

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

Bursa Malaysia Securities Berhad ("**Bursa Securities**") takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

This Circular has been reviewed by M & A Securities Sdn Bhd, being the Adviser for the Proposals (as defined herein) and Sponsor to UUE Holdings Berhad ("**UUE**"). The admission of UUE to the ACE Market of Bursa Securities was advised and sponsored by M & A Securities Sdn Bhd.



**UUE HOLDINGS BERHAD**  
(202201026669 (1472366-A))  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE**

- (I) PROPOSED BONUS ISSUE OF 304,146,000 NEW ORDINARY SHARES IN UUE ("UUE SHARE(S)") ("BONUS SHARE(S)") ON THE BASIS OF 1 BONUS SHARE FOR EVERY 2 EXISTING UUE SHARES HELD BY THE ENTITLED SHAREHOLDERS OF UUE WHOSE NAMES APPEAR IN UUE'S RECORD OF DEPOSITORS ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("ENTITLEMENT DATE") ("ENTITLED SHAREHOLDER(S)") ("PROPOSED BONUS ISSUE OF SHARES");**
  - (II) PROPOSED BONUS ISSUE OF 121,658,400 WARRANTS IN UUE ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY 5 UUE SHARES HELD BY THE ENTITLED SHAREHOLDERS ON THE SAME ENTITLEMENT DATE AS THE PROPOSED BONUS ISSUE OF SHARES ("PROPOSED BONUS ISSUE OF WARRANTS");**
  - (iii) PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS" OR "SCHEME") OF 10.0% OF THE TOTAL NUMBER OF ISSUED SHARES OF UUE AT ANY POINT IN TIME OVER THE DURATION OF THE ESOS TO THE ELIGIBLE PERSONS (AS DEFINED HEREIN) ("PROPOSED ESOS"); AND**
  - (IV) PROPOSED DIVERSIFICATION OF THE EXISTING JOHOR BUSINESS OPERATIONS OF UUE AND ITS SUBSIDIARIES (COLLECTIVELY, "UUE GROUP" OR THE "GROUP") TO INCLUDE RENEWABLE ENERGY FACILITIES DEVELOPMENT AND RELATED ACTIVITIES ("PROPOSED DIVERSIFICATION").**
- (COLLECTIVELY REFERRED TO AS THE "PROPOSALS")**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Adviser*



**M & A SECURITIES SDN BHD**  
(197301001503 (15017-H))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting of UUE in respect of the Proposals ("**EGM**"), which is scheduled to be conducted via physical mode at Pavilion, Ponderosa Golf & Country Club, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor on Wednesday, 8 October 2025 at 9.30a.m., or at any adjournment thereof, together with the Form of Proxy for the EGM ("**Form of Proxy**"), are enclosed in this Circular. If you decide to appoint a proxy(ies) or attorney for the EGM, you must complete and lodge the Form of Proxy as per the following not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid:

- (i) In hard copy form (for Individual and/or Corporate member)**  
In the case of an appointment made in hard copy form, the duly executed Form of Proxy must be deposited with the Share Registrar of the Company, AscendServ Capital Markets Services Sdn. Bhd.'s ("**ACM**") office at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan. Attorney(s) appointed by Power of Attorney **MUST** deposit their **ORIGINAL** Power of Attorney or a **NOTARIALY CERTIFIED COPY** thereof with the Share Registrar of the Company at ACM's office.
- (ii) By electronic means via Dvote Online (for Individual member only)**  
The Form of Proxy can be electronically lodged with the Share Registrar of the Company via Dvote Online website at <https://www.dvote.my>.

Last date and time for lodging the Proxy Form : Monday, 6 October 2025 at 9.30 a.m.

Date and time of EGM : Wednesday, 8 October 2025 at 9.30 a.m. or any adjournment thereof

**This Circular is dated 23 September 2025**

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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
“Announcement”	: Announcement dated 16 July 2025 pursuant to the Proposals
“Board”	: Board of Directors of UUE
“Bonus Shares”	: 304,146,000 new Shares to be issued pursuant to the Proposed Bonus Issue of Shares
“Bursa Depository”	: Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
“Bursa Securities”	: Bursa Malaysia Securities Berhad (200301033577 (635998-W))
“By-Laws”	: The by-laws governing the Proposed ESOS
“Circular”	: This circular to the shareholders dated 23 September 2025 in relation to the Proposals
“Constitution”	: Constitution of UUE
“Deed Poll”	: The deed poll constituting the Warrants and governing the rights of the Warrant Holders to be executed by the Company
“Director(s)”	: The director(s) of UUE and shall have the meaning given in Section 2(1) of the Act and Capital Markets and Services Act 2007
“EGM”	: Extraordinary General Meeting
“Eligible Person(s)”	: Directors and employees of UUE Group (excluding dormant subsidiaries) who meet the eligibility criteria for participation in the Proposed ESOS in the manner provided in the By-Laws
“Enerxite”	: Enerxite Sdn Bhd (202501022234 (1623647-T)), a 60.0%-owned subsidiary of UUE
“Entitled Shareholders”	: Shareholders of UUE whose names appear in its Record of Depositors on the Entitlement Date
“Entitlement Date”	: A date to be determined and announced later by the Board, on which the names of the Entitled Shareholders must appear on the Record of Depositors of the Company as at 5.00 p.m. in order to be entitled to the Bonus Shares and the Warrants pursuant to the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants
“EPCC”	: Engineering, procurement, construction and commissioning
“EPS”	: Earnings per Share
“ESOS” or “Scheme”	: Employees’ share option scheme
“ESOS Committee”	: The committee comprising such persons as appointed and authorised by the Board to implement and administer the ESOS in accordance with the provisions of the By-Laws

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**DEFINITIONS (Cont'd)**

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"ESOS Options"	:	Options to be granted to Eligible Person(s) under the Proposed ESOS
"FYE"	:	Financial year ended/ ending 28 or 29 February, as the case may be
"Indicative Exercise Price"	:	Indicative exercise price of Warrants of RM0.52 each
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"LPD"	:	31 August 2025, being the latest practicable date prior to the date of printing of this Circular
"M&A Securities"	:	M & A Securities Sdn Bhd (197301001503 (15017-H))
"Market Day"	:	A day on which Bursa Securities is open for trading in securities, which may include a surprise holiday (being a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year)
"MFRS 2"	:	Malaysian Financial Reporting Standards 2: Share-based payment
"NA"	:	Net assets
"Offer"	:	Written offer of ESOS Option(s) by the ESOS Committee to an Eligible Person to participate in the Scheme in the manner provided in the By-Laws
"Official List"	:	The list specifying all securities listed on the ACE Market of Bursa Securities
"PAT"	:	Profit after taxation
"Proposals"	:	Proposed Bonus Issue of Shares, Proposed Bonus Issue of Warrants, Proposed ESOS and Proposed Diversification, collectively
"Proposed Bonus Issue of Shares"	:	Proposed bonus issue of 304,146,000 Bonus Shares on the basis of 1 Bonus Share for every 2 existing UUE Shares held by the Entitled Shareholders on the Entitlement Date
"Proposed Bonus Issue of Warrants"	:	Proposed bonus issue of 121,658,400 Warrants on the basis of 1 Warrant for every 5 UUE Shares held by the Entitled Shareholders on the same Entitlement Date as the Proposed Bonus Issue of Shares
"Proposed Diversification"	:	Proposed diversification of the existing business operations of the Group to include Renewable Energy Business
"Proposed ESOS"	:	Proposed establishment of an ESOS of up to 10.0% of the total number of issued shares of UUE at any point in time over the duration of the ESOS to the Eligible Persons
"PV"	:	Photovoltaic
"Record of Depositors"	:	A record of securities holders established and maintained by Bursa Malaysia Depository Sdn Bhd
"Renewable Energy Business"	:	Renewable energy facilities development and related activities

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**DEFINITIONS (Cont'd)**

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"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"UUE" or "Company"	:	UUE Holdings Berhad (202201026669 (1472366-A))
"UUE Group" or "Group"	:	UUE and its subsidiaries, collectively
"UUE Share(s)" or "Share(s)"	:	Ordinary share(s) in UUE Holdings
"Warrant(s)"	:	121,658,400 Warrant(s) in UUE to be issued in registered form and constitution by the Deed Poll pursuant to the Proposed Bonus Issue of Warrants
"Warrant Holder(s)"	:	The holder(s) of Warrants
"TEBP"	:	Theoretical ex-bonus price
"VWAP"	:	Volume weighted average share price

All references to "we", "us", "our" and "ourselves" in this Circular are to the Company, and where the context requires otherwise, shall include its subsidiaries.

All references to "you" in this Circular are to the shareholders of UUE, unless the context otherwise requires.

Any discrepancy in the figures included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

Words denoting the singular shall, where applicable, include the plural and *vice versa*. Words denoting the masculine gender shall, where applicable, include the feminine and/ or neuter genders and *vice versa*. References to persons shall include corporations.

Any reference to any enactment or guideline in this Circular is a reference to that enactment or guideline as for the time being amended or re-enacted. Any reference to a date and time in this Circular is a reference to Malaysian date and time, unless otherwise specified.

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**EXECUTIVE SUMMARY**

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**THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSALS. SHAREHOLDERS OF UUE ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR IN ITS ENTIRETY WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE COMPANY'S FORTHCOMING EGM.**

<b>Key information</b>	<b>Description</b>	<b>Reference to Circular</b>
<b>Summary</b>	<p><b><u>Proposed Bonus Issue of Shares</u></b></p> <p>The Proposed Bonus Issue of Shares will entail the issuance of 304,146,000 Bonus Shares to be credited as fully paid-up, on the basis of 1 Bonus Share for every 2 existing UUE Shares held by the Entitled Shareholders on the Bonus Shares Entitlement Date.</p> <p>The Bonus Shares will be issued as fully paid, at no consideration and without capitalisation of the Company's reserves;</p> <p><b><u>Proposed Bonus Issue of Warrants</u></b></p> <p>The Proposed Bonus Issue of Warrants will entail the issuance of 121,658,400 Warrants on the basis of 1 Warrant for every 5 UUE Shares held by the Entitled Shareholders as at the close of business on the same Entitlement Date for the Proposed Bonus Issue of Shares.</p> <p>The Warrants will be issued at no cost to the Entitled Shareholders based on their respective shareholdings on the Entitlement Date. For the avoidance of doubt, the Proposed Bonus Issue of Shares and the Proposed Bonus of Warrants will have the same Entitlement Date</p> <p>Further, it is the intention of the Board to fix the exercise price of the Warrants at a discount of not more than 10.0% to the 5-day adjusted VWAP of UUE 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 UUE Shares over a 5-year tenure.</p> <p>For illustrative purposes, the Indicative Exercise Price of the Warrants is assumed to be RM0.52, representing a discount of approximately 8.6% to the 5-day adjusted VWAP of UUE Shares up to and including LPD of RM0.5690 (based on the VWAP of RM0.8535).</p>	<b>Section 2</b>

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**EXECUTIVE SUMMARY (Cont'd)**

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<b>Key information</b>	<b>Description</b>	<b>Reference to Circular</b>
<b>Summary (Cont'd)</b>	<p><b><u>Proposed ESOS</u></b></p> <p>The Proposed ESOS entails the granting of ESOS Options to the Eligible Persons in accordance with the relevant provisions of the By-Laws. Each ESOS Option granted under the Scheme would entitle the Eligible Persons to subscribe for 1 new Share at the pre-determined option price of ESOS as set out in Section 2.3.5. However, the maximum number of new Shares that may be allotted and issued under the Scheme shall not, in aggregate, exceed 10.0% of the Company's total number of issued Shares, excluding treasury shares, if any, at any point in time during the duration of the Scheme.</p> <p>The Scheme will be administered by the ESOS Committee and governed by the By-Laws. The ESOS Committee shall comprise such persons to be appointed and authorised by the Board from time to time. The composition of the ESOS Committee has yet to be determined by the Board at this juncture and the ESOS Committee will only be established after the Company having obtained its shareholders' approval for the Proposed ESOS.</p> <p><b><u>Proposed Diversification</u></b></p> <p>The Proposed Diversification entails the diversification of the Group's existing business to include the Renewable Energy Business.</p> <p>Pursuant to Rule 10.13(1) of the Listing Requirements, the Company is required to obtain its shareholders' approval for any transaction or business arrangement which might reasonably be expected to result in either:</p> <ul style="list-style-type: none"><li>(i) the diversion of 25.0% or more of the NA of the Group to an operation which differ widely from those operations previously carried on by the Group; or</li><li>(ii) the contribution from such an operation of 25.0% or more of the net profits of the Group.</li></ul> <p>In this regard, the Company will seek its shareholders' approval for the Proposed Diversification at the forthcoming EGM.</p>	
<b>Rationale for the Proposals</b>	<p><b><u>Proposed Bonus Issue of Shares</u></b></p> <p>The Proposed Bonus Issue of Shares aims to reward the Company's existing shareholders for their continuous support by increasing their equity participation in the Company in terms of the number of UUE Shares held whilst maintaining their percentage equity shareholding without incurring any cost. The Proposed Bonus Issue of Shares is expected to improve the trading liquidity and affordability of UUE Shares on the ACE Market of Bursa Securities whilst increasing the number of UUE Shares in issue without affecting the market capitalisation of the Company.</p>	<b>Section 3</b>

<b>Key information</b>	<b>Description</b>	<b>Reference to Circular</b>
<b>Rationale for the Proposals (Cont'd)</b>	<p><b>Proposed Bonus Issue of Warrants</b></p> <p>The Proposed Bonus Issue of Warrants aims to reward the Company's existing shareholders for their continuous support by enabling them an option to further increase their equity participation in the Company at a pre-determined exercise price during the tenure of the Warrants, and to benefit from the future growth and any potential capital appreciation arising therefrom.</p> <p>Further, the Proposed Bonus Issue of Warrants will also strengthen the financial position and capital base of the Company, as the Warrants may potentially provide the Group with additional working capital as and when the Warrants are exercised without incurring interest costs as compared to bank borrowings.</p> <p><b>Proposed ESOS</b></p> <p>The Group recognises the contributions and services of its performing Directors and employees. In this regard, the Proposed ESOS is undertaken primarily to provide such Eligible Persons with an opportunity to have equity participation in UUE at the pre-determined option price of ESOS and in the meantime, to achieve the following corporate goals:</p> <ul style="list-style-type: none"><li>(i) to foster a greater sense of belonging and loyalty amongst the Eligible Persons by offering them an opportunity to have equity participation in the Company and thereby, better aligning their interests with the corporate goals of the Company;</li><li>(ii) to encourage the Eligible Persons to continue their services with the Group which in turn, would enable the Group to better retain its talent pool and thereby, minimise any potential loss of performing personnel;</li><li>(iii) to recognise the Eligible Persons who have demonstrated valuable services and dedication to the Group by enabling them to participate in the Group's future profitability and thereby, enjoy prospective capital gains arising from the appreciation in the value of the UUE Shares upon the exercise of the ESOS Options; and</li><li>(iv) to make the Group's remuneration package more competitive and attractive to skilled and experienced individuals. This in turn, would enable the Group to better retain its existing performing personnel as well as attract new competent personnel to serve the Group.</li></ul>	



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**EXECUTIVE SUMMARY (Cont'd)**

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<b>Key information</b>	<b>Description</b>	<b>Reference to Circular</b>
<b>Rationale for the Proposals (Cont'd)</b>	<p><b>Proposed Diversification</b></p> <p>The Group intends to diversify and expand its existing business activities by entering the renewable energy industry, with a focus on the Renewable Energy Business. The Group has identified the renewable energy sector as a potential business segment which the Group believes that it has substantial long-term growth potential in light of the global shift towards sustainable energy solutions.</p> <p>The Group intends to further expand its involvement in this sector through the EPCC of solar PV systems, investment in solar plant and subsequently into other areas of renewable energy. The Group's existing workforce and resources are well-positioned to support EPCC activities for installation and commissioning of solar PV systems and therefore allowing seamless integration with the Group's current operations. As such, the Proposed Diversification is expected to support the Group's broader strategy to expand and strengthen its revenue base.</p>	
<b>Risk factors</b>	<p>: The Group will be exposed to, amongst others, the following risk factors:</p> <ul style="list-style-type: none"><li>(i) business diversification risk;</li><li>(ii) competition risk;</li><li>(iii) dependency on key management personnel; and</li><li>(iv) political, economic, market and regulatory considerations.</li></ul>	<b>Section 6</b>
<b>Approvals required and inter-conditionality</b>	<p>: The Proposals are subject to and conditional upon the following approvals being obtained:</p> <ul style="list-style-type: none"><li>(i) Bursa Securities for the listing of and quotation for the Bonus Shares and Warrants to be issued pursuant to the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants and new UUE Shares to be issued pursuant to the exercise of Warrants and ESOS Options on the ACE Market of Bursa Securities, which was obtained vide its letter dated 10 September 2025 and subject to the conditions as set out in Section 7;</li><li>(ii) the shareholders of the Company at an EGM to be convened; and</li><li>(iii) any other relevant authority, if required.</li></ul> <p>The Proposed Bonus Issue of Warrants and the Proposed Bonus Issue of Shares are inter-conditional upon each other, but not conditional upon the Proposed ESOS and Proposed Diversification, and vice versa. Save for the foregoing, the Proposals are not conditional upon each other or on any other proposals undertaken or to be undertaken by the Company.</p>	<b>Section 7</b>

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**EXECUTIVE SUMMARY (Cont'd)**

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<b>Key information</b>	<b>Description</b>	<b>Reference to Circular</b>
<b>Interests of Directors, major shareholders, chief executive and/ or persons connected to them</b>	<p><b><u>Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants</u></b></p> <p>None of the Directors, major shareholders and/ or chief executive of the Company and/ or persons connected to them have any interest, whether direct or indirect, in the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants, save for their respective entitlements as shareholders of the Company under the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants, which are also available to all other shareholders of the Company on a pro-rata basis.</p> <p><b><u>Proposed ESOS</u></b></p> <p>All the Directors and chief executive are eligible to participate in the Proposed ESOS and are therefore deemed interested in the Proposed ESOS to the extent of their respective proposed allocations as well as the proposed allocations to persons connected with them, if any, under the Proposed ESOS.</p> <p>Notwithstanding the foregoing, the Directors of the Company have deliberated and voted on the Proposed ESOS as a whole at the relevant Board meeting of the Company and have agreed to table the Proposed ESOS to the shareholders for their consideration and approval at the Company's forthcoming EGM.</p> <p>Further, all interested Directors have abstained and will continue to abstain from deliberating, voting, expressing any opinion and making any recommendations at all relevant Board meetings of the Company in respect of their respective proposed allocations as well as the proposed allocations to persons connected with them, if any, under the Proposed ESOS.</p> <p><b><u>Proposed Diversification</u></b></p> <p>None of the Directors and/ or major shareholders of the Company and/ or persons connected to them have any interest, whether direct or indirect, in relation to the Proposals.</p>	<b>Section 8</b>

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**EXECUTIVE SUMMARY (Cont'd)**

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<b>Key information</b>	<b>Description</b>	<b>Reference to Circular</b>
<b>Directors' statement</b>	<p>: The Board, having considered all aspects of the Proposals, including but not limited to the rationale effects as set out in <b>Sections 3</b> and <b>4</b> respectively (save for the executive Directors who have abstained from deliberations to the extent of their respective allocations and to any persons connected to them in accordance with <b>Section 8.2</b> above), is of the opinion that the Proposals are in the best interest of the Company.</p> <p>The executive Directors have abstained from giving any opinion or recommendation on their respective allocations of ESOS Options and/ or the allocations of ESOS Options to persons connected to them, if any.</p> <p>Accordingly, the Board recommends that you <b>VOTE IN FAVOUR</b> for the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.</p>	<b>Section 9</b>

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**UUE HOLDINGS BERHAD**  
(202201026669 (1472366-A))  
(Incorporated in Malaysia)

**Registered Office:**

Suite 5.11 & 5.12  
5th Floor, Menara TJB  
No. 9, Jalan Syed Mohd. Mufti  
80888 Ibrahim International  
Business District  
Johor

23 September 2025

**Directors:**

Lee Chye Tee (*Independent Non-Executive Chairman*)  
Datuk Dr. Ting Kok Hwa (*Managing Director*)  
Hin Wai Mun (*Executive Director*)  
Chong Tuoo Choi (*Executive Director*)  
Vincent Wong Soon Choy (*Executive Director*)  
Ng Lee Thin (*Independent Non-Executive Director*)  
Latha A/P Dhamodaran Pillay (*Independent Non-Executive Director*)  
Goh Lei Lei (*Independent Non-Executive Director*)

**To: Shareholders of UUE**

Dear Sir/ Madam,

- (I) PROPOSED BONUS ISSUE OF SHARES;**
- (II) PROPOSED BONUS ISSUE OF WARRANTS;**
- (III) PROPOSED ESOS; AND**
- (IV) PROPOSED DIVERSIFICATION**

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**1. INTRODUCTION**

On 16 July 2025, M&A Securities had, on behalf of the Board announced that the Company proposes to undertake the Proposals.

On 10 September 2025, M&A Securities had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 10 September 2025, resolved to approve the following:

- (i) listing of and quotation for 304,146,000 Bonus Shares to be issued pursuant to the Proposed Bonus Issue of Shares;
- (ii) admission of the Warrants to the Official List of Bursa Securities;
- (iii) listing of and quotation for 121,658,400 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants and 121,658,400 new UUE Shares to be issued pursuant to the exercise of Warrants; and

- (iv) listing of and quotation for such number of new Shares, representing up to 10.0% of the Company's total number of issued Shares (excluding treasury shares, if any), to be issued pursuant to the Proposed ESOS,

subject to the conditions as set out in Section 7.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSALS, TO SET OUT THE BOARD'S OPINION AND RECOMMENDATION IN RELATION TO THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED WITH THIS CIRCULAR.**

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

## **2. DETAILS OF THE PROPOSALS**

### **2.1 Proposed Bonus Issue of Shares**

#### **2.1.1 Basis and number of Bonus Shares to be issued**

The Proposed Bonus Issue of Shares entails an issuance of 304,146,000 Bonus Shares on the basis of 1 Bonus Share for every 2 existing UUE Shares held by the Entitled Shareholders as at the close of business on the Entitlement Date. The Entitlement Date will be determined and announced at a later date upon receipt of all relevant approvals for the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants. The Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants are inter-conditional upon each other and will be implemented concurrently.

As at LPD, the Company has an issued share capital of RM77,230,044 comprising 608,292,000 Shares. As at LPD, the Company does not have any treasury shares, given that no share buy-back mandate has been proposed to shareholders, and the Company does not have any convertible securities. As such, based on the Company's issued share capital, 304,146,000 Bonus Shares will be issued pursuant to the Proposed Bonus Issue of Shares.

The basis of entitlement for the Proposed Bonus Issue of Shares was determined after taking into consideration the following:

- (a) the dilutive effects arising from the issuance of Bonus Shares on the consolidated EPS and NA per Share of the Company; and
- (b) compliance with Rule 6.31(1A) of the Listing Requirements which stipulates that the Company must ensure that its share price adjusted for the Proposed Bonus Issue of Shares is not less than RM0.20 based on the daily VWAP during the 3-month period before the application date.

Fractional entitlements of Bonus Shares arising from the Proposed Bonus Issue of Shares, if any, will be disregarded and dealt with in such manner as the Board may in its absolute discretion deem fit, expedient, and in the best interest of the Company.

The Proposed Bonus Issue of Shares will be implemented in a single issuance and not on a staggered basis over a period of time.

### 2.1.2 Capitalisation of reserves

The Bonus Shares will be issued as fully paid, at no consideration and without capitalisation of the Company's reserves.

For avoidance of doubt, the Proposed Bonus Issue of Shares will increase the number of UUE Shares in issue but will not increase the value of the share capital of the Company.

### 2.1.3 Adjustment to market price of UUE Shares

The Proposed Bonus Issue of Shares will result in an adjustment to the market price of the existing UUE Shares. For illustration purposes, based on the 5-day VWAP of UUE Shares up to and including the LPD as well as the lowest 3-month daily VWAP of UUE Shares up to and including 29 July 2025, being the market day immediately before the submission of application to Bursa Securities in respect of the Proposed Bonus Issue of Shares, the TEBP of UUE Shares after the Proposed Bonus Issue of Shares is set out as follows:

	<b>Before Proposed Bonus Issue of Shares</b>	<b>After Proposed Bonus Issue of Shares</b>
	<b>(i) VWAP</b>	<b>(ii) TEBP</b>
	<b>RM</b>	<b>RM</b>
5-day VWAP up to and including LPD	0.8535	0.5690
Lowest 3-month daily VWAP up to and including 29 July 2025	0.6258	0.4172

#### Notes:

- (i) Source from Bloomberg.
- (ii) The actual TEBP will be calculated as follows:

$$TEBP = \frac{\text{Closing market price of UUE Shares prior to Entitlement Date}}{\text{Closing market price of UUE Shares prior to Entitlement Date}} \times \frac{\text{Number of UUE Shares before the Proposed Bonus Issue of Shares}}{\text{Number of UUE Shares after the Proposed Bonus Issue of Shares}}$$

Based on the above, the Board confirms that the share price adjusted for the Proposed Bonus Issue of Shares is not less than RM0.20 based on the daily VWAP of UUE Shares during the 3-month period up to and including 29 July 2025, being the market day immediately before the submission of application to Bursa Securities in respect of the Proposed Bonus Issue of Shares in accordance with Rule 6.31(1A) of the Listing Requirements.

### 2.1.4 Ranking of the Bonus Shares

The Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the existing UUE Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/ or other distributions that may be declared, made or paid prior to the date of allotment of the Bonus Shares.

### 2.1.5 Listing of and quotation for the Bonus Shares

Bursa Securities had, vide its letter dated 10 September 2025, resolved to approve the listing of and quotation for 304,146,000 Bonus Shares to be issued pursuant to the Proposed Bonus Issue of Shares on the ACE Market of Bursa Securities, subject to the conditions as set out in Section 7. For avoidance of doubt, the Bonus Shares and the Warrants will be listed and quoted simultaneously.

## 2.2 Proposed Bonus Issue of Warrants

### 2.2.1 Basis and number of Warrants to be issued

The Proposed Bonus Issue of Warrants entails an issuance of 121,658,400 Warrants, on the basis of 1 Warrant for every 5 UUE Shares held by the Entitled Shareholders as at the close of business on the same Entitlement Date for the Proposed Bonus Issue of Shares.

