

THIS CIRCULAR TO THE SHAREHOLDERS OF VERTICE BERHAD ("VERTICE" OR THE "COMPANY") IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

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Bursa Securities has not perused the contents of this Circular in relation to the Proposed Change of Name (as defined herein).



VERTICE BERHAD
(Registration No. 200701007217 (765218-V))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:

PART A

PROPOSED ALLOCATION OF SHARE OPTIONS PURSUANT TO THE EXISTING SHARE ISSUANCE SCHEME OF THE COMPANY TO THE DIRECTORS OF THE COMPANY ("PROPOSED ALLOCATION");

PART B

PROPOSED RATIFICATION IN RESPECT OF THE VARIATION TO THE UTILISATION OF PROCEEDS RAISED FROM THE PRIVATE PLACEMENT COMPLETED ON 30 DECEMBER 2021 ("PROPOSED RATIFICATION")

PART C

PROPOSED CHANGE OF NAME OF THE COMPANY FROM "VERTICE BERHAD" TO "INFRAHARTA HOLDINGS BERHAD" ("PROPOSED CHANGE OF NAME")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser for Part B



TA SECURITIES HOLDINGS BERHAD
(Registration No. 197301001467 (14948-M))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The resolutions in respect of the above proposals will be tabled at the Extraordinary General Meeting of the Company ("**EGM**") will be held as a fully virtual meeting conducted entirely through live streaming and online remote participation using Remote Participation and Voting ("**RPV**") facilities hosted on the online meeting platform of ShareWorks Sdn. Bhd. at www.swsb.com.my provided by ShareWorks Sdn. Bhd. in Malaysia on Thursday, 25 August 2022 at 12.00 noon or immediately following the conclusion or adjournment of the Fifteenth Annual General Meeting ("**15th AGM**") of the Company scheduled to be held on the same day, whichever is later.

The Notice of EGM together with the Form of Proxy which are incorporated in this circular, and Administrative Guide are available at our Company's website at www.vertice.com.my. You are advised to follow the procedures set out in the Administrative Guide to register, participate and vote remotely via the RPV facilities provided by ShareWorks Sdn. Bhd.'s ("**ShareWorks**") on www.swsb.com.my.

The completed Form of Proxy must be deposited at the Share Registrar's office, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or email to ir@shareworks.com.my not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof as indicated below:

Last date and time for lodging the Form of Proxy	: Tuesday, 23 August 2022 at 12.00 noon
Date and time of the EGM	: Thursday, 25 August 2022 at 12.00 noon or immediately following the conclusion or adjournment of the 15th AGM of the Company scheduled to be held on the same day, whichever is later.
Online meeting platform of the EGM	: www.swsb.com.my

This Circular is dated 4 August 2022

DEFINITIONS

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

2021 Private Placement	: Private Placement of up to 20% of the issued Shares of the Company, further details of which are set out in the announcements dated 29 October 2021, 5 November 2021 and 9 November 2021
Board	: Board of Directors of Vertice
Bursa Securities	: Bursa Malaysia Securities Berhad (200301033577 (635998-W))
By-laws	: By-laws governing the SIS, as amended, modified and supplemented from time to time in accordance with the provisions of the By-laws
CCM	: Companies Commission of Malaysia
Circular	: This circular to Shareholders in relation to the Proposals
Convertible Securities	: Collectively, the Warrants A, SIS Options and RCPS
Date of Offer	: The date of the letter in which an Offer is made by the SIS Committee to the Eligible Persons to participate in the SIS
Deed Poll	: Deed poll constituting the Warrants A dated 11 March 2014
Director(s)	: Directors of the Company for the time being and shall have the meaning ascribed to it in Section 2(1) of the Companies Act 2016 and Section 2(1) of the Capital Markets and Services Act 2007 and Director shall be construed accordingly
EGM	: Extraordinary general meeting
Eligible Directors	: Directors (including executive and non-executive Directors, independent or otherwise) of the Group who fulfil the eligibility criteria for participation in the SIS as set out in the By-laws
Eligible Employees	: Employees of the Group who fulfil the eligibility criteria for participation in the SIS as set out in the By-laws
Eligible Persons	: Collectively, the Eligible Directors and the Eligible Employees
EPS	: Earnings per Share
Exercise Price	: The price at which a Grantee shall be entitled to subscribe for each new Share from the Company upon the exercise of the SIS Options, as specified in the Offer and as may be adjusted in accordance with the provisions of the By-laws
FYE	: Financial year ended / ending, as the case may be
Gemas Project	: Construction of a 9.87km road connecting FELDA Bukit Jalor to Gemas, Negeri Sembilan
Grantee	: An Eligible Person who has accepted an Offer in the manner provided in the By-laws

DEFINITIONS (CONT'D)

Interested Person	Eligible	: An Eligible Person who is also a Director, major Shareholder or chief executive of Vertice or a holding company of Vertice or a person connected with any of them
Issuance of RCPS		: Issuance of up to 600,000,000 RCPS at the issue price of RM0.10 each, further details of which are set out in the circular to shareholders of the Company dated 19 November 2020
Listing Requirements		: Main Market Listing Requirements of Bursa Securities
LPD		: 20 July 2022, being the latest practicable date prior to the printing of this Circular
Lok Kawi Project		: Slope repair works at Lok Kawi, Papar, Sabah
Melaka Project		: Construction of the basement and lower ground work for an integrated development with residences, hotels, retail shops, offices and spaces in Melaka
NA		: Net assets
Offer		: Written offer of SIS Options at the discretion of the SIS Committee, to an Eligible Person from time to time within the duration of the SIS
Pavillion Project	Residence	: Construction of 26-storey condominium and 4-storey multi-level car park in Seberang Jaya, Penang
Penampang Project		: Construction of 1 block condominium with car park at Penampang, Sabah
Proposals		: Collectively, the Proposed Allocation, Proposed Ratification and Proposed Change of Name
Proposed Allocation		: Proposed allocation of SIS Options pursuant to the SIS to the Directors
Proposed Change of Name		: Proposed change of name of the Company from "Vertice Berhad" to "Infraharta Holdings Berhad"
Proposed Ratification		: Proposed ratification in respect of the variation to the utilisation of proceeds raised from the 2021 Private Placement
RCPS		: 2% cumulative redeemable convertible preference shares in Vertice issued and/or to be issued pursuant to the Issuance of RCPS
RM and sen		: Ringgit Malaysia and sen respectively
Sandakan Project		: Road maintenance works at Sandakan, Sabah
Subang Project		: Construction of a mosque in Petaling District, Selangor
Shareholders		: Registered holders of Vertice Shares
SIS		: The existing share issuance scheme of the Company which took effect on 18 December 2017 for a period of 5 years until 17 December 2022 and has been approved for extension by the Board for another 5 years to 17 December 2027

DEFINITIONS (CONT'D)

