

THIS CIRCULAR/STATEMENT 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 adviser immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused the contents of this Circular/Statement prior to its issuance as it is an exempt document pursuant to Practice Note 18 of Bursa Malaysia Securities Main Market Listing Requirements. .

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G CAPITAL BERHAD

[(Registration No. 199501000977 (330171-P)]
(Incorporated in Malaysia)

**CIRCULAR/STATEMENT TO SHAREHOLDERS
IN RELATION TO**

PART A

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE
FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

PART B

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY
TO PURCHASE UP TO TEN PERCENT (10%) OF ITS TOTAL ISSUED SHARES**

The resolutions in respect of the above proposals will be tabled at the Twenty-Ninth Annual General Meeting ("29th AGM") of G Capital Berhad ("GCAP" or the "Company") which will be conducted in a fully virtual manner through live streaming and online remote voting via the online meeting platform at <https://web.vote2u.my> (Domain Registration No with MYNIC: D6A471702) on 27 June 2024 at 8.30 a.m.

The Form of Proxy should be lodged with the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd, at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur or alternatively, the Customer not less than forty-eight (48) hours before the time stipulated for holding the 29th AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 29th AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy	:	25 June 2024 at 8.30 a.m.
Date and Date and time of 29 th AGM	:	27 June 2024 at 8.30 a.m.

This Circular is dated 30 April 2024
("Circular/Statement")

DEFINITIONS

Unless the context otherwise requires, the following definitions shall apply throughout this Circular/Statement:

“Act” or “Companies Act”	:	The Companies Act, 2016 as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	The Board of Directors of GCAP
“Bursa Securities”	:	Bursa Malaysia Securities Berhad [Registration No.: 200301033577 (635998-W)]
“Code”	:	Rules on Take-overs, Mergers and Compulsory Acquisitions, as amended from time to time
“Director(s)”	:	A person defined in Section 2(1) of the Capital Markets and Services Act 2007 and for the purposes of Recurrent Related Party Transactions includes any person who is or was within the preceding 6 months of the date on which the terms of the transactions were agreed upon, a Director or a chief executive officer of the Company, its subsidiaries or holding company
“GCAP Shares” or “Shares(s)”	:	Ordinary shares in G Capital Berhad
“GCAP or “the Company”	:	G Capital Berhad [Registration No.: 199501000977 (330171-P)]
“GCAP Group” or “the Group”	:	G Capital Berhad and its subsidiary companies as defined in Section 4 of the Act
“Listing Requirements”	:	The Main Market Listing Requirements of Bursa Securities as amended from time to time and re-enactment thereof
“LPD”	:	16 April 2024 being the latest practicable date prior to the printing of this Circular/Statement
“Major Shareholder(s)”	:	A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of those shares is: (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, “interest in shares” shall have the same meaning given in Section 8 of the Act. A Major Shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company or its subsidiaries
“NA”	:	Consolidated Net Assets of the Group
“Persons Connected”	:	Persons connected with a Director or Major Shareholder as defined in the Listing Requirements
“Proposed Renewal of Shareholders’ Mandate”	:	Proposed Renewal of shareholders’ mandate for the Recurrent Related Party Transactions, as detailed under Section 2.3.3 of this Circular
“Recurrent Related Party Transaction(s)” or “RRPT(s)”	:	Related party transactions involving recurrent transactions of revenue or trading nature which are necessary for day-to-day operations and are in the ordinary course of business of the GCAP Group
“Related Party(ies)”	:	A director, major shareholder or person connected with such director or major shareholder. For the purpose of this definition, “director” and “major shareholder” shall have the meanings given in paragraph 10.02 of the Listing Requirements
“RM”	:	Ringgit Malaysia
RRPTs	:	Recurrent Related Party Transactions

“Shareholder(s)”	:	Shareholders of G Capital Berhad
“Substantial Shareholders”	:	Has the meaning given in Section 136 of the Act
“SC”	:	Securities Commission
“Shareholders’ Mandates”	:	The shareholders’ mandates for the GCAP Group to enter into RRPTs as set out in Section 2.3.3 of this Circular with the Related Parties
29 th AGM	:	Twenty-Ninth Annual General Meeting of the Company

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations, unless otherwise specified.

All references to “our Company” in this Circular are to G Capital Berhad. References to “our Group” are to our Company and our subsidiaries. References to “we”, “us”, “our” and “ourselves” are to the Company, or where the context requires, the Group. Any reference to “you” in this Circular is to the Shareholder(s).

Any discrepancies in the tables included in this Circular between amounts listed, actual figures and totals thereof may be due to rounding.

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

Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

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G CAPITAL BERHAD
[(Registration No. 199501000977 (330171-P)]
(Incorporated in Malaysia)

Registered Office:
11B, Level 2 Greentown
Business Centre Persiaran
Greentown 9 30450 Ipoh
Perak

Date: 30 April 2024

Board of Directors:

General (Retired) Tan Sri Dato' Sri Haji Affendi bin Buang (*Executive Chairman*)
Datuk Yap Yee Ping (*Executive Director*)
Dato' Rosli Bin Sharif (*Non-Independent Executive Director*)
Dato' Haji Roshidi Bin Haji Hashim (*Non-Independent Executive Director*)
Jason Fong Jian Sheng (*Non-Independent Executive Director*)

To: Our Shareholders

Dear Sir/Madam

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

1. INTRODUCTION

At AGM held on 28 June 2023, the Company, G Capital Berhad ("GCAP" or "the Company") has obtained shareholders' mandate for GCAP and its subsidiaries ("GCAP Group" or "the Group") to enter into RRPTs with Related Parties which are necessary for its day-to-day operations and are in the ordinary course of business based on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not to the detriment of minority shareholders ("Existing Mandate"). The Existing Mandate shall lapse at the conclusion of the forthcoming AGM of the Company unless a renewal mandate for RRPTs is obtained from the Shareholders at the AGM.

On 17 April 2024, our Board announced to Bursa Securities on its intention to seek the Shareholders' approval for a renewal of Shareholders' Mandate for the existing RRPTs (hereinafter referred to as "Proposed Shareholders' Mandate").

The purpose of this Circular is to provide you with the relevant information on the Proposed Shareholders' Mandate and to seek your approval on the resolution relating thereof to be tabled at the forthcoming AGM. The Notice of AGM and the Form of Proxy have been circulated along with this notification of the Proposed Shareholders' Mandate.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE TO BE TABLED AT THE 29th AGM.