Based on the Company's issued share capital as at LPD of 608,292,000 Shares and assuming the listing of and quotation for 304,146,000 Bonus Shares pursuant to the Proposed Bonus Issue of Shares, the enlarged share capital of the Company will increase to 912,438,000 Shares. The number of UUE Shares in issue will further increase to 1,034,096,400 Shares, assuming all 121,658,400 Warrants to be issued under the Proposed Bonus Issue of Warrants are fully exercised. The number of new UUE Shares arising from the exercise of the Warrants represents approximately 13.3% of the total enlarged number of UUE Shares after the Proposed Bonus Issue of Shares but prior to the exercise of the Warrants.

The basis of entitlement for the Proposed Bonus Issue of Warrants was determined after taking into consideration the following:

- (i) compliance with Rule 6.51 of the Listing Requirements where the total number of new UUE Shares arising from the exercise of the Warrants must not exceed 50.0% of the Company's total number of issued shares (excluding treasury shares and before the exercise of the convertible securities) at all times;

No. of issued Shares after the completion of Proposed Bonus Issue of Shares <b>(A)</b>	912,438,000
No. of Shares to be issued assuming full exercise of Warrants <b>(B)</b>	121,658,400
% of total number of issued Shares <b>((B) / (A))</b>	13.3%

;

- (ii) dilutive effects arising from the full exercise of the Warrants on the EPS of the Company; and
- (iii) amount of proceeds the Company could potentially raise as and when the Warrants are exercised during the Exercise Period (as defined herein).

Fractional entitlements of Warrants arising from the Proposed Bonus Issue of Warrants, if any, will be disregarded and dealt with in such manner as the Board may in its absolute discretion deem fit, expedient, and in the best interest of the Company.

For the avoidance of doubt, the Proposed Bonus Issue of Warrants will be concurrently implemented with the Proposed Bonus Issue of Shares. Accordingly, the Bonus Shares will not be entitled to the Warrants. The Proposed Bonus Issue of Warrants will be implemented in a single issuance and is not intended to be implemented in stages over a period of time.

### **2.2.2 Basis of determining the exercise price of the Warrants**

The Warrants will be issued at no cost to the Entitled Shareholders based on their respective shareholdings as at the Entitlement Date.

The exercise price of the Warrants will be determined by the Board at a later date, after all relevant approvals have been obtained, on the same day as the Proposed Bonus Issue of Shares, after taking into consideration, amongst others, the following:

- (i) the historical price movement of UUE Shares;
- (ii) the prevailing market conditions; and
- (iii) the future prospects and potential future earnings of the Group.

The Board intends to fix the exercise price of the Warrants such that the exercise price is at a discount of not more than 10.0% to the 5-day adjusted VWAP (i.e. after adjustment for the Proposed Bonus Issue of Shares) of UUE 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 UUE Shares over a 5-year tenure.

For illustrative purposes, the Indicative Exercise Price of the Warrants is assumed to be RM0.52, representing a discount of approximately 8.6% to the 5-day adjusted VWAP of UUE Shares up to and including LPD of RM0.5690 (based on the VWAP of RM0.8535). Correspondingly, the theoretical ex-all price of UUE Shares for the Proposed Bonus Issue of Warrants, computed based on the 5-day adjusted VWAP of UUE Shares up to and including the LPD of RM0.5690 per Share, is RM0.5608 per Share. Thus, the Indicative Exercise Price represents a discount of approximately 7.3% to the said theoretical ex-all price.

The 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.

For avoidance of doubt, it is the intention of the Board that the Entitlement Date of the Proposed Bonus Issue of Shares and the Proposed Bonus of Warrants to take place on the same date.

### **2.2.3 Utilisation of proceeds from the exercise of Warrants**

The Proposed Bonus Issue of Warrants is not expected to raise any funds immediately as there is no issue price payable by each Entitled Shareholder for the new Warrants.

The quantum of proceeds that may be raised by UUE from the exercise of the Warrants by the Warrant Holders in the future would depend on the final exercise price (which will be determined at a later date) and actual number of Warrants exercised by the Warrant Holders during the tenure of the Warrants. As such, the exact quantum and timeframe for the utilisation of the proceeds to be raised cannot be determined at this juncture.



For illustrative purposes, assuming that all Warrants are exercised at the Indicative Exercise Price of RM0.52 each, the Company will raise gross proceeds of up to approximately RM63.3 million. Such proceeds to be raised, as and when the Warrants are exercised, will be earmarked to meet the Company's working capital requirements for its daily operations including but not limited to payment to trade creditors as well as defrayment of general operating expenses such as staff-related expenses, office supplies and utilities expenses. The proceeds to be utilised for each component of working capital are subject to the operating requirements of the Group at the time of receipt of the proceeds and therefore cannot be determined at this juncture. Nevertheless, the Board anticipates that any proceeds to be raised from the exercise of the Warrants will be utilised by the Company within 3 months from the date of receipt of such proceeds. The estimated expenses of approximately RM0.4 million to be incurred for the Proposals will be funded via internally generated funds.

Pending the utilisation of 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 the Board may deem fit. The interest derived from the deposits with the financial institutions or any gain arising from the short-term money market instruments will also be used as working capital of the Group as set out above.

#### **2.2.4 Ranking of the Warrants and new UUE Shares to be issued arising from the exercise of the Warrants**

The Warrant Holders shall not be entitled to any voting rights or rights to participate in any form of distribution and/ or offer of securities in the Company until and unless such Warrant Holders become shareholders of the Company by exercising their Warrants for new UUE Shares in accordance with the terms and provisions as set out in the Deed Poll.

The new UUE Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank equally in all respects with the existing UUE Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/ or other distributions that may be declared, made or paid prior to the date of allotment of the new UUE Shares.

#### **2.2.5 Listing of and quotation for the Warrants and new UUE Shares to be issued arising from the exercise of the Warrants**

Bursa Securities, had vide its letter dated 10 September 2025, resolved to approve the following:

- (i) the admission of Warrants to the Official List of Bursa Securities; and
- (ii) the listing of and quotation for 121,658,400 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants and 121,658,400 new UUE Shares to be issued arising from the exercise of the Warrants,

subject to the conditions as set out in Section 7.

#### **2.2.6 Indicative salient terms of the Warrants**

The Warrants will be traded on the ACE Market of Bursa Securities separately from the existing UUE Shares and Bonus Shares. The Warrants will be issued in a registered form and constitution by the Deed Poll.

The indicative salient terms of the Warrants are set out in Appendix I.

### **2.2.7 Fund-raising exercises undertaken in the past 12 months**

The Company has not undertaken any fund-raising exercises in the past 12 months prior to the date of announcement of the Proposals.

## **2.3 Proposed ESOS**

The Proposed ESOS will involve granting of ESOS Options to the Eligible Persons who meet the eligibility criteria for participation in the Proposed ESOS in the manner as indicated in the By-Laws.

The Proposed ESOS will be administered by the ESOS Committee from time to time and shall be governed by the By-Laws. The ESOS Committee shall comprise such persons to be appointed and authorised by the Board. The composition of the ESOS Committee has yet to be decided by the Board at this juncture and the ESOS Committee will only be established after the Company has obtained its shareholders' approval for the Proposed ESOS.

The salient terms of the Proposed ESOS are as follows:

### **2.3.1 Maximum number of new UUE Shares available under the Proposed ESOS**

The maximum number of new UUE Shares that may be allotted and issued pursuant to the Scheme shall not, in aggregate, exceed 10.0% of the Company's total number of issued Shares (excluding treasury shares, if any) at any point in time over the duration of the Proposed ESOS ("**Maximum Limit**").

### **2.3.2 Basis of allotment and maximum entitlement**

The aggregate maximum number of ESOS Options that may be allocated to an Eligible Person under the Proposed ESOS at any time in the manner provided in the By-Laws ("**Offer**"), shall be determined by the ESOS Committee at its sole and absolute discretion, after taking into consideration, amongst others, the Eligible Person's employment grade, seniority, designation, length of service, work performance and contributions towards the Group's business, operations and success, and/ or such other factors deemed relevant by the ESOS Committee, subject always to the following:

- (i) the total number of new UUE Shares to be issued under the Scheme shall not exceed the Maximum Limit as set out in Section 2.3.1;
- (ii) the allocation to an Eligible Person who, either singly or collectively through persons connected with him/ her, holds 20% or more of the total number of issued Shares (or such other percentage as may be permitted by Bursa Securities from time to time), excluding treasury shares, if any, shall not exceed 10% of the total number of new UUE Shares to be issued under the Scheme (or such other percentage as may be permitted by Bursa Securities from time to time);
- (iii) not more than 80.0%<sup>(1)</sup> of the total number of Shares available to be issued under the Scheme shall be allocated, in aggregate, to the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) who are eligible (where "**senior management**" refer to an employee of the Group (excluding dormant subsidiaries, if any) holding the position of manager and above or assumed the role of a team leader in a department of the Group and shall be subject to any other criteria to be determined by the ESOS Committee from time to time, on the basis that their contributions are essential to the performance of the Group as determined by the ESOS Committee at its sole and absolute discretion);

- (iv) the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) who are eligible shall not participate in the deliberation or discussion of their own allocations of ESOS Options as well as allocations to persons connected with them; and
- (v) any performance target to be achieved before the ESOS Options can be granted and/ or exercised by an Eligible Person shall be determined by the ESOS Committee,

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines, rules and/ or regulations issued by Bursa Securities and/ or any other relevant authorities as amended from time to time.

**Note:**

- (1) The breakdown of percentage between the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) shall be determined at the discretion of the ESOS Committee. The basis in arriving at this threshold takes into account the number of Directors and senior management of the Group (excluding dormant subsidiaries, if any) who are eligible to participate in the Proposed ESOS and was determined after considering that the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) are the key drivers that spearhead the long-term direction, performance and growth of the Group's businesses.

The allocation of not more than 80.0% is intended to further encourage the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) for their future contribution towards strengthening the Group's overall financial performance and maximising total shareholder returns. As such, the Proposed ESOS aims to reward and retain the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) for their performance, commitment, dedication and loyalty which are expected to lead to improved stakeholders' value.

In the event that any Eligible Person is a member of the ESOS Committee, such Eligible Person and persons connected with him/ her who are also members of the ESOS Committee shall not participate in the deliberation, discussion and/ or voting of his/ her own allocation of the ESOS Options as well as the allocations to persons connected with him/ her.

For clarification purposes, the ESOS Committee shall have the sole and absolute discretion to decide whether the ESOS Options will be granted in a single tranche or on a staggered basis over the duration of the Scheme or in a single grant and/ or whether the ESOS Options will be subject to any vesting period or vesting conditions.

### **2.3.3 Eligibility to participate in the Proposed ESOS**

Subject to the discretion of the ESOS Committee, only such persons who fulfil the following criteria on the date on which an Offer is made by the ESOS Committee ("**Date of Offer**") shall be eligible to participate in the Scheme:

- (i) he/ she has attained the age of 18 years on the Date of Offer and is neither an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (ii) in relation to employees of the Group (excluding dormant subsidiaries, if any), he/ she:

- (a) has entered into a full time or fixed term contract for at least 1 year (or such other period as may be determined by the ESOS Committee) and is on the payroll of the Group (excluding dormant subsidiaries, if any), and his/ her service has been confirmed or such employee is serving in a specific designation under an employment contract with the Group (excluding dormant subsidiaries, if any); and
  - (b) has not served a notice of resignation or received a notice of termination;
- (iii) in relation to Directors of the Group (excluding dormant subsidiaries, if any), he/ she:
- (a) has been on the payroll within the Group (excluding dormant subsidiaries, if any) and is involved in the day-to-day management within the Group (excluding dormant subsidiaries, if any), and has not served a notice of resignation or be removed as a Director within the Group (excluding dormant subsidiaries, if any); and
  - (b) in respect of a non-executive Director of the Company, has been appointed to the Board of any company in the Group for at least 1 year prior to the Date of Offer and has not served a notice of resignation or be removed as a non-executive Director of the Company; and
- (iv) he/ she fulfils any other eligibility criteria and/ or falls within such category as may be determined by the ESOS Committee from time to time.

For the avoidance of doubt, the following persons are not Eligible Persons and therefore, do not qualify for participation in the Scheme:

- (i) a Director or an employee of a company within the Group which is dormant;
- (ii) an employee of the Group (excluding dormant subsidiaries, if any) who is under a fixed term contract of service for a remaining duration of not more than 2 years, unless otherwise approved by the ESOS Committee in its sole and absolute discretion; or
- (iii) an employee of the Group (excluding dormant subsidiaries, if any) who is on probation.

Notwithstanding the foregoing, the ESOS Committee may, at its sole and absolute discretion, determine additional criteria on eligibility and allocation of ESOS Options to Eligible Persons from time to time, and such criteria shall be made available to the Eligible Persons. The ESOS Committee may, at its sole and absolute discretion, waive any of the abovementioned conditions of eligibility. The selection of Eligible Persons for participation in the Scheme and the number of ESOS Options to be offered under the Scheme shall be at the sole and absolute discretion of the ESOS Committee whose decision shall be final and binding.

If any Eligible Person, who is a Director, major shareholder or chief executive of the Company ("**Interested Parties**") or a person connected to them, is eligible to participate in the Scheme, the specific allocation of the ESOS Options granted by the Company to such Interested Parties and/ or persons connected with them under the Scheme must first be approved by the shareholders of the Company at a general meeting, provided that such Interested Parties and/ or persons connected with them shall not vote on the resolution approving their respective allocations and/ or allocations to persons connected with them.

#### **2.3.4 Duration of the Proposed ESOS**

Subject to the By-Laws, the Scheme shall take effect on the date of full compliance with relevant requirements of the Listing Requirements ("**Effective Date**") and shall be in force for a period of 5 years from the Effective Date. Notwithstanding the foregoing, the Scheme may be extended for a further period of up to 5 years at the Board's sole and absolute discretion upon the ESOS Committee's recommendation, provided always that the initial period as stipulated above and such extension of the Scheme shall not in aggregate exceed a duration of 10 years from the Effective Date, or such other duration as may be prescribed by Bursa Securities in compliance with the Listing Requirements.

For clarification purposes, no further sanction, approval or authorisation of the Company's shareholders in a general meeting is required for any such extension. In the event the duration of the Scheme is extended in accordance with the relevant provisions of the By-Laws, the ESOS Committee shall furnish a written notification to all Eligible Person who has accepted the Offer in the manner provided in the By-Laws ("**Grantees**") and the Company shall make the necessary announcements to Bursa Securities within 30 days prior to the expiry of the Scheme.

#### **2.3.5 Option price of ESOS**

Subject to any adjustment that may be made in accordance with the By-Laws and pursuant to the Listing Requirements, the option price of ESOS shall be a price to be determined by the Board upon the ESOS Committee's recommendation based on the 5-day VWAP of the Shares immediately prior to the Date of Offer with a discount of not more than 10%, or such other percentage of discount as may be permitted by Bursa Securities and/ or any other relevant authorities. The option price of ESOS determined by the Board shall be conclusive and binding on the Grantees, subject to any adjustment that may be made in accordance with the By-Laws.

#### **2.3.6 Ranking of the new UUE Shares to be issued arising from the exercise of the ESOS Options**

The new UUE Shares to be allotted and issued arising from the exercise of the ESOS Options will be subject to the provisions of the Constitution and shall, upon allotment and issuance, rank equally in all respects with the then existing UUE Shares, save and except that they will not be entitled to any dividends, rights, allotments and/ or other form of distributions, which may be declared, made or paid to the shareholders, where the entitlement date of such distribution precedes the relevant date of allotment and issuance of such new UUE Shares to be issued arising from the exercise of the ESOS Options.

The ESOS Options shall not carry any right to vote at any general meeting of the Company. The new UUE Shares to be issued and allotted arising from the exercise of ESOS Options will be subject to the provisions of the Constitution.

#### **2.3.7 Listing of and quotation for the New UUE Shares to be issued arising from the exercise of the ESOS Options**

Bursa Securities had, vide its letter dated 10 September 2025, resolved to approve the listing of and quotation for such number of additional new Shares, representing up to 10.0% of the Company's issued Shares, to be issued pursuant to the Proposed ESOS on the ACE Market of Bursa Securities, subject to the conditions as set out in Section 7.

### 2.3.8 Retention period

The ESOS Committee shall be entitled to prescribe or impose, in relation to any Offer, any condition relating to any retention period or restriction on transfer of the UUE Shares as it deems fit. However, the Grantees are encouraged to hold the new UUE Shares as an investment rather than to realise immediately gains from disposal.

In addition, an eligible Director who is a non-executive Director of UUE and/ or any of its subsidiaries, which are not dormant, shall not sell, transfer or assign UUE Shares obtained through the exercise of the ESOS Options offered to him/ her within 1 year from the Date of Offer pursuant to Rule 8.22 of the Listing Requirements.

### 2.3.9 Utilisation of proceeds

The actual amount of proceeds to be raised from the Proposed ESOS will depend on the actual number of ESOS Options granted and exercised at the relevant point of time and the option price of ESOS payable upon the exercise of the ESOS Options. As such, the exact amount of proceeds to be received and the timeframe for utilisation of such proceeds are not determinable at this juncture.

Notwithstanding the foregoing, the proceeds to be received arising from the Grantees' exercise of their ESOS Options will be utilised, as and when received, to fund the Group's working capital requirements which includes, amongst others, payment to trade creditors as well as defrayment of general operating expenses such as staff-related expenses, office supplies and utilities expenses. The proceeds to be utilised for each component of working capital are subject to the operating requirements of the Group at the time of receipt of the proceeds and therefore cannot be determined at this juncture. Nevertheless, the Board anticipates that any proceeds to be raised throughout the tenure of the Proposed ESOS will be utilised by the Company within 3 months from the date of receipt of such proceeds.

Pending the utilisation of proceeds raised as and when the ESOS Options are exercised, such proceeds will be placed in deposits with financial institutions or short-term money market instruments as the Board may deem fit. The interest derived from the deposits with the financial institutions or any gain arising from the short-term money market instruments will also be used as working capital of the Group as set out above.

In conjunction with the Company's initial public offering on the ACE Market of Bursa Securities on 2 July 2024 ("**IPO**"), the Company successfully raised gross proceeds of RM30.0 million through the issuance of 124,902,000 new Shares at RM0.24 each. The proceeds have been earmarked for the following purposes:

	<b>Proceeds raised</b>	<b>Utilisation as at LPD</b>	<b>Balance</b>	<b>Timeframe for utilisation from the listing on the ACE Market</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Purchase of machinery and equipment	15,750	9,139	6,611	Within 24 months
General working capital	10,893	10,893	-	Within 12 months
Listing expenses	3,333	3,333	-	Within 1 month
	<b>29,976</b>	<b>23,365</b>	<b>6,611</b>	

As at LPD, UUE has not made any variation to the intended use of the IPO proceeds. The remaining unutilised balance is expected to be fully utilised within the respective timeframe as outlined above.

### 2.3.10 Amendments and/ or modifications to the Proposed ESOS

Subject to the By-Laws and the Listing Requirements, the ESOS Committee may at any time and from time to time recommend to the Board any amendments and/ or modification to the By-Laws as it thinks fit at its absolute discretion, and that the Board shall have the power by resolution to at any time and from time to time by resolution make any such amendments and/ or modifications to the By-Laws upon such recommendation, provided always that:

- (i) no such amendments and/ or modifications which would either materially prejudice the rights then accrued to any Grantee without his/ her prior consent or alter to the advantage of any Grantee without the prior approval of the shareholders in a general meeting shall be made; and
- (ii) the Company shall submit the amended By-Laws and a letter of compliance confirming compliance with the Listing Requirements and the Rules of Bursa Depository to Bursa Securities within 5 market days after the effective date of such amendments and/ or modifications each time an amendment and/ or modification is made.

## 2.4 Proposed Diversification

### 2.4.1 Details of the Proposed Diversification

Presently, the Group is principally involved in the following:

- (i) provision of underground utilities engineering solutions; and
- (ii) manufacturing and trading of high-density polyethylene ("HDPE") pipes.

On 20 May 2025, the Company incorporated a wholly-owned subsidiary, Enerxite with the intention to be involved in the provision of EPCC services for solar PV systems and investment in solar plant. Subsequently, the Board had on 3 June 2025 announced that, on even date, Enerxite entered into subscription agreements and shareholders agreement with Daryl Lai Yit Sheng and the Company (the "**Parties**") where the Company holds 60.0% and Daryl Lai Yit Sheng holds 40.0% equity interest in Enerxite, respectively. The directors of Enerxite are represented by both Parties: (i) representatives of the Company: Datuk Dr Ting Kok Hwa and Hin Wai Mun; and (ii) Daryl Lai Yit Sheng.

The Parties will collaborate and contribute to Enerxite according to their respective roles. The Company, as the primary capital contributor and corporate owner, will provide strategic direction and corporate governance oversight, while Daryl Lai Yit Sheng will contribute technical expertise, industry knowledge and practical experience in the renewable energy industry. This equity structure provides a balanced governance structure for decision-making and operational execution to support Enerxite's long-term growth and development.

Since the incorporation of Enerxite and up to LPD, the Group has undertaken a total of 27 small-scale renewable energy related projects<sup>(i)</sup> amounting to approximately RM2.0 million in contract value. The establishment of this new subsidiary represents an opportunity for the Group to venture into the Renewable Energy Business, as it provides the Group with a prospect to diversify its earnings base.

**Note:**

- (i) Details of the small-scale renewable energy related projects undertaken by the Group are as follows:

<b>No.</b>	<b>Project description</b>	<b>Type of solar programme</b>	<b>Commencement date/ Completion date</b>	<b>Contract value (RM'000)</b>	<b>Type of building</b>
1.	EPCC of 7.38 kilowatts peak ("kWp") solar PV systems	Net Energy Metering ("NEM")	June 2025/ July 2025	16	Residential
2.	EPCC of 7.38 kWp solar PV systems	NEM	June 2025/ July 2025	17	Residential
3.	EPCC of 12.92 kWp solar PV systems	NEM	June 2025/ September 2025	27	Residential
4.	EPCC of 7.38 kWp solar PV systems	NEM	June 2025/ July 2025	17	Residential
5.	EPCC of 8.61 kWp solar PV systems	NEM	June 2025/ July 2025	21	Residential
6.	EPCC of 7.38 kWp solar PV systems	NEM	June 2025/ July 2025	18	Residential
7.	EPCC of 7.38 kWp solar PV systems	NEM	June 2025/ July 2025	17	Residential
8.	EPCC of 18.45 kWp solar PV systems	NEM	June 2025/ July 2025	41	Residential
9.	EPCC of 7.38 kWp solar PV systems	NEM	June 2025/ July 2025	20	Residential
10.	EPCC of 24.60 kWp solar PV systems	NEM	June 2025/ September 2025	47	Commercial and industrial
11.	EPCC of 104.55 kWp solar PV systems	NEM	June 2025/ September 2025	229	Commercial and industrial
12.	EPCC of 108.24 kWp solar PV systems	NEM	*	209	Commercial and industrial
13.	EPCC of 191.88 kWp solar PV systems	NEM	*	357	Commercial and industrial
14.	EPCC of 18.45 kWp solar PV systems	NEM	*	49	Commercial and industrial
15.	EPCC of 70.11 kWp solar PV systems	NEM	*	139	Commercial and industrial



<b>No.</b>	<b>Project description</b>	<b>Type of solar programme</b>	<b>Commencement date/ Completion date</b>	<b>Contract value (RM'000)</b>	<b>Type of building</b>
16.	EPCC of 108.24 kWp solar PV systems	NEM	*	198	Commercial and industrial
17.	EPCC of 7.38 kWp solar PV systems	NEM	*	15	Commercial and industrial
18.	EPCC of 18.45 kWp solar PV systems	NEM	*	36	Commercial and industrial
19.	EPCC of 7.38 kWp solar PV systems	NEM	*	15	Commercial and industrial
20.	EPCC of 4.92 kWp solar PV systems	NEM	*	10	Commercial and industrial
21.	EPCC of 104.55 kWp solar PV systems	NEM	*	195	Commercial and industrial
22.	EPCC of 104.55 kWp solar PV systems	NEM	*	195	Commercial and industrial
23.	EPCC of 7.38 kWp solar PV systems	NEM	July 2025/ July 2025	17	Residential
24.	EPCC of 7.38 kWp solar PV systems	NEM	July 2025/ July 2025	17	Residential
25.	EPCC of 7.38 kWp solar PV systems	NEM	July 2025/ July 2025	17	Residential
26.	EPCC of 12.30 kWp solar PV systems	NEM	July 2025/ July 2025	27	Residential
27.	EPCC of 10.46 kWp solar PV systems	NEM	July 2025/ July 2025	24	Residential

\* Enerxite has commenced planning works but has yet to commence physical works at the site.

As disclosed above, the Group has to-date undertaken small-scale energy related projects, representing an initial step in its strategic diversification into the Renewable Energy Business. Moving forward, and in line with its diversification objectives, the Group intends to expand its presence in the renewable energy sector by pursuing larger-scale projects which is expected to contribute positively to its future growth and earnings base.

The key financial performance of the Group for the past 3 financial years from FYE 2023 to 2025 are as follows:

	<b>Audited</b>					
	<b>FYE 2023</b>		<b>FYE 2024</b>		<b>FYE 2025</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
<b>Revenue</b>	<b>88,662</b>	<b>100.0</b>	<b>125,696</b>	<b>100.0</b>	<b>170,024</b>	<b>100.0</b>
- Underground utilities engineering solutions	79,720	89.9	112,719	89.7	147,570	86.8
- Manufacturing and trading of HDPE pipes	8,942	10.1	12,977	10.3	22,454	13.2
<b>Profit after tax ("PAT")</b>	<b>14,117</b>	<b>100.0</b>	<b>15,907</b>	<b>100.0</b>	<b>22,972</b>	<b>100.0</b>
- Underground utilities engineering solutions	13,936	98.7	14,544	91.4	19,640	85.5
- Manufacturing and trading of HDPE pipes	181	1.3	3,219	20.2	4,303	18.7
- Others <sup>(i)</sup>	-	-	(1,856)	(11.6)	(971)	(4.2)

**Note:**

- (i) Includes one-off listing expenses incurred at the investment holding level, which are non-operational in nature.

*(Source: UUE's Annual Report for FYE 2025)*

The Group's financial performance over the financial years under review were mainly reliant on the provision of underground utilities engineering solutions, which has been the key revenue and PAT contributor of the Group.

