

GUH set to clinch Myanmar water deal

GUH HOLDINGS BHD is close to sealing a 30-year water treatment plant concession agreement in Myanmar.

The deal, if it materialises, is expected to contribute RM9 mil per annum to the company's bottom line, according to a source close to the matter.

This is part of the company's strategy to diversify its business, given a challenging operating environment in its electronics division, involved principally in the manufacture of printed circuit boards. This division is GUH's largest earnings generator, contributing 80% of revenue in the financial year ended Dec 31, 2012.

GUH holds some RM40 mil in water projects in Malaysia. Plans are afoot for greater participation in the segment via its 70%-owned subsidiary Teknoserv Engineering Sdn Bhd, which GUH

acquired in September 2012.

The group has said the contribution from water projects is expected to generate about 10% of its turnover this year, compared with less than 5% last year.

Apart from water treatment plants, GUH is involved in key businesses including electronics and electrical, property development, plantations and power generation.

It has been operating a 35MW diesel engine heavy fuel oil-fired power generating plant in Cambodia since 1997, via a 20% stake in an independent power producer. The concession is due to expire next year.

As for the property division, it has an ongoing mixed development known as Taman Bukit Kepayang on 50ha site in Seremban, Negeri Sembilan.