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2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Paragraph 10.09 of Chapter 10 of the Listing Requirements

Pursuant to Paragraph 10.09 of Part E of Chapter 10 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of the RRPT subject to, inter-alia, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed below in relation to a listed issuer with a share capital of RM60 million and above:
 - (i) the consideration, value of assets, capital outlay or costs of the RRPT is RM1 million or more; or
 - (ii) the percentage ratio of such RRPT is 1% or more,whichever is the higher;
- (c) the issuance of a Circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain the Shareholders' Mandates, the interested Director, interested Major Shareholder or interested person connected with such Director or Major Shareholder; and where it involves the interest of an interested person connected with the Director or Major Shareholder, such Director or Major Shareholder; must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must ensure that Persons Connected with him abstain from voting on the resolution approving the transactions; and
- (e) The Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by the Company exceeds the estimated value of the RRPT disclosed in this Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where the Company has procured shareholders' mandate pursuant to Paragraph 10.09 of the Listing Requirements, the provisions of Paragraph 10.08 of the Listing Requirements will not apply.

2.2 Proposed Shareholders' Mandate

Our Board wishes to seek the approval from the Shareholders for the Proposed Shareholders' Mandate to enable the Group to enter into RRPTs which are necessary for the day-to-day operations within the ordinary course of business of the Group. The RRPTs, details as stipulated in Sections 2.3.3 of this Circular, are undertaken on an arms' length and based on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Proposed Shareholders' Mandate, if approved by the Shareholders at the forthcoming 29th AGM, will be subject to annual renewal. Any authority conferred by Shareholders in respect of the Proposed Shareholders' Mandate will take effect from the date of the 29th AGM and shall continue to be in full force until:

- (a) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
 - (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (c) revoked or varied by resolution passed by the shareholders in general meeting;
- whichever is the earlier.

Thereafter, approval from shareholders will be sought for a renewal of the above proposals at the subsequent AGM of the Company.

2.3 Details of the Proposed Shareholders' Mandate

The Company is seeking approval from the Shareholders for the Proposed Shareholders' Mandate that will allow the Group, in its ordinary course of business, to enter into RRPTs with Related Parties referred to in the following section.

2.3.1 Subsidiaries of GCAP Group

The Company is principally an investment holding company and a management services provider. The details of the subsidiaries of GCAP as at the LPD are set out in the table below:

Name of company	Effective equity interest (%)	Principal Activities
AAA Development Sdn Bhd.	100.00	General trading and services.
Atlas Energy Sdn. Bhd.	100.00	Dealing in hydropower and hydroelectric activities.
CM Creative Itinerary Sdn. Bhd.	100.00	Investment holding company.
Excel Hydropower Sdn. Bhd.	100.00	Property development.
GPB Corporation Sdn. Bhd. (" GPB ")	100.00	Chartering of land-based passenger transportation assets and specialty vehicles.
Gunung Resources Sdn. Bhd. (" GRSB ")	100.00	Investment holding company.
Gunung Hydropower Sdn. Bhd. (" GHSB ")	96.00	Dealing in hydropower and hydroelectric activities.
G Hydropower Sdn. Bhd. (" G Hydropower ")	95.00	Dealing in hydropower and hydroelectric activities.
G Hydropower (Terengganu) Sdn. Bhd. (" G Hydropower (T) ")	100.00	Dealing in hydropower and hydroelectric activities.
G Capital Water Solutions Sdn. Bhd. (" GCAP Water Solutions ")	51.00	Water engineering, information technology services and wholesale of goods.
G Solar Energy Sdn. Bhd.	100.00	Provision of renewable energy solutions which include supply, install, service and operate green technological systems and related activities.
MY GCAP Sdn. Bhd.	70.00	Property Development.
Northern Star Hydropower Sdn. Bhd.	100.00	Dealing in hydropower and hydroelectric activities.
Pusaka Hijau Sdn. Bhd. (" PHSB ")	100.00	Investment holding company.
Roda Hijau Sdn Bhd.	70.00	Import and distribution of electric vehicles and car leasing services
Solarcity Malaysia Sdn. Bhd. (" Solarcity ")	70.00	Provision of renewable energy solutions which include supply, install, service and operate green technological systems and related activities.
Solid Hydropower Sdn. Bhd.	100.00	Dealing in hydropower and hydroelectric activities.

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2.3.1 Subsidiaries of GCAP Group (Cont'd)

The Company is principally an investment holding company and a management services provider. The details of the subsidiaries of GCAP as at the LPD are set out in the table below:

Name of company	Effective equity interest (%)	Principal Activities
<u>Subsidiaries of GRSB:</u> G Healthcare Supply Sdn. Bhd.	100.00	Wholesale of pharmaceutical and medical goods.
<u>Subsidiaries of GHSB:</u> Conso Hydro R E Sdn. Bhd. Kundur Hydro R E Sdn. Bhd.	51.00 74.64	Dealing in hydropower and hydroelectric activities. Dealing in hydropower and hydroelectric activities.
<u>Subsidiary of GPB:</u> Bas Rakyat Sdn. Bhd.	100.00	Provision of public transportation services.
<u>Subsidiary of PHSB:</u> Perak Hydro Renewable Energy Corporation Sdn. Bhd. (" PHREC ")	60.00	Developing, maintaining and operating of hydropower and hydroelectric activities.
<u>Subsidiaries of G Hydropower</u> Ace Hydropower Sdn. Bhd. Ingress Energy Sdn. Bhd. North Power Hydropower Sdn. Bhd. Premier Hydropower Sdn. Bhd. Spark Energy Sdn. Bhd. Teras Jana Sdn. Bhd.	98.00 98.00 98.00 98.00 98.00 98.00	Dealing in hydropower and hydroelectric activities. Dealing in hydropower and hydroelectric activities. Dealing in hydropower and hydroelectric activities. Dealing in hydropower and hydroelectric activities. Dealing in hydropower and hydroelectric activities. Dealing in hydropower and hydroelectric activities.
<u>Subsidiaries of G Hydropower (T)</u> Bestari Renewables Sdn. Bhd. Cloud Wave Energy Sdn. Bhd. Northwest Hydro Sdn. Bhd.	100.00 100.00 100.00	Dealing in hydropower and hydroelectric activities. Dealing in hydropower and hydroelectric activities. Dealing in hydropower and hydroelectric activities.

