulated for the holding of the EGM:-

- (i) constitution of GUH;
- (ii) audited consolidated financial statements of our Group for the past 2 financial years up to the FYE 31 December 2022;
- (iii) the letter of consent and declaration of conflict of interest referred to in **Sections 2 and 3** of this **Appendix II**, respectively;
- (iv) the draft Deed Poll; and
- (v) the relevant cause papers referred to in **Section 4** of this **Appendix II**.



**GUH HOLDINGS BERHAD**  
Registration No. 196101000062 (4104-W)  
(Incorporated in Malaysia)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“**EGM**”) of GUH Holdings Berhad (“**GUH**” or the “**Company**”) will be held virtually by way of live streaming via remote participation and electronic voting facilities from the broadcast venue at the Auditorium of the Company at 2nd Floor, Plot 1240 & 1241, Bayan Lepas Free Industrial Zone, Phase 3, 11900 Bayan Lepas, Penang on Wednesday, 31 May 2023 at 11:00 a.m., or immediately following the conclusion or adjournment of the 59th Annual General Meeting of the Company which will be held at the same venue and on the same day at 10:30 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:-

### **ORDINARY RESOLUTION 1**

**PROPOSED BONUS ISSUE OF UP TO 140,680,120 WARRANTS IN GUH (“WARRANTS”) ON THE BASIS OF 1 WARRANT FOR EVERY 2 EXISTING ORDINARY SHARES IN GUH (“GUH SHARE(S)” OR “SHARE(S)”) HELD BY THE SHAREHOLDERS OF GUH WHOSE NAME APPEAR IN THE COMPANY’S RECORD OF DEPOSITORS ON THE ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLED SHAREHOLDERS”) (“PROPOSED BONUS ISSUE OF WARRANTS”)**

“**THAT** subject to the approvals of all relevant regulatory authorities including the approval of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for the Warrants as well as the new GUH Shares to be allotted and issued arising from the exercise of the Warrants on the Main Market of Bursa Securities being obtained, the Board of Directors (“**Board**”) be and is hereby authorised to issue up to 140,680,120 Warrants, on the basis of 1 Warrant for every 2 GUH Shares held by the Entitled Shareholders;

**THAT** the Board be and is hereby authorised to fix the exercise price of the Warrants on the basis and manner set out in the circular to shareholders of the Company dated 28 April 2023 (“**Circular**”);

**THAT** any one of the Directors be and is hereby authorised to enter into and execute a deed poll constituting the Warrants (“**Deed Poll**”) and to do all acts, deeds and things as he may deem fit and/or expedient, in order to implement, finalise and give full effect to the Deed Poll;

**THAT** the Board be and is hereby authorised to disregard any fractional entitlements of the Warrants that may arise from the Proposed Bonus Issue of Warrants, if any, in such manner as the Board shall in their absolute discretion deem fit and expedient in the best interest of the Company;

**THAT** the Board shall allot and issue such appropriate number of Warrants in accordance with the provisions in the Deed Poll, including any additional Warrants (“**Additional Warrant(s)**”) as may be required or permitted to be issued as a consequence of any adjustment in accordance with the provisions of the Deed Poll and to adjust from time to time the exercise price and/or number of Warrants to which the holder(s) of the Warrants (“**Warrant holder(s)**”) are entitled to be issued as a result of an adjustment in accordance with the provisions of the Deed Poll;

**THAT** approval be and is hereby given to the Board to allot and issue such appropriate number of new GUH Shares, credited as fully paid-up, to the Warrant holders arising from the exercise of the Warrants and Additional Warrants, if any, by the Warrant holders in accordance with the provisions of the Deed Poll;

**THAT** the new GUH Shares to be issued arising from the exercise of Warrants will, upon allotment and issuance, rank equally all respects with the existing GUH Shares, save and except that the new GUH Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid where the entitlement date precedes the date of allotment and issuance of the new GUH Shares;

**THAT** the proceeds raised from the exercise of the Warrants, if any, be utilised for the purposes set out in the Circular and the Board be authorised with full power to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject (when required) to the approval of the relevant authorities;

**AND THAT** the Board be and is hereby authorised to take all necessary steps to give effect to the Proposed Bonus Issue of Warrants with full power to assent to any condition, modification, variation and/or amendment in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Warrants.”

## **ORDINARY RESOLUTION 2**

### **PROPOSED DIVERSIFICATION OF THE EXISTING PRINCIPAL ACTIVITIES OF GUH AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE ENTITIES (“GUH GROUP” OR THE “GROUP”) TO INCLUDE RENEWABLE ENERGY BUSINESS AND RELATED ACTIVITIES (“PROPOSED DIVERSIFICATION”)**

“**THAT**, approvals of all relevant regulatory authorities or parties having being obtained, approval be and is hereby given to GUH Group to diversify its existing principal activities to include renewable energy business and related activities as described in the Circular;

**AND THAT** the Board be and is hereby authorised and empowered to do or procured to be done all acts, deeds and things and to execute, sign and deliver, for and on behalf of the Company, all such documents that are necessary to give full effect to and implement the Proposed Diversification with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities and/or parties, together with full powers to take all steps and actions as the Board may deem fit, necessary or expedient to give full effect to and implement the Proposed Diversification.”