SIS Committee	:	The committee appointed and authorised by the Board from time to time to administer the SIS in accordance with the By-laws, comprising such number of Directors and/or other persons identified and appointed from time to time by the Board
SIS Options	:	The right of a Grantee to subscribe for new Shares, during the SIS Option Period, at the Exercise Price pursuant to an Offer duly accepted by the Grantee
SIS Option Period	:	The period commencing from the effective date and expiring on (i) the last day of the duration of the SIS, or (ii) such other date as stipulated by the SIS Committee in the Offer, or (iii) on the date of termination or expiry of the SIS as provided in the By-laws
TA Securities or the Principal Adviser	:	TA Securities Holdings Berhad (197301001467 (14948-M)), the Principal Adviser in relation to the Proposed Ratification
Vertice or the Company	:	Vertice Berhad (200701007217 (765218-V))
Vertice Group or the Group	:	Collectively, Vertice and its subsidiaries
Vertice Shares or Shares	:	Ordinary shares in Vertice
VWAP	:	Volume weighted average price
Warrants A	:	Existing warrants 2014/2024 of the Company. Each warrant holder is entitled to the right to subscribe for 1 Share at an exercise price of RM0.50

All references to “you” in this Circular are to the Shareholders.

In this Circular, words referring to 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. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to time and date in this Circular shall be a reference to Malaysian time and date, unless otherwise stated. Any discrepancies in the tables between the actual figures, amounts stated and the totals in this Circular are, unless otherwise explained, due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that the Company's plans and objectives will be achieved.

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PART A

LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED ALLOCATION



VERTICE BERHAD
(Registration No. 200701007217 (765218-V))
(Incorporated in Malaysia)

Registered Office:

B-3-9, 3rd Floor, Block B
Megan Avenue II
No. 12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

4 August 2022

Board of Directors

Tun Arifin Bin Zakaria (Independent Non-Executive Chairman)
Dato' Sri Haji Wan Adnan Bin Wan Mamat (Independent Non-Executive Deputy Chairman)
Law Ngia Meng (Executive Director)
Dato' Dr Haji Shamsul Anwar Bin Sulaiman (Independent Non-Executive Director)
Ooi Guan Hoe (Independent Non-Executive Director)
Chai Hann Lin (Independent Non-Executive Director)
Wong Kwai Wah (Non-Independent Non-Executive Director)
Mohd Hatim Bin Abdullah (Independent Non-Executive Director)

To: The Shareholders

Dear Sir / Madam,

PROPOSED ALLOCATION

1. INTRODUCTION

On 14 July 2022, the Board announced that the Company intends to seek Shareholders' approval for the Proposed Allocation.

THE PURPOSE OF THIS PART A OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED ALLOCATION AND TO SET OUT THE VIEWS AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED ALLOCATION WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

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

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2. DETAILS OF THE PROPOSED ALLOCATION

On 22 November 2017, Vertice had obtained its Shareholders' approval for the establishment and implementation of the SIS. The SIS was subsequently implemented on 18 December 2017 and is effective for a period of 5 years from the date of implementation in accordance with the terms of the By-laws.

On 14 July 2022, following the recommendation by the SIS Committee, the Board announced that the SIS shall be extended for a further period of 5 years from 18 December 2022 to 17 December 2027. The extension of SIS is not subject to shareholders' approval in accordance with the By-law 23.2, where the Company may, if the Board deems fit, upon the recommendation of the SIS Committee extends the duration of the SIS, provided that such extension shall not in aggregate, exceed the duration of 10 years from the date of implementation (i.e. 18 December 2017).

The details of changes in the composition of the SIS Committee since its formation are as follows:

Name	Designation	Date of Appointment	Date of Resignation
Law Ngia Meng (Chairman)	Executive Director	1 July 2022	-
Dato' Dr Hj Shamsul Anwar Bin Sulaiman	Independent Non Executive Director	1 July 2022	-
Chai Hann Lin	Independent Non Executive Director	1 July 2022	-
Mohd Hatim Bin Abdullah	Independent Non Executive Director	29 November 2017	1 July 2022
Ibrahim Bin Sahari	Executive Director	29 November 2017	31 December 2021
Shaari Bin Haron	Independent Non Executive Director	29 November 2017	28 August 2019

Since the commencement of the SIS on 18 December 2017 up to the LPD, the Company has granted 8,845,000 SIS Options and 3,000,000 Shares were issued pursuant to the exercise of the SIS Options, further details of which are as follows:

Category	SIS Options granted / vested ⁽¹⁾		Shares issued pursuant to the exercise of SIS Options	
	Number of SIS Options	(%)	Number of Shares	(%)
Directors ⁽²⁾	8,845,000	100.0	⁽²⁾ 3,000,000	100.0
Senior management	-	-	-	-
Other employees	-	-	-	-
Total	8,845,000	100.0	3,000,000	100.0

The remaining 5,845,000 SIS Options has expired and lapsed as they were not exercised prior to the expiry of the exercise period (i.e. 18 May 2021).

Notes:

- (1) As at the LPD, the total number of 8,845,000 SIS Options granted (out of which 5,845,000 SIS Options has expired and lapsed) to the Directors represents 18.5% of the maximum allowable number of 47,876,900 SIS Options available to be granted under the SIS.

Following this and as set out below, the remaining number of 44,876,900 SIS Options available to be granted under the SIS shall be allocated to the categories of Eligible Persons above at the sole discretion of the SIS Committee after taking into consideration, amongst others, seniority and length of service of the Eligible Persons, performance to the Group and such other factors that the SIS Committee may deem relevant.

- (2) Further details of the SIS Options granted and exercised by the Directors are as follows:

Directors	Number of SIS Options granted	Number of SIS Options exercised
Ibrahim Bin Sahari	2,831,000	2,000,000
Wong Kwai Wah	2,831,000	1,000,000
Dato' Mah Siew Kwok	1,061,000	-
Mohd Hatim Bin Abdullah	1,061,000	-
Yee Yit Yang	1,061,000	-
Total	8,845,000	3,000,000

Following the above and based on the total number of 319,179,719 issued Shares as at the LPD, a total number of 44,876,900 SIS Options may be granted and exercised into 44,876,900 Shares pursuant to the maximum allowable amount under the SIS, computed as follows:

	No. of Shares
Issued Shares as at the LPD	319,179,719
Maximum allowable amount under the SIS (15% of issued Shares)	47,876,900
Less: Shares issued under the SIS	(3,000,000)
Number of SIS Options available to be granted	44,876,900

In accordance with the By-laws, where any SIS Options are to be granted to any Interested Eligible Person, the specific allocation of SIS Options by the Company to him under the SIS must have been approved by the Shareholders at a general meeting. Further, pursuant to Paragraph 6.06(2) of the Listing Requirements, the Interested Eligible Person must not vote on the resolution in respect of his own allocation and must ensure that persons connected with him abstain from voting on the aforesaid resolution.