It is anticipated that the Group would, in the ordinary course of business, enter into RRPTs as detailed in Sections 2.3.3 of this Circular which are necessary for the day-to-day operations of the Group with the Related Parties below which are likely to occur with some degree of frequency and could arise at any time.

Accordingly, our Board proposes to seek Shareholders' approval on the Proposed Shareholders' Mandate for the Group to enter into RRPTs with the Related Parties below, provided such transactions are necessary for its day-to-day operations, in the ordinary course of business, undertaken on an arms' length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public, and are not detrimental to the minority shareholders of the Company. Such RRPTs will also be subject to the review procedures set out in Section 2.5 of this Circular.

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2.3.2 Classes of Mandated Related Parties

The Proposal will apply to the following classes of Mandated Related Parties:

No.	Mandated Related Parties	Principal Activities
1.	Solarcity	Provision of renewable energy solutions which include supply, install, service and operate green technological systems and related activities.
2.	eLeaps Sdn. Bhd. (" eLeaps ") [Registration No.: 200601012797 (732548-H)]	Providing turnkey engineering solutions including new product cosmetic development, engineering process improvement and business in generation of renewable energy, environmental and green technology engineering consultancy specialists.
3.	GCAP Water Solutions	Water engineering and information technology services.
4.	Occasio Engineering Sdn. Bhd. (" Occasio ") [Registration No.: 201401002942 (1079016P)]	Engineering.
5.	RAI Utility Sdn. Bhd. (" RAI Utility ") [Registration No.: 201601008293 (1179221-X)]	Water Engineering.
6.	Qarnine Resources Sdn. Bhd. (" Qarnine Resources ") [Registration No.: 201901030922 (1340252-U)]	Computer consultancy, computer programming activities and other information technology service activities.
7.	Zubir Bin Mohd Zin (" Zubir ")	N/A
8.	Sheikh Mazlan Bin Sheikh Hassan (" Sheikh Mazlan ")	N/A

2.3.3 The class and nature of RRPT for the Proposed Renewal of Shareholders' Mandate

Transacting Parties Provider	Transacting Parties Recipient	Related Parties	Nature of transaction	Estimated value from 28 June 2023 to 29 th AGM (RM' million)	Actual value from 28 June 2023 to LPD (RM' million)	Estimated value from 29 th AGM to 30 th AGM (RM' million)
eLeaps	Solarcity, a subsidiary of GCAP	Heng Boon Liang is a common director of Solarcity and eLeaps. He is also major shareholder of eLeaps. Kong Chak Fung is key management personnel to Solarcity. He is also a director cum shareholder to eLeaps	Provision of engineering, procurement, construction and commission services by eLeaps to Solarcity	100.00	1.27	100.00
eLeaps	Solarcity, a subsidiary of GCAP	Heng Boon Liang is a common director of Solarcity and eLeaps. He is also major shareholder of eLeaps. Kong Chak Fung is key management personnel to Solarcity. He is also a director cum shareholder to eLeaps.	Operating and Maintenance of Solar Plants by eLeaps to Solarcity.	1.00	0.30	1.00
GCAP Water Solutions, a subsidiary of GCAP	RAI Utility	Zubir is a shareholder of GCAP Water Solutions via his 70.00% shareholding in Occasio, a corporate shareholder owning 49.00% of GCAP Water Solutions. In addition, Zubir is a director to both GCAP Water Solutions and Occasio, as well as the son-in-law to Sheikh Mazlan. Sheikh Mazlan is a shareholder in RAI Utility via his 40.00% shareholding in Qarnine Resources, a corporate shareholder owning 20.00% of RAI Utility. In addition, Sheikh Mazlan is a director to both RAI Utility and Qarnine Resources, as well as the father-in-law to Zubir.	Provision of water engineering, and related activities, including but not limited to leaking detection and rectification, operation and maintenance.	5.00	*	2.00

* Less than RM1 million.

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2.4 Amount Due and Owning by Related Party

There is no amount due from or owing to GCAP Group by the Related Parties which exceeded the credit term given arising from the RRPTs set out in Section 2.3.3 of this Circular.

2.5 Review Procedures for the Recurrent Related Party Transactions

To ensure that such RRPTs are conducted on an arm's length basis and on normal commercial terms consistent with the Group's usual business practices and policies and will not be prejudicial to Shareholders, the Management will ensure that the transactions with the Related Parties will only be entered into after taking into account the pricing, prevailing market rate, level of business risk, level of service, market forces or other related factors relevant to the transactions.

The Company has established an internal review procedure and has put in place policies and processes for operational controls to ensure that the RRPTs are undertaken on transaction prices and terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders of the Company and the risk areas are adequately mitigated. Such policies and processes will include *inter-alia* an effective and appropriate organisational structure whereby there will be clear separation of duties and defined authority limits for the Management, title and other records to the assets being safeguarded, timely information system, monthly reports and regular review of these RRPTs by internal audit as well as the Audit & Risk Committee.

At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantial similar type of products/services and/or quantities. In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed transactions, the Audit & Risk Committee assisted by the Related Party Transaction Review Working Group will rely on the prevailing market norms and practices taking into account the efficiency, quality and type of support services to be provided to ensure that the RRPTs are not detrimental to the Group.

There are no thresholds for the approval of RRPTs within the limits of the Shareholders' Mandate as all transactions will be reviewed and approved by non-interested Director(s).

Further, where any Director or any Person Connected with him/her has an interest (direct or indirect) in the RRPT, such Director (or his/her alternate, where applicable) shall abstain from voting on the matter. Where any member of the Audit & Risk Committee is interested in the RRPTs, that member shall abstain from voting on any matter relating to any decision to be taken by the Audit & Risk Committee with respect to the RRPT.

2.6 Statement by the Audit & Risk Committee

The Audit & Risk Committee has the overall responsibility to periodically review the RRPTs and determining if the procedures for reviewing such RRPTs are appropriate. The Audit & Risk Committee also has the authority to delegate this responsibility to the Related Party Transaction Review Working Group and/or such individuals within the Group as it shall deem fit.