By Order of the Board,

**Datuk Seri Kenneth H'ng Bak Tee** (LS 0008988) (SSM PC No.: 201908001173)  
**Kee Gim Tee** (MAICSA 7014866) (SSM PC No.: 201908002255)

Company Secretaries  
Penang  
Dated this 28 April 2023

#### **Notes:-**

1. *A member of the Company entitled to attend and vote at this EGM, shall be entitled to appoint any person as his proxy. A proxy need not also be a member. A member who appoints more than 1 proxy must specify the proportion of his holdings to be represented by each proxy.*
2. *A member shall not be entitled to appoint more than 2 proxies to attend and vote at this EGM. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.*
3. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.*
4. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of Poll Administrator, Mega Corporate Services Sdn. Bhd. situated at Level 15-2 Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time appointed for holding the EGM or email to support.GUH@megacorp.com.my. For shareholders' online registrations, kindly refer to the annexure of the Administrative Guide published on the Company's website and announcement.*
5. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions will be put to vote by way of poll. Only a Depositor whose name is registered in the Record of Depositors as at 22 May 2023 shall be regarded as member to attend, speak and vote at this EGM.*
6. *To attend and vote on any or all of the resolutions at this EGM, you may participate via remote participation and electronic voting facilities in accordance with the procedures as set out in the Administrative Guide, which is made available at the Company's website at <http://www.guh.com.my>, or send in your votes in advance by appointing the Chairman of the EGM as your proxy. If you have any questions in relation to any item of the Agenda of the EGM, you may send them in via real time submission of typed texts during the EGM in accordance with the procedures as set out in the Administrative Guide.*

**Personal Data Privacy:-**

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company hereby agrees and consents that any of your personal data in our possession shall be processed by us in accordance with our Personal Data Protection Policy set out in [www.guh.com.my](http://www.guh.com.my). Further, you hereby warrant that relevant consent has been obtained for us to process any third party's personal data provided by you in accordance with our said Personal Data Protection Policy.*

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# GUH HOLDINGS BERHAD

196101000062 (4104-W)

## PROXY FORM

No. of Shares Held	
CDS Account No.	

	Shareholder	Proxy 1	Proxy 2
Name			
NRIC No.			
Phone No.			
Email			
Address			
%			

or failing him, the Chairman of the Meeting as my/our proxy(ies) to vote for me/us and on my/our behalf at the extraordinary general meeting (“EGM”) of the Company to be held virtually by way of live streaming via remote participation and electronic voting facilities from the broadcast venue at the Auditorium of the Company at 2nd Floor, Plot 1240 & 1241 Bayan Lepas Free Industrial Zone, Phase 3, 11900 Bayan Lepas, Penang on Wednesday, 31 May 2023 at 11:00 a.m., or immediately following the conclusion or adjournment of the 59th annual general meeting (“AGM”) of the Company which will be held at the same venue and on the same day at 10:30 a.m., whichever is later.

Please indicate with an “X” as to how you wish to cast your vote. If no instruction as to voting is given, the proxy will vote or abstain from voting at his discretion.

Resolution 1	For	Against
Proposed Bonus Issue of Warrants		
Resolution 2	For	Against
Proposed Diversification		

Dated this..... day of ....., 20.....

.....  
Signature of Member/Common Seal

### Notes:-

1. A member of the Company entitled to attend and vote at this EGM, shall be entitled to appoint any person as his proxy. A proxy need not also be a member. A member who appoints more than 1 proxy must specify the proportion of his holdings to be represented by each proxy.
2. A member shall not be entitled to appoint more than 2 proxies to attend and vote at this EGM. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of Poll Administrator, Mega Corporate Services Sdn. Bhd. situated at Level 15-2 Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time appointed for holding the EGM or email to support.GUH@megacorp.com.my. For shareholders’ online registrations, kindly refer to the annexure of the Administrative Guide published on the Company’s website and announcement.
5. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions will be put to vote by way of poll. Only a Depositor whose name is registered in the Record of Depositors as at 22 May 2023 shall be regarded as member to attend, speak and vote at this EGM.
6. To attend and vote on any or all of the resolutions at this EGM, you may participate via remote participation and electronic voting facilities in accordance with the procedures as set out in the Administrative Guide, which is made available at the Company’s website at <http://www.guh.com.my>, or send in your votes in advance by appointing the Chairman of the EGM as your proxy. If you have any questions in relation to any item of the Agenda of the EGM, you may send them in via real time submission of typed texts during the EGM in accordance with the procedures as set out in the Administrative Guide.

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Affix  
stamp here

## **MEGA CORPORATE SERVICES SDN BHD**

Level 15-2, Bangunan Faber Imperial Court  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
**Malaysia**

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