The Board expects that the contribution from the Renewable Energy Business may potentially contribute or account for more than 25.0% of the net profits and/ or NA position of the Group. In anticipation of this, and in accordance with Rule 10.13(1) of the Listing Requirements, the Company must obtain the approval of its shareholders in a general meeting for any transaction or business arrangement which might reasonably be expected to result in either:

- (i) the diversion of 25.0% or more of the NA of the Group to an operation which differ widely from those operations previously carried on by the Group; or
- (ii) the contribution from such an operation of 25.0% or more of the net profits of the Group.

Notwithstanding the Proposed Diversification, the Board will continue with the existing business operations of the Group in the same manner. The Board will continuously review the Group's business operations from time to time with the intention to further improve the Group's financial performance and position.

## 2.4.2 Key management personnel

Aside from Datuk Dr Ting Kok Hwa and Hin Wai Mun who will be overseeing the projects undertaken by Enerxite, the Group has identified Daryl Lai Yit Sheng as one of the key management personnel to spearhead the day-to-day operations of its Renewable Energy Business. Their qualifications and experiences are set out below:

(i) Datuk Dr Ting Kok Hwa

Datuk Dr Ting Kok Hwa, a Malaysian, aged 51 is the Group's Managing Director. He graduated with a Bachelor of Engineering in Electrical and Electronic Engineering from the Liverpool John Moores University, United Kingdom in 1997. He then obtained his Master of Business Administration and Doctor of Philosophy in Business Administration from Charisma University, Turks and Caicos Islands, United Kingdom in 2017 and 2021 respectively.

He started his career with Komasi Enterprise Sdn Bhd (currently known as Komasi Engineering Sdn Bhd) in 1999 as a Project Engineer before being promoted to the position of Senior Project Engineer and subsequently as a Senior Project Manager in 2008 and 2009 respectively, where he was primarily involved in overseeing site activities as well as monitoring the progress of projects. Throughout his years in Komasi Enterprise Sdn Bhd, he gained in-depth project management experience and developed technical skills from working on underground utilities engineering projects as well as other civil engineering projects undertaken by the company. In 2009, he founded Komasi Construction Pte Ltd (currently known as Konnection Engineering Pte Ltd ("**Konnection**"), presently wholly-owned by UUE), to pursue opportunities in Horizontal Directional Drilling ("**HDD**") works in Singapore. He is presently the Managing Director of Konnection, where he is responsible for managing and implementing the strategic growth plans of Konnection.

In the later part of 2009, he resigned from Komasi Enterprise Sdn Bhd and joined Kum Fatt Construction Sdn Bhd (currently known as Kum Fatt Engineering Sdn Bhd ("**Kum Fatt**"), presently wholly-owned by UUE) as a Project Manager where he was mainly involved in managing underground utilities engineering projects undertaken by Kum Fatt, as well as supporting his father, the late Dato' Ting Ah Kong in building the business of Kum Fatt. In 2011, he became a shareholder of Bestari Selatan Sdn Bhd ("**Bestari Selatan**") and was appointed as an executive director of Bestari Selatan in 2012. He continues to hold this position to-date. Bestari Selatan was previously involved in general construction works and subsequently mainly focused on the purchase and/or rental of its own properties. In 2012, he was appointed as a Director of Kum Fatt and took over the leadership and daily management of Kum Fatt from the late Dato' Ting Ah Kong. He continues to hold this position to-date.

In 2015, he was appointed as a director and became a shareholder of Xenith IG Malaysia Sdn Bhd, a company involved in the provision of fibre optic transmission network services. He mainly plays an advisory role in any technical matters relating to its business. In September 2023, he ceased to be a shareholder and director of Xenith IG Malaysia Sdn Bhd.

In 2017, he co-founded Geo Inspire Sdn Bhd (currently known as Premier Plastic Industry Sdn Bhd ("**PPI**"), presently wholly-owned by UUE) which commenced HDPE pipe manufacturing operations in 2019. He is presently the Managing Director of PPI, where he is responsible for overseeing the manufacturing operations and implementing strategic growth plans.

(ii) Hin Wai Mun

Hin Wai Mun, a Malaysian, aged 43 is the Group's Executive Director. He graduated with an International Diploma in Computer Studies from Informatics College, Malaysia in 2005.

He started his career at Komasi Enterprise Sdn Bhd (currently known as Komasi Engineering Sdn Bhd) as a Civil Supervisor in 2005 and was subsequently promoted to Civil Project Coordinator in 2009, where he was responsible for monitoring projects development and was also involved in the tender process as well as the logistics aspect of projects. While at the company, he gained exposure in civil and HDD projects undertaken by the company and built his project management skills therefrom. He resigned from Komasi Enterprise Sdn Bhd in 2009. In 2010, he co-founded Bestari Selatan and was appointed as a director of the company. Bestari Selatan was then involved in general construction works, and he oversaw the project management of civil and HDD projects undertaken by the company as a Project Director. He then resigned as a director of Bestari Selatan in 2016.

During his tenure with Bestari Selatan, in 2015, he was appointed as an Executive Director cum Project Director of TSE Jaya Sdn Bhd, where he was primarily involved in identifying business development opportunities for the company. He resigned as a director and Project Director of TSE Jaya Sdn Bhd in 2021. In 2016, he was appointed as an Executive Director and subsequently appointed as General Manager of Kum Fatt in 2021, a position that he continues to hold to-date. In 2016, he became a shareholder of Kum Fatt. In 2018, he returned to Bestari Selatan as a non-executive director and shareholder to venture into property investment to-date. For avoidance of doubt, he is not involved in managing and handling of any property-related transactions or documentation of Bestari Selatan (save for signing of documents such as sale and purchase agreements and rental agreements).

(iii) Daryl Lai Yit Sheng

Daryl Lai Yit Sheng, a Malaysian, aged 36, is the director of Enerxite. He is also the chief executive officer of Enerxite effective from 1 June 2025, is responsible for managing the overall strategic initiatives, operations, and growth of Enerxite. He also contributes technical expertise, industry knowledge, and practical experience in the renewable energy industry. He graduated with a Bachelor of Mechanical Engineering (Hons) from Multimedia University, Malaysia in 2012.

He has more than 6 years of experience in the renewable energy sector. In 2012 he began his career as a Project Engineer in OAG Group of Companies, where he was responsible for managing and leading a project team and overseeing day-to-day workshop operations. He subsequently left in October 2013 and joined CRC-Evans Pipeline International Sdn Bhd as Proposal Engineer in November 2013, where he was tasked to handle the regional projects within Asia and responsible for reviewing project requirements, preparation and negotiation of technical and commercial proposal, cost and benefit analysis, business development and providing operational support. In August 2016, he left CRC-Evans Pipeline International Sdn Bhd and joined A1 Custom Coat Solutions Sdn Bhd as Proposals Manager in September 2016, where he was involved in starting up a new business entity, spearheading marketing and business development activities, preparation and negotiation of technical and commercial proposals, project planning and execution and implementing quality management systems.

He then left A1 Custom Coat Solutions Sdn Bhd in January 2019 and joined Solarvest Energy (SR) Sdn Bhd as Business Development Manager. He was responsible for the business development activities in the southern region of Malaysia and his role includes identifying and pursuing new business opportunities in solar PV outright purchase and power purchase agreement, leading tenders preparation and submission, managing client negotiations and overseeing project planning and execution.

In November 2020, he left Solarvest Energy (SR) Sdn Bhd and joined Plus Xenergy Services Sdn Bhd, a company principally involved in the provision of solar PV systems and related services, including development, installation, maintenance, and consultancy for the design, integration, and management of solar energy systems, as Senior Branch Manager where he was responsible for overseeing the daily operations of the branch, leading cross-functional teams including business development, technical, project, authority and operations as well as identifying new business opportunities. He then left the company in July 2023.

In August 2023, he joined Ditrollic Sdn Bhd as Regional Lead for Commercial and Industrial Segment, a company principally involved in the provision of electrical and mechanical supplies and services, leading the business development team in 6 countries, developing business partnership with industry players, and negotiating business deals. He left the company in 2024.

In 2025, he joined Komasi Engineering Sdn Bhd as Head of Department of Renewable Energy, where he led the newly established renewable energy division, overseeing the day-to-day operations as well as developed and implemented strategies to drive revenue growth and market expansion. He left the company in May 2025.

In June 2025, he joined Enerxite as Chief Executive Officer and subsequently being appointed as Director, a position that he continues to hold to-date. His in-depth working knowledge and experience in renewable and sustainable energy source in particular solar energy technologies, makes him a valuable contributor to Enerxite's growth and expansion in the renewable energy sector.

As at LPD, Enerxite has 17 employees undertaking its on-going projects, consisting of (i) 1 Chief Executive Officer; (ii) 1 Chief Technical Officer, 1 project manager cum technical advisor, 1 project engineer, 1 senior designer engineer 1 technical officer, 4 electricians and 1 energy technology engineer in the Project Department; (iii) 3 business development executives and 1 business development manager in the Business Development Department; (iv) 1 senior supply chain and administrative executive in Procurement Department; and (v) 1 administrative executive in the Administrative Department. Premised on the existing manpower of Enerxite, led by Daryl Lai Yit Sheng, the Company believes that it possesses the requisite experience, expertise and capital to venture and further diversify into the business of renewable energy. Additionally, to ensure that Enerxite has sufficient manpower for future undertakings, Enerxite will, from time to time, recruit personnel with relevant experiences and expertise to assist the key management personnel in managing and undertaking its Renewable Energy Business. The recruitment plan will depend on the size and requirements of the future development on the Renewable Energy Business to be undertaken by Enerxite and the availability of suitable candidates.

### **3. RATIONALE FOR THE PROPOSALS**

#### **3.1 Proposed Bonus Issue of Shares**

The Proposed Bonus Issue of Shares aims to reward the Company's existing shareholders for their continuous support by increasing their equity participation in the Company in terms of the number of UUE Shares held whilst maintaining their percentage equity shareholding without incurring any cost. The Proposed Bonus Issue of Shares is expected to improve the trading liquidity and affordability of UUE Shares on the ACE Market of Bursa Securities whilst increasing the number of UUE Shares in issue without affecting the market capitalisation of the Company.

#### **3.2 Proposed Bonus Issue of Warrants**

The Proposed Bonus Issue of Warrants aims to reward the Company's existing shareholders for their continuous support by enabling them an option to further increase their equity participation in the Company at a pre-determined exercise price during the tenure of the Warrants, and to benefit from the future growth and any potential capital appreciation arising therefrom.

Further, the Proposed Bonus Issue of Warrants will also strengthen the financial position and capital base of the Company, as the Warrants may potentially provide the Group with additional working capital as and when the Warrants are exercised without incurring interest costs as compared to bank borrowings.

#### **3.3 Proposed ESOS**

The Group recognises the contributions and services of the performing Directors and employees. In this regard, the Proposed ESOS is undertaken primarily to provide such Eligible Persons with an opportunity to have equity participation in UUE at the pre-determined option price of ESOS and in the meantime, to achieve the following corporate goals:

- (i) to foster a greater sense of belonging and loyalty amongst the Eligible Persons by offering them an opportunity to have equity participation in the Company and thereby, better aligning their interests with the corporate goals of the Company;
- (ii) to encourage the Eligible Persons to continue their services with the Group which in turn, would enable the Group to better retain its talent pool and thereby, minimise any potential loss of performing personnel;
- (iii) to recognise the Eligible Persons who have demonstrated valuable services and dedication to the Group by enabling them to participate in the Group's future profitability and thereby, enjoy prospective capital gains arising from the appreciation in the value of the UUE Shares upon the exercise of the ESOS Options; and
- (iv) to make the Group's remuneration package more competitive and attractive to skilled and experienced individuals. This in turn, would enable the Group to better retain its existing performing personnel as well as attract new competent personnel to serve the Group.

The Proposed ESOS may be extended to non-executive Directors in recognition of their valuable contributions to the Group and to enable them to participate in the Group's future growth. Their participation in the equity of the Company is expected to enhance their commitment level and contribution as well as enable the Company to attract and retain capable individuals to act as non-executive Directors of UUE.

### **3.4 Proposed Diversification**

The Group intends to diversify and expand its existing business activities by entering the renewable energy industry, with a focus on the Renewable Energy Business. The Group has identified the renewable energy sector as a potential business segment which the Group believes has substantial long-term growth potential in light of the global shift towards sustainable energy solutions and the favourable industry outlook such as the initiatives introduced by the government which focuses on sustainability and the green economy, as further detailed in Section 5.5 below.

The Group intends to further expand its involvement in this sector through the EPCC of solar PV systems, investment in solar plant and subsequently into other areas of renewable energy. The Group's existing workforce and resources are well-positioned to support EPCC activities for installation and commissioning of solar PV systems and therefore allowing seamless integration with the Group's current operations. As such, the Proposed Diversification is expected to support the Group's broader strategy to expand and strengthen its revenue base. The Group intends to deploy capital of approximately RM1.5 million into the Renewable Energy Business over the next 3 years and is confident that the Group's existing financial position is sufficiently strong to support the Proposed Diversification without compromising its current operations. The financial commitment will be funded through a combination of internally generated funds, bank borrowings, and/ or proceeds from future fundraising exercises, if necessary. The breakdown of such funding cannot be reasonably determined at this juncture as it will depend on, amongst others, the availability of funds and suitability of financing options at the relevant time.

This initiative aims to enhance the Group's long-term growth prospects by capturing the growing demand for sustainable energy solutions. The Board believes that the Proposed Diversification will not only create new revenue streams, but also contribute positively to future earnings, improve the Group's financial position, and ultimately enhance the Group's profitability and returns on shareholders' funds premised on the prospects of the renewable energy industry in Malaysia as set out in Section 5.5.

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#### 4. EFFECTS OF THE PROPOSALS

##### 4.1 Issued share capital

For illustrative purposes, the pro forma effects of the Proposals on the share capital are as follows:

	<u>No. of UUE Shares</u>	<u>RM</u>
Issued share capital as at LPD	608,292,000	77,230,044
Bonus Shares issued pursuant to the Proposed Bonus Issue of Shares	304,146,000	-
<b>After the Proposed Bonus Issue of Shares</b>	<b>912,438,000</b>	<b>77,230,044</b>
New UUE Shares to be issued assuming full exercise of the Warrants <sup>(i)</sup>	121,658,400	63,262,368
<b>After the Proposed Bonus Issue of Warrants</b>	<b>1,034,096,400</b>	<b>140,492,412</b>
New UUE Shares to be issued assuming full exercise of the ESOS Options <sup>(ii)</sup>	103,409,640	52,201,186
<b>Enlarged issued share capital</b>	<b>1,137,506,040</b>	<b>192,693,598</b>

##### Notes:

(ii) Assuming 121,658,400 Warrants are exercised into Shares at the Indicative Exercise Price of RM0.52 per Warrant.

(iii) Assuming full exercise of the ESOS Options of up to 10.0% of the enlarged total number of issued shares in UUE at an illustrative exercise price of RM0.5048 after full exercise of the Warrants, which represents a discount to 10.0% to the theoretical ex-all price of RM0.5608 per UUE Share, calculated based on the 5-day adjusted VWAP of UUE Shares up to and including the LPD of RM0.5690.

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## 4.2 NA per share and gearing

The pro forma effects of the Proposals on the NA and gearing of the Group based on its latest consolidated audited statement of financial position as at 28 February 2025 are as follows:

	<b>Audited as at 28 February 2025</b>	<b>(I) After the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants</b>	<b>(II) After (I) and assuming full exercise of the Warrants</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Share capital	77,230	77,230	<sup>(ii)</sup> 140,492
Reserves	35,868	<sup>(i)</sup> 35,459	35,459
<b>Shareholders' fund/ NA</b>	<b>113,098</b>	<b>112,689</b>	<b>175,951</b>
No. of shares in issue ('000)	608,292	912,438	1,034,096
Total borrowings (RM'000)	30,881	30,881	30,881
NA per Share (RM)	0.19	0.12	0.17
Gearing ratio (times)	0.27	0.27	0.18

### Notes:

- (i) After deducting the estimated expenses of approximately RM0.4 million relating to the Proposals.
- (ii) Assuming 121,658,400 Warrants are exercised into Shares at the Indicative Exercise Price of RM0.52 per Warrant.

The Proposed ESOS is not expected to have an immediate effect on the NA and gearing until such time when the ESOS Options are exercised into new Shares. Any potential effects on the NA and gearing would depend on, amongst others, the option price of ESOS and the actual number of new Shares to be allotted and issued upon the Grantees' exercise of the ESOS Options at the relevant point in time, and the potential effect on the future earnings arising from the adoption of the Malaysian Financial Reporting Standards 2: Share-based payment ("**MFRS 2**"). For illustrative purposes, upon exercise of the ESOS Options to be granted, the NA per Share is expected to:

- (i) increase if the option price of ESOS is higher than the NA per Share; or
- (ii) decrease if the option price of ESOS is lower than the NA per Share,

at such point of exercise of the ESOS Options.

### 4.3 Substantial shareholders' shareholding

The Proposed ESOS is not expected to have any immediate effect on the shareholdings of the substantial shareholders of the Company until such time when the ESOS Options to be granted are exercised. Any potential effect on the shareholdings of the substantial shareholders would depend on the number of new UUE Shares to be issued pursuant to the exercise of the ESOS Options granted under the Proposed ESOS at the relevant point in time.

For illustrative purposes only, the pro forma effects of the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants on the substantial shareholders' shareholdings in UUE are as follows:

	As at LPD				Pro forma I				Pro forma II			
					After the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants							
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(ii)%	No. of Shares	(ii)%	No. of Shares	(iii)%	No. of Shares	(iii)%
Datuk Dr Ting Kok Hwa	273,281,000	44.9	-	-	409,921,500	44.9	-	-	464,577,700	44.9	-	-
Hin Wai Mun	44,142,000	7.3	-	-	66,213,000	7.3	-	-	75,041,400	7.3	-	-
Chong Tuoo Choi	37,019,000	6.1	-	-	55,528,500	6.1	-	-	62,932,300	6.1	-	-
Datuk Ting Meng Pheng	39,485,000	6.5	-	-	59,227,500	6.5	-	-	67,124,500	6.5	-	-

#### Notes:

- (i) Based on the existing issued share capital comprising 608,292,000 Shares.
- (ii) Based on the enlarged issued share capital comprising 912,438,000 Shares after the Proposed Bonus Issue of Shares.
- (iii) Based on the enlarged issued share capital comprising 1,034,096,400 Shares assuming full exercise of the Warrants.

#### **4.4 Earnings and EPS**

Save for the estimated expenses to be incurred in relation to the Proposals of approximately RM0.4 million, the Proposals are not expected to have any immediate effect on the earnings and EPS for the FYE 2026. The estimated expenses, which will be funded through internally generated funds, mainly comprise professional fees and processing fees to authorities for the Proposals as well as other miscellaneous expenses incidental to the Proposals. However, assuming that the earnings of the Group remain unchanged, the EPS of the Company will be proportionately diluted as a result of the increase in the number of UUE Shares in issue pursuant to the Proposed Bonus Issue of Shares, and as and when the Warrants and ESOS Options are exercised into new UUE Shares. Any potential effect on the earnings and EPS in the future will depend on factors such as the number of Warrants and ESOS Options granted and exercised at any point in time.

Pursuant to MFRS 2, the cost arising from the issuance of the ESOS Options is measured by the fair value of the ESOS Options, which is expected to vest at the grant date, and is recognised as an expense in the income statement over the vesting period of the ESOS Options, thereby reducing the earnings of the Group. The fair value of the ESOS Options is determined based on the Black-Scholes valuation model, which is a formulaic computation that is dependent on several factors such as historical volatility of UUE Shares, prevailing risk-free rate, the exercise price and the duration of the ESOS Options. The quantum of such impact cannot be determined at this juncture as it will only be measured at the relevant point in time when the ESOS Options are granted and be recognised as an expense in the profit or loss account of the Group over the vesting period of such ESOS Options. However, it should be noted that such expense does not represent a cash outflow of the Group as it is merely an accounting treatment.

The Board takes note of the potential impact of MFRS 2 on the future earnings and will take into consideration of such impact in the allocation and issuance of ESOS Options to the Eligible Persons.

#### **4.5 Convertibles securities**

As at LPD, the Company does not have any convertible securities.

### **5. INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF THE GROUP**

#### **5.1 Overview and outlook of Malaysia's economy**

The economy in Malaysia expanded by 4.4% in the first quarter of 2025 (4Q 2024: 4.9%), driven mainly by domestic demand. Household spending was sustained amid positive labour market conditions and income-related policy measures, including the upward revision of minimum wage and civil servant salary. Investment activities continued to expand, driven by implementation of new and existing projects. While export growth moderated due to weaker mining exports, this was partially offset by stronger electrical and electronics exports and tourism activity. At the same time, imports growth, although more moderate, continued to be driven by strong demand for capital goods, reflecting continued investment and trade activities.

On the supply side, economic growth in the first quarter of 2025 was primarily driven by the services and manufacturing sectors. The services sector benefited from increased government services, while the manufacturing sector was supported by strong electrical and electronics output. However, growth in both sectors was tempered by the normalisation of motor vehicle sales and production following several years of elevated activity. Overall performance was further impacted by a contraction in the mining sector due to lower oil and gas production. On a quarter-on-quarter, seasonally adjusted basis, the economy grew by 0.7% (4Q 2024: -0.2%).

Headline inflation moderated to 1.5% in the first quarter (4Q 2024: 1.8%). The moderation was largely due to lower utilities inflation at 3.0% (4Q 2024: 18.1%). This followed the dissipation of the effects of earlier water tariff adjustments and higher electricity charges for high-usage households in the first quarter of 2024. Inflation in mobile communication services continued to decline, averaging at -13.5% (4Q 2024: -10%). Core inflation, however, edged higher to 1.9% (4Q 2024: 1.7%). It was driven mainly by rental inflation, which rose to 2.1% (4Q 2024: 1.7%). Inflation pervasiveness, measured by the share of Consumer Price Index items recording monthly price increases, experienced an uptick amid seasonal menu price adjustments. Nonetheless, it remained well below the long-term average for the first quarter (43.3%; 4Q 2024: 39.8%; 1Q 2011-2019: 52.2%).

In 2025, headline inflation is projected to remain within a moderate range of 2.0 - 3.5%, driven by further moderating global costs and absence of excessive demand. Similar to the economic outlook, any changes to the forecast will be released once there is greater visibility on the external developments. Global commodity prices are expected to be lower, contributing to further downward pressure. The recently introduced wage-related policies will support demand, although the impact on inflation is expected to be limited. In this environment, the overall impact from domestic policy measures is expected to be contained.

*(Source: Economic and Financial Developments in Malaysia in the First Quarter of 2025, Bank Negara Malaysia)*

Malaysia's GDP growth is expected to moderate further in the second quarter of 2025 by an estimated 6.8% on the year-on-year growth (4Q2024: 6.1%), reflecting the impact of persistent global uncertainties and a more cautious external environment. The imposition of higher global tariffs, particularly on Malaysian exports to the United States, poses a key downside risk despite a temporary reduction in reciprocal tariffs from 24.0% to 10.0% effective April 2025 and a deferral of the higher rate enforcement to July 2025. The trade outlook remains fragile amid the absence of a comprehensive agreement, leaving key sectors such as electronics and commodities vulnerable to policy reversals and renewed trade tensions. These external headwinds may dampen investor sentiment and disrupt trade flows. Nevertheless, domestic economic resilience is expected to be supported by firm consumer demand, targeted fiscal measures, and a stable labour market, which together provide a buffer against external shocks.

*(Source: 1Q2025 GDP Preview: Economic Growth Beats Advance Estimate, But Global Trade Risks Weigh on Outlook, dated 14 May 2025, Bank Islam Malaysia Berhad)*

The Malaysian economy remains on a strong footing and is projected to expand between 4% and 4.8% in 2025 (2024: 5.1%). The updated growth projections account for various tariff scenarios, ranging from a continued elevation of tariffs to more favourable trade negotiation outcomes. This forecast remains subject to uncertainties surrounding the global economy, both on the downside and upside. Favourable trade negotiation outcomes, pro-growth policies in major economies, continued demand for electrical and electronic goods, and robust tourism activity could raise Malaysia's export and growth prospects.

*(Source: Malaysia's economy remains on a strong footing and is projected to grow between 4%–4.8% in 2025, Bank Negara Malaysia)*

## **5.2 Overview and outlook of Singapore's economy**

The economy in Singapore expanded by 4.4% in 2024 and moderated by 3.9% in the first quarter of 2025 (4Q 2024: 5.0%), driven mainly by the deterioration in the external demand outlook following the announcement of sweeping tariffs by the United States and the ensuing cycle of tit-for-tat tariffs with China, which were expected to weigh heavily on global trade and global economic growth in April 2025.

However, since then, there have been signs of easing trade tensions. The United States has initiated trade negotiations with several economies affected by its tariffs, including the United Kingdom and China, both of which have reached preliminary agreements with the US. A key development is the 90-day suspension of additional tariffs between the US and China while they work toward a comprehensive trade deal. This easing of tensions has contributed to a more stable trade environment, which is beneficial for Singapore's open and trade-dependent economy and has helped improve the external demand outlook slightly compared to April.

In line with this, economic growth in the United States is now expected to be slightly stronger than previously projected, mainly due to the temporary trade truce with China. Nonetheless, growth is still anticipated to slow in the months ahead as tariff-related inflation and persistent uncertainty continue to weigh on consumer spending and business investment. Meanwhile, growth in the Eurozone is expected to remain weak due to declining business confidence and early signs of slowing activity. However, lower inflation and supportive monetary policies may offer some relief to the region's economy.

Despite these tentative improvements, Singapore's outward-oriented sectors are expected to slow over the remainder of 2025. The manufacturing sector is likely to be impacted by the US tariff measures due to its significant export exposure to the US market, along with weaker demand from global end-markets. Despite these challenges, the transport engineering cluster within the manufacturing sector remains a positive contributor, benefiting from a shift toward higher value-added activities such as aircraft maintenance, repair, and overhaul.

In the first quarter of 2025, the manufacturing sector expanded by 4.0% (4Q 2024:7.4%). This growth was driven by higher output in the electronics, precision engineering, and transport engineering clusters. However, on a quarter-on-quarter seasonally adjusted basis, the sector contracted by 5.8%, compared to flat growth in the prior quarter. The construction sector, meanwhile, registered year-on-year growth of 5.5% (4Q 2024: 4.4%). The increase was underpinned by stronger activity in both public and private sector projects. Despite this, the sector contracted by 1.4% on a quarter-on-quarter seasonally adjusted basis, reversing the 0.3% growth recorded in the preceding quarter.

