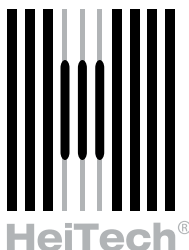


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



HEITECH PADU BERHAD

(Registration No. 199401024950 (310628-D))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) **PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF HEITECH PADU BERHAD (“HEITECH”) AND OUR SUBSIDIARIES TO INCLUDE THE BUSINESS OF DEVELOPMENT, OWNERSHIP, OPERATION AND MAINTENANCE OF RENEWABLE ENERGY POWER PLANT AS WELL AS RELATED ENGINEERING, PROCUREMENT, CONSTRUCTION AND COMMISSIONING SERVICES IN RELATION TO ENERGY SOLUTIONS;**
- (II) **PROPOSED BONUS ISSUE OF 27,836,955 NEW ORDINARY SHARES IN HEITECH (“SHARES”) (“BONUS SHARES”) ON THE BASIS OF 1 BONUS SHARE FOR EVERY 4 EXISTING SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED BONUS ISSUE”); AND**
- (III) **PROPOSED PRIVATE PLACEMENT OF UP TO 27,836,955 NEW SHARES, REPRESENTING UP TO 20% OF OUR ENLARGED TOTAL NUMBER OF ISSUED SHARES AFTER THE COMPLETION OF THE PROPOSED BONUS ISSUE**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser and Placement Agent

RHB Investment

RHB INVESTMENT BANK BERHAD

(Registration No. 197401002639 (19663-P))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting (“EGM”) and the Form of Proxy are enclosed in this Circular.

As a shareholder, you can appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete and lodge the Form of Proxy in accordance with the instructions contained therein at the Share Registrar of HeiTech Padu Berhad, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, to submit the Form of Proxy electronically via TIIH Online website at <https://tjih.online> not less than 48 hours before the time set for the EGM or any adjournment thereof. The lodging of the Form of Proxy shall not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Monday, 23 June 2025 at 12.30 p.m.

Date and time of the EGM : Wednesday, 25 June 2025 at 12.30 p.m. or immediately upon the conclusion or adjournment (as the case may be) of the 30th Annual General Meeting of HeiTech (which will be held at the same venue on the same day at 10.30 a.m.), whichever is later, or at any adjournment of the EGM

Venue of the EGM : Casuarina, Level G, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, 60000 Kuala Lumpur

This Circular is dated 10 June 2025

DEFINITIONS

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

Act	: Companies Act 2016
Board	: Board of Directors of our Company
Bonus Shares	: 27,836,955 new Shares to be issued pursuant to the Proposed Bonus Issue
Bursa Securities	: Bursa Malaysia Securities Berhad
Circular	: This circular dated 10 June 2025 in relation to the Proposals
Consortium	: A consortium formed between Voith Hydro and HeiTech pursuant to the Consortium Agreement
Consortium Agreement	: Consortium agreement dated 26 September 2023 (as varied by a supplemental consortium agreement dated 11 October 2024) entered into between our Company and Voith Hydro which set out the respective rights and obligations with respect to the preparation of the tender and execution of the Hydroelectric EPCC Project
Duta Technic	: Duta Technic Sdn Bhd, our 51.0%-owned subsidiary
EGM	: Extraordinary general meeting
Entitled Shareholders	: Entitled shareholders of our Company whose names appear in our Record of Depositors as at the close of business on the Entitlement Date
Entitlement Date	: A date to be determined by our Board and announced later by our Company, on which the names of the Entitled Shareholders must appear in our Record of Depositors as at 5.00 p.m. in order to participate in the Proposed Bonus Issue
EPCC	: Engineering, procurement, construction and commissioning
EPS	: Earnings per Share
FYE	: Financial year ended/ending 31 December, as the case may be
Group	: Collectively, HeiTech and our subsidiaries
HeiTech or Company	: HeiTech Padu Berhad
HeiTech Eco Energy	: HeiTech Eco Energy Sdn Bhd, our wholly-owned subsidiary
Hydroelectric EPCC Project	: An EPCC contract for the Life Extension Program of Sungai Perak Hydroelectric Scheme which covers electrical, mechanical and associated civil works for 3 hydroelectric stations at Sungai Perak known as SJ Temengor, SJ Bersia and SJ Kenering
ICT	: Information and communication technology
Illustrative Issue Price	: Illustrative issue price of RM1.45 per Placement Share
IMG	: Investment Market Group