Accordingly, the Board proposes to seek Shareholders' approval at the forthcoming EGM for the proposed allocation of the SIS Options to the following Directors:

Name of Director	Designation	Date of Appointment
Tun Arifin Bin Zakaria	Independent Non-Executive Chairman	13 February 2018
Dato' Sri Haji Wan Adnan Bin Wan Mamat	Independent Non-Executive Deputy Chairman	7 October 2021
Law Ngia Meng	Executive Director	7 October 2021

Name of Director	Designation		Date of Appointment
Dato' Dr Haji Shamsul Anwar Bin Sulaiman	Independent Director	Non-Executive	25 January 2022
Chai Hann Lin	Independent Director	Non-Executive	7 October 2021
Ooi Guan Hoe	Independent Director	Non-Executive	31 December 2021

The Company has obtained its shareholders' approval for the allocation of SIS Options to Wong Kwai Wah (Non-Independent Non-Executive Director) and Mohd Hatim Bin Abdullah (Independent Non-Executive Director) respectively. As such, they will be entitled to future allocation of SIS Options under the SIS.

2.1 Basis of allotment and maximum allowable allotment of new Shares

Subject to the maximum number of Shares allowable under the SIS and any adjustments which may be made under the By-laws, the total number of SIS Options that may be granted to any Eligible Person shall be determined at the sole and absolute discretion of the SIS Committee after taking into consideration, amongst other factors, the position, seniority and length of service of the Eligible Person, and such other factors that the SIS Committee may deem relevant⁽¹⁾, subject to the following conditions:

- (i) the number of new Shares to be allocated to any Eligible Person who, either singly or collectively through persons connected with such Eligible Person, holds 20% or more of the total number of issued Shares (excluding treasury shares, if any), does not exceed 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the SIS; and
- (ii) the Eligible Persons do not participate in the deliberation or discussion in respect of their own allocation,

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

Note:

- (1) The SIS Committee does not have any specific criteria / specific circumstances in determining the granting of the SIS Options to the Eligible Persons.

As and when there is an intention to grant the SIS Options, these criteria / circumstances are determined by the SIS Committee based on the circumstances at the relevant point in time after taking into consideration, amongst others, the general economic condition, performance objectives of the Group as well as the number of Eligible Persons meeting such criteria.

Further, the SIS Committee shall have the discretion to determine, amongst others, the following:

- (i) whether the SIS Options are subject to any vesting period and if so, the vesting conditions and whether such vesting is subject to achieving a performance target;

- (ii) whether or not to stagger the allocation of the SIS Options over the duration of the SIS; and
- (iii) such other terms and conditions it shall deem fit and appropriate to be imposed for participation in the SIS.

2.2 Exercise Price

Subject to any adjustments that may be made in accordance with the By-laws, the Exercise Price shall be based on a price to be determined by the Board upon recommendation of the SIS Committee based on the 5-day VWAP of the Shares immediately preceding the Date of Offer with a discount of not more than 10%, if deemed appropriate, or such lower or higher limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time.

2.3 Ranking of the new Shares to be issued pursuant to the exercise of the SIS Options

The new Shares to be issued arising from the exercise of the SIS Options shall, upon allotment, issuance and full payment, rank equally in all respects with the existing Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares.

The SIS Options shall not carry any rights to vote at any general meeting of the Company. The Grantee shall not in any event be entitled to any dividends, rights or other entitlements on his unexercised SIS Options.

2.4 Retention period

The new Shares to be allotted and issued to a Grantee (save for an Eligible Director who is a non-executive Director) pursuant to the exercise of a SIS Option under the SIS will not be subject to any retention period or restriction on transfer unless otherwise stated in the Offer as may be determined by the SIS Committee from time to time at its discretion.

Notwithstanding the above, pursuant to Paragraph 8.20 of the Listing Requirements, a Grantee who is a non-executive Director of any company within the Group (excluding any dormant subsidiary) must not sell, transfer or assign his/her Shares obtained through the exercise of the SIS Options offered to him/her pursuant to the SIS within 1 year from the Date of Offer or such period as may be prescribed by Bursa Securities.

2.5 Listing and quotation of the new Shares pursuant to the exercise of the SIS Options

Bursa Securities has, via its letter dated 17 October 2017, approved the listing and quotation of such number of new Shares, representing up to 15% of the issued shares of the Company at any point of time (excluding treasury shares, if any) to be issued upon the exercise of the SIS Options pursuant to the SIS on the Main Market of Bursa Securities.

2.6 Utilisation of proceeds

As at the LPD, the Company has issued 3,000,000 Shares pursuant to the exercise of the SIS Options and raised proceeds of RM0.84 million. The said proceeds have been fully utilised for working capital of the Group.

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3. RATIONALE FOR THE PROPOSED ALLOCATION

The Proposed Allocation is consistent with the overall objectives of the SIS to provide Eligible Persons an opportunity to have equity participation in the Company and facilitate in the achievement of the following objectives:

- (i) to motivate, reward and retain the Eligible Persons who, upon exercising their SIS Options would be given the opportunity to participate in the equity of the Company thereby relate their contribution directly to the Group;
- (ii) to provide incentives to the Eligible Persons to be committed to the Group without adversely affecting the cash flow of the Group; and
- (iii) to have a more competitive remuneration scheme to attract more skilled and experienced individuals to join the Group and contribute to its continued growth and profitability.

The SIS, which is also extended to the non-executive Directors, is to recognise their contribution and effort as they play a constructive role in the governance, growth and performance of the Group. Further, the Board has taken into consideration the following for the allocation of the SIS Options to the non-executive Directors:

- (i) to enhance the non-executive Directors' level of commitment and contribution as well as to enable the Company to attract and retain capable individuals to act as non-executive Directors, who will assist in the overall strategic decisions of the Group;
- (ii) providing an additional option to reward the non-executive Directors (apart from director fees) for their contributions which are considered vital to the governance of the Company. By having this additional option, this provides the Group with the flexibility to remunerate the non-executive Directors in the form of SIS Options, which in turn helps to conserve cash outlay which can be otherwise used for other working capital requirements of the Group; and
- (iii) the allocation of the SIS Options shall be governed by the SIS Committee which will ensure that such allocation does not adversely affect the role of non-executive Directors in carrying out proper check and balance.

Their participation in the equity of the Company is expected to enhance their level of commitment and contribution as well as to enable the Company to attract and retain capable individuals to act as non-executive Directors, who will assist in the overall strategic decisions of the Group.

4. EFFECTS OF THE PROPOSED ALLOCATION

4.1 Issued share capital

The Proposed Allocation is not expected to have an immediate effect on the issued share capital of the Company until such time when the SIS Options granted under the SIS are exercised. Any potential effects on the issued share capital of the Company will depend on the number of new Shares to be issued upon the exercise of the SIS Options granted under the SIS and the Exercise Price.

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4.2 NA and gearing

The Proposed Allocation is not expected to have an immediate effect on the NA and gearing of the Group until such time when the SIS Options granted under the SIS are exercised. Any potential effect on the NA and gearing of the Group in the future will depend on the number of SIS Options granted and exercised, the Exercise Price and the non-cash expenses arising from the granting of the SIS Options under Malaysian Financial Reporting Standards 2 ("**MFRS 2**"). The quantum of such impact cannot be determined at this juncture as it will be measured at the date of granting the SIS Options. Further information on this is set out in Section 4.4, Part A of this Circular.