Taking into account the performance of the Singapore economy in the first quarter, as well as the latest global and domestic economic situations, Singapore's GDP growth forecast for 2025 is maintained at 0.0% to 2.0%.

*(Source: MTI Maintains 2025 GDP Growth Forecast at "0.0 to 2.0 per cent", dated 22 May 2025, Ministry of Trade and Industry Singapore)*

### **5.3 Overview and outlook of the construction industry in Malaysia**

Malaysia's construction industry enters 2025 with strong momentum, underpinned by robust public infrastructure spending, a rebound in private sector investment, and supportive government policies. Following a 20.2% increase in construction work value in 2024, the sector is projected to grow by 6.1% in 2025, with some forecasts predicting up to 12.0% year-on-year expansion. Growth is driven by mega infrastructure projects such as the MRT3 Circle Line, Pan Borneo Highway, and flood mitigation initiatives, alongside recovery in high-rise residential and mixed-use developments. Strategic frameworks like the 12<sup>th</sup> Malaysia Plan and Construction 4.0 are accelerating digitalisation and sustainability through the adoption of technologies such as BIM, prefabrication, and green building practices. Despite ongoing challenges including rising material costs, labour shortages, and regulatory compliance, the government's efforts in workforce upskilling and ESG integration are expected to support continued sector resilience and transformation.

*(Source: Malaysia's Construction Sector in 2025 Anticipates Waves of Growth, dated 8 May 2025, Construction Industry Development Board Malaysia)*

Malaysia's construction sector is expected to maintain its solid growth trajectory, supported by sustained investment momentum despite a slight moderation in pace. Growth in the first quarter of 2025 remained robust, driven by rapid progress in a wide range of infrastructure development projects and the initiation of new ones. Construction work done rose by 16.6% year-on-year in the first quarter of 2025 (4Q 2024: 23.1%), with continued double-digit expansions across key subsectors such as special trade activities (+35.5%), residential buildings (+27.0%), and non-residential buildings (+21.0%). This performance reflects the higher realization of approved investments from both public and private sources. Private sector investment has been sustained by a favourable business environment, comprehensive incentives, and supportive government initiatives outlined under the MADANI framework, including the National Energy Transition Roadmap and the New Industrial Master Plan 2030. On the other hand, public sector investment growth is being driven by rapid progress on multi-year infrastructure projects as the Twelfth Malaysia Plan approaches its final year.

The ongoing investment upcycle, as highlighted by Bank Negara Malaysia, has propelled advancements in several major projects such as LRT3, the RTS Link between Johor Bahru and Singapore, the East Coast Rail Link, the Pan-Borneo Highway, and the Sabah-Sarawak Link Road. Looking ahead, the sector is expected to benefit from continued investment momentum, bolstered by rising investor confidence in cohesive government policies and renewed optimism following the revitalization of Malaysia's strategic partnership with China.

*(Source: 1Q2025 GDP Preview: Economic Growth Beats Advance Estimate, But Global Trade Risks Weigh on Outlook, dated 14 May 2025, Bank Islam Malaysia Berhad)*

#### **5.4 Overview and outlook of the manufacturing industry in Malaysia**

The manufacturing sector in Malaysia is projected to grow at a slightly slower pace of 3.9% in 2025, compared to 4.2% in 2024. This moderation reflects a mixed performance across industries, where continued strength in the electrical and electronics ("E&E") and consumer-related segments is partially offset by weaker output in primary and construction-related manufacturing. The primary-related industry is expected to be weighed down by lower natural gas production and scheduled upstream maintenance, while growth in construction-related manufacturing is likely to ease as major infrastructure projects near completion. On the other hand, the E&E industry is poised to benefit from a global technology upcycle, supported by strong demand for consumer electronics and AI-driven semiconductors, leading to growth across all semiconductor segments. Consumer-related industries will also be supported by resilient household spending and the introduction of new domestic electric vehicle models. Overall, Malaysia's gross exports are forecast to grow by 5.2% in 2025, led by manufactured exports—especially in the E&E sector—which are expected to expand by 5.5%. This growth will be fueled by increasing global demand for cloud computing, AI-powered devices, and high-performance computing products such as PCs, mobile phones, and servers.

*(Source: Economic and Monetary Review 2024, dated 24 March 2025, Bank Negara Malaysia)*

Malaysia's manufacturing sector faced mounting downside risks in the first quarter of 2025 due to ongoing global trade uncertainties, which weighed on growth momentum. This was reflected in the Industrial Production Index for manufacturing, which moderated to 4.2%, down from 4.5% in the previous quarter. Further signalling softness in the sector, the Manufacturing Purchasing Managers' Index remained in contractionary territory, registering 48.8 in March 2025 and 48.6 in April 2025 both below the 50-point threshold that indicates expansion. Despite these challenges, external demand continued to support export performance, with total exports growing by 4.4% in the first quarter of 2025, although this marked a slowdown from 7.3% in the fourth quarter of 2024. Exports to the United States remained strong, posting 36.5% growth, slightly lower than the 39.1% recorded previously. Exports to the European Union improved, accelerating to 5.1% from 1.9%, while exports to China extended their decline, contracting by 4.3% compared to a 2.9% fall in the prior quarter.

*(Source: 1Q2025 GDP Preview: Economic Growth Beats Advance Estimate, But Global Trade Risks Weigh on Outlook, dated 14 May 2025, Bank Islam Malaysia Berhad)*

## **5.5 Overview and outlook of the renewable energy industry in Malaysia**

Malaysia's economic outlook for 2025 remains optimistic, with GDP growth projected between 4.6% and 4.7% (2024: 5.1%), driven by a strong labour market, continued improvement in exports, rising household spending, and robust investment activity. The government's focus on sustainability and the green economy is playing a key role in the growth of this industry, where the government have introduced numerous initiatives to promote sustainability among industry players across Malaysia, aiming to attract more foreign direct investment. A significant emphasis has been placed on aligning economic development with climate goals, particularly through decarbonising high-emission sectors such as manufacturing, energy, and heavy industries. The New Industrial Master Plan 2030 anchors this shift, with the "Push for Net Zero" as one of its core missions, aiming to accelerate the transition to renewable energy, green technologies, and carbon reduction strategies.

The renewable energy industry stands to benefit significantly from this national push, as several initiatives and incentives have been rolled out to stimulate green investment. As of late 2024, over RM8.2 billion worth of green projects had been approved by the Ministry of Investment, Trade and Industry, spanning bioenergy, circular economy practices, energy efficiency, and green mobility. Tenaga Nasional Berhad ("**TNB**") is spearheading large-scale solar development and facilitating access to renewable electricity through corporate power purchase agreements. Government policies, including expanded tax incentives under Budget 2024, covering green hydrogen, electrical vehicle infrastructure, and wind energy are expected to further catalyse private sector participation. This comprehensive approach positions Malaysia's renewable energy industry for accelerated growth, technological advancement, and job creation in 2025. Additionally, the initiatives introduced by the government has enable companies to expand their renewable energy portfolio while supporting the country's renewable energy transition.

*(Source: Economic growth to be sustained in 2025 with focus on green sector, dated 6 January 2025, Malaysian Investment Development Authority)*

TNB, Malaysia's national energy company also significantly expand its renewable energy investments, raising its capital expenditure to RM42.9 billion (including contingent CAPEX) to stimulate Malaysia's economy and prepare the electricity network to facilitate Malaysia's energy transition. In line with this, TNB is supporting Malaysia's energy transition by enhancing grid infrastructure to ensure supply security. Several projects focusing on solar and hydroelectric power, leveraging Malaysia's abundant natural resources is also initiated by TNB and they are also exploring innovative solutions such as energy storage systems and smart grid technologies to enhance grid flexibility and reliability. These efforts are designed to facilitate the integration of renewable energy sources and accommodate the evolving energy consumption patterns of consumers.

*(Source: TNB's Annual Report FYE 2024)*

Given Malaysia's current national renewable energy goals and the range of initiatives promoting solar PV installations across utility-scale, residential, and commercial sectors, there is a growing need to strengthen local solar PV module manufacturing. This would not only support the country's energy transition but also create additional socio-economic benefits. Under the 1.5°C Scenario ("**1.5-S**"), which targets 90.0% renewable electricity generation, Malaysia would need to expand its solar capacity by approximately 1.4 Gigawatt annually up to 2030, increasing to 4.3 Gigawatt each year through 2050. These installations would be distributed across Peninsular Malaysia, Sabah, and Sarawak, including both rooftop and large-scale solar systems, strategically planned based on resource availability, land use, and proximity to demand centers.

To accelerate the development of the domestic PV manufacturing industry, closer coordination among government bodies, industry stakeholders, and the private sector is essential. Additionally, greater focus is needed on integrating solar PV with battery storage solutions and improving grid flexibility, especially in light of the projected surge in solar deployment across the region. According to International Renewable Energy Agency's 1.5-S outlook, the ASEAN region could see up to 2,400 Gigawatt of installed solar PV capacity by 2050.

*(Source: Malaysia Energy Transition Outlook 2023, International Renewable Energy Agency)*

## **5.6 Prospects of UUE Group**

The Group maintain a positive outlook for the underground utilities engineering sector, driven by strong infrastructure developments in both Malaysia and Singapore. In Malaysia, TNB's commitment of RM42.8 billion in capital expenditure under Regulatory Period 4 (2025–2027), and further investments through 2030 under the National Energy Transition Roadmap, are expected to boost demand for reliable and robust energy infrastructure. In Singapore, the Building and Construction Authority projects construction demand to remain strong, ranging between S\$47 billion and S\$53 billion in 2025, and S\$39 billion to S\$46 billion annually from 2026 to 2029. These developments offer continued opportunities for growth in UUE across both markets.

With the Group's recent IPO strengthening its capital base, UUE is well-positioned to capitalise on these opportunities through investment in new machinery, expanded manpower, entry into new regions, and enhancement of the Group's service offerings. Looking ahead to the financial year ending 28 February 2026, the Group anticipates stable performance supported by infrastructure rollouts under the Incentive-Based Regulation framework. While remaining cautious amid global uncertainties such as rising tariffs from the United States, UUE will continue to adopt prudent operational and financial strategies to ensure sustainable long-term growth and resilience.

*(Source: UUE's Annual Report 2025)*

In addition to the Group's core underground utilities engineering business, Enerxite is actively expanding in the fast-growing renewable energy sector. As a renewable energy company, Enerxite, is committed to providing sustainable, affordable, and cutting-edge energy solutions for homes, governmental bodies, businesses, and industries with a focus on solar and energy storage systems to meet the growing demand for clean energy.

Backed by strong government support and rising consumer demand for greener alternatives, the renewable energy industry presents substantial growth potential. Enerxite is positioned to lead this transformation by customised energy solutions that enable clients to reduce operational costs while achieving environmental and financial benefits.

Enerxite is also committed to continuous innovation in technologies such as energy storage, smart grid technologies, and unique energy systems to provide round-the-clock energy solutions. The innovative values that the Group holds will allow them to expand in the products and solutions offering to the clients.

As part of Enerxite's expansion strategy, Enerxite is targeting key markets in the Southern and Central regions of Peninsular Malaysia, and actively pursuing strategic partnerships with corporations, utilities, and government agencies to scale the renewable energy footprint nationwide.

*(Source: Management of UUE)*



## **6. RISK FACTORS IN RELATION TO THE PROPOSED DIVERSIFICATION**

### **6.1 Business diversification risk**

Subject to approval from the shareholders for the Proposed Diversification, the Group's businesses are now subject to risks inherent in the renewable energy industry. The Proposed Diversification would result in the diversification of the existing businesses operations to include the Renewable Energy Business, whereby the Group may face new challenges and risks arising from the renewable energy business in which the Group has not been involved previously. These may include, amongst others, general economic slowdown downturn in both global and regional economies, competition from existing players, changes in legal and environmental framework governing the renewable energy industry, and fluctuations in demand for renewable energy services.

Notwithstanding that, the Group seek to conduct a periodic review of its business and adopt prudent financial management to limit the impact of the aforementioned risks. However, there can be no assurance that the Group is be able to successfully mitigate the various risks inherent in the renewable energy industry, and if unable to do so, the business operation and financial performance of the Group may be adversely affected.

### **6.2 Competition risk**

Being a new entrant in the renewable energy industry, the Group will face competition from, amongst others, existing players and/ or new entrants operating in the renewable energy industry both locally and regionally. Nevertheless, the Group will take proactive measures to remain competitive in this industry by keeping abreast with the latest market conditions and making efforts in maintaining a competitive edge in terms of cost efficiency, service quality and reliability. There is no assurance that the Group will be able to compete successfully against current and future competitors or that competitive pressure will not materially and adversely affect the business, operations, results or financial condition of the Group.

### **6.3 Dependency on key management personnel**

The Group's success in the renewable energy business is highly dependent on Daryl Lai Yit Sheng's abilities, skills and experience. The loss of Daryl Lai Yit Sheng without suitable and timely replacement, or the inability of the Group to attract and retain other qualified personnel, could adversely affect the Renewable Energy Business and consequently, the revenue and profitability. The Group continuously adopts appropriate approaches, including incentives and remuneration packages to attract qualified and experienced employees to support Daryl Lai Yit Sheng. Additionally, the risk of his loss is mitigated by virtue of his 40.0% shareholdings in Enerxite, which aligns his interests with those of the Group. This will in turn help to ensure continuity and competency of the team for the Renewable Energy Business.

### **6.4 Political, economic, market and regulatory considerations**

Any adverse changes in political, economic and regulatory conditions in Malaysia could materially affect the Renewable Energy Business as well as the financial and prospects of the Group. Amongst the political, economic and regulatory uncertainties are the risks of economic downturn, unfavourable monetary and fiscal policy changes, exchange control regulations or introduction of new rules and regulations, changes in interest rates, inflation, taxation rate and policies as well as political leadership.

Although the Group will seek to mitigate such risk through implementing prudent management policies, careful planning and allocation of resources as well as maintaining cordial relationship with the relevant authorities, there can be no assurance that any changes to the political and/ or economic environment will not materially and adversely affect the financial performance and business operations of the Group pursuant to the Proposed Diversification.

## 7. APPROVALS REQUIRED AND INTER-CONDITIONALITY

The Proposals are subject to and conditional upon the following approvals being obtained:

- (i) Bursa Securities for the following:
  - (a) the listing of and quotation for the Bonus Shares and Warrants to be issued pursuant to the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants and new UUE Shares to be issued pursuant to the exercise of Warrants and ESOS Options on the ACE Market of Bursa Securities;

The approval of Bursa Securities was obtained vide its letter dated 10 September 2025 and is subject to the following conditions:

<b><u>Conditions</u></b>	<b><u>Status of Compliance</u></b>
<b><u>Proposed ESOS</u></b>	
(i) M&A Securities is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESOS pursuant to Rule 6.44(1) of the Listing Requirements and stating the effective date of implementation, together with a certified true copy of the resolution passed by the shareholders in general meeting;	To be compiled
(ii) UUE is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the Proposed ESOS, as at the end of each quarter together with a detailed computation of listing fees payable; and	To be compiled
(iii) The new UUE Shares to be issued arising from the exercise of the ESOS Options pursuant to the Proposed ESOS to any persons whose Shares are subject to moratorium pursuant to Rule 3.19(1) of the Listing Requirements shall be subject to the same moratorium.	To be compiled
<b><u>Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants</u></b>	
(i) UUE and M&A Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants;	To be compiled
(ii) UUE and M&A Securities to inform Bursa Securities upon the completion of the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants respectively;	To be compiled
(iii) UUE and M&A Securities 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 Shares and Proposed Bonus Issue of Warrants are completed;	To be compiled

<b>Conditions</b>	<b>Status of Compliance</b>
(iv) In relation to the Proposed Bonus Issue of Shares, UUE and M&A Securities are required to make the relevant announcements pursuant to Rules 6.36(2)(a) & (b) and 6.36(4) of the Listing Requirements;	To be compiled
(v) In relation to the Proposed Bonus Issue of Warrants, UUE 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; and	To be compiled
(vi) The Warrants and new UUE Shares to issued arising from the exercise of the Warrants pursuant to the Proposed Bonus Issue of Warrants and the Bonus Shares to be issued pursuant to the Proposed Bonus Issue of Shares to any persons whose Shares are subject to moratorium pursuant to Rule 3.19(1) of the Listing Requirements shall be subject to the same moratorium.	To be compiled

- (b) the admission of the Warrants to the Official List of Bursa Securities;
- (ii) the shareholders of the Company at an EGM to be convened; and
- (iii) any other relevant authorities, if required.

The Proposed Bonus Issue of Warrants and the Proposed Bonus Issue of Shares are inter-conditional upon each other and will be implemented concurrently, but not conditional upon the Proposed ESOS and Proposed Diversification, and vice versa. Save for the foregoing, the Proposals are not conditional upon each other or on any other proposals undertaken or to be undertaken by the Company.

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## **8. INTEREST OF DIRECTORS, MAJOR SHAREHOLDER, CHIEF EXECUTIVE AND/ OR PERSONS CONNECTED TO THEM**

### **8.1 Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants**

None of the Directors, major shareholders and/ or chief executive of the Company and/ or persons connected to them have any interest, whether direct or indirect, in the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants, save for their respective entitlements as shareholders of the Company under the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants, which are also available to all other shareholders of the Company on a pro-rata basis.

### **8.2 Proposed ESOS**

All the Directors and chief executive of the Company are eligible to participate in the Proposed ESOS and are therefore deemed interested in the Proposed ESOS to the extent of their respective proposed allocations as well as the proposed allocations to persons connected with them, if any, under the Proposed ESOS. The Directors have therefore deliberated on the Proposed ESOS as a whole at the relevant Board meeting and have agreed to table the Proposed ESOS to the shareholders of the Company for their consideration and approval at the EGM to be convened.

All interested Directors have abstained and will continue to abstain from all Board deliberations and voting at the relevant Board meetings of the Company in respect of their respective proposed allocations as well as the proposed allocations to persons connected with them, if any, under the Proposed ESOS.

All Directors and chief executive of the Company will abstain from voting in respect of their direct and/ or indirect shareholdings, at the EGM to be convened in respect of the resolutions to be tabled for the Proposed ESOS and their respective proposed allocation as well as the proposed allocations to the persons connected with them, if any, under the Proposed ESOS. All Directors and chief executive of the Company will undertake to ensure that persons connected with them, will abstain from voting in respect of their direct and/ or indirect shareholdings, on the resolutions pertaining to the Proposed ESOS and their respective proposed allocations, and the proposed allocations to the persons connected with them, if any, under the Proposed ESOS, to be tabled at the EGM to be convened.

Save as disclosed above, none of the Directors, major shareholders and/ or chief executive of the Company and/or persons connected with them have any interest direct and indirect in the Proposals.

### **8.3 Proposed Diversification**

None of the Directors and/ or major shareholders of the Company and/ or persons connected to them have any interest, whether direct or indirect, in relation to the Proposed Diversification.

## 9. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposals, including but not limited to the rationale effects as set out in **Sections 3** and **4** respectively (save for the Directors who have abstained from deliberations to the extent of their respective allocations and to any persons connected to them in accordance with **Section 8.2** above), is of the opinion that the Proposals are in the best interest of the Company.

The Directors, in both executive and non-executive capacity, have abstained from giving any opinion or recommendation on their respective allocations of ESOS Options and/ or the allocations of ESOS Options to persons connected to them, if any.

Accordingly, the Board (save for the interested Directors) recommends that you **VOTE IN FAVOUR** for the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

## 10. OUTSTANDING PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals, the Board confirms that there are no other corporate exercises which have been announced by the Company but pending completion as at LPD.

## 11. ESTIMATED TIMEFRAME FOR COMPLETION

The Proposed Diversification will take effect immediately upon obtaining the shareholders' approval at an EGM to be convened.

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Bonus Issue of Shares, Proposed Bonus Issue of Warrants and Proposed ESOS are expected to be implemented by the fourth quarter of 2025.

The tentative timetable for the Proposals is set out as below:

<u>Month</u>	<u>Events</u>
October 2025	<ul style="list-style-type: none"><li>• Convening of EGM to obtain the approval of the shareholders for the Proposals</li><li>• Announcement on results of the EGM for the Proposals</li><li>• Announcement of the Entitlement Date</li><li>• Entitlement Date</li></ul>
November 2025	<ul style="list-style-type: none"><li>• Listing of and quotation for the Bonus Shares and Warrants on the ACE Market of Bursa Securities</li><li>• Completion of the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants</li><li>• Implementation of the Proposed ESOS</li></ul>

## 12. HISTORICAL SHARE PRICES

The monthly highest and lowest transacted market prices of UUE Shares for the past 12 months preceding the date of this Circular are as follows:

	<u>High (RM)</u>	<u>Low (RM)</u>
<b><u>2024</u></b>		
September	0.700	0.620
October	0.795	0.630
November	0.790	0.680
December	0.875	0.760
<b><u>2025</u></b>		
January	0.930	0.725
February	0.810	0.695
March	0.695	0.595
April	0.675	0.475
May	0.735	0.615
June	0.830	0.680
July	0.880	0.750
August	0.870	0.765
Last transacted market price on 15 June 2025 (being the date prior to the announcement of the Proposals)		0.735
Last transacted market price on the LPD		0.865

*(Source: Bloomberg)*

## 13. EGM

The EGM, the notice of which is enclosed with this Circular, will be conducted via physical mode at Pavilion, Ponderosa Golf & Country Club, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor on Wednesday, 8 October 2025 at 9.30 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing the resolutions pertaining to the Proposals, with or without any modifications, so to give effect to the Proposals.

If you decide to appoint a proxy(ies) or attorney for the EGM, you must complete and lodge the Form of Proxy as per the following, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid:

(i) **In hard copy form (for Individual and/or Corporate member)**

In the case of an appointment made in hard copy form, the duly executed Form of Proxy must be deposited with the Share Registrar of the Company, AscendServ Capital Markets Services Sdn. Bhd.'s ("ACM") office at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan. Attorney(s) appointed by Power of Attorney **MUST** deposit their **ORIGINAL** Power of Attorney or a **NOTARIALY CERTIFIED COPY** thereof with the Share Registrar of the Company at ACM's office.

- (ii) **By electronic means via Dvote Online (for Individual member only)**  
The Form of Proxy can be electronically lodged with the Share Registrar of the Company via Dvote Online website at <https://www.dvote.my>.

**14. FURTHER INFORMATION**

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

Yours faithfully,  
for and on behalf of the Board of  
**UUE HOLDINGS BERHAD**

**DATUK DR. TING KOK HWA**  
MANAGING DIRECTOR

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**APPENDIX I – INDICATIVE SALIENT TERMS OF THE WARRANTS**

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The indicative salient terms of the Warrants are as follows:

- Issue size : 121,658,400 Warrants
- Form and denomination : The Warrants will be issued in registered form and constituted by the Deed Poll to be executed by the Company and as may be supplemented from time to time.
- Tenure : Five (5) years commencing from and including the date of issuance of the Warrants ("**Issue Date**").
- Exercise period : The Warrants may be exercised at any time within a period of 5 years commencing from and including the Issue Date until the close of business at 5.00 p.m. (Malaysia time) on the Expiry Date (as defined below) ("**Exercise Period**"). Any Warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid.
- Exercise price : Please refer to Section 2.2.2 for the basis of determining the exercise price of the Warrants. The exercise price shall however be subject to the adjustments in accordance with the provisions of the Deed Poll during the exercise period.
- Exercise rights : Each Warrant entitles the Warrant Holder to subscribe for 1 new UUE Share at the exercise price at any time during the Exercise Period, subject to adjustments in accordance with the provision of the Deed Poll
- Expiry date : The close of business at 5.00 p.m. in Malaysia on the day immediately preceding the fifth (5<sup>th</sup>) anniversary of the Issue Date. If such day is not a Market Day, then it shall be on the immediate preceding Market Day ("**Expiry Date**")
- Mode of exercise : The Warrant Holders are required to lodge an exercise form physically and/ or electronically with the Company's share registrar which is duly completed, signed and stamped (if applicable) together with payment by way of banker's draft or cashier's order (drawn on a bank operating in Malaysia) or money order or postal order (issued by a post office in Malaysia) or with a remittance through interbank transfer or internet bank transfer to the designated bank account or through the online payment gateway facility available on the Registrar's online platform for the exercise form for the aggregate of the Exercise Price payable when exercising their Warrants to subscribe for new Shares. The payment of such fee must be made in Ringgit Malaysia (RM).
- Board lot : For the purpose of trading on Bursa Securities, and subject to such conditions which Bursa Securities may impose from time to time, a board lot of Warrants shall be 100 Warrants or such other denomination as determined by Bursa Securities
- Adjustments in the Exercise Price and/ or number of Warrants : Subject to the provisions of the Deed Poll, the Exercise Price and/ or the 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 any alteration in the share capital of the Company at any time during the tenure of the Warrants, whether by way of, amongst others, capitalisation issues, rights issue, bonus issue, consolidation of shares, subdivision of shares or capital distribution exercises, in accordance with the provisions of the Deed Poll.



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**APPENDIX I – INDICATIVE SALIENT TERMS OF THE WARRANTS (Cont'd)**

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Modification of rights of Warrant Holders : Save as otherwise provided in the Deed Poll, a special resolution of the Warrant holders is required to sanction any modification, alteration or abrogation in respect of the rights of the Warrant holders, subject to the approval of any relevant authorities.

Modification of the Deed Poll : Any modification to the terms and conditions of the Deed Poll may be only effected by a deed poll executed by the Company and expressed to be supplemental to the Deed Poll. Any such modification shall however be subject to the approval of Bursa Securities (if so required).

No amendment, deletion or addition may be made to the provisions of the Deed Poll without the sanction of a special resolution of the Warrant Holders unless the amendments or additions are required to correct any manifest/ typographical errors or relate purely to administrative matters or are required to comply with any provisions of the prevailing laws or regulations of Malaysia or in the opinion of the Company upon consultation with the approved adviser appointed by the Company, will not be materially prejudicial to the interests of the Warrant Holders.

The Company must notify the Warrants Holders of every modification, amendment, deletion or addition to the Deed Poll within 21 market days of such modification, amendment, deletion or addition, or such other time period as may be prescribed by Bursa Securities or such other relevant authorities from time to time.