The Audit & Risk Committee has considered the procedures mentioned in Section 2.5 of this Circular and is of the view that:

- (a) the RRPTs are made on an arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of GCAP and hence, will not be prejudicial to the Shareholders nor disadvantageous to the Group.
- (b) the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit & Risk Committee will annually review and ascertain whether the guidelines and procedures established to monitor RRPTs have been complied with.

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3. RATIONALE

The RRPTs to be entered into by the Group with respect to the approval for the Proposed Shareholders' Mandate sought are all in the ordinary course of business and reflect the potential long-term commercial relationship between the parties. It is envisaged that in the ordinary course of business of the Group, the RRPTs between the Group and the Related Parties are likely to occur with some degree of frequency and from time to time, and it may be impractical to seek Shareholders' approval on a case-to-case basis before entering into such RRPTs. The RRPTs are undertaken on terms that are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders. All the transactions will be conducted on "an arm's length basis".

The Proposed Shareholders' Mandate are intended to facilitate transactions in the ordinary course of business of the Group. The Proposed Shareholders' Mandate would avoid the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when the RRPT occurs or arises. This would substantially reduce administrative time, inconvenience and expenses associated with the convening of such meetings on an ad-hoc basis.

It would also enable the Group to realise business opportunities, as and when they shall become available to the Group, in a more timely and effective manner. The RRPTs to be entered into with the Related Parties represent business decisions which are undertaken for legitimate and bona fide business purposes, after a thorough assessment of the merits of these proposed transactions, pursuant to the review procedures as outlined in Section 2.5 of this Circular.

4. INTERESTS OF DIRECTORS AND/OR MAJOR SHAREHOLDERS AND PERSON CONNECTED WITH THEM

None of the directors, major shareholders and/or persons connected with them have any interest, whether direct or indirect in the Proposed Shareholders' Mandate.

Any interested Directors have and will continue to abstain from all Board deliberation and voting at all relevant Board meetings in relation to the RRPTs in Section 2.3.3 above.

Any interested Major Shareholders and/or Person Connected to them will also abstain from voting in respect of their direct and indirect shareholdings on the resolution deliberating or approving the Proposed Shareholders' Mandate at the forthcoming 29th AGM.

5. CONDITION OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of the Company being obtained at the forthcoming 29th AGM.

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6. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate is not expected to have any material effect on the issued share capital, EPS, NA and substantial shareholders' shareholdings of GCAP Group.

7. DIRECTORS' RECOMMENDATION

The Director having considered the rationale and all relevant aspects of the Proposed Shareholders, are of the opinion that the Proposed Shareholders' Mandate is fair and reasonable and is in the best interest of GCAP and its shareholders, and accordingly recommend that you **VOTE IN FAVOUR** of the resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming 29th AGM.

8. AGM

The ordinary resolution pertaining to the Proposed Shareholders' Mandate is set out as Special Business in the Notice of the 29th AGM circulated along with this notification of the Proposed Shareholders' Mandate. The 29th AGM will be conducted in a fully virtual manner through live streaming and online remote voting via the online meeting platform at <https://web.vote2u.my> (Domain Registration No with MYNIC: D6A471702) on 27 June 2024 at 8.30 a.m. for the purpose of considering and, if thought fit, passing with or without modification, inter alia, the ordinary resolution on the Proposed Shareholders' Mandate.

If you are unable to attend and vote remotely via Remote Participation and Voting facilities provided at our forthcoming 29th AGM, you may appoint proxy(ies) to attend and vote on your behalf by completing, executing and returning the enclosed Form of Proxy in accordance with the instructions printed thereon as soon as possible, so as to arrive at the office of the Share Registrar of the Company, Aldpro Corporate Services Sdn Bhd, at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the 29th AGM. The lodgement of the Form of Proxy does not preclude you from attending and voting remotely at the 29th AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to the attached **APPENDIX I** for further information.

Yours faithfully
for and on behalf of the Board of Directors
G CAPITAL BERHAD

General (Retired) Tan Sri Dato' Sri Haji Affendi bin Buang
Executive Chairman

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PART B

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY
TO PURCHASE UP TO TEN PERCENT (10%) OF ITS TOTAL ISSUED SHARES**



G CAPITAL BERHAD

[(Registration No. 199501000977 (330171-P)]
(Incorporated in Malaysia)

Registered Office:

11B, Level 2 Greentown
Business Centre Persiaran
Greentown 9 30450 Ipoh
Perak

Date: 30 April 2024

Board of Directors:

General (Retired) Tan Sri Dato' Sri Haji Affendi bin Buang (*Executive Chairman*)

Datuk Yap Yee Ping (*Executive Director*)

Dato' Rosli Bin Sharif (*Non-Independent Executive Director*)

Dato' Haji Roshidi Bin Haji Hashim (*Non-Independent Executive Director*)

Jason Fong Jian Sheng (*Non-Independent Executive Director*)

To: Our Shareholders

Dear Sir/Madam

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (“PROPOSED SHARE BUY-BACK”)

1. INTRODUCTION

On 17 April 2024, the Board of Directors (“Board”) of the Company, G Capital Berhad (“GCAP” or “the Company”), announced to Bursa Securities that GCAP is proposing to seek its shareholders’ approval for the authority to purchase its own shares up to ten percent (10%) of the total number of issued shares at the forthcoming Twenty-Ninth (29th AGM) to be convened.

The purpose of this Statement is to provide you with the details of the Proposed Share Buy-Back Authority and to seek your approval for the ordinary resolution pertaining thereto to be tabled at the forthcoming 29th AGM. The Notice convening the 29th AGM of GCAP and the Form of Proxy have been circulated along with this notification of the Proposed Share Buy-Back.

SHAREHOLDERS OF GCAP ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK AUTHORITY.

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2. PROPOSED SHARE BUY-BACK AUTHORITY

2.1 Details of the Proposed Share Buy-Back Authority

We propose that the shareholders give authority for the Company to purchase such amounts of its own Shares as may be determined by the Directors from time to time through Bursa Securities so that the net amount of Shares bought back or held as Treasury Shares do not exceed ten percent (10%) of the Company's total number of issued shares at any one time subject to compliance with the provisions of the Companies Act 2016, the Listing Requirements of Bursa Securities and/or any other relevant authorities.

Our Board proposes to seek approval from the Shareholders for authorisation to enable GCAP to purchase up to 10% of the total number of issued shares of the Company quoted on Main Market of Bursa Securities as at the point of purchase.