For illustrative purposes, upon exercise of the SIS Options, the NA per Share is expected to:

- (i) increase if the Exercise Price is higher than the NA per Share; or
- (ii) decrease if the Exercise Price is lower than the NA per Share,

at the point of the SIS Options being exercised.

4.3 Substantial Shareholders' shareholdings

The Proposed Allocation is not expected to have any immediate effect on the substantial Shareholders' shareholdings in the Company until and unless new Shares are issued pursuant to the exercise of the SIS Options. Any potential effect on the substantial Shareholders' shareholdings in the Company would depend on the number of new Shares to be issued at the relevant point in time.

4.4 Earnings and EPS

The Proposed Allocation is not expected to have any immediate material effect on the earnings and EPS of the Group until such time when the SIS Options are granted and exercised. Any potential effect on the EPS of the Group in the future will depend on the number of SIS Options granted and exercised, the Exercise Price and the non-cash expenses arising from the granting of the SIS Options under MFRS 2.

The quantum of such impact cannot be determined at this juncture as it will be measured at the date of granting the SIS Options based on, amongst others, the share price volatility, risk-free interest rate and pricing model. The fair value of the SIS Options will be recognised as an expense in the profit or loss account of the Group over the vesting period of the SIS Options. However, it should be noted that the estimated cost does not represent a cash outflow by the Group as it is merely an accounting treatment.

The Board takes note of the potential impact of MFRS 2 on the Group's future earnings and shall take into consideration such impact in the allocation and granting of SIS Options to the Eligible Persons.

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4.5 Convertible securities

As at the LPD, the Company has the following convertible securities:

- (i) 44,876,900 SIS Options that may be granted and exercised into 44,876,900 Shares pursuant to the maximum allowable amount under the SIS;
- (ii) 60,000,000 Warrants A which may be exercised into 60,000,000 Shares; and
- (iii) such number of RCPS (up to 500,000,000 RCPS) that may be issued and converted into 319,652,881 Shares pursuant to the maximum conversion shares threshold under the Issuance of RCPS.

In accordance with the Deed Poll, the By-laws and the terms of the RCPS, the Proposed Allocation is not expected to result in any adjustment to the exercise price or conversion price and outstanding number of the Convertible Securities.

5. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Allocation is subject to the following approvals being obtained:

- (i) Shareholders at the forthcoming EGM; and
- (ii) any other relevant authorities and/or parties, if required.

The Proposed Allocation is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

6. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Issuance of RCPS, Proposed Allocation, Proposed Ratification and Proposed Change of Name, there are no other corporate exercises / schemes which have been announced by the Company but pending completion as at the date of this Circular.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

All the Directors as set out in Section 2, Part A of this Circular are deemed interested in the Proposed Allocation in respect of their allocations as well as allocations to persons connected to them under the SIS ("**Interested Directors**").

As at the LPD, save for Law Ngia Meng, the Interested Directors do not hold any Shares. The shareholding of Law Ngia Meng in the Company is as follows:

Director	Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%
Law Ngia Meng	2,081,300	0.65	-	-

Note:

(1) Computed based on 319,179,719 Vertice Shares as at the LPD.

The Interested Directors will abstain from all Board deliberations and voting in respect of their own specific allocation of the SIS Options as well as the allocations to any persons connected with them.

Further, each of the Interested Directors will abstain from voting, in respect of their direct and/or indirect shareholdings in the Company, if any, on the resolutions pertaining to their respective allocation of the SIS Options as well as the allocations to any persons connected to them under the Proposed Allocation at the forthcoming EGM.

Each of the Interested Directors will ensure that persons connected to them will abstain from voting in respect of their direct and/or indirect shareholdings, if any, on the resolutions pertaining to their respective allocation of the SIS Options as well as the allocations to any persons connected to them under the Proposed Allocation at the forthcoming EGM.

8. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Allocation is expected to be effective upon obtaining the approval of the Shareholders at the forthcoming EGM.

9. BOARD'S RECOMMENDATION

The Board (save for the Interested Directors in respect of their own allocation), having considered all aspects of the Proposed Allocation, including but not limited to the rationale and effects of the Proposed Allocation, is of the opinion that the Proposed Allocation is in the best interest of the Company.

Accordingly, the Board (save for the Interested Directors in respect of their own allocation), recommends that you vote in favour of the resolutions pertaining to the Proposed Allocation to be tabled at the forthcoming EGM.

10. EGM

The EGM, notice of which is enclosed in this Circular will be held as a fully virtual meeting conducted entirely through live streaming and online remote participation using Remote Participation and Voting ("**RPV**") facilities hosted on the online meeting platform of ShareWorks Sdn. Bhd. at www.swsb.com.my provided by ShareWorks Sdn. Bhd. in Malaysia on Thursday, 25 August 2022 at 12.00 noon or immediately following the conclusion or adjournment of the 15th AGM of the Company scheduled to be held on the same day, whichever is later, for the purpose of considering and if thought fit, passing, *inter alia*, the ordinary resolution on the Proposed Allocation as set out in this Circular.

The Notice of EGM together with the Form of Proxy which are incorporated in this Circular, and Administrative Guide are available at our Company's website at www.vertice.com.my.

You are advised to follow the procedures set out in the Administrative Guide to register, participate and vote remotely via the RPV facilities provided by ShareWorks Sdn. Bhd.'s ("**ShareWorks**") on www.swsb.com.my.

If you are unable to participate and vote remotely at the EGM, you may appoint a proxy or proxies to do so in your stead by following the instructions set out in the Form of Proxy.

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The completed Form of Proxy must be deposited at the Share Registrar's office, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or email to ir@shareworks.com.my not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof as indicated below:

Last day and time for lodging : Tuesday, 23 August 2022 at 12.00 noon
the Form of Proxy

Date and time of the EGM : Thursday, 25 August 2022 at 12.00 noon or immediately
following the conclusion or adjournment of the 15th AGM
of the Company scheduled to be held on the same day,
whichever is later.

The lodging of the Form of Proxy will not preclude you from attending and voting in remotely at the EGM should you subsequently decide to do so.

11. FURTHER INFORMATION

You are advised to refer to the Appendix I of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
VERTICE BERHAD

LAW NGIA MENG
Executive Director

PART B

LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED RATIFICATION



VERTICE BERHAD
(Registration No. 200701007217 (765218-V))
(Incorporated in Malaysia)

Registered Office:

B-3-9, 3rd Floor, Block B
Megan Avenue II
No. 12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

4 August 2022

Board of Directors

Tun Arifin Bin Zakaria (Independent Non-Executive Chairman)
Dato' Sri Haji Wan Adnan Bin Wan Mamat (Independent Non-Executive Deputy Chairman)
Law Ngia Meng (Executive Director)
Dato' Dr Haji Shamsul Anwar Bin Sulaiman (Independent Non-Executive Director)
Ooi Guan Hoe (Independent Non-Executive Director)
Chai Hann Lin (Independent Non-Executive Director)
Wong Kwai Wah (Non-Independent Non-Executive Director)
Mohd Hatim Bin Abdullah (Independent Non-Executive Director)

To: The Shareholders

Dear Sir / Madam,

PROPOSED RATIFICATION

1. INTRODUCTION

On 30 December 2021, the Company completed the 2021 Private Placement and raised proceeds of approximately RM11.82 million. Pursuant to the announcement dated 29 October 2021 in relation to the 2021 Private Placement, the proceeds were allocated for funding the following construction projects (after paying the expenses for the 2021 Private Placement):

- (i) Lok Kawi Project;
- (ii) Sandakan Project; and
- (iii) Penampang Project.