Rights of Warrant Holders : The Warrants Holders are not entitled to any voting rights or participation in any form of distribution and/ or offer of securities in the Company until and unless such Warrants Holders exercise their Warrants into new UUE Shares.

The new UUE Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank equally in all respects with the then existing issued UUE Shares, save and except that the new UUE Shares to be issued arising from the exercise of the Warrants shall not be entitled to any dividends, rights, allotments and/ or other distributions which may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of allotment and issuance of the new UUE Shares to be issued arising from the exercise of the Warrants.

Rights of the Warrant Holders in the event of winding-up, liquidation, compromise and/ or arrangement : When a resolution has been passed for a members' voluntary winding-up of the Company or liquidation, or where there is a compromise or scheme of 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 1 or more companies, then:

(a) the Company shall give notice to the Warrant Holders within 21 market days of such a resolution or the court order approving the winding up, liquidation, compromise or scheme of arrangement (as the case may be);

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**APPENDIX I – INDICATIVE SALIENT TERMS OF THE WARRANTS (Cont'd)**

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- (b) for the purposes of such winding-up, liquidation, compromise or scheme of arrangement (other than a consolidation, amalgamation, merger, compromise or scheme of arrangement in which the Company is the continuing corporation) to which the holders of the Warrants (or some other persons designated by them for such purpose by a special resolution of the Warrant Holders) shall be a party, the terms of such winding-up, liquidation, compromise or scheme of arrangement shall be binding on all the holders of the Warrants; and
- (c) every Warrant Holder shall be entitled to exercise his/ her Warrants at any time within 6 weeks after the passing of such resolution for a members' voluntary winding up of the Company or the granting of the court order approving the winding-up, liquidation, compromise or scheme of arrangement (as the case may be), whereupon the Company shall allot the relevant new Shares to the Warrant Holder credited as fully paid subject to the prevailing laws, and such Warrant Holder shall 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 UUE Shares to which he/ she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the above 6 weeks, all subscription rights of the Warrants shall lapse and cease to be valid for any purpose.

Listing	: ACE Market of Bursa Securities
Transferability	: The Warrants shall be transferable in accordance with provisions of the Deed Poll subject always to the prevailing provisions of the Securities Industry (Central Depositories) Act 1991 and the Rules of Bursa Depository.
Governing law	: Laws of Malaysia

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## APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS

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### 1. NAME OF SCHEME

This Scheme shall be named the “**UUE HOLDINGS BERHAD AND ITS SUBSIDIARIES’ EMPLOYEES SHARE OPTION SCHEME**”.

### 2. OBJECTIVES AND RATIONALE OF THE SCHEME

2.1 The rationale of the Scheme is as follows:

- (i) to foster a greater sense of belonging and loyalty amongst the Eligible Persons by offering them an opportunity to have equity participation in UUE and thereby, better aligning their interests with the corporate goals of the Company;
- (ii) to encourage the Eligible Persons to continue their services with the Group which in turn, would enable the Group to better retain its talent pool and thereby, minimise any potential loss of performing personnel;
- (iii) to recognise the Eligible Persons who have demonstrated valuable services and dedication to the Group by enabling them to participate in the UUE Group’s future profitability and thereby, enjoy prospective capital gains arising from the appreciation in the value of the UUE Shares upon the exercise of the ESOS Options; and
- (iv) to make the UUE Group’s remuneration package more competitive and attractive to skilled and experienced individuals. This in turn, would enable the UUE Group to better retain its existing performing personnel as well as attract new competent personnel to serve the Group.

2.2 This Scheme is also extended to eligible non-executive Directors in the Company in recognition of their contributions towards the growth and performance of UUE Group.

### 3. DEFINITIONS AND INTERPRETATION

3.1 In these By-Laws, except where the context otherwise requires, the following terms and expressions shall have the following meanings: -

<b>Act</b>	: The Companies Act, 2016 as amended from time to time and any re-enactment thereof
<b>Adviser</b>	: A person as described in Rule 1.01 of the Listing Requirements
<b>Board</b>	: The Board of Directors of UUE Holdings
<b>Bursa Depository</b>	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
<b>Bursa Securities</b>	: Bursa Malaysia Securities Berhad (Registration No. 200301033577(635998-W))
<b>By-Laws</b>	: The rules, terms and conditions of the Scheme (as may be modified, varied, supplemented and/or amended from time to time in accordance with <b>By-Law 23</b> )
<b>Central Depositories Act</b>	: The Securities Industry (Central Depositories) Act 1991, as amended from time to time and any re-enactment thereof

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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<b>CDS</b>	:	Central Depository System governed under the Central Depositories Act and every statutory modification or re-enactment thereof for the time being in force and includes all subsidiary legislation made thereunder and any new act enacted and gazetted to replace and supersede the same
<b>CDS Account</b>	:	A CDS account established by Bursa Depository for a depositor for the recording of deposits and withdrawals of securities and for dealings in such securities by the depositor
<b>Company or Holdings</b>	<b>UUE</b> :	<b>UUE Holdings Berhad</b> (Registration No. 202201026669 (1472366-A))
<b>Constitution</b>	:	The Constitution of the Company as amended from time to time
<b>Date of Expiry</b>	:	The last day of the Duration of the Scheme as defined in <b>By-Law 20.3</b> , unless earlier termination pursuant to <b>By-Law 20.8</b>
<b>Date of Offer</b>	:	The date on which an Offer (including any subsequent Offers) is made by the ESOS Committee in writing to an Eligible Person who meets or fulfils the criteria of eligibility as stipulated in <b>By-Law 5</b> or eligible to participate in the Scheme and in the manner as provided by <b>By-Law 7</b>
<b>Director(s)</b>	:	A natural person who holds a directorship in UUE Holdings or any company within the Group, either an executive director or a non-executive director capacity (but shall exclude alternate and/or similar substitute directors) and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007
<b>Duration of the Scheme</b>	:	A period of five (5) years or such period as extended by the Board in accordance with <b>By-Law 20.4</b> from the Effective Date, as the case may be
<b>Effective Date</b>	:	The effective date on which the Scheme is implemented or comes into force as provided in <b>By-Law 20.1</b>
<b>Eligible Person(s)</b>	:	A Director (including non-executive Director but shall not include alternate and/or substitute Director) or Employee of the Group (excluding dormant subsidiary companies) who meets or fulfils the criteria of eligibility as stipulated in <b>By-Law 5</b>
<b>Employee(s)</b>	:	A natural person (including Director(s)) who is employed by and on the payroll of any company in the Group (excluding dormant subsidiary companies)
<b>Entitlement Date</b>	:	The date as at the close of business on which shareholders' names must appear on UUE Holdings' Record of Depositors of Shares in order to be entitled to any dividends, rights, allotments or other distributions
<b>ESOS Committee</b>	:	The committee duly authorised and appointed by the Board to administer the Scheme in accordance with these By-Laws, comprising such persons appointed from time to time by the Board. The ESOS Committee shall comprise at least 3 members, with at least 1 member being a non-executive Director of UUE Holdings

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- ESOS Option(s)** : The right of a Grantee to subscribe for new Shares pursuant to the contract constituted by the acceptance of an Offer by an Eligible Person in the manner provided in **By-Law 8**, and where the context so requires, means any part of the ESOS Options as shall remain unexercised
- Exercise Period** : The period commencing from the date an Offer is accepted by a Grantee and expiring on the Date of Expiry or such other date as may be stipulated by the ESOS Committee in the Offer or upon the date of termination of the Scheme as provided in **By-Law 20**, whichever is the earlier. The "**Exercise Period**" shall not be amended or altered in anyway whatsoever for the advantage of Eligible Persons or Grantees without the prior approval of shareholders obtained at a general meeting unless allowed otherwise by the provisions of the Listing Requirements as provided under **By-Law 23.3**
- Exercise Price** : The price at which a Grantee shall be entitled to subscribe for each new Share upon the exercise of the ESOS Options, as initially determined and as may be adjusted pursuant thereto in accordance with the provisions of **By-Laws 11 and 16**
- Grantee** : Any Eligible Person who has accepted an Offer (or any part thereof) pursuant to the Offer Letter in the manner as provided in **By-Law 8**
- Group or UUE Group** : The Company and its subsidiary company(ies) as defined in Section 4 of the Act, which are not dormant. The "**subsidiary company**" shall include subsidiaries which are existing as at the Effective Date and subsidiaries which are incorporated or acquired at any time during the Duration of the Scheme but exclude subsidiaries which have been divested in the manner provided in **By-Law 18**
- Listing Requirements** : The ACE Market Listing Requirements of Bursa Securities including any amendments thereto that may be made from time to time
- Market Day(s)** : A day on which Bursa Securities is open for trading of securities
- Maximum Allowable Allotment** : The maximum number of new Shares that may be offered and allotted to an Eligible Person under the Scheme in the manner provided in **By-Law 6.1**
- Maximum Limit** : the maximum number of new UUE Shares which may be issued pursuant to the ESOS, which shall not exceed in aggregate ten per centum (10%) of the total number of issued Shares of the Company (excluding treasury shares, if any) at any one time during the duration of the ESOS
- Offer(s)** : A written offer(s) made by the ESOS Committee from time to time to an Eligible Person to participate in the Scheme in the manner provided in **By-Law 7**
- Offer Letter** : A letter of offer to the Eligible Person issued pursuant to the Offer made by the ESOS Committee under **By-Law 7**
- Offer Period** : The period as stipulated in **By-Law 7.3**
- Rules of Depository Bursa** : The rules of Bursa Depository, as issued pursuant to the Central Depositories Act
- RM and sen** : Ringgit Malaysia and sen respectively

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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**Scheme or ESOS** : The employees share option scheme of UUE Holdings for the grant of ESOS Option(s) to Eligible Persons to subscribe for new Shares according to the terms set out herein and known as the **“UUE Holdings Berhad and its Subsidiaries’ Employees Share Option Scheme”**

**Share(s) or UUE Shares** : Ordinary share(s) in the Company

**Vesting Conditions** : the conditions which are required to be fulfilled by an Eligible Person before the Option(s) is/are capable of being vested onto the Eligible Person, to be communicated in an Offer pursuant to **By-Law 7.2 (vii)** hereof

3.2 Headings are for ease of reference only and do not affect the meaning of a By-Law.

3.3 Any reference to statutory provisions shall include:-

- (a) any subordinate legislation made from time to time under that provision and any Listing Requirements, policies, practice notes and/or guidelines of Bursa Securities and/or other relevant authorities (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies, practice notes and/or guidelines are addressed to by Bursa Securities and/or the relevant authorities); and
- (b) that provision as from time to time modified or re-enacted whether before or after the date of these By-Laws so far as such modification or re-enactment applies or is capable of applying to any ESOS Option(s) offered and accepted prior to the Date of Expiry and shall include also any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced.

3.4 Words importing the masculine gender shall include the feminine and neuter genders.

3.5 Words importing the singular number shall include the plural number and vice versa.

3.6 If an event is to occur on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day, save and except if the Date of Expiry falls on a stipulated day that is not a Market Day, the Date of Expiry shall be taken to be the Market Day prior to the stipulated day.

3.7 A “day” or “month” means a calendar day or a calendar month.

3.8 Any liberty or power which may be exercised or any decision or determination which may be made hereunder by the ESOS Committee shall be exercised in the ESOS Committee’s absolute and unfettered discretion and the ESOS Committee shall not be under any obligation to give any reasons therefore, except as may be required by the relevant authorities or under law.

#### **4. MAXIMUM NUMBER OF NEW SHARES AVAILABLE UNDER THE SCHEME**

4.1 Each ESOS Option shall be exercisable into one (1) new Share, in accordance with the provisions of these By-Laws.

4.2 The maximum number of new Shares which may be allotted and issued pursuant to the exercise of the ESOS Options which may be granted under the Scheme shall not in aggregate exceed more than ten per centum (10%) of its total number of issued shares (excluding treasury shares, if any) at any one time during the Duration of the Scheme as provided in **By-Law 20.3**, subject to the prevailing guidelines issued by Bursa Securities, the Listing Requirements and any other relevant authorities as amended from time to time.

- 4.3 Notwithstanding the provision of **By-Law 4.2** above and any other provision contained in these By-Laws, in the event the maximum number of new Shares comprised in the ESOS Options that may be made available under the Scheme exceeds Maximum Limit as a result of the Company purchasing, cancelling and/or reducing its Shares pursuant to Section 127 of the Act or the Company undertaking any corporate proposal and thereby diminishing the total number of issued Shares, then such ESOS Options granted prior to the adjustment of the total number of issued Shares shall remain valid and exercisable in accordance with the provisions of these By-Laws. However, in such a situation, the ESOS Committee shall not make any further Offers until the total number of Shares under the subsisting ESOS Options, including those Shares that have been issued under the Scheme falls below Maximum Limit, at any one time throughout the Duration of the Scheme as provided in **By-Laws 20.3 and 20.4**.

## **5. ELIGIBILITY**

- 5.1 Only Eligible Persons who fulfil the following conditions shall be eligible to participate in the Scheme, as at the Date of Offer:-

- (a) in respect of an Employee, the Employee must fulfil the following criteria: -
- (i) has attained 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
  - (ii) has entered into a full time or fixed term contract for at least 1 year (or such other period as may be determined by the ESOS Committee) with, and is on the payroll of any company within the UUE Group (excluding dormant subsidiaries, if any), and whose service has been confirmed or such employee is serving in a specific designation under an employment contract with any company within UUE Group (excluding dormant subsidiaries, if any);
  - (iii) has not served a notice of resignation or received a notice of termination; and
  - (iv) fulfilled any other eligibility criteria as may be set out by the ESOS Committee at any time and from time to time.
- (b) in respect of a Director, the Director must fulfil the following criteria:-
- (i) has attained 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
  - (ii) in respect of an executive Director, is on the payroll of any company within UUE Group (excluding dormant subsidiaries, if any) and is involved in the day-to-day management of any company within UUE Group (excluding dormant subsidiaries, if any), and has not served a notice of resignation or be removed as a Director of the relevant company within UUE Group (excluding dormant subsidiaries, if any);
  - (iii) in respect of a non-executive Director of the Company, has been appointed to the Board of any company in the Group for at least one (1) year prior to the Date of Offer and has not served a notice of resignation or be removed as a non-executive Director of the Company; and
  - (iv) fulfilled any other eligibility criteria as may be set out by the ESOS Committee at any time and from time to time.

For the avoidance of doubt, the following persons are not Eligible Persons and therefore, do not qualify for participation in the Scheme:

- (i) a Director or an employee of a company within the Group which is dormant;

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- (ii) an employee of the Group (excluding dormant subsidiaries, if any) who is under a fixed term contract of service for a remaining duration of not more than 2 years, unless otherwise approved by the ESOS Committee in its sole and absolute discretion; or
  - (iii) an employee of the Group (excluding dormant subsidiaries, if any) who is on probation.
- 5.1A Notwithstanding the above, subject to compliance with the Listing Requirements, the ESOS Committee may, in its absolute discretion, determine any other eligibility and allocation criteria and/or waive any of the conditions or criteria for eligibility as set out in this **By-Law 5.1** and/or determine any other eligibility criteria for the purpose of selecting an Eligible Person any time and from time to time. The eligibility, the selection and number of ESOS Options to be offered to an Eligible Person under the Scheme shall be at the sole and absolute discretion of the ESOS Committee and the decision of the ESOS Committee shall be final and binding.
- 5.2 Notwithstanding **By-Law 5.1**, the specific allocation to be made to any Eligible Person who is a Director, major shareholder or chief executive officer of the Company or holding company (if any) of the Company ("**Interested Party(ies)**") or a person connected with any of the Interested Party(ies) who met the criteria set out in **By-Law 5.1** above, such specific allocation of ESOS Options to be granted by the Company to him/her under the Scheme must be approved by the shareholders of the Company at a general meeting provided always that such Interested Party(ies) and persons connected with them shall not vote on and shall be abstained from voting on the resolution(s) approving their respective allocation of the ESOS Options.

For avoidance of doubt, the "**person connected**" shall have the same meaning as defined in Rule 1.01 of the Listing Requirements.
- 5.3 Any Eligible Person who holds more than one (1) position within the Group (excluding dormant subsidiaries, if any) and by holding such positions, the Eligible Person is in more than one (1) category, shall only be entitled to the Maximum Allowable Allotment of any one (1) of those categories. The ESOS Committee shall be entitled at its discretion to determine the applicable category.
- 5.4 An Employee or Director of a dormant company within the Group is not eligible to participate in the Scheme.
- 5.5 An Employee or Director who during the Duration of the Scheme becomes an Eligible Person may, at the discretion of the ESOS Committee, be eligible to participate in the Scheme, subject to the Maximum Allowable Allotment.
- 5.6 The ESOS Committee may from time to time at its absolute discretion select and identify a suitable Eligible Person to be offered the ESOS Options. In the event that any of the Eligible Person is a member of the ESOS Committee and/or persons connected to him who is a member of the ESOS Committee, such Eligible Person and/or persons connected to him/her shall not participate in the deliberation of such allocation of ESOS Options.
- 5.7 Eligibility under the Scheme does not confer upon the Eligible Person a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Person does not acquire or have any rights over or in connection with the ESOS Options comprised herein unless an Offer has been made by the ESOS Committee to the Eligible Person and the Eligible Person has accepted the Offer in accordance with **By-Law 8** hereof.
- 5.8 The ESOS Committee may in its discretion suspend or revoke the selection or nomination of any Eligible Person at any time and from time to time, whereupon such Eligible Person shall henceforth cease to be eligible for any ESOS Options under this Scheme.
- 5.9 The ESOS Committee shall have the sole and absolute discretion not to make further Offers regardless of the amount of the ESOS Options available.



**6. BASIS OF ALLOTMENT AND MAXIMUM ALLOWABLE ALLOTMENT**

- 6.1 Subject to **By-Law 4** and any adjustment which may be made under **By-Law 16**, the aggregate number of ESOS Options that may be offered and allotted under the Scheme to any Eligible Person shall be determined by the ESOS Committee at its sole and absolute discretion, after taking into consideration, amongst other factors, the, the Eligible Person's position, job performance, job grade, seniority, length of service, fulfilment of the eligibility criteria as referred to in **By-Law 5.2** and such other factors as the ESOS Committee may deem relevant in its discretion and shall be subject to the following conditions:-
- (a) the total number of new Shares made available under the Scheme shall not exceed the Maximum Limit as stipulated in **By-Law 4.2**;
  - (b) not more than ten per centum (10%) of the total number of Shares made available under the Scheme shall be allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person (as defined in the Listing Requirements), holds twenty per centum (20%) or more of the total number of issued Shares (excluding treasury shares, if any);
  - (c) not more than eighty per centum (80%)<sup>(1)</sup> of the total number of Shares available under the Scheme shall be allocated, in aggregate, to the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) who are Eligible Persons (where "**senior management**" shall be subject to any criteria as may be determined by the ESOS Committee from time to time) ("**Maximum Allowable Allotment**");
  - (d) any allocation of ESOS Options and the related allotment of UUE Shares to any Interested Parties, shall require prior approval of the shareholders of the Company in a general meeting. The Interested Parties shall not vote on the resolution approving the said allocation and allotment; and
  - (e) the Directors and senior management of UUE Group (excluding dormant subsidiaries, if any) and the members of the ESOS Committee who are Eligible Persons shall not participate in the deliberation or discussion of their respective allocation of ESOS Options as well as allocation of ESOS Options to persons connected with them (as defined in the Listing Requirements) under the Scheme, if any.

Note:

- (1) The breakdown of percentage between the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) shall be determined at the discretion of the ESOS Committee. The basis in arriving at this threshold takes into account the number of Directors and senior management of the Group (excluding dormant subsidiaries, if any) who are eligible to participate in the Proposed ESOS and was determined after considering that the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) are the key drivers that spearhead the long-term direction, performance and growth of the Group's businesses.

The allocation of not more than 80.0% is intended to further encourage the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) for their future contribution towards strengthening the Group's overall financial performance and maximising total shareholder returns. As such, the Proposed ESOS aims to reward and retain the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) for their performance, commitment, dedication and loyalty which are expected to lead to improved stakeholders' value.

At the time the Offer is made, the ESOS Committee shall set out the basis of allotment, identifying the category or grade of the Eligible Person and the maximum number of Shares to the Eligible Person and the maximum number of Shares for each class or grade of employees and Directors from time to time applicable shall be clearly notified to the employees of UUE Group (excluding dormant subsidiaries, if any).

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## APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)

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The term “**senior management**” shall refer to an Employee of the Group (excluding dormant subsidiaries, if any) holding the position of manager and above or assumed the role of a team leader in a department of the Group (excluding dormant subsidiaries, if any) and shall be subject to any other criteria to be determined by the ESOS Committee from time to time, on the basis that their contributions are essential to the performance of the Group (excluding dormant subsidiaries, if any) as determined by the ESOS Committee at its sole and absolute discretion.

The ESOS Committee shall be entitled to determine the Maximum Allowable Allotment after taking into consideration, the number of Eligible Persons falling within the category of Directors and senior management of the Group (excluding dormant subsidiaries, if any), as well as their position, length of service, performance and contribution to the Group, and the decision of the ESOS Committee shall be final and binding. To the extent possible and subject always to **By-Law 6.1**, the ESOS Committee will ensure that there should be equitable allocation to various categories of Eligible Persons.

- 6.2 In the event that an Eligible Person is promoted or moved to a higher category of employment, the Maximum Allowable Allotment applicable to such Eligible Person shall be the Maximum Allowable Allotment corresponding to the new category of Employee which the Eligible Person falls within as at the Date of Offer, subject always to the maximum number of Shares available under the Scheme as stipulated under **By-Law 4.2**. However, the ESOS Committee has the sole and absolute discretion in deciding whether to grant ESOS Options or further ESOS Options, as the case may be, notwithstanding any such change in the Employee’s Maximum Allowable Allotment.
- 6.3 In the event that the Eligible Person who is demoted to a lower grade or category for whatsoever reason, the following provision shall apply:
- (i) his/her Maximum Allowable Allotment shall be reduced accordingly with the scale of such category;
  - (ii) in the event that the total number of ESOS Options which have been offered to him/her up to the date he/she is moved to the lower category is greater than his/her Maximum Allowable Allotment under such lower category, he/she shall be entitled to continue to hold and to exercise all unexercised ESOS Options held by him/her on such date but he/she shall not be entitled to be offered any further ESOS Options unless and until he/she is subsequently moved to a higher category or there is an increase to his/her Maximum Allowable Allotment under such lower category, so that his/her new Maximum Allowable Allotment is increased to an amount greater than the total number of ESOS Options which have already been offered to him/her; and
  - (iii) in the event that the total number of ESOS Options which have been offered to him/her as of the date he/she is moved to the lower category is less than his/her Maximum Allowable Allotment under such lower category, he/she shall be entitled to continue to hold and to exercise all unexercised ESOS Options held by him/her on such date and, subject to **By-Law 6.6** to be offered further ESOS Options up to his/her Maximum Allowable Allotment under such lower category.
- 6.4 The Company shall ensure that allocation of ESOS Options pursuant to the Scheme is verified by the Audit Committee of UUE Holdings at the end of each financial year as being in compliance with the criteria for allocation of ESOS Options which have been disclosed to the Employees and Directors of the Group who are Eligible Persons. A statement by the Audit Committee of UUE Holdings verifying such allocations shall be included in the annual report of the Company.
- (a) Each Offer shall be in a multiple of not less than one hundred (100) units of Shares constituting one (1) board lot or such other units of Shares as may be determined by the ESOS Committee and subject to the Listing Requirements. The ESOS Options shall only be accepted in multiples of one hundred (100) Shares or such other units of Shares constituting one (1) board lot as may be determined by the ESOS Committee and subject to the Listing Requirements.

- (b) For avoidance of doubt, the ESOS Committee shall have the sole and absolute discretion in determining whether granting of the ESOS Options available under this Scheme to the Eligible Persons will be based on staggered granting over the duration of the ESOS or in one (1) single grant and/or whether the ESOS Options are subject to any vesting period, and if so, to determine the vesting conditions for the ESOS Options, the determination of which will be carried out at a later date after the establishment of the ESOS and the formation of the ESOS Committee.
- (c) In the event the ESOS Committee decides that the Offer of any number of ESOS Options is staggered or made in several tranches, the number of ESOS Options to be offered in each Offer shall be decided by the ESOS Committee at its sole and absolute discretion and each Offer shall be separate and independent from the others. The decision as to whether to stagger the allocation and granting of the ESOS Options to Eligible Persons over the Duration of the Scheme will be determined by the ESOS Committee at a later date.

6.5 The ESOS Committee (subject to necessary approvals being obtained, if required) has the discretion to make the necessary adjustments so that the number of new Shares comprised in an ESOS Option that may be offered to any one of the Eligible Persons shall be in accordance with the provisions of the Listing Requirements prevailing during the period commencing from the Date of Offer for each Eligible Person and expiring on a date which the ESOS Committee may at its discretion decide, provided that no Exercise Period shall extend beyond the Duration of the Scheme.

#### **6A. VESTING CONDITIONS**

6A.1 The ESOS Committee shall, as and when it deems practicable and necessary, review and determine at its own discretion the Vesting Conditions specified in respect of an Offer. The Shares or such part thereof as may be specified in respect of an Offer will only vest with the Grantee on the relevant vesting date if the Vesting Conditions are fully and duly satisfied, including the following:

- (i) the said Grantee has not been adjudicated a bankrupt;
- (ii) the said Grantee remains an employee or a Director and has not given notice of resignation, or received a notice of termination, or be removed, or has otherwise ceased or had his/her employment terminated; and
- (iii) any other conditions as may be determined by the ESOS Committee.

6A.2 The ESOS Committee shall have full discretion to determine whether any Vesting Conditions have been fully and duly satisfied and such determination by the ESOS Committee shall be final and binding.

6A.3 The ESOS Committee may, by giving notice in writing to the Grantee, vary or waive the terms of any Vesting Conditions, performance period, service period, vesting period or other conditions if it deems fit.

#### **7. OFFER**

7.1 During the Duration of the Scheme, the ESOS Committee may at its discretion at any time and from time to time make an Offer in writing to an Eligible Person, subject to the Eligible Person's Maximum Allowable Allotment and in accordance with the terms of this Scheme.