DEFINITIONS (CONT'D)

IT	: Information technology
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LATAMI	: Loss after tax and minority interests
LPD	: 30 May 2025, being the latest practicable date prior to the printing of this Circular
LSS	: Large scale solar
NA	: Net assets
New Business	: The business of development, ownership, operation and maintenance of renewable energy power plants as well as related EPCC services in relation to energy solutions
NIISe Project	: A contract awarded to our Company by the Immigration Department of Malaysia for the end-to-end design, development and implementation of the National Integrated Immigration System
NMG	: Niche Market Group
PAT	: Profit after tax
PATAMI	: Profit after tax and minority interests
Placee(s)	: Independent third-party investor(s)
Placement Shares	: Up to 27,836,955 new Shares to be issued pursuant to the Proposed Private Placement
Placement to Regal Orion	: Placement of 10,000,000 new Shares, representing approximately 9.9% of our then total number of issued Shares, to Regal Orion Sdn Bhd which was not implemented and deemed aborted on 18 February 2022
Previous Private Placement	: Private placement of a total of 10,122,520 new Shares, representing 10% of our then total number of issued Shares, which was completed on 26 July 2024, in accordance with the general mandate pursuant to Sections 75 and 76 of the Act
Proposals	: Collectively, the Proposed Diversification, Proposed Bonus Issue and Proposed Private Placement
Proposed Bonus Issue	: Proposed bonus issue of 27,836,955 Bonus Shares on the basis of 1 Bonus Share for every 4 existing Shares held on the Entitlement Date
Proposed Diversification	: Proposed diversification of our existing business to include the New Business
Proposed Private Placement	: Proposed private placement of up to 27,836,955 Placement Shares, representing up to 20% of our enlarged total number of issued Shares after the completion of the Proposed Bonus Issue
RHB Investment Bank	: RHB Investment Bank Berhad
RM	: Ringgit Malaysia

DEFINITIONS (CONT'D)

Shares	: Ordinary shares in HeiTech
TEBP	: Theoretical ex-bonus price
TMG	: Technology Market Group
TNB	: Tenaga Nasional Berhad
TNB Genco	: TNB Power Generation Sdn Bhd, a wholly-owned subsidiary of TNB
Voith Hydro	: Voith Hydro GmbH & Co KG
VWAMP	: Volume weighted average market price
€	: Euro, the lawful currency of the member states of the European Union

All references to “**our Company**” in this Circular are to HeiTech, references to “**our Group**” are to our Company and our subsidiaries, collectively, and references to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and where the context requires, shall include our subsidiaries. All references to “**you**” in this Circular are to our shareholders.

Unless specifically referred to, words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine and/or neuter genders and vice versa. References to persons shall include corporations. Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

Any reference to a time of day in this Circular is a reference to Malaysian time, unless otherwise stated. Any reference in this Circular to any enactment or guidelines is a reference to that enactment or guidelines as for the time being amended or re-enacted.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS ONLY THE SALIENT INFORMATION ON THE PROPOSALS. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR, TOGETHER WITH THE APPENDIX, BEFORE VOTING ON THE ORDINARY RESOLUTIONS TO BE TABLED AT OUR FORTHCOMING EGM.