As at the LPD, the Company had fully utilised the proceeds of RM11.82 million for Lok Kawi Project, 4 other construction and property development projects as well as working capital of the Group, further details of which are set out in Section 2, Part B of this Circular.

On 27 May 2022, TA Securities had, on behalf of the Board announced that the Company proposes to seek ratification from its shareholders in respect of the variation to the utilisation of proceeds raised from the 2021 Private Placement.

THE PURPOSE OF THIS PART B OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED RATIFICATION AND TO SET OUT THE VIEWS AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED RATIFICATION WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED RATIFICATION AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED RATIFICATION

On 30 December 2021, the Company completed the 2021 Private Placement which involved the issuance of 53,196,600 Vertice Shares at an issue price of RM0.2222 per Share in a single tranche and raised proceeds of approximately RM11.82 million.

The 2021 Private Placement was undertaken pursuant to the approval obtained from shareholders of the Company at the annual general meeting convened on 28 September 2021, authorising the Board to allot and issue new Vertice Shares not exceeding 20% of the issued share capital of the Company pursuant to Section 75 and 76 of the Companies Act, 2016.

The 53,196,000 Vertice Shares that were issued under the 2021 Private Placement represented approximately 20% of the then total number of 265,983,119 issued Shares, as at 29 October 2021.

Such proceeds were intended to be utilised as follows:

	Expected timeframe for utilisation from completion of the 2021 Private Placement	Proceeds raised (RM'000)
(i) Funding for new construction projects	Within 36 months	11,665
(ii) Expenses for the 2021 Private Placement	Immediate	155
Total		11,820

As set out in the announcement dated 29 October 2021 in relation to the 2021 Private Placement, the funds earmarked for funding new construction projects will be used towards, amongst others, payments to contractors, suppliers, consultants, material costs, earthwork, piling works, site clearing, building and external works, staff costs as well as payment to the relevant authorities, for the following construction projects:

Construction projects	Contract value (RM' million)	Estimated construction costs (RM' million)	Estimated completion date
(i) Lok Kawi Project	3.56	3.50	February 2023
(ii) Sandakan Project	6.43	6.36	October 2024
(iii) Penampang Project	50.25	45.23	June 2024
Total	60.24	55.09	

On 29 April 2022, the Group and Wijaya Daya Sdn. Bhd. (the main contractor of the Penampang Project) have mutually terminated the Penampang Project (originally secured on 28 October 2021) as a result of increasing construction costs. As at the date of termination, the Group did not commence any work in relation to the Penampang Project. Further, the Sandakan Project was funded by progress payments received from the main contractor.

Following this, the Company has secured 4 other construction and property development projects. In the essence of time, the Company had fully utilised the proceeds raised from the 2021 Private Placement to fund the Lok Kawi Project and those 4 construction and property development projects as well as working capital of the Group (after paying the expenses for the 2021 Private Placement), details of which are as follows:

Utilisation of proceeds from the 2021 Private Placement	Contract value / Gross development value (RM' million)	Estimated construction costs / Gross development cost (RM' million)	Commencement date	Estimated completion date	Percentage of completion as at the LPD (%)	Actual utilisation as at the LPD (RM' million)
Construction project						
(i) <u>Lok Kawi Project⁽¹⁾</u> Slope repair works at Lok Kawi, Papar, Sabah, secured on 30 September 2021	3.56	3.50	17 August 2021	February 2023	42.5	0.17
(ii) <u>Gemas Project⁽¹⁾</u> Construction of a 9.87km road connecting FELDA Bukit Jalor to Gemas, Negeri Sembilan, secured on 21 February 2022	45.00	42.48	22 December 2021	October 2024	10.0	3.00
(iii) <u>Melaka Project⁽¹⁾</u> Construction of the basement and lower ground work for an integrated development with residences, hotels, retail shops, offices and spaces in Melaka, secured on 11 February 2022	25.62	22.73	23 February 2022	January 2023	4.4	0.44
(iv) <u>Subang Project⁽¹⁾</u> Construction of a mosque in Petaling District, Selangor, secured on 13 January 2022	13.03	12.57	18 January 2022	April 2023	4.0	0.30

Utilisation of proceeds from the 2021 Private Placement	Contract value / Gross development value (RM' million)	Estimated construction costs / Gross development cost (RM' million)	Commencement date	Estimated completion date	Percentage of completion as at the LPD (%)	Actual utilisation as at the LPD (RM' million)
<u>Property development project</u> <u>(v) Pavillion Residence Project</u> Construction of 26-storey condominium and 4-storey multi-level car park in Seberang Jaya, Penang, secured on 15 July 2019	45.39	40.44	1 September 2019	December 2022	41.6	⁽²⁾ 6.18
Working capital of the Group	-	-		-		⁽³⁾ 1.57
Expenses for the 2021 Private Placement	-	-		-		0.16
Total	132.60	121.72				11.82

Notes:

- (1) Save for the Melaka Project where the Group is the main contractor, the Group is the sub-contractor for these construction projects. The main contractor of these construction projects are as follows:

Construction project	Main contractor
Lok Kawi Project	Sancity Co.
Gemas Project	KCJ Engineering Sdn. Bhd.
Subang Project	Twinty Enterprise Sdn. Bhd.
- (2) Includes the acquisition cost of Greenview Pavillion Sdn. Bhd. of approximately RM4.46 million, the developer of the Pavillion Residence Project. The aforesaid acquisition was completed on 17 March 2022.
- (3) Includes amongst others, staff cost, upkeep and maintenance as well as other administrative expenses.

Any shortfall in the Group's funding requirement for the construction and property development projects above is expected to be met via progressive billings, the Group's existing cash and bank balances, bank borrowings and/or future fund-raising exercise to be undertaken (if required).

3. RATIONALE FOR THE PROPOSED RATIFICATION

The Proposed Ratification is undertaken to seek Shareholders' approval for ratification in respect of the variation in the utilisation of proceeds of RM11.49 million from the 2021 Private Placement which was initially earmarked for the Lok Kawi Project, Sandakan Project and Penampang Project. Nonetheless, the Penampang Project was mutually terminated by the Company and the project's main contractor, Wijaya Daya Sdn. Bhd. due to increasing construction costs whilst the Sandakan Project was funded by progress payments from the main contractor.

