

## **SUNVIEW GROUP BERHAD (“SUNVIEW” OR THE “COMPANY”)**

### **- PRELIMINARY JOINT VENTURE AGREEMENT BETWEEN FABULOUS SUNVIEW SDN. BHD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY AND VISION AMBASSADORS COMPANY FOR INTERNATIONAL TRADE CONSULTANCY, LLC**

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## **1. INTRODUCTION**

Reference is made to the Company’s announcements on 2 January 2024 and 28 February 2024 pertaining to the Memorandum of Understanding entered into between Fabulous Sunview Sdn. Bhd. ("Fabulous Sunview") and Vision Ambassadors Company For International Trade Consultancy, LLC ("Vision Ambassadors") to cooperate and collaborate on renewable energy ("RE") and/or green energy in Malaysia, Middle East, Gulf Cooperation Council (Saudi Arabia, United Arab Emirates, Kuwait, Qatar, Bahrain and Oman) and Central Asia ("Proposed Projects").

The Board of Directors of Sunview ("Board") wishes to announce that Fabulous Sunview had on 22 April 2024 entered into a Preliminary Joint Venture Agreement ("Preliminary JVA") with Vision Ambassadors to set up a special purpose vehicle in Saudi Arabia by the name of "Sunview (Middle East) LLC" ("SPV") for the benefit of both parties in respect of the Proposed Projects.

*(Fabulous Sunview and Vision Ambassadors are hereinafter individually referred to as a "Party" and collectively as the "Parties")*

## **2. INFORMATION ON FABULOUS SUNVIEW AND VISION AMBASSADORS**

### **2.1 INFORMATION ON FABULOUS SUNVIEW**

Fabulous Sunview is a private limited company incorporated in Malaysia on 1 March 2013 with its registered address at Third Floor, No. 77, 79 & 81, Jalan SS 21/60, Damansara Utama, 47400 Petaling Jaya, Selangor, Malaysia.

As at the date of this announcement, the issued share capital of Fabulous Sunview is RM40,249,437.24 comprising 1,661,274 ordinary shares. Fabulous Sunview is principally engaged in engineering, procurement, construction and commissioning of solar photovoltaic ("PV") and other RE facilities, provision of solar PV construction and installation services, and associated services and products.

The Directors of Fabulous Sunview are Mr. Ong Hang Ping and Mr. Chow Kian Hung.

The sole shareholder of Fabulous Sunview and its shareholdings are as follows:

<b>Name of Shareholder</b>	<b>No. of ordinary shares held</b>	<b>Shareholdings (%)</b>
Sunview	1,661,274	100.00
<b>Total</b>	<b>1,661,274</b>	<b>100.00</b>

### **2.2 INFORMATION ON VISION AMBASSADORS**

Vision Ambassadors is a company registered in Saudi Arabia and having its registered office at 2990, Alqabda Street, Alzahra District, Jeddah 234525-7044, Saudi Arabia.

Vision Ambassadors is an established company specialising in investment for the development of businesses and small enterprises and Vision Ambassadors has tremendous momentum in international and local relations.

The Directors of Vision Ambassadors are Dr. Ghazi Felemban, Mr. Naser Alhotami, Mohammed Tayeb, Dr. Adil Nofal, Dr. Osama Alabdulwahab and Mr. Osama Kokandy.

### **3. PURPOSE OF THE PRELIMINARY JVA**

The Preliminary JVA establishes the framework for the Parties to negotiate and finalise the detailed terms and conditions governing the Parties' co-operation as members of the joint venture, solely for the purposes of the Proposed Projects. It aims to facilitate the execution and completion of the work involved therein, in alignment with the provisions outlined in the Preliminary JVA.

### **4. SALIENT TERMS OF THE PRELIMINARY JVA**

#### **4.1 Incorporation conditions**

Before the final joint venture agreement ("Final JVA") is executed between the Parties, the Parties shall at the best endeavours to obtain and fulfill all of the following conditions (referred to collectively as the "Incorporation Conditions") within five (5) months from the date of the Preliminary JVA ("Fulfillment End Date"), as outlined below:

- (a) obtain an investment license from the Ministry of Investment of Saudi Arabia (MISA) for the SPV;
- (b) incorporate the SPV as a Limited Liability Company;
- (c) obtain a commercial and operating license for the SPV from the Ministry of Commerce of Saudi Arabia;
- (d) opening a file with the Ministry of Human Resources and Social Development of Saudi Arabia;
- (e) registration of the SPV on the electronic portal of the Zakat, Tax and Customs Authority of Saudi Arabia;
- (f) register the SPV with the General Organisation for Social Insurance of Saudi Arabia;
- (g) registration of the national office address with SPV and obtain a Chambers of Commerce membership; and
- (h) obtain all necessary written approvals, consents and resolutions of the relevant authority, third parties, entity and/or person of each Party hereto in relation to the establishment of SPV.

If any of the Incorporation Conditions in Section 4.1 is no longer mandatory or required by law at the time of incorporation, the Parties agree to enter into the Final JVA when the minimum number of requirements are met and continue to operate in accordance with the laws of Saudi Arabia.

In the event the Parties are unable to fulfil the minimum required conditions to incorporate prior to the Fulfilment End Date, the Parties shall mutually discussed on the extension of Fulfilment End Date as may be required for such fulfilment.

#### **4.2 Entering into the Final JVA**

Provided that the minimum Incorporation Conditions in Section 4.1 above are fulfilled, the Parties shall enter into the Final JVA within thirty (30) calendar days upon fulfilment of the Incorporation Conditions.