The actual number of Shares to be purchased, the total amount of funds to be utilised as well as the timing of the Proposed Share Buy Back will be dependent on the market conditions, sentiments at Bursa Securities, the availability of the retained profits, and the financial resources available to GCAP.

The Proposed Share Buy-Back Authority shall be effective upon the passing of the ordinary resolution at the forthcoming 29th AGM of GCAP and shall continue to remain in force until:

- (i) the conclusion of the next AGM of the Company, at which time the authority will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the Shareholders in general meeting, whichever occurs first.

3. RATIONALE

The Proposed Share Buy-Back Authority if implemented, may provide the following potential benefits to the Company and its Shareholders:

- (a) The Company may be able to reduce any unwarranted volatility of its GCAP Shares and assist in stabilising the supply, demand and price of its GCAP Shares in the open market, thereby supporting the fundamental value of its GCAP Shares.
- (b) The Proposed Share Buy-Back is expected to enhance the value for Shareholders from the resultant reduction in the number of Shares in the open market. Assuming all things being equal, the earnings per share ("EPS") of the Group may be enhanced as the consolidated earnings would be divided by a reduced number of Shares. This is expected to have a positive impact on the market price of GCAP Shares which will benefit the Shareholders.
- (c) The Purchased Shares can also be retained as Treasury Shares and resold on Bursa Securities at a higher price. The distribution of Treasury Shares as share dividends (if any) will also reward the Shareholders as it would increase the number of Shares held which can subsequently be resold in the open market. Alternatively, the Treasury Shares can be transferred for purposes of or under the employees' share scheme of the Company or such other purposes as allowed under the Act.

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4. TREATMENT OF PURCHASED SHARES

Pursuant to Paragraph 12.17 of the Listing Requirements, the Company may only purchase its own shares at a price which is not more than 15% above the weighted average market price of the shares for the past 5 markets days immediately preceding the date of purchase.

In accordance with Section 127 of the Act, the Purchased Shares may be dealt, by the Board, in the following manner:

- (a) to cancel the Shares so purchased; or
- (b) to retain the Shares so purchased as Treasury Shares; or
- (c) to retain part of the Shares so purchased as Treasury Shares and cancel the remainder; or If such Purchased Shares are held as treasury shares, the Board may:
- (d) distribute the Treasury Shares as share dividends to Shareholders; or
- (e) resell the Treasury Shares or any of the said shares in accordance with the Listing Requirements; or
- (f) transfer the Treasury Shares or any of the said shares as purchase consideration; or
- (g) transfer the Treasury Shares or any of the said shares for the purposes of or under an employee's share scheme or such other purpose as allowed under the Act; or
- (h) cancel the Treasury Shares or any of the said shares; or
- (i) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe.

Appropriate announcement(s) and notice(s) will be made to Bursa Securities and the relevant authorities in respect of the Board's decision on the treatment of the Purchased Shares in compliance with the Listing Requirements and the Act. The Board may decide to cancel the Purchased Shares if the cancellation of the said shares is expected to enhance the EPS of the Group and thereby in the long term, have a positive impact on the market price of the Shares. If the Board decides to retain the Purchased Shares as Treasury Shares, it may distribute the Treasury Shares as share dividends to the Shareholders and/or resell the Purchased Shares in accordance with the Listing Requirements and utilise the proceeds for any feasible investment opportunity arising in future as working capital.

While the Purchased Shares are held as Treasury Shares, the rights attached to them as to voting, dividends and participation in other distributions and otherwise are suspended, and the Treasury Shares shall not be taken into account in calculating the number or percentage of Shares or a class of shares in the Company for any purpose including substantial and major shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on resolution at a meeting of the Shareholders.

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5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

The potential advantages of the Proposed Share Buy-Back to the Company and its Shareholders are as follows:

- (a) It allows the Company to utilise its surplus financial resources to purchase the GCAP Shares to enhance the value of shareholders' investments in the Company if there are no immediate use of the financial resources;
- (b) To stabilise the supply and demand of GCAP Shares traded on the stock market of Bursa Securities and mitigate the volatility of GCAP Share prices. The stability of GCAP Share prices is important to maintain investors' confidence to facilitate future fund-raising exercises of the Company via the equity market;
- (c) To provide opportunities for the Company to increase its financial resources if the Purchased Shares which are retained as treasury shares are resold at prices higher than the purchase prices;
- (d) In the event the Treasury Shares are distributed as share dividends by the Company, it will serve to reward the Shareholders of the Company; and
- (e) The Treasury Shares may also be utilised as purchase consideration by the Company in corporate transactions thereby reducing the financial outflow and/or preserve the working capital of the Company.

The potential disadvantages of the Proposed Share Buy-Back to the Company and its Shareholders are as follows:

- (a) The purchase of GCAP Shares pursuant to the Proposed Share Buy-Back, will reduce the financial resources available to the Group and may result in the Group forgoing future investment opportunities that may emerge in the future; and
- (b) It may reduce the amount of financial resources available for the repayment of the Group's borrowings, for working capital or for distribution in the form of dividends to the Shareholders of the Company. However, the working capital of GCAP Group may recover and increase upon the reselling of the Purchased Shares as treasury shares.

Nevertheless, the Proposed Share Buy-Back is not expected to have any potential material disadvantages to the Company and its Shareholders, as any share buy-back will be undertaken only after in-depth consideration of the financial resources of GCAP and the resultant impact on its Shareholders. Our Board, in exercising any decision in implementing the Proposed Share Buy-Back will be mindful of the interests of the Company and its Shareholders.

6. FUNDING

The maximum amount of funds to be allocated for the Proposed Share Buy-Back shall not exceed the retained earnings of the Company at the time of purchase(s). Based on the latest audited financial statements and/or management accounts of the Company (where applicable) available. As at 31 December 2023, the Company with accumulated losses of RM39.24 million.

The Proposed Share Buy-Back will be funded through internally generated funds and/or bank borrowings or a combination of both. The actual amount of borrowings will depend on the financial resources available at the time of purchase(s). The actual number of GCAP Shares to be purchased will depend on, amongst others, the prevailing market conditions, and sentiments of the stock market as well as the retained profits and the financial resources available to the Group at the time of the purchase(s).

