

INFRAHARTA HOLDINGS BERHAD (“INFRAHARTA” OR THE “COMPANY”)

VARIATION OF UTILISATION OF PROCEEDS RAISED FROM THE ISSUANCE OF RCPS (AS DEFINED HEREUNDER)

1. INTRODUCTION

On 11 December 2020, shareholders of the Company approved the proposed issuance of up to 600,000,000 new 2% cumulative redeemable convertible preference shares in Infraharta (“RCPS”) at an issue price of RM0.10 each to Advance Opportunities Fund and Advance Opportunities Fund I (“**Issuance of RCPS**”). As set out in the circular to shareholders of the Company dated 19 November 2020 in relation to the Issuance of RCPS (“**Circular**”), the Issuance of RCPS was expected to raise gross proceeds of up to RM60.00 million (“**Maximum Proceeds**”).

The Issuance of RCPS has expired on 22 December 2023, and the Company has raised total proceeds of RM16.50 million from the Issuance of RCPS (“**Actual Proceeds**”) through the issuance of 165,000,000 RCPS which were subsequently converted into 120,347,119 ordinary shares in Infraharta (“**Infraharta Shares**”).

In conjunction with the expiry of the Issuance of RCPS, the Board of Directors of the Company wishes to announce that the utilisation of certain proceeds raised from the Issuance of RCPS has been varied (“**Variation**”), further details of which are set out in Section 2 of this announcement.

2. DETAILS AND RATIONALE OF THE VARIATION

The details and rationale of the Variation are as set out below:

Purpose	Utilisation to date		Variation (RM'000)
	Proposed ⁽¹⁾	Actual	
	RM'000	RM'000	
(i) Funding for business segment			
- construction	12,834	10,236	(2,598)
- property development	-	2,598	⁽²⁾ 2,598
(ii) Working capital	1,952	1,952	-
(iii) Estimated expenses relating to the Issuance of RCPS	1,714	1,714	-
Total	16,500	16,500	-

Notes:

- (1) Apportionment based on the proposed allocation for the respective purpose as set out in the Circular.
- (2) The variation amount represents 4.33% of the Maximum Proceeds or 15.75% of the Actual Proceeds.

The Variation enabled the Company to utilise RM2.598 million raised from the Issuance of RCPS to fund its property development business. These proceeds were mainly utilised for property development and construction cost, which contributed to the progress and completion of the Company's property development project, namely Pavilion Residence, which located in Seberang Perai Tengah, Penang.

3. APPROVALS REQUIRED

The Variation is not subject to any approvals from Bursa Malaysia Securities Berhad ("**Bursa Securities**") or shareholders of the Company pursuant to Paragraph 8.22 of the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**") as the amount of the Variation is less than 25% of the Actual Proceeds.

For the avoidance of doubt, the Variation was not immediately announced by the Company when it took place in February 2023 as the Company benchmarked the materiality of the Variation against the Maximum Proceeds given that the Issuance of RCPS was still ongoing. Following the expiry of the Issuance of RCPS and based on the Actual Proceeds, the Company hereby announces the Variation in compliance with Paragraph 9.19 of the Listing Requirements.

This announcement is dated 26 December 2023.