7.2 The ESOS Committee shall state the following particulars in the Offer Letter:-

- (i) the number of ESOS Options that are being offered to the Eligible Person;
- (ii) the number of new Shares which the Eligible Person shall be entitled to subscribe for upon exercise of the ESOS Options being offered;
- (iii) the Exercise Period;

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## APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (*Cont'd*)

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- (iv) the Exercise Price;
  - (v) the Offer Period;
  - (vi) the closing date for acceptance of the Offer;
  - (vii) the vesting conditions including but not limited to service or performance criteria, performance targets, assessment and appraisal ("**Vesting Conditions**"), performance period, vesting period, vesting date(s), and number of Options exercisable for each year of continued service;
  - (viii) the manner and conditions of exercise of the ESOS Options; and
  - (ix) any other conditions or information that may be deemed necessary by the ESOS Committee.
- 7.3 An Offer shall be valid for acceptance for a period of fourteen (14) days from the Date of Offer or such longer period as may be determined by the ESOS Committee on a case-by-case basis at its sole and absolute discretion ("**Offer Period**").
- 7.4 No Offer shall be made to any Director or Employee who is a person connected with such Director, major shareholder or chief executive officer of the Company (as defined in the Listing Requirements), unless such Offer and the grant of ESOS Options have previously been approved by the shareholders of the Company in a general meeting as provided under **By-Law 5.2**.
- 7.5 Where it involves a grant of ESOS Options to Eligible Persons who are members of the ESOS Committee and/or persons connected (as defined in the Listing Requirements) to him/her who are members of the ESOS Committee, such grant of ESOS Options shall be decided by the Board.
- 7.6 In the event of an error on the part of the Company or the ESOS Committee in stating any of the particulars referred to in **By-Law 7.2**, the following provisions shall apply:
- (a) within thirty (30) calendar days after discovery of the error, the Company or ESOS Committee shall issue a supplemental Offer Letter, stating the correct particulars of the offer referred to in **By-Law 7.2**;
  - (b) in the event that the error relates to particulars other than the Exercise Price, the Exercise Price applicable in the supplemental Offer Letter shall remain as the Exercise Price as per the original Offer Letter; and
  - (c) in the event that the error relates to the Exercise Price, the Exercise Price applicable in the supplemental Offer Letter shall be the Exercise Price applicable as at the date of the original Offer Letter, save and except with respect to any ESOS Options which have already been exercised as at the date of issue of the supplemental Offer Letter.
- 7.7 Nothing herein shall prevent the ESOS Committee from making more than one (1) Offer during the Duration of the Scheme to an Eligible Person provided always that the total aggregate number of ESOS Options offered to any Eligible Persons including ESOS Options which have been exercised, if any, shall not exceed the Maximum Allowable Allotment. Each Offer made to any Eligible Persons by the ESOS Committee shall be separate and independent from any previous or later Offer made by the ESOS Committee to that Eligible Persons.

### **8. ACCEPTANCE**

- 8.1 An Offer shall be accepted by an Eligible Person within the Offer Period by written notice to the Company or in such manner as may be prescribed by the ESOS Committee from time to time accompanied by a payment to the Company of a nominal non-refundable consideration of Ringgit Malaysia One (RM1.00) only, regardless of the numbers of ESOS Options comprised therein.
- 8.2 If an Offer is not accepted in the manner aforesaid within the Offer Period, the Offer shall automatically lapse upon the expiry of the Offer Period and be null and void and be of no further force and effect.

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- 8.3 The ESOS Options not taken up resulting from the non-acceptance of Offers within the Offer Period may, at the discretion of the ESOS Committee, thereafter form part of the balance of the ESOS Options available under the Scheme and to be re-offered for future Offers to the other Eligible Persons.
- 8.4 Any Offer shall automatically lapse and be null and void in the following events:
- (a) on the day the Eligible Person receives an order is made against him/she by a court of competent jurisdiction; or
  - (b) on the day of the Eligible Person's death; or
  - (c) on the day the Eligible Person's employer notifies the Eligible Person of termination of his/her employment or contract services; or
  - (d) on the day the Eligible Person resign or cease his/her employment or contract services for any reason whatsoever,
- prior to the acceptance of the Offer by the Eligible Person in the manner set out in **By-Law 8**.
- 8.5 The Company shall keep and maintain a register of Grantees as required under Section 129 of the Act at its expense and shall enter in that register the names and addresses of the Grantees, the Maximum Allowable Allotment, the number of ESOS Options offered, the number of ESOS Options accepted, the number of ESOS Options exercised, the Date of Offer and the Exercise Price and such information as may be prescribed by the ESOS Committee.
- 8.6 The Company shall, on the Date of Offer, announce the following to Bursa Securities upon the ESOS Options offered under the Scheme:
- (a) Date of Offer;
  - (b) Exercise Price of ESOS Options offered;
  - (c) number of ESOS Options offered;
  - (d) market price of its securities on the Date of Offer; and
  - (e) number of ESOS Options offered to each Director, if any.

**9. NON-TRANSFERABILITY**

- 9.1 An ESOS Option issued/granted to Grantee is personal to the Grantee and subject to the provisions of **By-Laws 10.10, 15, 17 and 18**, is exercisable only by the Grantee personally during his/her lifetime whilst he/she is in the employment of any company in the Group and within the Exercise Period.
- 9.2 An ESOS Option issued prior to the allotment and/or transfer to the Grantee of the Shares to which the ESOS Option relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of in whole or in part, except with the prior approval of the ESOS Committee and if a Grantee shall do, suffer or permit any such act or thing as a result of which he/she would or might be deprived of any rights under an ESOS Option without the prior approval of the ESOS Committee, that ESOS Option shall immediately lapse.
- 9.3 Unless permitted under these By-Laws, an ESOS Option shall not be transferred, assigned, disposed of or subject to any encumbrances by the Grantee. Any attempt to transfer, assign, dispose or encumber any ESOS Option shall result in the automatic cancellation or termination of the ESOS Option.

- 9.4 In the event a Grantee is transferred to another company within the Group which has its own share option scheme, the Grantee shall be entitled to the ESOS Option previously granted under this Scheme, in accordance with these By-Laws, but such Grantee shall not upon such transfer taking effect be eligible to participate further ESOS Options under the Scheme.

## **10. EXERCISE OF ESOS OPTIONS**

- 10.1 An ESOS Option granted to a Grantee under the Scheme is, subject to the provisions of **By-Laws 10.10, 15, 17 and 18**, exercisable only by that Grantee personally during his/her lifetime and whilst he/she is in the employment of any company in the Group and within the Exercise Period.

- 10.2 Upon an acceptance of an Offer, the Grantee may during the Exercise Period exercise his/her ESOS Options in full or in part on such time and working days as the ESOS Committee may from time to time, notify the Grantee. The ESOS Committee may with its power under **By-Law 22**, at any time and from time to time, before and after ESOS Options are granted, limit the exercise of the ESOS Options to a maximum number of new Shares and/or such percentage of the total new Shares comprised in the ESOS Options during such periods within the Exercise Period and impose other terms and/or conditions deemed appropriate by the ESOS Committee in its sole discretion.

- 10.3 A Grantee shall exercise the ESOS Options granted to him/her in multiples of and not less than one hundred (100) new Shares or such other units of Shares constituting one (1) board lot as may be determined by Bursa Securities. Partial exercise of an ESOS Option shall not preclude the Grantee from subsequently exercising the ESOS Option as to the balance of any new ESOS Option, if any, which he/she is entitled to subscribe under the Scheme.

Save and except where the balance of ESOS Options exercisable by the Grantee in accordance with these By-Laws into the new Shares shall be less than one hundred (100) or such other units of Shares constituting one (1) board lot as may be determined by Bursa Securities, the said balance ESOS Option shall, if exercised, must be exercised in a single tranche.

- 10.4 ESOS Options which are exercisable in a particular year but are not exercised may be carried forward to subsequent years subject to the Exercise Period and any other impositions which is or may be determined by the ESOS Committee. Any ESOS Options which remain unexercised at the expiry of the Exercise Period shall be automatically terminated and lapse without any claim against the Company.
- 10.5 Subject to the discretion of the ESOS Committee, where a Grantee is serving under an employment contract, he/she may exercise any remaining unexercised ESOS Options within sixty (60) days before the expiry of the employment contract if the remaining duration of the employment contract from the date on which the ESOS Options are granted is less than the Exercise Period.
- 10.6 A Grantee shall exercise his/her ESOS Options by notice in writing to the Company in such form as the ESOS Committee may prescribe or approve ("**Notice of Exercise**"). The procedure for the exercise of ESOS Options to be complied with by a Grantee shall be determined by the ESOS Committee from time to time.
- 10.7 Every Notice of Exercise shall state the number of new Shares the Grantee intends to subscribe and the Grantee's CDS Account and shall be accompanied by remittance in Ringgit Malaysia in the form of a banker's draft, cashier's order or any other mode acceptable to the ESOS Committee, drawn and payable for the full amount of the subscription monies in respect thereof PROVIDED THAT the number of new Shares stated therein shall not exceed the amount exercisable by such Grantee.
- 10.8 Within eight (8) Market Days (or such other period as may be prescribed by Bursa Securities and subject to the Constitution) after the receipt of the complete and valid Notice of Exercise together with the remittance from the Grantee, the Company shall allot and issue the relevant number of new Shares, despatch a notice of allotment to the Grantee and then make an application for quotation for the Shares, upon and subject to the provisions of the Listing Requirements, Constitution, Central Depositories Act and the Rules of Bursa Depository. The said new Shares will be credited directly into the CDS Account of the Grantee. No physical share certificates will be issued. For Grantees who do

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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not have CDS Account, such Grantees are required to open a CDS Account at their own expense before they can exercise their ESOS Options.

- 10.9 Any failure to comply with the procedures specified by the ESOS Committee or to provide information as required by the Company in the Notice of Exercise or incompleteness or inaccuracy in the CDS Account number provided shall result in the Notice of Exercise being rejected at the discretion of the ESOS Committee. The ESOS Committee shall inform the Grantee of the rejection of the Notice of Exercise within ten (10) Market Days from the date of rejection and the Grantee shall then be deemed not to have exercised his/her ESOS Options.
- 10.10 Notwithstanding anything contrary herein contained in these By-Laws, the ESOS Committee shall have the right, at its absolute discretion by notice in writing to that effect, to suspend the right of any Grantee who is being subjected to disciplinary proceedings (whether or not such disciplinary proceedings may give rise to a dismissal or termination of service of such Grantee or are found to have had no basis or justification) to exercise his/her ESOS Options pending the outcome of such disciplinary proceedings. In addition to this right of suspension, the ESOS Committee may impose such terms and conditions as the ESOS Committee shall deem appropriate at its sole and absolute discretion, on the Grantee's right to exercise his/her ESOS Options having regard to the nature of the charges made or brought against such Grantee, PROVIDED ALWAYS that:-
- (a) in the event such Grantee is found not guilty of the charges which gave rise to such disciplinary proceedings, the ESOS Committee shall reinstate the right of such Grantee to exercise his/her ESOS Options;
  - (b) in the event the disciplinary proceedings result in a recommendation for the dismissal or termination of service of such Grantee, all unexercised and partially exercised ESOS Options of the Grantee shall immediately lapse and be null and void and of no further force and effect, without notice to the Grantee, upon pronouncement of the dismissal or termination of service of such Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the Grantee in any other forum;
  - (c) in the event the Grantee is found guilty but no dismissal or termination of service is recommended, the ESOS Committee shall have the right to determine at its absolute discretion whether or not the Grantee may continue to exercise his/her ESOS Options or any part thereof and if so, to impose such terms and conditions as it deems appropriate, on such exercise rights; and
  - (d) in the event that no decision is made and/or disciplinary proceedings are not concluded prior to the expiry of the Exercise Period, the ESOS Option of such Grantee shall immediately lapse on the expiry of the Exercise Period without notice.
- 10.11 The Company, the Board and the ESOS Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities howsoever arising in the event of any delay on the part of the Company in allotting and issuing the new Shares, or in procuring Bursa Securities to list and quote the new Shares subscribed for by a Grantee, or any delay in receipt or non-receipt by the Company of the Notice of Exercise, or for any errors in any Offer.
- 10.12 Every ESOS Option shall be subject to the condition that no new Shares shall be issued pursuant to the exercise of an ESOS Option if such issue would be contrary to any law, enactment, rule and/or regulation of any legislative or non-legislative body which may be in force during the Exercise Period or such period as may be extended.

## **11. EXERCISE PRICE**

The Exercise Price shall be fixed based on a price to be determined by the Board upon recommendation of the ESOS Committee based on the five (5) Market Days volume weighted average market price ("**5D-VWAMP**") of the Shares immediately preceding the Date of Offer with a discount of not more than ten per centum (10%) of the said 5D-VWAMP, subject to such adjustments

as stipulated under **By-Law 16** and Listing Requirements or as may be amended, varied or supplemented from time to time.

## **12. RIGHTS OF A GRANTEE**

The ESOS Options shall not carry any right to vote at any general meeting of the Company and the new UUE Shares, upon allotment and issuance, will be subject to the provisions of the Constitution of the Company relating to transfer, transmission or otherwise of the Shares including the rights of the holder of the Shares on the winding up of the Company.

## **13. RANKING OF THE NEW SHARES TO BE ISSUED PURSUANT TO THE EXERCISE OF THE ESOS OPTIONS**

The new UUE Shares to be allotted and issued pursuant to the exercise of the ESOS Options shall, upon allotment and issuance, rank equally in all respects with the then existing UUE Shares, save and except that the new UUE Shares shall not be entitled to any dividends, rights, allotments and/or other distribution which may be declared, made or paid, for which the entitlement date is prior to the date of allotment and issuance of such new UUE Shares.

## **14. RETENTION PERIOD AND RESTRICTION OF SHARES**

14.1 The new Shares to be issued to a Grantee (save for an Eligible Person who is a non-executive Director) shall not be subject to any retention period or restriction on transfer unless stated otherwise in the Offer Letter or as may be determined by the ESOS Committee from time to time at its discretion. However, the Company encourages the Grantees to hold the Shares as a long-term investment and not for any speculative and/or realisation of any immediate gain.

14.2 Notwithstanding the above, pursuant to Rule 8.22 of the Listing Requirements, a Grantee who is a non-executive director of any company within the Group (excluding dormant subsidiaries, if any) must not sell, transfer or assign his/her Shares obtained through the exercise of the new ESOS Options offered to him/her pursuant to the Scheme within one (1) year from the Date of Offer of such new ESOS Options or such period as may be prescribed by Bursa Securities.

## **15. TERMINATION OF ESOS OPTIONS**

15.1 Any ESOS Option which has not been exercised by a Grantee shall be automatically terminated and be of no further force or effect in the following circumstances: -

- (a) termination or cessation of employment or contract services of the Grantee with the Group for any reason whatsoever, in which event the ESOS Option shall be automatically terminated on the day the Grantee's employer accepts his/her notice of resignation or the Grantee's employer notifies the Grantee of termination of his/her employment or on the day the Grantee notifies his/her employer of his/her resignation or on the Grantee's last day of employment, whichever is the earlier; or
- (b) bankruptcy of the Grantee, in which event the ESOS Option shall be automatically terminated on the date a receiving order is made against the Grantee by a court of competent jurisdiction; or
- (c) upon the happening of any other event which results in the Grantee being deprived of the beneficial ownership of the ESOS Option, in which event the ESOS Option shall be automatically terminated on the date such event occurs; or
- (d) winding-up or liquidation of the Company, in which event the ESOS Option shall be automatically terminated on the following date: -



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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- (i) the case of a voluntary winding-up, the date on which a provisional liquidator is appointed by the Company; or
- (ii) in the case of an involuntary winding-up, the date on which a petition for winding-up is served on the Company; or
- (e) the subsidiary of the Company which employs the Grantee ceasing to be part of the Group in which event the ESOS Option shall be automatically terminated on the date the subsidiary ceases to be part of the Group; or
- (f) termination of the Scheme pursuant to **By-Law 20.8**; or
- (g) any other circumstances acceptable to the ESOS Committee in its exercise of discretion;

whichever shall be applicable.

Upon the termination of the ESOS Options pursuant to **By-Law 15.1** above, the Grantee shall have no right to compensation or damages or any claim against the Company from any loss of any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from his/her ceasing to hold office or employment or from the suspension of his/her right to exercise his/her ESOS Options or his/her ESOS Options ceasing to be valid.

15.2 Notwithstanding **By-Law 15.1** above, a Grantee may apply in writing to the ESOS Committee to be allowed to continue to hold and to exercise any ESOS Option held by him/ her upon termination of employment with the Group in the following circumstances: -

- (a) retirement upon or after attaining the retirement age in accordance with the Company's retirement policy or relevant guidelines by authorities in Malaysia, as may be amended from time to time, and with the consent of his/her employer, being a company within the Group; or
- (b) ill-health, injury, physical or mental disability; or
- (c) redundancy, retrenchment or voluntary separation scheme; or
- (d) secondment or transfer to any company outside the Group at the direction of the Company; or
- (e) any other circumstance as may be deemed as acceptable to the ESOS Committee.

15.3 Applications under **By-Law 15.2** shall be made: -

- (a) in a case where **By-Law 15.2(a)** is applicable, before the Grantee's last day of employment, the Grantee may exercise ESOS Options at any time before his/her last day of employment subject to the provisions of **By-Law 10**. In the event that no application is received by the ESOS Committee before the Grantee's last day of employment, any ESOS Option held by the Grantee on his/her last day of employment shall be automatically terminated;
- (b) in a case where **By-Law 15.2(b)** is applicable, within one (1) month after the Grantee notifies his/her employer of his/her resignation due to ill-health, injury, physical or mental disability, the Grantee may exercise ESOS Options within the said period of one (1) month subject to the provisions of **By-Law 10**. In the event that no application is received by the ESOS Committee within the said period, any ESOS Option held by the Grantee at the expiry of the said period shall be automatically terminated;
- (c) in a case where **By-Law 15.2(c)** is applicable, within one (1) month after the Grantee is notified that he/she will be retrenched or, where he/she is given an offer by his/her employer as to whether he/she wishes to accept retrenchment upon certain terms, within one (1) month after he/she accepts such offer, the Grantee may exercise ESOS Options within the said period of one (1) month subject to the provisions of **By-Law 10**. In the event that no application is received by the ESOS Committee within the said period, any ESOS Option held by the Grantee

at the expiry of the said period shall be automatically terminated; and

- (d) in a case where **By-Law 15.2(d)** is applicable, within one (1) month after the Grantee is notified that he/she will be seconded or transferred to a company outside the Group. The Grantee may exercise ESOS Options within the said period of one (1) month subject to the provisions of **By-Law 10**. In the event that no application is received by the ESOS Committee within the said period, any ESOS Option held by the Grantee at the expiry of the said period shall be automatically terminated.
- 15.4 The ESOS Committee shall consider applications under **By-Law 15.2** on a case-by-case basis and may at its discretion approve or reject any application in whole or in part without giving any reasons thereof and may impose any terms and conditions in granting an approval. The decision of the ESOS Committee shall be final and binding. In the event that the ESOS Committee approves an application in whole or in part, the Grantee may exercise the ESOS Options which are the subject of the approval within the period so approved by the ESOS Committee and subject to the provisions of **By-Law 10**. Any ESOS Options in respect of which an application is rejected shall be automatically terminated on the date of termination stipulated in the relevant paragraph of **By-Law 15.3** or on the date of the ESOS Committee's decision, whichever is the later.
- 15.5 In the event that the ESOS Committee receives an application under **By-Law 15.2** after the expiry of the relevant period under **By-Law 15.3**, the ESOS Committee shall take into account the reasons given by the Grantee for the delay in making the application, in exercising the ESOS Committee's discretion and powers under **By-Law 15.4**. In the event that the ESOS Committee approves the application in whole or in part, the Company shall make an Offer in respect of the unexercised ESOS Options which are the subject of approval to the Grantee and such ESOS Options offered, if accepted by the Grantee shall be exercisable:-
- (a) only within the Exercise Period of those ESOS Options which were terminated due to the Grantee's delay in making the application;
- (b) in accordance with the provisions of **By-Law 10** as applicable in respect of such terminated ESOS Options; and
- (c) at the Exercise Price applicable in respect of such terminated ESOS Options.
- 15.6 In the event a Grantee dies before the expiration of the Exercise Period and at the time of his/her death held unexercised ESOS Options, such unexercised ESOS Options may be exercised by the legal or personal representative(s) or heirs (as the case may be) of the deceased Grantee ("**Representative**") after the date of his/her death provided that such exercise shall be within the Exercise Period and subject to the approval of the ESOS Committee. For the avoidance of doubt, in the event the Representative exercises such unexercised ESOS Options, the provisions in the By-Laws shall apply *mutatis mutandis* to the Representative.

## **16. ALTERATION OF CAPITAL AND ADJUSTMENTS**

- 16.1 Subject to **By-Law 16.4** hereof, in the event of any alteration in the capital structure of the Company during the Exercise Period, whether by way of a rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of Shares or reduction of capital or any other variation of capital shall take place or if the Company shall make a capital distribution during the Duration of the Scheme, the Company shall cause such adjustment to be made to:-
- (a) the Exercise Price; and/or
- (b) the number of new UUE Shares which a Grantee shall be entitled to subscribe for upon the exercise of each ESOS Option (excluding ESOS Options which have been exercised),

to ensure that the capital outlay to be incurred by the Grantee in subscribing for the same proportion of Shares to which the Grantee was entitled to prior to the event giving rise to such adjustments (i.e. not taking into account the ESOS Options already exercised) shall remain unaffected.

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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The computation for the adjustment to the number of ESOS Options granted to each Grantee and/or Exercise Price is set out in **Attachment 1** to these By-Laws.

- 16.2 Such adjustments which are made pursuant to **By-Law 16.1** (other than on a bonus issue, subdivision or consolidation of Shares) must be confirmed in writing by the approved external auditors of the Company for the time being or the Adviser of the Company (acting as experts and not as arbitrators), upon reference to them by the ESOS Committee, to be in their opinion, fair and reasonable, PROVIDED ALWAYS THAT: -
- (i) any adjustment to the Exercise Price shall be rounded up to the nearest one (1) sen;
  - (ii) in the event that a fraction of a new Share arising from the adjustment referred to in these By-Laws would otherwise be required to be issued upon the exercise of an ESOS Option by the Grantee, the Grantee's entitlement shall be rounded down to the nearest whole number;
  - (iii) upon any adjustment being made pursuant to these By-Laws, the ESOS Committee shall, within thirty (30) calendar days of the effective date of the alteration in the capital structure of the Company, notify the Grantee (or his/her Representative where applicable) in writing informing him/her of the adjusted Exercise Price thereafter in effect and/or the revised number of ESOS Options to be issued so far as unexercised; and
  - (iv) any adjustments made must be in compliance with the provisions for adjustment as provided in these By-Laws.

Notwithstanding the foregoing, any adjustments to the Exercise Price and/or the number of ESOS Options to be issued so far as unexercised arising from a bonus issue, subdivision or consolidation of Shares, need not be confirmed in writing by the approved external auditors of the Company or the Adviser of the Company.

- 16.3 Save as expressly provided for herein, the approved external auditors of the Company or the Adviser of the Company must confirm in writing that the adjustments are in their opinion fair and reasonable. The opinion of the approved external auditors or the Adviser of the Company (as the case may be) shall be final, binding and conclusive.
- 16.4 The provisions of this **By-Law 16** shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:-
- (a) an issue of new Shares pursuant to the exercise of ESOS Options under the Scheme; or
  - (b) an issue of securities as consideration or part consideration for an acquisition of any other securities, assets or business; or
  - (c) an issue of securities pursuant to a private placement or an issue of securities approved by the relevant authorities and the members of the Company at a general meeting of such members; or
  - (d) an issue of securities pursuant to a special issue approved by the relevant governmental authorities; or
  - (e) a restricted issue of securities; or
  - (f) an issue of new Shares arising from the exercise of any conversion rights in respect of securities convertible into new Shares including but not limited to warrants, convertible loan stocks and convertible preference shares or issue of such securities convertible into new Shares; or
  - (g) an issue of further ESOS Options to Eligible Persons under these By-Laws; or
  - (h) a purchase by the Company of its own Shares pursuant to Section 127 of the Act. In such event, the following provisions shall apply:

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- (i) if the number of Shares in respect of ESOS Options granted by the Company as at the date of designation of the Shares so purchased as treasury shares or cancellation of such purchased Shares is greater than fifteen per cent (15%) of the total number of issued Shares of the Company after such designation or cancellation, the ESOS Committee shall not make any further Offers until the total number of Shares under the subsisting ESOS Options, including those Shares that have been issued under the Scheme falls below fifteen per centum (15%) of the total number of issued Shares of the Company (excluding treasury shares, if any), at any one time throughout the Duration of the Scheme as provided in **By-Laws 20.3 and 20.4**; and
  - (ii) if the number of Shares in respect of ESOS Options granted by the Company as at the date of designation of the Shares so purchased as treasury shares or cancellation of such purchased Shares is less than fifteen per cent (15%) of the total number of issued Shares of the Company after such designation or cancellation, the ESOS Committee may make further Offers only until the total number of ESOS Options granted by the Company (including those ESOS Options that have been issued and exercised under the Scheme) is equivalent to fifteen per cent (15%) of the total number of issued Shares of the Company after such designation or cancellation; or
  - (i) an issue by the Company of new Shares or of securities convertible into Shares or securities with rights to acquire or subscribe for Shares to its officers, including Directors, or Employees of the Company or any of its subsidiaries pursuant to purchase or option schemes approved by the shareholders in general meeting; or
  - (j) any issue of Shares by the Company (other than bonus and rights issue) pursuant to a dividend reinvestment scheme undertaken in accordance with the Listing Requirements or for any purpose whatsoever.
- 16.5 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Subdivision 2 of Division 7 of Part III of the Act, **By-Law 16.1** shall be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company, but **By-Law 16.1** shall not be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which **By-Law 16.1** is not applicable.
- 16.6 An adjustment pursuant to **By-Law 16.1** shall be made according to the following terms:-
- (a) in the case of a rights issue, bonus issue or other capitalisation issue, on the next Market Day immediately following the Entitlement Date in respect of such issue; or
  - (b) in the case of a consolidation or subdivision of Shares or reduction of capital, on the next Market Day immediately following the date on which the consolidation or subdivision of Shares or capital reduction becomes effective, or such period as may be prescribed by Bursa Securities.