In the event that the Company intends to purchase its own shares using bank borrowings, our Board shall ensure that the Company shall have sufficient funds to repay the bank borrowings and interest expense and that the repayment would have no material effect on the cash flow of the Company. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before execution of the Proposed Share Buy-Back.

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7. FINANCIAL EFFECTS TO THE PROPOSED SHARE BUY-BACK

The effects of the Proposed Share Buy-Back on the share capital, earnings, NA, working capital, dividend and shareholdings of the Directors and Substantial Shareholders of the Company are set out below:

7.1 Share Capital

The effect of the Proposed Share Buy-Back on the total number of issued shares of the Company will depend on whether the Purchased Shares are cancelled or retained as treasury shares.

As at the LPD, the Company does not hold any treasury shares, save for 32,068,900 employee share options ("Options") granted under Long-Term Incentive Plan, which could be exercised into 32,068,900 new Shares.

Based on the total number of issued shares of the Company as at LPD and assuming that full exercise of the Options and the maximum number of GCAP Shares (of up to ten percent (10%) of the total number of issued shares) authorised under the Proposed Share Buy-Back are purchased and cancelled, it will result in the total number of issued shares of the Company being reduced as follows:-

	Number of GCAP Shares
Existing total number of issued share capital as at LPD	325,224,971
Full exercise of the Options	27,534,900
Less: No. of shares retained as treasury shares or cancelled pursuant to Share-Buy Back	<u>(35,275,987)</u>
Total number of issued share capital upon completion of the Proposed Share Buy-Back	<u>317,483,884</u>

However, the Proposed Share Buy-Back will not have any effect on the total number of issued shares of GCAP if all of the Purchased Shares are to be retained as treasury shares.

The rights attached to them as to voting, dividends and participation in other distribution and otherwise are suspended. While these GCAP Shares remain as treasury shares, the said treasury shares shall not be taken into account in calculating the number or percentage of GCAP Shares or of a class of shares in the Company for any purpose including substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

7.2 Earnings

The effect of the Proposed Share Buy-Back on the earnings of the Group will depend on the number of GCAP Shares purchased, its actual purchase price of GCAP Shares and the effective funding cost to finance the purchases or loss in the interest income of the Group. Where the Shares so purchased are to be cancelled, the EPS of the Group will generally, all else being equal, increase as a result of the reduction in the issued shares of the Company.

7.3 NA

The Proposed Share Buy-Back, if carried out, may increase or decrease the NA per Share depending on the purchase price(s) of the Shares to be purchased. The NA per Share will increase if the purchase price is less than the audited NA per Share but will decrease if the purchase price exceeds the audited NA per Share at the time the Shares are purchased.

For the Shares so purchased and kept as treasury shares, upon resale, the NA per Share will increase if the gain of the Shares resold has been realised. However, the quantum of the increase in NA per Share will depend on the selling prices of the treasury shares and the number of Treasury Shares resold.

7.4 Working Capital

The Proposed Share Buy-Back, as and when implemented, will reduce the working capital and cashflow of GCAP Group. The quantum of which will depend on, amongst others, the number of Purchased Shares, purchase price(s) and any associated cost incurred in making the purchase. However, if the treasury shares are subsequently resold on Bursa Securities, the working capital of the Group will increase.

7.5 Dividends

The Proposed Share Buy-Back is not expected to have any impact on the dividend payment as our Board will take into consideration the Company's profit, cash flow and the capital commitments before proposing any dividend payment. However, our Board will have the option of distributing the treasury shares as share dividends to the Shareholders of GCAP.

7.6 Gearing

The Proposed Share Buy-Back is not expected to have any effect on the gearing of GCAP Group.

8. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

As at LPD and assuming that the full exercise of the Options and the Proposed Share Buy-Back is implemented up to the maximum of 10% of the total number of issued shares and that the Purchased Shares are from the Shareholders other than the Directors and Substantial Shareholders of GCAP, its effects on the shareholdings of the Directors and Substantial Shareholders of GCAP are illustrated as follows:

	As at LPD				Assuming full exercise of the Options				After the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of GCAP Shares Held	%	No. of GCAP Shares Held	%	No. of GCAP Shares Held	%	No. of GCAP Shares Held	%	No. of GCAP Shares Held	%	No. of GCAP Shares Held	%
Directors												
General (Retired) Tan Sri Dato' Sri Haji Affendi bin Buang	-	-	-	-	-	-	-	-	-	-	-	-
Datuk Yap Yee Ping	13,535,500	4.16	-	-	26,370,700	7.48	-	-	26,370,700	8.31	-	-
Dato' Rosli Bin Sharif	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Haji Roshidi Bin Haji Hashim	-	-	-	-	-	-	-	-	-	-	-	-
Jason Fong Jian Sheng	-	-	-	-	-	-	-	-	-	-	-	-
Substantial Shareholders												
Percetakan Sanwa Industries Sdn Bhd	19,226,000	5.91	-	-	19,226,000	5.45	-	-	19,226,000	6.06	-	-
Ban-Seng Packaging Sdn Bhd	19,422,700	5.97	-	-	19,422,700	5.51	-	-	19,422,700	6.12	-	-
Lee Poh Hin	6,500,000	2.00	(1) 38,668,700	11.88	6,500,000	1.84	(1) 38,668,700	10.96	6,500,000	2.05	(1) 38,668,700	12.18
Lee Yee Long	4,112,000	1.26	(1) 38,668,700	11.88	4,112,000	1.17	(1) 38,668,700	10.96	4,112,000	1.30	(1) 38,668,700	12.18

Notes:

(1) Deemed interested by virtue of his shareholdings of more than 20% in Percetakan Sanwa Industries Sdn Bhd and Ban-Seng Packaging Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

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9. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of GCAP Shares as traded on the Main Market of Bursa Securities for the last twelve (12) months preceding the date of this Statement are as follows:

	<u>Highest (RM)</u>	<u>Lowest (RM)</u>
<u>2023</u>		
April	0.515	0.405
May	0.450	0.400
June	0.470	0.425
July	0.540	0.420
August	0.435	0.410
September	0.425	0.400
October	0.410	0.375
November	0.400	0.380
December	0.410	0.380
<u>2024</u>		
January	0.445	0.375
February	0.420	0.390
March	0.415	0.390

(Source: tradingview.com)

10. PUBLIC SHAREHOLDING SPREAD

The Board is mindful of the compliance with public shareholding spread as required by the Listing Requirements and will take into consideration the requirement when making any purchase of GCAP Shares pursuant to the Proposed Share Buy-Back.