The aforesaid variation to the utilisation of proceeds is summarised as follows:

2021 Private Placement	Amount (RM'million)
Intended utilisation of proceeds for the Lok Kawi Project, Sandakan Project and Penampang Project	11.66
Actual utilisation of proceeds for the Lok Kawi Project, Sandakan Project and Penampang Project	0.17
Balance unutilised proceeds	11.49
Used for: Gemasp Project, Melaka Project, Subang Project and Pavillion Residence Project as well as working capital of the Group (" Variation Amount ")	11.49
Proceeds raised under the 2021 Private Placement	11.82
Variation amount	11.49
Variation (%)	97.21

Pursuant to Paragraph 8.22 of the Listing Requirements, a listed issuer must issue a circular to its shareholders and seek its shareholder approval if it proposes to make a material change to the utilisation of proceeds (i.e. considered material if such change is 25% or more of the total proceeds raised) raised by the listed issuer from its initial public offering or new issue of securities which has been approved by way of specific shareholder approval.

Further, pursuant to Paragraph 8.29(1) of the Listing Requirements, if a transaction or corporate proposal requires securities holder approval pursuant to these requirements, a listed issuer must not enter into or carry into effect such transaction or corporate proposal unless:

- (a) the entering into the transaction or corporate proposal is made subject to the securities holder approval; or
- (b) the carrying into effect of the transaction or corporate proposal has been approved by the securities holders.

Based on the above, as the 2021 Private Placement was undertaken pursuant to the general mandate obtained from the Shareholders during the annual general meeting convened on 28 September 2021 and not approved by way of specific shareholder approval, the Company is not required to seek Shareholders' approval for the material variation to the utilisation of proceeds (i.e. more than 25%) under the 2021 Private Placement.

Notwithstanding the above, the Board is of the opinion that Shareholders' approval be sought for the Proposed Ratification as this variation in the utilisation of proceeds is material and Shareholders ought to be informed accordingly.

Further, as the proceeds from the 2021 Private Placement was varied / utilised in the manner set out in Section 2, Part B of this Circular in the essence of time, announcement in regards to such variation / utilisation was not made in time, prior to such usage / variation.

While it is the Company's intention to make announcements in a timely manner to keep Shareholders informed, the proceeds from the 2021 Private Placement were varied / utilised in the essence of time, as the varied utilisation is expected to contribute positively to the financial performance of the Group.

4. EFFECTS OF THE PROPOSED RATIFICATION

The Proposed Ratification is not expected to have any material effect on the issued share capital of the Company, NA and gearings, earnings and EPS of the Group as well as the substantial Shareholder's shareholding of the Company.

As at the LPD, the Company has the following convertible securities:

- (i) 44,876,900 SIS Options that may be granted and exercised into 44,876,900 Shares pursuant to the maximum allowable amount under the SIS;
- (ii) 60,000,000 Warrants A which may be exercised into 60,000,000 Shares; and
- (iii) such number of RCPS (up to 500,000,000 RCPS) that may be issued and converted into 319,652,881 Shares pursuant to the maximum conversion shares threshold under the Issuance of RCPS.

In accordance with the Deed Poll, the By-Laws and the terms of the RCPS, the Proposed Ratification is not expected to result in any adjustment to the exercise price or conversion price and outstanding number of the Convertible Securities.

5. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Ratification is subject to the following approvals being obtained:

- (i) Shareholders at the forthcoming EGM; and
- (ii) any other relevant authorities and/or parties, if required.

The Proposed Ratification is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

6. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Issuance of RCPS, Proposed Allocation, Proposed Ratification and Proposed Change of Name, there are no other corporate exercises / schemes which have been announced by the Company but pending completion as at the date of this Circular.

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7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of the Directors, major Shareholders, chief executive and/or persons connected to them have any interest, direct or indirect, in the Proposed Ratification.

8. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Ratification is expected to be effective upon obtaining the approval of the Shareholders at the forthcoming EGM.

9. BOARD'S RECOMMENDATION

The Board having considered all aspects of the Proposed Ratification, including but not limited to the rationale and effects of the Proposed Ratification, is of the opinion that the Proposed Ratification is in the best interests of the Company.

Accordingly, the Board recommends that the Shareholders vote in favour of the resolution pertaining to the Proposed Ratification to be tabled at the forthcoming EGM.

10. EGM

The EGM, notice of which is enclosed in this Circular will be held as a fully virtual meeting conducted entirely through live streaming and online remote participation using Remote Participation and Voting ("**RPV**") facilities hosted on the online meeting platform of ShareWorks Sdn. Bhd. at www.swsb.com.my provided by ShareWorks Sdn. Bhd. in Malaysia on Thursday, 25 August 2022 at 12.00 noon or immediately following the conclusion or adjournment of the 15th AGM of the Company scheduled to be held on the same day, whichever is later, for the purpose of considering and if thought fit, passing, *inter alia*, the ordinary resolution on the Proposed Ratification as set out in this Circular.

The Notice of EGM together with the Form of Proxy which are incorporated in this Circular, and Administrative Guide are available at our Company's website at www.vertice.com.my.

You are advised to follow the procedures set out in the Administrative Guide to register, participate and vote remotely via the RPV facilities provided by ShareWorks Sdn. Bhd.'s ("**ShareWorks**") on www.swsb.com.my.

If you are unable to participate and vote remotely at the EGM, you may appoint a proxy or proxies to do so in your stead by following the instructions set out in the Form of Proxy.

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The completed Form of Proxy must be deposited at the Share Registrar's office, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or email to ir@shareworks.com.my not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof as indicated below:

Last day and time for lodging : Tuesday, 23 August 2022 at 12.00 noon
the Form of Proxy

Date and time of the EGM : Thursday, 25 August 2022 at 12.00 noon or immediately
following the conclusion or adjournment of the 15th AGM
of the Company scheduled to be held on the same day,
whichever is later.

The lodging of the Form of Proxy will not preclude you from attending and voting in remotely at the EGM should you subsequently decide to do so.

11. FURTHER INFORMATION

You are advised to refer to the Appendix I of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
VERTICE BERHAD

LAW NGIA MENG
Executive Director

PART C

LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED CHANGE OF NAME



VERTICE BERHAD
(Registration No. 200701007217 (765218-V))
(Incorporated in Malaysia)

Registered Office:

B-3-9, 3rd Floor, Block B
Megan Avenue II
No. 12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

4 August 2022

Board of Directors

Tun Arifin Bin Zakaria (Independent Non-Executive Chairman)
Dato' Sri Haji Wan Adnan Bin Wan Mamat (Independent Non-Executive Deputy Chairman)
Law Ngia Meng (Executive Director)
Dato' Dr Haji Shamsul Anwar Bin Sulaiman (Independent Non-Executive Director)
Ooi Guan Hoe (Independent Non-Executive Director)
Chai Hann Lin (Independent Non-Executive Director)
Wong Kwai Wah (Non-Independent Non-Executive Director)
Mohd Hatim Bin Abdullah (Independent Non-Executive Director)

To: The Shareholders

Dear Sir / Madam,

PROPOSED CHANGE OF NAME

1. INTRODUCTION

On 14 July 2022, the Board announced that the Company proposes to change its name from "Vertice Berhad" to "Infraharta Group Berhad".