The Preliminary JVA shall not be terminated or superseded by the Final JVA whereby the terms and conditions of the Preliminary JVA, (including, without limitation, the representation and warranties of the Parties, as well as the clauses regarding termination and its consequences thereof) shall apply mutatis mutandis to the Final JVA.

#### **4.3 Shareholding of the SPV**

The Parties agree that the shareholding of each Party in the SPV shall be in accordance with the ratio as appended below:

Vision Ambassadors	60%
Fabulous Sunview	40%
<b>Total</b>	<b>100%</b>

The Parties agree that the initial paid up capital for the SPV shall be Saudi Riyal: SAR 100,000.00 equivalent to RM127,533.00 and each Party shall be liable to pay such capital to the SPV in accordance with the percentage ratio set out in Section 4.3 hereof.

#### **4.4 Board of directors of the SPV**

The Board of directors of SPV shall comprise of five (5) directors, of whom:

- (a) three (3) shall be nominated and appointed by Vision Ambassadors; and
- (b) two (2) shall be nominated and appointed by Fabulous Sunview.

#### **4.5 Management and scope of business of the SPV**

The Parties agree that Fabulous Sunview shall lead the management of the SPV and subject to prior consent in writing from Vision Ambassadors of the candidate, the chief executive officer of the SPV shall be appointed by Fabulous Sunview.

The Parties agree that the scope of business of the SPV shall focus mainly on RE and/or green energy in the territory of Middle East, Gulf Cooperation Council (Saudi Arabia, United Arab Emirates, Kuwait, Qatar, Bahrain and Oman) and Central Asia and shall provide the following services including but not limited to consultancy, engineering services, investment, asset ownership, engineering, procurement, construction and commissioning and subcontracting.

#### **4.6 Termination**

The Preliminary JVA shall be terminated or be deemed terminated, if:-

- (a) by mutual consent of the Parties expressed in writing; or
- (b) by the Party's written notice within fourteen (14) days given to the other Party, if any of the Incorporation Conditions have not been fulfilled by the Fulfilment End Date or the Final JVA has been terminated or rescinded, irrespective of the reason for such non-fulfilment or rescission; or
- (c) any representations and warranties contained in the Preliminary JVA are not true and correct.

In the event of termination of the Preliminary JVA, neither party shall have any claim whatsoever against each other for any loss or expense incurred pursuant to the terms of the Preliminary JVA save and except for any antecedent breach of a Party.

### **5. SOURCE OF FUNDS**

The SAR40,000.00 subscription for 40% shareholding by Fabulous Sunview, as per the Preliminary JVA will be funded through internally generated funds.

Save for the above subscription money, there is no other additional financial commitment required at this current juncture.

## **6. RATIONALE AND PROSPECTS OF THE PRELIMINARY JVA**

The Preliminary JVA establishes a strategic partnership leveraging the respective competencies of the involved Parties to foster cooperation and collaboration in renewable and green energy initiatives. Furthermore, it is anticipated to yield significant benefits for Sunview and its subsidiaries ("Group"), positioning them favourably within the evolving landscape of sustainable energy endeavours.

## **7. RISK FACTOR IN RELATION TO THE PRELIMINARY JVA**

The Board is of the view that the risk exposure associated with the Preliminary JVA is minimal. When the SPV commence its business operations or arrangements, due diligence will be conducted to evaluate both risks and benefits. Appropriate measures will be taken to ensure the successful execution of the Preliminary JVA, thereby mitigating potential risks and optimising outcomes.

## **8. FINANCIAL EFFECTS OF THE PRELIMINARY JVA**

### **8.1 Share capital and substantial shareholders' shareholdings**

The Preliminary JVA is not expected to have any effect on the issued share capital of the Company as well as the shareholdings of its substantial shareholders as it does not involve any issuance of new ordinary shares in the Company.

### **8.2 Net assets ("NA"), NA per share and gearing**

The Preliminary JVA is not expected to have a material effect on the consolidated NA, NA per share and gearing of the Group in the financial year ending 31 March 2025.

### **8.3 Earnings and earnings per share ("EPS")**

The Preliminary JVA is not expected to have a material effect on the consolidated earnings and EPS of the Group for the financial year ending 31 March 2025.

## **9. HIGHEST APPLICABLE PERCENTAGE RATIO**

The highest percentage ratio applicable pursuant to Rule 10.02(g) of the ACE Market Listing Requirements of Bursa Securities is 0.05%, based on the latest audited financial statement of the Company for the financial year ended 31 March 2023.

## **10. APPROVALS REQUIRED**

The Preliminary JVA is not subject to the approval of the Company's shareholders or any other relevant regulatory authorities.

## **11. INTEREST OF DIRECTORS AND MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM**

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

## **12. DIRECTORS' STATEMENT**

The Board, having reviewed and considered the terms and conditions of the Preliminary JVA, is of the opinion that the Preliminary JVA is in the best interest of the Company.

**13. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring any unforeseen circumstances, the Board expects the Preliminary JVA to be completed within four (4) months from the date of the Preliminary JVA.

**14. DOCUMENT AVAILABLE FOR INSPECTION**

A copy of the Preliminary JVA is available for inspection at the registered office of the Company at the Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan from Monday to Friday (except public holidays) for a period of three (3) months commencing from the date of this announcement.

This announcement is dated 22 April 2024.