As at LPD, the public shareholding spread of the Company was 89.10%. The public shareholding spread is expected to be reduced to 86.70%, assuming that the Options are fully exercise and full implementation of the Proposed Share Buy-Back.

The Company will ensure that it will not purchase its own Shares if that purchase will result in the Company's public shareholding spread falling below the minimum threshold of 25% of its total number of issued Shares (excluding treasury shares).

11. APPROVAL REQUIRED

The Proposed Share Buy-Back is subject to the approval being obtained from the shareholders of GCAP at the forthcoming 29th AGM of GCAP.

12. PURCHASE, RESALE AND/OR CANCELLATION OF TREASURY SHARES

The Company has not purchased, resale and/or cancel any treasury shares in the preceding twelve (12) months and the Company does not hold any treasury shares.

13. IMPLICATION OF THE CODE

As it is not intended for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory general offer under the Code for any of its substantial shareholders and/or parties acting in concert with them, Our Board will ensure that such number of Shares are purchased, retained as treasury shares, cancelled or distributed such that the Code will not be triggered.

Nonetheless, if the obligation to undertake a mandatory general offer under the Code is expected to be triggered, the substantial shareholders and their respective parties acting in concert will apply for an exemption from the SC.

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14. DIRECTORS' STATEMENT AND RECOMMENDATION

The Directors, having considered the Proposed Share Buy-Back Authority, are of the opinion that the Proposed Share Buy-Back Authority is in the best interest of the Company and its shareholders. Accordingly, the Directors recommend that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming 29th AGM of the Company.

15. FURTHER INFORMATION

Shareholders are advised to refer to the attached **APPENDIX I** for further information.

Yours faithfully
for and on behalf of the Board of Directors

G CAPITAL BERHAD

General (Retired) Tan Sri Dato' Sri Haji Affendi bin Buang
Executive Chairman

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FURTHER INFORMATION**1. RESPONSIBILITY STATEMENT**

This Circular/Statement has been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy, completeness and correctness of the information given herein and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. MATERIAL CONTRACT

Save and except for the following, as at LPD, GCAP Group has not entered into any contracts which is or may be material (not being contracts entered into in the ordinary course of business) within two (2) years immediately preceding the date of this Circular/Statement:

- (i) Joint Venture and Shareholders' Agreement dated 18 October 2022 entered into between CM Creative Itinerary Sdn Bhd with Yayasan Sabah via its proposed subsidiary company, Innoprise Synergy Sdn Bhd and Kerap Hijau Sdn Bhd ("**JVA 1**") with regards to a proposed joint venture to develop small hydropower projects in Sabah state. The JVA 1 is currently valid and subsisting.
- (ii) Memorandum of understanding ("**MOU 1**") dated 1 February 2024 entered between Perak Hydro Renewable Energy Corporation Sdn Bhd ("**PHREC**") and Koperasi Orang Asli Perak Berhad ("**KOAP**") to set forth mutual intentions to cooperate and collaborate in the mission of providing training, business and community development opportunities to KOAP members related to small hydropower projects developed/to be developed by PHREC. The MOU 1 is currently valid and subsisting.
- (iii) Memorandum of understanding ("**MOU 2**") dated 15 April 2024 entered between Northern Star Hydropower Sdn Bhd ("**NS Hydropower**") and CCIAM Logistic Company Limited ("**CCIAM Logistic**") to set forth mutual intentions to engage CCIAM Logistic for comprehensive services including exploration, construction, management, technology, and Environment Social Governance ("**ESG**") strategies for the 26 MWac Small Hydropower Project in Pahang (the "Project") and raising capital up to RM325,000,000 ("**Collaboration**"). The MOU 2 is currently valid and subsisting.

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FURTHER INFORMATION (Cont'd)**3. MATERIAL LITIGATION**

As at the LPD, GCAP Group is not involved in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board has no knowledge of any proceedings pending or threatened against the Group or any facts which are likely to give rise to any proceedings, which may materially and adversely affect the business or financial position of the GCAP Group, save and except for the following:-

**(i) Suit No. WA-21NCVC-50-03/2021
High Court of Kuala Lumpur**

On 9 March 2021, GPB had filed a suit against Jabatan Latihan Khidmat Negara ("First Defendant"), Kementerian Pertahanan Malaysia ("Second Defendant"), Kementerian Belia dan Sukan Malaysia ("Third Defendant"), Kementerian Kewangan Malaysia ("Fourth Defendant") and Kerajaan Malaysia ("Fifth Defendant") (collectively, the "Defendants") at the KL High Court to claim for, inter alia, the principal amount of RM4,979,003.10. The matter was scheduled for a case management on 10 June 2021 to be held by means of e-review.

The Defendant is an agency/department under the Second Defendant and/or Third Defendant whereas the Second Defendant, Third Defendant and Fourth Defendant are ministries under the Fifth Defendant.

The suit was filed by GPB against the Defendants to recover the Principal Outstanding Sum 2 and such other costs arising therefrom as aforementioned. The First Defendant, with the approval given by the Second Defendant and/or the Third Defendant, had entered into a contract to engage GPB for the provision of bus rental services and food provided for/to the trainees under Program Latihan Khidmat Negara for the period commencing from 26 December 2014 to 25 December 2017. The said contract was further extended for 2 years commencing from 26 December 2017 and expired on 25 December 2019.

As at the LPD, the GPB only received a sum of RM4,952,983.90 and Principal Outstanding Sum 2 remained uncollected, despite several reminders had been sent to the Defendants.

During the case management on 14 March 2022, the KL High Court has fixed the trials on 23 August 2022 to 25 August 2022.

On 17 August 2022, the KL High Court has vacated the trial scheduled on 23 August 2022 to 25 August 2022 and fixed case management by way of e-review on 23 August 2022 to fix a 27 May 2024 to 30 May 2024 to be new trial dates.

The solicitors-in-charge for the above suit, is of the view that there are high chances of GPB in succeeding in the matter.