On 27 July 2022, the Board subsequently announced that the Company proposes to change its name from "Vertice Berhad" to "Infraharta Holdings Berhad" instead of "Infraharta Group Berhad".

THE PURPOSE OF THIS PART C OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED CHANGE OF NAME AND TO SET OUT THE VIEWS AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED CHANGE OF NAME WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED CHANGE OF NAME AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED CHANGE OF NAME

The proposed name of “Infraharta Holdings Berhad” was approved by the CCM on 27 July 2022. The Proposed Change of Name, if approved by Shareholders, shall be effective from the date the Notice of Registration of New Name is issued by the CCM. The constitution of the Company will be amended accordingly to reflect the change of name.

3. RATIONALE FOR THE PROPOSED CHANGE OF NAME

The Proposed Change of Name is undertaken to provide a new corporate identity for the Company and to reflect the Group’s current principal activities better, which currently include construction and property development.

4. EFFECTS OF THE PROPOSED CHANGE OF NAME

The Proposed Change of Name will not have any effect on the issued share capital of the Company, NA, gearing, earnings and EPS of the Group as well as the substantial Shareholders’ shareholding of the Company.

5. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Change of Name is subject to the following approvals being obtained:

- (i) Shareholders at the forthcoming EGM; and
- (ii) any other relevant authorities and/or parties, if required.

The Proposed Change of Name is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and/or major shareholders and/or the chief executive of the Company and/or persons connected with them has any interest, either direct or indirect, in the Proposed Change of Name.

7. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Change of Name is expected to be completed by fourth quarter of 2022.

8. DIRECTORS’ RECOMMENDATION

The Board, having reviewed and considered the rationale for the Proposed Change of Name, is of the opinion that the Proposed Change of Name is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the special resolution pertaining to the Proposed Change of Name to be tabled at the forthcoming EGM.

9. EGM

The EGM, notice of which is enclosed in this Circular will be held as a fully virtual meeting conducted entirely through live streaming and online remote participation using Remote Participation and Voting (“**RPV**”) facilities hosted on the online meeting platform of ShareWorks Sdn. Bhd. at www.swsb.com.my provided by ShareWorks Sdn. Bhd. in Malaysia on Thursday, 25 August 2022 at 12.00 noon or immediately following the conclusion or adjournment of the 15th AGM of the Company scheduled to be held on the same day, whichever is later, for the purpose of considering and if thought fit, passing, *inter alia*, the special resolution on the Proposed Change of Name as set out in this Circular.

The Notice of EGM together with the Form of Proxy which are incorporated in this Circular, and Administrative Guide are available at our Company’s website at www.vertice.com.my.

You are advised to follow the procedures set out in the Administrative Guide to register, participate and vote remotely via the RPV facilities provided by ShareWorks Sdn. Bhd.’s (“**ShareWorks**”) on www.swsb.com.my.

If you are unable to participate and vote remotely at the EGM, you may appoint a proxy or proxies to do so in your stead by following the instructions set out in the Form of Proxy.

The completed Form of Proxy must be deposited at the Share Registrar’s office, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or email to ir@shareworks.com.my not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof as indicated below:

Last day and time for lodging the Form of Proxy	: Tuesday, 23 August 2022 at 12.00 noon
Date and time of the EGM	: Thursday, 25 August 2022 at 12.00 noon or immediately following the conclusion or adjournment of the 15th AGM of the Company scheduled to be held on the same day, whichever is later.

The lodging of the Form of Proxy will not preclude you from attending and voting in remotely at the EGM should you subsequently decide to do so.

10. FURTHER INFORMATION

You are advised to refer to the Appendix I of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
VERTICE BERHAD

LAW NGIA MENG
Executive Director

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and the Directors, collectively and individually, accept full responsibility for the completeness and accuracy of the information contained in this Circular. They confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or information contained in this Circular, or other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

TA Securities, being the Principal Adviser for the Proposed Ratification, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which it appears in this Circular.

TA Securities has confirmed that there is no conflict of interest that exists or any circumstances which would or is likely to give rise to a possible conflict of interests in relation to its role as the Principal Adviser for the Proposed Ratification.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**Material commitments**

As at the LPD, the Board confirmed that there are no material commitments incurred or known to be incurred by the Group that have not been provided for, which upon becoming due or enforceable, may have a material impact on the financial position or financial performance of the Group.

Contingent liabilities

As at the LPD, the Board confirmed that there are no contingent liabilities incurred or known to be incurred by the Group which, upon becoming due or enforceable, may have a material impact on the financial position or financial performance of the Group.

4. MATERIAL LITIGATION

As at the LPD, Vertice Group is not involved in any material litigation, claims or arbitration and the Board confirmed that there are no proceedings pending or threatened involving the Group, or of any facts likely to give rise to any such proceedings.

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5. HISTORICAL SHARE PRICES

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

	High RM	Low RM
<u>2021</u>		
August	0.345	0.260
September	0.345	0.265
October	0.320	0.280
November	0.305	0.270
December	0.280	0.205
<u>2022</u>		
January	0.260	0.215
February	0.250	0.230
March	0.235	0.205
April	0.235	0.215
May	0.220	0.160
June	0.170	0.045
July	0.165	0.110
Last transacted market price on 14 July 2022, being the last market day immediately prior to the announcement of the Proposed Allocation	0.130	
Last transacted market price on the LPD	0.140	

(Source: Bloomberg)

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at B-3-9, 3rd Floor, Block B, Megan Avenue II, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) for the period from the date of this Circular up to and including the date of the EGM:

- (i) constitution of the Company;
- (ii) audited consolidated financial statements of the Company for the FYE 31 March 2020 and FYE 31 March 2021 as well as the unaudited consolidated financial statements of the Company for the FYE 31 March 2022;
- (iii) By-laws; and
- (iv) letter of consent referred to in Section 2 of this Appendix I.

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VERTICE BERHAD
(Registration No. 200701007217 (765218-V))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**” or “**Meeting**”) of Vertice Berhad (“**Vertice**” or the “**Company**”) will be held as a fully virtual meeting conducted entirely through live streaming and online remote participation using Remote Participation and Voting (“**RPV**”) facilities hosted on the online meeting platform of ShareWorks Sdn. Bhd. at www.swsb.com.my provided by ShareWorks Sdn. Bhd. in Malaysia on Thursday, 25 August 2022 at 12.00 noon or immediately following the conclusion or adjournment of the Fifteenth Annual General Meeting of the Company scheduled to be held on the same day, whichever is later, for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications:

ORDINARY RESOLUTIONS 1 – 6

PROPOSED ALLOCATION OF SHARE OPTIONS PURSUANT TO THE EXISTING SHARE ISSUANCE SCHEME OF THE COMPANY TO THE DIRECTORS OF THE COMPANY (“PROPOSED ALLOCATION”)

“**THAT**, subject to the approvals of all relevant regulatory authorities (where required) having been obtained, approval be and is hereby given to the Board of Directors of the Company (“**Board**”) to authorise the committee appointed and authorised by the Board from time to time to administer the share issuance scheme (“**SIS**”) in accordance with the by-laws governing the SIS (“**By-laws**”), to offer and grant, from time to time throughout the duration of the SIS, such number of SIS Options to subscribe for new ordinary shares in the Company (“**Vertice Shares**”) to the Directors below, provided always that not more than 10% of the total Vertice Shares available under the SIS and any other subsisting employee share scheme(s), if any, either individually and collectively, shall be allocated to each of the Directors if they, either singly or collectively through persons connected with them, hold 20% or more of the total number of issued share of the Company (excluding treasury shares, if any), subject always to such terms and conditions of the By-laws and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time.