Key information	Description	Reference to Circular
Summary of the Proposals	<p><u>Proposed Diversification</u></p> <p>The Proposed Diversification entails the diversification of our existing business to include the business of development, ownership, operation and maintenance of renewable energy power plants as well as related EPCC services in relation to energy solutions.</p> <p>Pursuant to Paragraph 10.13(1) of the Listing Requirements, we are required to obtain our shareholders' approval for any transaction or business arrangement which might reasonably be expected to result in either:</p> <ul style="list-style-type: none"> (i) the diversion of 25% or more of our NA to an operation which differs widely from our existing operations; or (ii) the contribution from such an operation (including any associated transactions or loans effected or intended, and contingent liabilities or commitments) of 25% or more of the net profits of our Group. <p>In this regard, we will seek our shareholders' approval for the Proposed Diversification at our forthcoming EGM.</p> <p><u>Proposed Bonus Issue</u></p> <p>The Proposed Bonus Issue entails the issuance of 27,836,955 Bonus Shares on the basis of 1 Bonus Share for every 4 existing Shares held by the Entitled Shareholders on the Entitlement Date.</p> <p><u>Proposed Private Placement</u></p> <p>The Proposed Private Placement entails the issuance of up to 27,836,955 Placement Shares, representing up to 20% of our enlarged total number of issued Shares after the completion of the Proposed Bonus Issue. The Proposed Private Placement will be implemented after the completion of the Proposed Bonus Issue and the Placement Shares will not be entitled to the Bonus Shares.</p>	Section 2 of this Circular

EXECUTIVE SUMMARY (CONT'D)

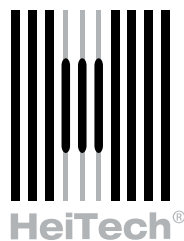
Key information	Description	Reference to Circular
Rationale and justification for the Proposals	<p><u>Proposed Diversification</u></p> <p>The Proposed Diversification represents a strategic opportunity for us to expand our business portfolio and reduce our reliance on the ICT segment. With the long-term prospects of the Hydroelectric EPCC Project and the favourable outlook of the renewable energy industry, the Proposed Diversification allows us to strengthen our earnings base as our Board anticipates that the Hydroelectric EPCC Project will contribute positively to our financial performance in the coming years.</p> <p><u>Proposed Bonus Issue</u></p> <p>The Proposed Bonus Issue is intended to, among others:</p> <ul style="list-style-type: none"> • reward our shareholders for their support by increasing their equity participation in our Company in terms of number of Shares without having to incur any cost, while maintaining their percentage of equity interest in our Company; and • potentially improve the trading liquidity of our Shares on the Main Market of Bursa Securities at a lower adjusted trading price and at an increased number of Shares in issue without affecting the size of our market capitalisation. <p><u>Proposed Private Placement</u></p> <p>The Proposed Private Placement will, among others:</p> <ul style="list-style-type: none"> • enable us to raise funds for the purposes as detailed in Section 2.3.6 of this Circular; • allow us to raise funds expeditiously and without incurring further finance cost; and • strengthen our financial position and capital base and potentially enhance the liquidity of our Shares. 	Section 3 of this Circular

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
Risk factors	<p>The risk factors which may arise from the Proposed Diversification include:</p> <ul style="list-style-type: none"> (i) Non-approval of the Proposed Diversification (ii) Business diversification risk (iii) Dependency on key technical personnel (iv) Project risk (v) Financing and interest rate risk (vi) Competition risk (vii) Political, economic and regulatory risk 	Section 5 of this Circular
Approvals required	<p>The Proposals are subject to the approvals being obtained from:</p> <ul style="list-style-type: none"> (i) our shareholders at our forthcoming EGM; (ii) Bursa Securities, for the listing of and quotation for: <ul style="list-style-type: none"> • 27,836,955 Bonus Shares to be issued pursuant to the Proposed Bonus Issue; and • up to 27,836,955 Placement Shares to be issued pursuant to the Proposed Private Placement, <p>on the Main Market of Bursa Securities, which was obtained vide its letter dated 9 June 2025, subject to the conditions as set out in Section 7 of this Circular; and</p> (iii) any other relevant authorities and/or parties, if required. 	Section 7 of this Circular
Conditionality of the Proposals	<p>The Proposals are not inter-conditional with each other. However, the Proposed Private Placement will only be implemented after the completion of the Proposed Bonus Issue and the Placement Shares will not be entitled to the Bonus Shares.</p> <p>The Proposals are not conditional upon any other corporate exercise/scheme undertaken or to be undertaken by our Company.</p>	Section 8 of this Circular