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FURTHER INFORMATION (Cont'd)**3. MATERIAL LITIGATION (Cont'd)****(ii) Suit No. AA-22NCvC-52-04/2018
High Court of Ipoh**

On 25 April 2018, Wak Ngah Pili A/P Bah Adim and 35 other individuals (collectively, the "Plaintiffs") had filed a suit against PHREC ("First Defendant"), Conso Hydro R E Sdn Bhd ("CHRE") ("Second Defendant"), Kerajaan Negeri Perak, Ketua Pengarah Jabatan Kemajuan Orang Asli, Pengarah Tanah dan Galian Perak and Kerajaan Malaysia (collectively, the "Defendants") at the High Court of Ipoh, Perak ("Ipoh High Court"), to seek for, inter alia, a declaration that the Plaintiffs are the proprietors of native customary titles over the land identified as 'Ulu Geruntum" ("Customary Land"). The Plaintiffs further sought a declaration that the Defendants and its agents had trespassed the Customary Land, and hence they shall be restrained from trespassing, clearing, using, or occupying the Customary Land.

Both PHREC and CHRE are subsidiary companies of GCAP, which intended to construct a 2.0MW mini-hydropower plant project. As at the LPD, the cost incurred for this project is approximately RM14.12 million.

On 28 April 2021, an interim injunction order was granted in favour of the Plaintiffs whereby the First Defendant and Second Defendant and/or their agents shall be restrained from carrying on any works (including but not limited to construction works and land reclamation works) over the Customary Land.

On 6 May 2021, the First Defendant had in response, filed a notice of appeal at the Court of Appeal, Kuala Lumpur ("Court of Appeal") against the said interim injunction, vide a notice of appeal with the Appeal No. A-01[IM][NCVC]-258-05/2120. The said interim injunction was subsequently set aside by the Court of Appeal ("Setting Aside Order").

The Plaintiffs then filed an application for leave to appeal to the Federal Court in relation to the Setting Aside Order, which was granted by the Federal Court on 13 September 2023. The Federal Court further reinstated the Injunction Order which was set aside by the Court of Appeal while pending the outcome of the Ipoh High Court's decision on this matter.

On the last case management dated 10 October 2023, in view of the large amount of time needed for the transcription service, Ipoh High Court has redirected the parties on the preparation of notes of proceeding, filing of written submission and rescheduled the oral submission to 19, 20 and 21 February 2024, and to be continued on 17, 18 and 19 April 2024.

The solicitors-in-charge for the above suit, is of the view that there are high chances of successful to the trial.

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FURTHER INFORMATION (Cont'd)
3. MATERIAL LITIGATION (Cont'd)**(iii) Suit No. BA-22NCvC-468-11/2022
High Court of Shah Alam**

On 16 November 2022, Solarcity Malaysia Sdn Bhd ("**1st Plaintiff**") and Eleaps Sdn Bhd ("**2nd Plaintiff**") (collectively, the 1st Plaintiff and the 2nd Plaintiff shall be known as the "**Plaintiffs**") had filed a suit against Apex Office Furniture Sdn Bhd ("**1st Defendant**"), Apex Office Furniture Exporter Sdn Bhd ("**2nd Defendant**") and AD Power Sdn Bhd ("**3rd Defendant**") (collectively, the 1st Defendant, 2nd Defendant and 3rd Defendant shall be known as the "**Defendants**") to claim for, amongst others:-

- (a) a declaration that the Defendants had acted in conspiracy and/or joint tortfeasors to injure the Plaintiff's business;
- (b) an injunction restraining the 3rd Defendant whether by itself, or acting by their directors, officers, employees or agents or any of them in combination or otherwise however from providing solar supply to the 1st Defendant and 2nd Defendant at the Premises (as defined hereinbelow);
- (c) an order that the 1st Defendant and the 2nd Defendant had wrongfully terminated and/or breached the terms of the Solar Supply Agreement dated 19 May 2021 ("**SSA**");
- (d) aggravated and exemplary damages;
- (e) costs on full indemnity basis;
- (f) interests on all sums payable to the Plaintiffs at such rate to be determined by the Honourable Court; and
- (g) such other orders the Honourable Court may think fit.

The suit is in connection with the dispute arising from the SSA which was entered into between the 1st Plaintiff, 1st Defendant and the 2nd Defendant whereby the 1st Plaintiff is to design, construct, install, own, operate and maintain a solar photovoltaic (PV) energy generating system with a DC capacity of 1,300 kWp at the rooftop of the principal place of business of the 1st Defendant and the 2nd Defendant ("**Premises**") at certain fixed rate pursuant to the SSA to be payable by the 2nd Defendant.

The 1st Plaintiff then engaged the 2nd Plaintiff to act as the 1st Plaintiff's representative in undertaking all installation works and subsequently the 2nd Plaintiff engaged the 3rd Defendant as sub-contractor for such works. The 2nd Plaintiff then discovered that the 2nd Defendant has not completed the 2nd Defendant's production loading at the Premises which resulted in the dissatisfactory load profile, causing a delay to necessary approval or permit and the installation works at the Premises.

The Plaintiffs further discovered that the 3rd Defendant had in his own capacity and without knowledge and consent of the Plaintiffs, installed a same solar PV system for the 2nd Defendant at the Premises which was confirmed by the Defendants. The Defendants further confirmed that they had entered into a new solar supply agreement. Accordingly, the Defendants breached the terms of the SSA and caused damages to the Plaintiffs which led to the filing of this suit.

Pursuant to the pre-trial case management on 20 November 2023, 10 and 22 January 2024, the Shah Alam High Court had fixed 15 October 2024, 1, 4 and 26 November 2024 as the trial dates, to which both the Plaintiffs and Defendants shall file the pre-trial documents on or before 15 August 2024, and witness statements to be filed on or before 1 October 2024.

The solicitors-in-charge for the above suit is of the considered view that the Plaintiffs a has considerable prospect of success in this matter.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of GCAP at 11B, Level 2 Greentown Business Centre Persiaran Greentown 9 30450 Ipoh Perak from Mondays to Fridays (except public holidays) during normal business hours from the date of this Circular/Statement up to and including the date of the forthcoming 29th AGM:

- (i) Our Constitution;
- (ii) Our Audited Financial Statements of GCAP for the past two (2) financial years ended 31 December 2022 and 2023;
- (iii) The material contracts as referred to in item 2 of this Appendix I and
- (iv) The cause papers in respect of the material litigation referred to in Item 3 of this Appendix I.