The Directors must not participate in the deliberation or discussion of their own allocation, as well as that of the persons connected with them, if any, under the Proposed Allocation:

ORDINARY RESOLUTION 1

Tun Arifin Bin Zakaria, Independent Non-Executive Chairman

ORDINARY RESOLUTION 2

Dato’ Sri Haji Wan Adnan Bin Wan Mamat, Independent Non-Executive Deputy Chairman

ORDINARY RESOLUTION 3

Law Ngia Meng, Executive Director

ORDINARY RESOLUTION 4

Dato’ Dr Haji Shamsul Anwar Bin Sulaiman, Independent Non-Executive Director

ORDINARY RESOLUTION 5

Chai Hann Lin, Independent Non-Executive Director

ORDINARY RESOLUTION 6

Ooi Guan Hoe, Independent Non-Executive Director

ORDINARY RESOLUTION 7

PROPOSED RATIFICATION IN RESPECT OF THE VARIATION TO THE UTILISATION OF PROCEEDS RAISED FROM THE PRIVATE PLACEMENT COMPLETED ON 30 DECEMBER 2021 ("PROPOSED RATIFICATION")

"THAT the ratification in respect of the variation to the utilisation of proceeds of RM11.49 million raised from the private placement completed on 30 December 2021 which has been mainly utilised for 4 other construction and property development projects as well as working capital of the Group, be and is hereby approved, confirmed and ratified.

THAT all acts, deeds and things carried out by the Directors and/or the Company in connection with the Proposed Ratification, be and are hereby approved, confirmed and ratified.

AND THAT the Directors be and are hereby authorised to do all acts and things as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, modifications, variations and/or amendments as may be required, or imposed by the relevant authorities, and to take all steps and to execute all such documents as may be required to implement, finalise and give full effect to the Proposed Ratification."

SPECIAL RESOLUTION

PROPOSED CHANGE OF NAME OF THE COMPANY FROM "VERTICE BERHAD" TO "INFRAHARTA HOLDINGS BERHAD" ("PROPOSED CHANGE OF NAME")

"THAT, subject to the approvals of all relevant authorities and/or parties being obtained, where required, approval be and is hereby given to the Company to change its name from "Vertice Berhad" to "Infraharta Holdings Berhad".

AND THAT, authority be and is hereby given to the Directors of the Company to do all such acts, deeds and things as are necessary and deemed fit to implement and give full effect to the Proposed Change of Name, and where applicable with full powers to assent to any terms, conditions, modifications, variations and/or amendments as may be required or imposed by the relevant regulatory authorities, for and on behalf of the Company."

BY ORDER OF THE BOARD

CHIN LI THING (MAICSA 7044467) (SSM PC NO. 201908000022)

Company Secretary

Kuala Lumpur
4 August 2022

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 August 2022 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
2. A member of the Company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a meeting of members of the Company.
3. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy but not more than two (2) proxies to attend and vote in his stead provided that the member specifies the proportion of his shareholding to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempted authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy or proxies must be deposited at the office of the Share Registrar of the Company situated at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or via email at ir@shareworks.com.my not less than forty-eight (48) hours before the time fixed for convening the EGM or any adjournment thereof. Please refer to the Administrative Guide for further information at www.swsb.com.my.
7. All resolutions at the EGM or any adjournment thereof shall be voted by poll.



VERTICE BERHAD
(200701007217 / 765218-V)

FORM OF PROXY

CDS Account Number

I/We (Full Name in Block Letters)

NRIC No. / Passport No. / Company No.

of

being a member of **VERTICE BERHAD** hereby appoint:

Full Name (IN BLOCK LETTERS):	NRIC / Passport No.:
Full Address:	Contact No.:
	Email address:

and/or failing *him/her

Full Name (IN BLOCK LETTERS):	NRIC / Passport No.:
Full Address:	Contact No.:
	Email address:

or failing *him/her, the CHAIRMAN OF THE MEETING as my/our proxy to attend and vote for me/us and on my/our behalf at the **Extraordinary General Meeting** of the Company which will be held as a fully virtual meeting conducted entirely through live streaming and online remote participation using Remote Participation and Voting ("RPV") facilities hosted on the online meeting platform of ShareWorks Sdn. Bhd. at www.swsb.com.my provided by ShareWorks Sdn. Bhd. in Malaysia on Thursday, 25 August 2022 at 12.00 noon or immediately following the conclusion or adjournment of the Fifteenth Annual General Meeting of the Company scheduled to be held on the same day, whichever is later, in the manner indicated below:

ORDINARY RESOLUTIONS		FOR	AGAINST
Resolution 1	Proposed Allocation of SIS Options to Tun Arifin Bin Zakaria		
Resolution 2	Proposed Allocation of SIS Options to Dato' Sri Haji Wan Adnan Bin Wan Mamat		
Resolution 3	Proposed Allocation of SIS Options to Law Ngia Meng		
Resolution 4	Proposed Allocation of SIS Options to Dato' Dr Haji Shamsul Anwar Bin Sulaiman		
Resolution 5	Proposed Allocation of SIS Options to Chai Hann Lin		
Resolution 6	Proposed Allocation of SIS Options to Ooi Guan Hoe		
Resolution 7	Proposed Ratification		
SPECIAL RESOLUTION		FOR	AGAINST
Special Resolution	Proposed Change of Name		

Please indicate with "X" in the appropriate space how you wish your proxy to vote. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit or, at his discretion, abstain from voting.

Dated this day of 2022			
	Number of shares held		
	For appointment of two proxies, the shareholdings to be represented by the proxies:		
	Proxies	No. of shares	Percentage
	Proxy 1		
	Proxy 2		
*Signature Member(s) / Common Seal of Shareholder	Total		100%
*Delete whichever not applicable			

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5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempted authorised nominee may appoint in respect of each omnibus account it holds.
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7. All resolutions at the EGM or any adjournment thereof shall be voted by poll.

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AFFIX
STAMP

The Share Registrar

VERTICE BERHAD

Registration No.: [200701007217 (765218-V)]

c/o ShareWorks Sdn. Bhd. Registration No.: [199101019611 (229948-U)]

No.2-1, Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

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