Upon any adjustment being made, the ESOS Committee shall give notice in writing within thirty (30) calendar days from the effective date of adjustment to the Grantee, or his/her Representative where the Grantee is deceased, to inform him/her of the adjustment and the event giving rise thereto.

Any adjustments (other than on a bonus issue, subdivision or consolidation of Shares) must be confirmed in writing by the approved external auditors of the Company or the Company's Adviser (as the case may be) (who shall act as an expert and not as an arbitrator), to be in his/her opinion fair and reasonable. For the purpose of these By-Laws, an approved external auditors of the Company shall have the meaning given in Section 2(1) of the Act.

If an event occurs that is not set out in **By-Law 16.1** or if the application of any of the formulae to an event results in a manifest error or in the opinion of the ESOS Committee is not appropriate, the ESOS Committee may effect an adjustment in such manner deemed appropriate by the ESOS Committee provided that the Grantee shall be notified of the adjustment in such manner deemed appropriate by the ESOS Committee.

16.7 All adjustments made pursuant to **By-Law 16** shall be final and binding.

## **17. TAKE-OVERS AND MERGERS, SCHEMES OF ARRANGEMENT, AMALGAMATIONS AND RECONSTRUCTIONS**

17.1 In the event of: -

- (a) a take-over offer being made for, under the Malaysian Code on Take-overs and Mergers, 2016 and the Rules on Take-overs, Mergers and Compulsory Acquisitions (or any replacement thereof), to acquire the whole of the issued Shares (or such part thereof not at the time held by the person making the take-over offer ("**Offeror**") or any persons acting in concert with the Offeror), a Grantee will be entitled within such period to be determined by the ESOS Committee, to exercise all or any part of his/her ESOS Options and the Directors shall use their best endeavours to procure that such a general offer be extended to the new Shares that may be issued pursuant to the exercise of the ESOS Options under this By-Laws; or
- (b) the Offeror becoming entitled or bound to exercise the right of compulsory acquisition of new Shares under the provisions of any applicable statutes, rules and/or regulations and gives notice to the Grantee that it intends to exercise such rights on a specific date ("**Specified Date**"), the Grantee will be entitled to exercise all or any part of his/her ESOS Options from the date of service of the said notice to the Grantee until the expiry of the Specified Date.

In the foregoing circumstances, if the Grantee fails to exercise his/her ESOS Options or elects to exercise only in respect of a portion of such ESOS Options, then any ESOS Options to the extent unexercised by the expiry of the periods stipulated in the aforesaid circumstances shall automatically lapse and be null and void.

17.2 Notwithstanding the provisions of **By-Law 10** and subject to the discretion of the ESOS Committee, in the event of the court sanctioning a compromise or arrangement between the Company and its members proposed for the purpose of, or in connection with, a scheme of arrangement and reconstruction of the Company under Section 366 of the Act or its amalgamation with any other company or companies under Section 370 or any other provisions of the Act or the Company decided to merge with other company or companies, a Grantee may be entitled to exercise all or any part of his/her ESOS Options which remain unexercised at any time commencing from the date upon which the compromise or arrangement is sanctioned by the court until the date upon which such compromise or arrangement becomes effective PROVIDED ALWAYS THAT no ESOS Option shall be exercised after the expiry of the Exercise Period. Upon the compromise or arrangement becoming effective, all unexercised ESOS Options shall automatically lapse and become null and void and of no further force and effect.

## **18. DIVESTMENT FROM AND TRANSFER TO/FROM THE GROUP**

18.1 If a Grantee is in the employment of or hold directorship in a company within the Group and such company is subsequently divested, wholly or in part, from the Group, then the ESOS Committee will have the right to determine at its discretion whether or not the Grantee: -

- (a) will be entitled to continue to hold and to exercise all the unexercised or partially exercised ESOS Options which were granted to him/her under the Scheme within a period which will be decided by the ESOS Committee, failing which the right of such Grantee to subscribe for that number of new Shares or any part thereof granted under such unexercised or partially exercised ESOS Option(s) shall automatically lapse and be null and void and of no further force and effect upon the expiry of the relevant period; and
- (b) shall be eligible to participate for further ESOS Options under the Scheme.

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## APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)

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18.2 For the purposes of **By-Law 18.1**, a company shall be deemed to be divested from the Group or disposed of from the Group in the event that the effective interest of the Company in such company is reduced from above fifty per centum (50%) to fifty per centum (50%) or below so that such company would no longer be a subsidiary of the Company pursuant to Section 4 of the Act.

18.3 In the event that:-

- (a) an employee who was employed in a company which is related to the Company pursuant to Section 7 of the Act (that is to say, a company which does not fall within the definition of "**the Group**") and is subsequently transferred from such company to any company within the Group; or
- (b) an employee who was in the employment of a company which subsequently becomes a member of the Group as a result of a restructuring or acquisition exercise or otherwise involving the Company and/or any company within the Group with any of the first mentioned company stated in (a) above;

(the first abovementioned company in (a) and (b) herein referred to as the "**Previous Company**"), such an employee of the Previous Company will be eligible to participate in this Scheme for its remaining Exercise Period, if the affected employee becomes an "**Eligible Person**" within the meaning under these By-Laws.

For the avoidance of doubt, in the event of any acquisition or incorporation of any company into the Group pursuant to part (b) above as a subsidiary as defined in Section 4 of the Act or any other statutory regulation in place thereof during the Duration of the Scheme, the Scheme shall apply to the employees of such company on the date of such company becomes a subsidiary of the Group (provided that such subsidiary is not dormant) falling within the meaning of the expression of "**Eligible Person**" under **By-Law 3.1** and the provisions of the By-Laws shall apply.

## 19. WINDING-UP

All outstanding ESOS Options shall be automatically terminated and be of no further force and effect in the event that a resolution is passed, or a court order is made for the winding-up of the Company commencing from the date of such resolution or the date of the court order. In the event a petition is presented in court for the winding-up or liquidation of the Company, all rights to exercise the ESOS Options shall automatically be suspended from the date of the presentation of the petition. Conversely, if the petition for winding-up is dismissed by the court, the right to exercise the ESOS Options shall accordingly be reinstated.

## 20. DURATION, TERMINATION AND EXTENSION OF SCHEME

20.1 The Effective Date for the implementation of the Scheme shall be the date of full compliance with all relevant requirements in the Listing Requirements, including the following: -

- (a) submission of the final copy of the By-Laws to Bursa Securities together with a letter of compliance pursuant to Rule 2.12 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements and Rules of Bursa Depository;
- (b) the receipt of the approval or approval-in-principle from Bursa Securities, as the case may be, for the issuance and listing of and quotation for the new Shares to be issued pursuant to the exercise of ESOS Options granted under the Scheme;
- (c) the approval of the shareholders of the Company for the Scheme in a general meeting;
- (d) receipt of the approval of any other relevant authorities whose approvals are necessary in respect of the Scheme; and
- (e) fulfilment of all conditions attached to any of the abovementioned approvals, if any.

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- 20.2 The Adviser of the Company shall submit a confirmation letter to Bursa Securities of full compliance with the relevant requirements of Bursa Securities stating the Effective Date of implementation of the Scheme together with a certified true copy of the relevant resolution passed by the shareholders of the Company in the general meeting. The confirmation letter shall be submitted to Bursa Securities no later than five (5) Market Days after the Effective Date.
- 20.3 The Scheme shall be in force for a duration of five (5) years from the Effective Date subject however to any extension of the Scheme as provided under **By-Law 20.4** below.
- 20.4 The Scheme may be extended at the sole and absolute discretion of the Board upon the recommendation of the ESOS Committee for a further five (5) years or such shorter period as it deems fit immediately from the expiry of the first five (5) years, without any approval from the shareholders of the Company in any general meeting, provided that the initial duration of the ESOS stipulated above and any extension of the ESOS shall not in aggregate exceed ten (10) years from the Effective Date or such longer period as may be allowed by the relevant authorities. The Company shall make the necessary announcement to Bursa Securities should there be any extension of the ESOS on or before the expiry of the first five (5) years.
- 20.5 Any extended Scheme under this provision shall be implemented in accordance with the terms of these By-Laws, subject however to any revisions and/or changes to the relevant laws and/or regulations then in force. Unless otherwise required by the relevant authorities, no further approvals shall be required for the extension of the Scheme PROVIDED THAT the Company shall serve appropriate notices on each Grantee and/or make the necessary announcements to any and/or all the aforementioned parties within thirty (30) calendar days prior to the proposed extension or expiry of the Scheme and make any announcements to Bursa Securities of such extended Scheme.
- 20.6 An Offer can only be made during the Duration of the Scheme before the Date of Expiry.
- 20.7 Notwithstanding anything to the contrary, all unexercised or partially exercised ESOS Options shall lapse on the Date of Expiry.
- 20.8 Notwithstanding the provisions of **By-Law 20.3** and subject always to compliance with Listing Requirements, other requirements of Bursa Securities and any other regulatory authorities' requirements, guidelines or directives, the Scheme may be terminated at any time prior to the Date of Expiry or during the Duration of the Scheme by the ESOS Committee upon approval of the Board without obtaining the consents from the Grantees or approvals from the shareholders of the Company provided that the Company makes an immediate announcement which shall include the following:
- (a) the effective date of termination ("**Termination Date**");
  - (b) the number of ESOS Options exercised and/or Shares vested; and
  - (c) the reasons and justification for termination,
- to Bursa Securities pursuant to the Listing Requirements.
- 20.9 Upon termination of the Scheme, the following shall apply:
- (a) the ESOS Committee shall make no further Offers;
  - (b) all Offers which have yet to be accepted by the Eligible Persons shall be automatically lapse and deemed cancelled on the Termination Date; and
  - (c) all outstanding ESOS Options which have yet to be exercised by the Grantees shall be automatically terminated and be null and void on the Termination Date.

For the avoidance of doubt, ESOS Options which have been exercised but where the new Shares have yet to be issued or registered in the name of the Eligible Persons or his/her estate as at the date of the resolution to terminate the Scheme shall remain effective and the Company shall issue and register the new Shares accordingly.

**21. SUBSEQUENT SCHEME**

Subject to the approval of Bursa Securities and any other relevant authorities, the Company may establish or implement more than one (1) Scheme provided that the aggregate number of Shares available under all schemes does not breach the maximum limit prescribed in the prevailing guidelines issued by Bursa Securities, the Listing Requirements and any other relevant authorities as amended from time to time.

**22. ADMINISTRATION**

22.1 The Scheme shall subject to these By-Laws and be administered by the ESOS Committee. The ESOS Committee shall, subject to these By-Laws, administer the Scheme in such manner as it shall think fit and with such powers and duties as are conferred upon it by the Board. The decision of the ESOS Committee shall be final and binding.

22.2 Without limiting the generality of **By-Law 22.1**, the ESOS Committee may, for the purpose of administering the Scheme, do all acts and things, execute all documents and delegate any of its powers and duties relating to the Scheme as it may at its discretion consider to be necessary or desirable for giving effect to the Scheme including the powers to:-

- (a) subject to the provisions of the Scheme, construe and interpret the Scheme and ESOS Options granted under it, to define the terms therein and to recommend to the Board to establish, amend and revoke rules and regulations relating to the Scheme and its administration. The ESOS Committee in the exercise of this power may correct any defect, supply any omission, or reconcile any inconsistency in the Scheme or in any agreement providing for an ESOS Option in a manner and to the extent it deems necessary to expedite and make the Scheme fully effective; and
- (b) determine all questions of policy and expediency that may arise in the administration of the Scheme and generally exercise such powers and perform such acts as are deemed necessary or expedient to promote the best interests of the Company.

22.3 The Board shall have power at any time and from time to time to approve, rescind and/or revoke the appointment of any person in the ESOS Committee as it shall deem fit.

**23. MODIFICATION, VARIATION AND/OR AMENDMENT TO THE SCHEME**

23.1 Subject to **By-Law 23.2**, the ESOS Committee may at any time and from time to time recommend to the Board any additions, modifications or amendments to or deletions of these By-Laws as it shall at its discretion think fit, subject to the provisions of any guidelines on share issuance schemes stipulated under the Listing Requirements and/or any other relevant regulatory authority in relation to an share issuance scheme, and the Board shall have the power at any time and from time to time by resolution to add to, amend, modify and/or delete all or any of these By-Laws upon such recommendation subject to the Company submitting the amended By-Laws and a confirmation letter to Bursa Securities each time an amendment and/or modification is made, stating that the amendment and/or modification is in compliance with the provisions of the Listing Requirements pertaining to share issuance scheme and the Rules of Bursa Depository.

23.2 Subject to **By-Law 23.3**, the approval of the shareholders of the Company in general meeting shall not be required in respect of additions, modifications or amendments to and/or deletions of these By-Laws (including any additions, modifications or amendments to or deletions of the By-Laws for purposes of complying with the Act) PROVIDED THAT no additions, modifications or amendments to and/or deletions of these By-Laws shall be made which would: -

- (a) materially prejudice any rights which would have accrued to any Grantee without the prior consent or sanction of that Grantee; or



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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- (b) alter the rights of the Grantees to the advantage of any Grantee or group of Grantee or all Grantees; or
  - (c) increase the number of new Shares available under the ESOS beyond the maximum imposed by the By-Laws.
- 23.3 For the purpose of complying with the provisions of the Listing Requirements, these By-Laws shall not be amended or altered in any way whatsoever for the advantage of Eligible Persons or Grantees without the prior approval of the Company's shareholders obtained at a general meeting unless allowed otherwise by the provisions of the Listing Requirements.
- 23.4 The Grantees shall be given written notices in the term prescribed by the ESOS Committee from time to time in the event of any conditions, amendments to and/or modifications of these By-Laws within fourteen (14) Market Days of any of the foregoing taking effect.

**24. INSPECTION OF ACCOUNTS**

- 24.1 All Grantees are entitled to inspect the latest audited financial statements of the Company at the registered office of the Company during normal business hours on any working day of the registered office.

**25. SCHEME NOT A TERM OF EMPLOYMENT**

This Scheme shall not confer or be construed to confer on an Eligible Person any special rights or privileges over the Eligible Person's terms and conditions of employment in the Group under which the Eligible Person is employed nor any rights additional to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment. The Scheme shall not form part of or constitute or be in any way construed as a term or condition of employment of any Eligible Person.

**26. NO COMPENSATION FOR TERMINATION**

- 26.1 No Eligible Persons shall be entitled to any compensation for damages arising from the termination of any ESOS Options or this Scheme pursuant to the provisions of these By-Laws. Notwithstanding any provisions of these By-Laws: -
- (a) this Scheme shall not form part of any contract of employment between the Company or any company within the Group and any Eligible Person of any company of the Group. The rights of any Eligible Person under the terms of his/her office and/or employment with any company within the Group shall not be affected by his/her participation in the Scheme, nor shall such participation or the Offer or consideration for the Offer afford such Eligible Person any additional rights to compensation or damages in consequence of the termination of such office or employment for any reason;
  - (b) this Scheme shall not confer on any person any legal or equitable right or other rights under any other theory of law (other than those constituting the ESOS Options) against the Company or any company of the Group, directly or indirectly, or give rise to any course of action in law or in equity or under any other theory of law against any company within the Group;
  - (c) no Grantee or his/her Representative shall bring any claim, action or proceeding against any company of the Group, the ESOS Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension, cancellation or surrendering of his/her rights or exercise of his/her ESOS Options or his/her rights or ESOS Options ceasing to be valid pursuant to the provisions of these By-Laws; and

- (d) the Company, the Board or the ESOS Committee shall in no event be liable to the Grantee or his/her Representative or any other person or entity for any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage, including without limitation lost profits or savings, directly or indirectly arising from the breach or non-performance of these By-Laws or any loss suffered by reason of any change in the price of the Shares or from any other cause whatsoever whether known or unknown, contingent, absolute or otherwise, whether based in contract, tort, equity, indemnity, breach of warranty or otherwise and whether pursuant to common law, statute, equity or otherwise, even if any company of the Group, the Board or the ESOS Committee has been advised of the possibility of such damage.

## **27. DISPUTES**

- 27.1 In case any dispute or difference shall arise between the ESOS Committee and an Eligible Person or a Grantee or in the event of an appeal by an Eligible Person, as the case may be, as to any matter of any nature arising hereunder, such dispute or appeal must have been referred to and received by the ESOS Committee during the Duration of the Scheme, then the ESOS Committee shall determine such dispute or difference by a written decision (without the obligation to give any reason thereof) given to the Eligible Person and/or Grantee, as the case may be PROVIDED THAT where the dispute or difference is raised by a member of the ESOS Committee, the said member shall abstain from voting in respect of the decision of the ESOS Committee in that instance.
- 27.2 In the event the Eligible Person or Grantee, as the case may be, shall dispute the same by written notice to the ESOS Committee within fourteen (14) days of the receipt of the written decision, then such dispute or difference shall be referred to the Board, whose decision shall be final and binding in all respects, provided that any Director of the Company who is also in the ESOS Committee shall abstain from voting and no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these By-Laws. Notwithstanding anything herein to the contrary, any costs and expenses incurred in relation to any dispute or difference or appeal brought by any party to the ESOS Committee shall be borne by such party.
- 27.3 Notwithstanding the foregoing provisions of **By-Laws 27.1** and **27.2** above, matters concerning adjustments made pursuant to **By-Law 16** shall be referred to approved external auditors of the Company or the Company's Adviser (as the case may be) who shall act as experts and not as arbitrators and whose decision shall be final and binding in all respects.

## **28. COSTS AND EXPENSES**

Unless otherwise stipulated by the Company in the Offers, all fees, costs and expenses incurred in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issue and allotment and/or transfer of the Shares pursuant to the exercise of ESOS Options, shall be borne by the Company. Notwithstanding this, the Grantee shall bear any fees, costs and expenses incurred in relation to his/her acceptance of the Offers and exercise of the ESOS Options under the Scheme.

## **29. CONSTITUTION OF THE COMPANY**

In the event of a conflict between any of the provisions of these By-Laws and the Constitution, the Constitution shall at all times prevail save and except where such provisions of the By-Laws are included pursuant to the Listing Requirements.

## **30. TAXES**

All taxes (including income tax), if any, arising from the exercise of any ESOS Options, including the transfer, issuance and allotment of Shares under the Scheme shall be borne by the Grantee.

**31. LISTING AND QUOTATION OF SHARES**

- 31.1 Upon the exercise of any ESOS Options in accordance with **By-Law 10**, the Company shall, subject to it having obtained the prior written approval of Bursa Securities and/or other relevant authorities and making applications to Bursa Securities for the listing of and quotation for such new Shares, use its best endeavours to obtain permission for the dealing of such new Shares.
- 31.2 The Company and the ESOS Committee shall not under any circumstances be held liable for any costs, losses and damages whatsoever and however relating to the delay on the part of the Company in allotting and issuing the Shares or in procuring Bursa Securities to list the Shares for which the Grantee is entitled to subscribe.

**32. NOTICE**

- 32.1 Any notice under the Scheme required to be given to or served upon the ESOS Committee by an Eligible Person or Grantee or any correspondence to be made between an Eligible Person or Grantee to the ESOS Committee shall be given or made in writing and either delivered by hand or sent to the ESOS Committee or the Company by facsimile or ordinary post. Notwithstanding the foregoing, proof of posting shall not be evidence of receipt of the letter.
- 32.2 Any notice or request which the Company is required to give, or may desire to give, to any Eligible Person or the Grantee pursuant to the Scheme shall be in writing and shall be deemed to be sufficiently given:-
- (a) if it is sent by ordinary post by the Company to the Eligible Person or the Grantee at the last address known to the Company as being his/her address, such notice or request shall be deemed to have been received five (5) days after posting;
  - (b) if it is delivered by hand to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received on the date of delivery; and
  - (c) if it is sent by electronic media, including but not limited to electronic mail, to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received upon confirmation or notification received after the sending of notice or request by the Company.

Any change of address of the Eligible Person or the Grantee shall be communicated in writing to the Company and the ESOS Committee.

- 32.3 Where any notice which the Company or the ESOS Committee is required to give, or may desire to give, in relation to matters which may affect all the Eligible Persons or the Grantees (as the case may be) pursuant to the Scheme, the Company or the ESOS Committee may give such notice through an announcement to all employees of the Group to be made in such manner deemed appropriate by the ESOS Committee (including via electronic media). Upon the making of such an announcement, the notice to be made under **By-Law 32.2** shall be deemed to be sufficiently given, served or made to all affected Eligible Persons or Grantee, as the case may be.

**33. SEVERABILITY**

Any term, condition, stipulation or provision in these By-Laws which is or becomes illegal, void, prohibited or unenforceable shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions hereof, and any such illegality, voidness, prohibition or unenforceability shall not invalidate or render illegal, void or unenforceable any other term, condition, stipulation or provision herein contained.

**34. DISCLOSURES IN ANNUAL REPORT**

The Company will make such disclosures in its annual report for as long as the Scheme continues in operation as from time to time required by the Listing Requirements including (where applicable) a statement by the Audit Committee verifying that the allocation of ESOS Options pursuant to the Scheme is in compliance with the criteria for allocation disclosed by the Company to the Eligible Persons.

**35. ERRORS AND OMISSIONS**

If in consequence of an error or omission, the ESOS Committee discovers/determines that:-

- (a) an Eligible Person who was selected by the ESOS Committee has not been given the opportunity to participate in the Scheme on any occasion; or
- (b) the number of Shares allotted and issued and/or transferred to any Eligible Person (including those allotted and issued and/or transferred pursuant to an exercise of ESOS Option) on any occasion is found to be incorrect,

and such error or omission cannot be corrected within the relevant period specified in the Scheme, the ESOS Committee may do all such acts and things to rectify such error or omission and ensure that the Eligible Person is given the opportunity to participate in the Scheme and/or the aggregate number of Shares to which the Eligible Person is correctly entitled to.

**36. GOVERNING LAW AND JURISDICTION**

- 36.1 The Scheme, these By-Laws, all Offers made and ESOS Options granted and actions taken under the Scheme shall be governed by and construed in accordance with the laws of Malaysia. The Eligible Persons, by accepting the Offer in accordance with the By-Laws and terms of the Scheme and the Constitution, irrevocably submit to the exclusive jurisdiction of the courts in Malaysia.
- 36.2 In order to facilitate the making of any Offer (and/or the benefit thereof) under the ESOS, the ESOS Committee may provide for such special terms to the Eligible Persons who are employed by any corporation in the Group in a particular jurisdiction, or who are nationals of any particular jurisdiction, that is outside Malaysia, as the ESOS Committee may consider necessary or appropriate for the purposes of complying with differences in local law, tax, policy or custom of that jurisdiction. The ESOS Committee may further approve such supplements to or amendments, restatements or alternative versions of the ESOS as it may consider necessary or appropriate for such purposes without affecting the terms of the ESOS as in effect for any other purpose, and the secretary of the Company (relating to secretarial or statutory record) or any other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as the ESOS. No such special terms, supplements, amendments or restatements, however, shall include any provisions that are inconsistent with the terms of the ESOS, as then in effect, unless the ESOS has been amended to eliminate such inconsistency. Notwithstanding the above, any Offer made to such Eligible Persons pursuant to the ESOS shall be valid strictly in Malaysia only unless specifically mentioned otherwise by the ESOS Committee in the Offer.
- 36.3 No action has been or will be taken by the Company to make the Offer in any country or jurisdiction other than Malaysia or to ensure compliance of the Offer with all applicable laws and regulations in any other country or jurisdiction other than Malaysia. No action has or will be taken also by the Company to ensure compliance by the Eligible Person to whom the Offer is made, with all applicable laws and regulations in such other country or jurisdiction in which the Eligible Person accepts the Offer or will exercise the Option.
- 36.4 Any Eligible Person to whom the Offer is made is required to ensure that they comply with all applicable laws and regulations in each country or jurisdiction in or from which they accept the Offer or exercise the Option. By their acceptance of the Offer, each Grantee has represented, warranted and agreed that they have and will continue to observe all applicable laws and regulations in the jurisdiction in which they accept the Offer and/or will exercise the Option.

**ATTACHMENT 1**

**ADJUSTMENT TO THE EXERCISE PRICE OR THE NUMBER OF SHARES**

The Exercise Price and/or the number of Shares to be comprised of ESOS Options in respect of the right to subscribe for new Shares as yet unexercised to which a Grantee may be entitled shall from time to time be adjusted, calculated or determined by the ESOS Committee and confirmed in writing by the approved external auditors of the Company or the Company's Adviser (other than adjustments made pursuant to a bonus issue, subdivision or consolidation of Shares) for the time being of the Company (acting as experts and not as arbitrators) in accordance with the following relevant provisions:

**(a) Consolidation Or Subdivision of Shares**

If and whenever a Share by reason of any consolidation or subdivision, shall have a different total number of issued Shares, the Exercise Price and/or the additional number of ESOS Options so far as unexercised ("**Additional Shares Under ESOS Option**") shall be adjusted, calculated or determined in the following manner: -

$$\text{New Exercise Price} = S \times \frac{A}{B}$$

$$\text{Additional Shares Under ESOS Options} = T \times \frac{B}{A} - T$$

Where: -

- A = Aggregate number of issued Shares immediately before such consolidation or subdivision;
- B = Aggregate number of issued Shares after such consolidation or subdivision;
- S = Existing Exercise Price; and
- T = Existing number of Shares comprised in the ESOS Options in respect of the right to subscribe for new Shares so far as unexercised.

Each such adjustment will be effective from the close of business on the Market Day immediately following the Entitlement Date on which the consolidation or subdivision of Shares becomes effective (being the date on which the Shares are traded on Bursa Securities after such consolidation or subdivision) or such other date as may be prescribed by Bursa Securities.

**(b) Bonus issue Or Capitalisation of profits or reserves**

If and whenever the Company shall make any issue of new Shares to ordinary shareholders, by way of bonus issue or capitalisation of profits or reserves of the Company (whether of a capital or income nature and including capital redemption reserve fund, if applicable), the Exercise Price shall be adjusted by multiplying it by the following fraction: -

$$\text{New Exercise Price} = S \times \left( \frac{A}{A+B} \right)$$

and the Additional Shares Under ESOS Options to be issued shall be calculated as follows:-

$$\text{Additional Shares Under ESOS Options} = T \times \left( \frac{A+B}{A} \right) - T$$

Where: -

- A = The aggregate number of issued Shares on the Entitlement Date immediately before such bonus issue or capitalisation issue;

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- B = The aggregate number of Shares to be issued pursuant to any allotment to ordinary shareholders of the Company by way of bonus issue or capitalisation of profits or reserves of the Company (whether of a capital or income nature and including capital redemption reserve fund, if applicable);
- S = As S above; and
- T = As T above.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

**(c) Capital Distribution Or Rights issue of Shares Or Rights issue of convertible securities**

If and whenever the Company shall make: -

- (i) a Capital Distribution (as defined below) to ordinary shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- (ii) any offer or invitation to ordinary shareholders whereunder they may acquire or subscribe new Shares by way of rights; or
- (iii) any offer or invitation to ordinary shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares attached thereto,

then and in respect of each such case, the Exercise Price shall be adjusted by multiplying it by the following fraction: -

$$\text{New Exercise Price} = S \times \left( \frac{C-D}{C} \right)$$

and in respect of the case referred to in paragraph (c)(ii) hereof, the Additional Shares Under ESOS Options to be issued shall be calculated as follows: -

$$\text{Additional Shares Under ESOS Options} = T \times \left( \frac{C}{C - D^*} \right) - T$$

Where:

- S = As S above;
- T = As T above.;
- C = the Current Market Price (as defined in paragraph (h) below) of one (1) Share on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing any such announcement) immediately preceding the date of the Capital Distribution or, as the case may be, of the offer or invitation; or any relevant date as may be determined by the Company in consultation with the Company's Adviser; and
- D = (aa) in the case of an offer or invitation to acquire or subscribe for new Shares under paragraph (c)(ii) above or for securities convertible into Shares or securities with rights to acquire or subscribe for new Shares under paragraph (c)(iii) above, the value of rights attributable to one (1) existing Share (as defined below); or

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- (bb) in the case of any other transaction falling within paragraph (c) hereof, the fair market value as determined by the approved external auditor or the Adviser of the Company of that portion of the Capital Distribution attributable to one (1) existing Share; and

D\* = The "value of rights attributable to one (1) existing Share" (as defined below).

For the purpose of definition (aa) of "D" above, the "value of rights attributable to one (1) existing Share" shall be calculated in accordance with the formula:-

$$\frac{C - E}{F + 1}$$

Where: -

C = As C above;

E = The subscription price for one (1) additional Share under the terms of such offer or invitation or one (1) additional security convertible into Shares or one (1) additional security with rights to acquire or subscribe for Shares;

F = the number of existing Shares which is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share or security convertible into Shares or one (1) additional security with rights to acquire or subscribe for Shares; and

For the purpose of definition D\* above, the "**value of the rights attributable to one (1) existing Share**" shall be calculated in accordance with the formula: -

$$\frac{C - E^*}{F^* + 1}$$

Where: -

C = As C above;

E\* = The subscription price for one (1) additional Share under the terms of such offer or invitation to acquire or subscribe for Shares;

F\* = The number of existing Shares which is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share; and

For the purpose of **paragraph (c)(i)** above, "**Capital Distribution**" shall (without prejudice to the generality of that expression) include distributions in cash or specie or by way of issue of new Shares (not falling under **paragraph (b)** above) or other securities by way of capitalisation of profits or reserves of the Company (whether of a capital or income nature and including capital redemption reserve fund, if applicable).

Any dividend charged or provided for in the accounts of the Company for any period shall (whenever paid and howsoever described) be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to the ordinary shareholders as shown in the audited consolidated statement of comprehensive income of the Company.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

**(d) Bonus issue Or Capitalisation of profits or reserves AND Rights issue of Shares Or Rights issue of convertible securities**

If and whenever the Company makes any allotment to its ordinary shareholders as provided in **paragraph (b)** above and also makes any offer or invitation to its ordinary shareholders as provided in **paragraph (c)(ii) or (c)(iii)** above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:-

$$\text{New Exercise Price} = S \times \left( \frac{(G \times C) + (H \times I)}{(G+H+B) \times C} \right)$$

and where the Company makes any allotment to its ordinary shareholders as provided in **paragraph (b)** above and also makes any offer or invitation to its ordinary shareholders as provided in **paragraph (c)(ii)** above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Additional Shares Under ESOS Options to be issued shall be calculated as follows:-

$$\text{Additional Shares Under ESOS Options} = T \times \left( \frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right) - T$$

Where: -

- B = As B above;
- C = As C above;
- G = The aggregate number of issued Shares on the Entitlement Date;
- H = The aggregate number of new Shares under an offer or invitation to acquire or subscribe for Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into Shares or rights to acquire or subscribe for Shares, as the case may be;
- H\* = The aggregate number of Shares under an offer or invitation to acquire or subscribe for Shares by way of rights;
- I = The subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for Shares or the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share, as the case may be;
- I\* = The subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for Shares;
- S = As S above; and
- T = As T above.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.



**(e) Rights issue of Shares AND Rights issue of convertible securities**

If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for Shares as provided in **paragraph (c)(ii)** above together with an offer or invitation to acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for Shares as provided in **paragraph (c)(iii)** above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:-

$$\text{New Exercise Price} = S \times \left( \frac{(G \times C) + (H \times I) + (J \times K)}{(G+H+J) \times C} \right)$$

and the Additional Shares under ESOS Options to be issued shall be calculated as follows: -

$$\text{Additional Shares under ESOS Options} = T \times \left( \frac{(G + H^*) \times C}{(G \times C) + (H^* \times I^*)} \right) - T$$

Where: -

- C = As C above;
- G = As G above;
- H = As H above;
- H\* = As H\* above;
- I = As I above;
- I\* = As I\* above;
- J = the aggregate number of Shares to be issued to its ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for Shares by the ordinary shareholders;
- K = the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share;
- S = As S above; and
- T = As T above.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date such issues.

**(f) Bonus issue Or Capitalisation of profits or reserves AND Rights issue of Shares AND Rights issue of convertible securities**

If and whenever the Company makes an allotment to its ordinary shareholders as provided in **paragraph (b)** above and also makes an offer or invitation to acquire or subscribe for Shares to its ordinary shareholders as provided in **paragraph (c)(ii)** above, together with rights to acquire or subscribe for securities convertible into new Shares or with rights to acquire or subscribe for Shares as provided in **paragraph (c)(iii)** above, and the Entitlement Date for the purpose of allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:-

$$\text{New Exercise Price} = S \times \left( \frac{(G \times C) + (H \times I) + (J \times K)}{(G+H+J+B) \times C} \right)$$

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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and the Additional Shares under ESOS Options to be issued shall be calculated as follows:-

$$\text{Additional Shares under ESOS Options} = T \times \left( \frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right) - T$$

Where: -

B	=	As B above;
C	=	As C above;
G	=	As G above,
H	=	As H above;
H*	=	As H* above;
I	=	As I above;
I*	=	As I* above;
J	=	As J above;
K	=	As K above;
S	=	As S above; and
T	=	As T above.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issues.

- (g) For the purpose of **paragraphs (c), (d), (e) and (f)**, the “**Current Market Price**” in relation to one (1) existing Share for any relevant day shall be the volume weighted average of the last traded prices for the five (5) consecutive Market Days before such date or during such other period as may be determined in accordance with any guidelines issued, from time to time, by the relevant authorities.

The foregoing provisions on adjustment of the Exercise Price shall be subject to the following:

- (a) On any such adjustment, the resultant Exercise Price shall be rounded up to the nearest one (1) sen and in no event shall any adjustment (otherwise than upon the consolidation of Shares) involve an increase in the Exercise Price or reduce the number of Shares comprised in the ESOS Options so far as unexercised to which the Grantee is already entitled to. Any adjustment to the Additional Shares under ESOS Options will be rounded down to the nearest whole Share. In the event of no adjustment, the Company shall not be required to obtain the certification from the approved external auditors of the Company;
- (b) No adjustment shall be made to the Exercise Price in any case in which the amount by which the same would be reduced in accordance with the foregoing provisions of “would be less than one (1) sen” or the number of Shares comprised in the ESOS Options so far as unexercised is less than one (1) Share and any adjustment that would otherwise be required then to be made will not be carried forward;
- (c) If an event giving rise to any such adjustment shall be capable of falling within any two (2) or more of **paragraphs (a) to (f)** (both inclusive) or if such event is capable of giving rise to more than one (1) adjustment, the adjustment shall be made in such manner as the Directors of the Company and the approved external auditors or the Adviser of the Company may agree;

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**APPENDIX II – DRAFT BY-LAWS FOR THE PROPOSED ESOS (Cont'd)**

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- (d) If for any reason an event giving rise to an adjustment to the Exercise Price and/or the number of Shares comprised in the ESOS Options so far as unexercised to which a Grantee may be entitled to is cancelled, revoked or not completed, the adjustment shall not be required to be made or shall be reversed with effect from such date and in such manner as the Directors of the Company and the approved external auditors or the Adviser of the Company may agree; and
- (e) In determining a Grantee's entitlements to subscribe for Shares, any fractional entitlements will be disregarded.

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**APPENDIX III – FURTHER INFORMATION**

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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board and they individually and collectively accept full responsibility for the accuracy, completeness and correctness of the information given in this Circular 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 false or misleading.

**2. CONSENT AND DECLARATION**

M&A Securities, being the Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereon in the form and context in which they appear in this Circular.

M&A Securities has given its confirmation that no conflict of interest exists or is likely to exist in relation to its role as the Adviser in relation to the Proposals.

**3. MATERIAL COMMITMENTS**

As at LPD, save as disclosed below, there is no material commitment, incurred or known to be incurred, which may have a material impact on the results or financial position of the Group:

<b>Capital commitment</b>	<b>As at LPD RM'000</b>
Purchase of property, plant and equipment:	
- Approved and contracted for	3,602

**4. CONTINGENT LIABILITIES**

As at LPD, save as disclosed below, there are no contingent liabilities, incurred or known to be incurred, which upon becoming enforceable, may have a substantial impact on the ability of the Group to meet its obligations as and when they fall due.

	<b>As at LPD RM'000</b>
Performance bond given to third parties in respect of contracts	795

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

As at LPD, the Group is not engaged in any material litigation, claims and/ or arbitration, either as plaintiff or defendant, which may have a material effect on the financial position or business of the Group, and there is no proceedings, pending or threatened, or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group.

**6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the Company's registered office at Suite 5.11 & 5.12, 5<sup>th</sup> Floor, Menara TJB, No. 9, Jalan Syed Mohd. Mufti, 80888 Ibrahim International Business District, Johor, during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM:

- (a) the Company's Constitution;
- (b) the Group's audited financial statements for FYE 2024 and FYE 2025, as well as the Group's latest unaudited financial statements for the financial period ended 31 May 2025;
- (c) the letter of consent and declaration of conflict of interest as referred to in Section 2 of this Appendix;
- (d) the draft Deed Poll; and
- (e) the draft By-Laws as set out in Appendix II.

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**UUE HOLDINGS BERHAD**  
(202201026669 (1472366-A))  
(Incorporated in Malaysia)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“**EGM**”) of UUE Holdings Berhad (“**UUE**” or the “**Company**”) will be conducted via physical mode at Pavilion, Ponderosa Golf & Country Club, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor on Wednesday, 8 October 2025 at 9.30 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolutions, with or without any modifications:

### **ORDINARY RESOLUTION 1**

**PROPOSED BONUS ISSUE OF 304,146,000 NEW ORDINARY SHARES IN UUE (“UUE SHARE(S)”) (“BONUS SHARE(S)”) ON THE BASIS OF 1 BONUS SHARE FOR EVERY 2 EXISTING UUE SHARES HELD BY THE ENTITLED SHAREHOLDERS OF UUE WHOSE NAMES APPEAR IN UUE’S RECORD OF DEPOSITORS ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”) (“ENTITLED SHAREHOLDER(S)”) (“PROPOSED BONUS ISSUE OF SHARES”)**

“**THAT**, subject to the approvals of all relevant regulatory authorities for the listing of and quotation for the Bonus Shares on the ACE Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), the Board of Directors of UUE (“**Board**”) is hereby authorised to issue 304,146,000 Bonus Shares on the basis of 1 Bonus Share for every 2 existing UUE Shares held by the Entitled Shareholders whose names appear in the record of depositors of the Company established and maintained by Bursa Malaysia Depository Sdn Bhd on the Entitlement Date;

**THAT** fractional entitlements of the Bonus Shares, if any, shall be disregarded and dealt with in such manner as the Board shall in its absolute discretion deem fit and expedient, and in the best interest of the Company;

**THAT** the Bonus Shares will, upon allotment and issuance, rank equally in all respects with the existing UUE Shares, save and except that the Bonus Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distributions that may be declared, made or paid prior to the relevant date of allotment of the Bonus Shares;

**AND THAT** the Board is hereby authorised to take all necessary steps to give effect to the Proposed Bonus Issue of Shares with full powers to assent to any conditions, modifications, variations and/ or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and 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 Shares.”

### **ORDINARY RESOLUTION 2**

**PROPOSED BONUS ISSUE OF 121,658,400 WARRANTS IN UUE (“WARRANT(S)”) ON THE BASIS OF 1 WARRANT FOR EVERY 5 UUE SHARES HELD BY THE ENTITLED SHAREHOLDERS ON THE SAME ENTITLEMENT DATE AS THE PROPOSED BONUS ISSUE OF SHARES (“PROPOSED BONUS ISSUE OF WARRANTS”)**

“**THAT**, subject to the approvals of all relevant regulatory authorities 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 UUE Shares to be allotted and issued arising from the exercise of the Warrants on the ACE Market of Bursa Securities, the Board is hereby authorised to issue 121,658,400 Warrants, on the basis of 1 Warrant for every 5 UUE Shares held by the Entitled Shareholders on the Warrants Entitlement Date after the completion of the Proposed Bonus Issue of Shares;

**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 23 September 2025 (“**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 or expedient, in order to implement, finalise and give full effect to the Deed Poll;

**THAT** fractional entitlements of the Warrants that may arise from the Proposed Bonus Issue of Warrants, if any, shall be disregarded and dealt with in such manner as the Board shall in its absolute discretion deem fit and expedient, and in the best interest of the Company;

**THAT** the Board shall allot and issue such appropriate number of Warrants in accordance with the provisions of 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 UUE 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 UUE Shares to be issued arising from the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the existing UUE Shares, save and except that the new UUE Shares will not be entitled to any dividends, rights, allotments and/ or other forms of distributions that may be declared, made or paid where the entitlement date precedes the date of allotment of the new UUE Shares;

**THAT** the proceeds raised from the exercise of 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 to the approval of the relevant authorities (where required);

**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 powers to assent to any conditions, modifications, variations and/ or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to Proposed Bonus Issue of Warrants."

### **ORDINARY RESOLUTION 3**

#### **PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS" OR "SCHEME") OF 10.0% OF THE TOTAL NUMBER OF ISSUED SHARES OF UUE AT ANY POINT IN TIME OVER THE DURATION OF THE ESOS TO THE ELIGIBLE PERSONS (AS DEFINED HEREIN) ("PROPOSED ESOS")**

"**THAT**, subject to the approvals of all relevant regulatory authorities for the listing of and quotation for the new UUE Shares to be issued arising from the exercise of the options granted under the Proposed ESOS ("**ESOS Option(s)**") on the ACE Market of Bursa Securities, the Board is hereby authorised to establish, implement and administer an ESOS for the benefit of the Eligible Persons, and to grant the ESOS Options in accordance with the terms set out in the bylaws of the Proposed ESOS ("**By-Laws**"), a draft of which is set out in Appendix II of the Circular, for a period of 5 years from the date of the Proposed ESOS, which may be extended or renewed (as the case may be) for a further period of 5 years or such shorter period, at the sole and absolute discretion of the Board, **PROVIDED ALWAYS** that the total period of the ESOS shall not exceed a duration of 10 years, modify and/ or amend the Proposed ESOS from time to time as may be required, permitted or deemed necessary by the authorities and/ or the Board provided that such modifications and/ or amendments are effected and permitted in accordance with the provisions of the By-Laws relating to modifications and/ or amendments, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESOS;

**THAT** the Board shall, from time to time, allot and issue and/ or transfer such number of new UUE Shares as may be required to be issued pursuant to the exercise of the ESOS Options provided that the total number of new UUE Shares to be issued under the Proposed ESOS shall not in aggregate exceed 10.0% of the prevailing number of issued shares of UUE (excluding treasury shares, if any) at any point in time throughout the duration of the Proposed ESOS;

**THAT** the new UUE Shares to be issued arising from the exercise of the ESOS Options will, upon allotment and issuance, rank equally in all respects with the existing UUE Shares, save and except that the new UUE Shares will 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 of the new UUE Shares;

**THAT** the By-Laws be approved and the Board is hereby authorised to give full effect to the Proposed ESOS and to sign and execute the By-Laws and all other documents to give effect to the Proposed ESOS with full powers to assent to any conditions, modifications, variations and/ or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the terms and conditions of the By-Laws;

**AND THAT** the Board is hereby authorised to appoint and authorise a committee ("**ESOS Committee**") by which the Proposed ESOS will be implemented and administered in accordance with the By-Laws by the said ESOS Committee. The members of the ESOS Committee shall comprise such persons as shall be appointed from time to time by the Board."

#### **ORDINARY RESOLUTION 4 - 7**

#### **PROPOSED ALLOCATIONS OF ESOS OPTIONS TO THE DIRECTORS AND CHIEF EXECUTIVE OF UUE PURSUANT TO THE PROPOSED ESOS**

"**THAT** subject to the passing of Ordinary Resolution 3 above, approval be and is hereby given to the Board to authorise the ESOS committee, at any time and from time to time over the duration of the ESOS, to offer and grant to the following persons, ESOS options to subscribe for new Shares under the Proposed ESOS:

- |       |                       |   |
|-------|-----------------------|---|
| (i)   | Ordinary Resolution 4 | Datuk Dr. Ting Kok Hwa<br><i>(Managing Director)</i>  |
| (ii)  | Ordinary Resolution 5 | Hin Wai Mun<br><i>(Executive Director)</i>            |
| (iii) | Ordinary Resolution 6 | Chong Tuoo Choi<br><i>(Executive Director)</i>        |
| (iv)  | Ordinary Resolution 7 | Vincent Wong Soon Choy<br><i>(Executive Director)</i> |

#### **PROVIDED THAT:**

- (i) the abovementioned persons do not participate in the deliberation or discussion of their own allocation of the ESOS options and the allocation of ESOS options to any persons connected to them, if any;
- (ii) at any point in time when a written offer by the ESOS committee to an Eligible Person to participate in the ESOS in the manner provided in the By-Laws is made, not more than 10% of the new Shares available for subscription under the Proposed ESOS shall be allocated to an Eligible Person who, either singly or collectively through persons connected with such Eligible Person, holds 20% or more of UUE's total number of issued Shares, excluding treasury shares, if any: and
- (iii) at any point in time during the duration of the ESOS, not more than 80.0% of the new Shares available for subscription under the ESOS shall be allocated, in aggregate, to the Directors and senior management of the UUE group of companies, excluding dormant subsidiaries, if any.

**AND THAT** the Board be and is hereby authorised to take such steps as are necessary or expedient to implement, finalise or give effect to the proposed allocations with full power to assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant regulatory authorities, or as the Board may deem fit, appropriate and in the best interest of UUE."

#### **ORDINARY RESOLUTION 8**

#### **PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OPERATIONS OF UUE AND ITS SUBSIDIARIES (COLLECTIVELY, "UUE GROUP" OR THE "GROUP") TO INCLUDE RENEWABLE ENERGY FACILITIES DEVELOPMENT AND RELATED ACTIVITIES ("RENEWABLE ENERGY BUSINESS") ("PROPOSED DIVERSIFICATION")**

"**THAT** subject to the approvals of all relevant authorities and/ or parties being obtained, approval be and is hereby given to the Company and its subsidiaries to diversify the existing principal activities to include the Renewable Energy Business as described in the circular to shareholders dated 23 September 2025 ("**Circular**").



**AND THAT** the Board be and is hereby authorised and empowered to take all such steps and enter into all deeds, agreements, arrangements, undertakings, transfers and indemnities as it deems fit, necessary, expedient and/ or appropriate and in the best interest of the Company in order to implement, finalise, complete and give full effect to the Proposed Diversification with full powers to assent to any conditions, modifications, variations and/ or amendments as may be required by any relevant authorities as the Board deems fit, appropriate and in the best interest of the Company.”

## **BY ORDER OF THE BOARD**

POW JULIET (SSM PC NO. 202008001248) (MAICSA 7020821)

AN YU QING (SSM PC NO. 202108000205) (MAICSA 7076459)

Company Secretaries

Ibrahim International Business District

23 September 2025

### **Notes:**

1. A member of the Company entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
2. A member of the Company may appoint not more than two (2) proxies to attend the meeting, provided that the member specifies the proportion of the members shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.
3. A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.
4. Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. The appointment of a proxy/ attorney for the EGM may be made in hard copy form or by electronic means. The duly executed instrument appointing a proxy/ attorney must be deposited or submitted in the following manner, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid:
  - (i) **In hard copy form (for Individual and/or Corporate member)**  
In the case of an appointment made in hard copy form, the duly executed Form of Proxy must be deposited with the Share Registrar of the Company, AscendServ Capital Markets Services Sdn. Bhd.’s (“ACM”) office at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan;  
Attorney(s) appointed by Power of Attorney **MUST** deposit their **ORIGINAL** Power of Attorney or a **NOTARIALY CERTIFIED COPY** thereof with the Share Registrar of the Company at ACM’s office; **OR**
  - (ii) **By electronic means via Dvote Online (for Individual member only)**  
The Form of Proxy can be electronically lodged with the Share Registrar of the Company via Dvote Online website at <https://www.dvote.my>.
6. An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 30 September 2025, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

**Explanatory Note:**

## ORDINARY RESOLUTION 4 – 7

## PROPOSED ALLOCATIONS OF ESOS OPTIONS TO THE DIRECTORS AND CHIEF EXECUTIVE OF UUE PURSUANT TO THE PROPOSED ESOS

The breakdown of percentage between the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) shall be determined at the discretion of the ESOS Committee. The basis in arriving at this threshold takes into account the number of Directors and senior management of the Group (excluding dormant subsidiaries, if any) who are eligible to participate in the Proposed ESOS and was determined after considering that the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) are the key drivers that spearhead the long-term direction, performance and growth of the Group's businesses.

The allocation of not more than 80.0% is intended to further encourage the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) for their future contribution towards strengthening the Group's overall financial performance and maximising total shareholder returns. As such, the Proposed ESOS aims to reward and retain the eligible Directors and senior management of the Group (excluding dormant subsidiaries, if any) for their performance, commitment, dedication and loyalty which are expected to lead to improved stakeholders' value.

**Voting by Poll**

Pursuant to Rule 8.31A of the ACE LR of Bursa Securities, all resolutions set out in this Notice are to be voted by poll.



**UUE HOLDINGS BERHAD**  
(202201026669 (1472366-A))  
(Incorporated in Malaysia)

**PROXY FORM**

No. of Shares held:	
CDS Account No.	

I/We \_\_\_\_\_ (NRIC No. / Co. No. \_\_\_\_\_)  
of (full address) \_\_\_\_\_ a  
member(s) of UUE HOLDINGS BERHAD hereby appoint

<b>Name of Proxy</b> (Full Name)	<b>NRIC No. / Passport No.</b>	<b>% of Shareholding to be Represented</b> (Refer to Note 2)
<b>Address</b>		

\*and/or failing him/her

<b>Name of Proxy</b> (Full Name)	<b>NRIC No. / Passport No.</b>	<b>% of Shareholding to be Represented</b> (Refer to Note 2)
<b>Address</b>		

\* and/or failing him/her, the Chairman of the meeting as \*my/our proxy to vote for \*me/us and on \*my/our behalf at the Extraordinary General Meeting ("EGM") of the Company to be held on Wednesday, 8 October 2025 at 9.30 a.m. held at Pavilion, Ponderosa Golf & Country Club, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor and at every adjournment thereof to vote as indicated below in respect of the following Resolutions:-

<i>ORDINARY BUSINESS</i>		FOR	AGAINST
ORDINARY RESOLUTION 1	PROPOSED BONUS ISSUE OF SHARES		
ORDINARY RESOLUTION 2	PROPOSED BONUS ISSUE OF WARRANTS		
ORDINARY RESOLUTION 3	PROPOSED ESOS		
ORDINARY RESOLUTION 4	PROPOSED ALLOCATION OF ESOS OPTIONS TO DATUK DR. TING KOK HWA		
ORDINARY RESOLUTION 5	PROPOSED ALLOCATION OF ESOS OPTIONS TO HIN WAI MUN		
ORDINARY RESOLUTION 6	PROPOSED ALLOCATION OF ESOS OPTIONS TO CHONG TUOO CHOI		
ORDINARY RESOLUTION 7	PROPOSED ALLOCATION OF ESOS OPTIONS TO VINCENT WONG SOON CHOY		
ORDINARY RESOLUTION 8	PROPOSED DIVERSIFICATION		

(Please indicate with a "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

No. of shares held :	
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.....  
Signature of member/s

**Note:**

1. A member of the Company entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
2. A member of the Company may appoint not more than two (2) proxies to attend the meeting, provided that the member specifies the proportion of the members shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.
3. A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.
4. Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. The appointment of a proxy/ attorney for the EGM may be made in hard copy form or by electronic means. The duly executed instrument appointing a proxy/ attorney must be deposited or submitted in the following manner, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid:
  - (i) **In hard copy form (for Individual and/or Corporate member)**  
In the case of an appointment made in hard copy form, the duly executed Form of Proxy must be deposited with the Share Registrar of the Company, AscendServ Capital Markets Services Sdn. Bhd.'s ("ACM") office at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan;  
Attorney(s) appointed by Power of Attorney **MUST** deposit their **ORIGINAL** Power of Attorney or a **NOTARIALY CERTIFIED COPY** thereof with the Share Registrar of the Company at ACM's office; **OR**
  - (ii) **By electronic means (for Individual member only)**  
The Form of Proxy can be electronically lodged with the Share Registrar of the Company via Dvote Online website at <https://www.dvote.my>.
6. An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 30 September 2025, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

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Affix  
Stamp

**UUE HOLDINGS BERHAD  
(202201026669 (1472366-A))**

**c/o: ASCENDSERV CAPITAL MARKETS SERVICES SDN BHD  
(202401031272 (1577121-P))**

Office Suite No. 603 Block C  
Pusat Dagangan Phileo Damansara 1  
No. 9, Jalan 16/11  
Off Jalan Damansara  
46350 Petaling Jaya  
Selangor

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