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
Interests of Directors, major shareholders, chief executive and/or persons connected with them	None of our Directors, major shareholders and/or chief executive, and/or persons connected with them have any interest, whether direct or indirect, in the Proposals, save for their respective entitlements as our shareholders under the Proposed Bonus Issue, the rights of which are also available to all our other existing shareholders as at the Entitlement Date.	Section 9 of this Circular
Directors' statement and recommendation	Our Board, after having considered all aspects of the Proposals, is of the opinion that the Proposals are in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the ordinary resolutions in relation to the Proposals to be tabled at our forthcoming EGM.	Section 10 of this Circular



HEITECH PADU BERHAD
(Registration No. 199401024950 (310628-D))
(Incorporated in Malaysia)

Registered Office:

Level 15, Menara Insignia
Persiaran Kewajipan, USJ 1
UEP Subang Jaya
47600 Subang Jaya
Selangor Darul Ehsan

10 June 2025

Board of Directors:

Toh Muda Dato' Rizal Ashram Bin Tun Dato' Seri Utama Ramli	<i>(Independent Non-Executive Chairman)</i>
Sandraruben A/L Neelamagham	<i>(Executive Director)</i>
Dato' Sri Mohd Hilmey Bin Mohd Taib	<i>(Non-Independent Non-Executive Director)</i>
Datuk Mohd Jimmy Wong Bin Abdullah	<i>(Non-Independent Non-Executive Director)</i>
Sulaiman Hew Bin Abdullah	<i>(Independent Non-Executive Director)</i>
Wan Ainol Zilan Binti Abdul Rahim	<i>(Independent Non-Executive Director)</i>
Datuk Mohd Radzif Bin Mohd Yunus	<i>(Independent Non-Executive Director)</i>
Hamzah Bin Mahmood	<i>(Independent Non-Executive Director)</i>
Razalee Bin Amin	<i>(Independent Non-Executive Director)</i>
Chong Seep Hon	<i>(Independent Non-Executive Director)</i>

To: Our shareholders

Dear Sir/Madam,

- (I) **PROPOSED DIVERSIFICATION;**
- (II) **PROPOSED BONUS ISSUE; AND**
- (III) **PROPOSED PRIVATE PLACEMENT**

1. INTRODUCTION

On 24 February 2025, our Board announced that the Consortium received a Letter of Acceptance dated 21 February 2025 from TNB Genco for the Hydroelectric EPCC Project.

On 9 May 2025, RHB Investment Bank announced, on behalf of our Board, that we proposed to undertake the Proposals.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF 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 APPENDIX, BEFORE VOTING ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSALS

2.1 Proposed Diversification

2.1.1 Background of existing businesses

We are principally involved in the provision of ICT services and solutions to public sector, private sector and government linked agencies. We offer a comprehensive suite of IT services comprising system integration, application development, managed infrastructure services, niche and digital solutions as well as other ICT related products and services.

A summary of our audited consolidated revenue and PATAMI / LATAMI for the past 4 FYE 2021 to FYE 2024 is as follows:

Segments	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	Segments	FYE 2024 (RM'000)
Core 1 ⁽¹⁾	167,876	120,645	86,702	TMG ⁽²⁾	231,481
Core 2 ⁽¹⁾	25,801	31,548	45,043	IMG ⁽²⁾	54,874
Core 3 ⁽¹⁾	75,825	141,660	146,117	NMG ⁽²⁾	50,616
Revenue	269,502	293,853	277,862		336,971
Core 1 ⁽¹⁾	(15,085)	(3,102)	(11,527)	TMG ⁽²⁾	15,515
Core 2 ⁽¹⁾	2,424	(4,346)	(13,423)	IMG ⁽²⁾	(6,678)
Core 3 ⁽¹⁾	(6,556)	(2,421)	27,684	NMG ⁽²⁾	(353)
Consolidation adjustments	3,439	-	4,426		(1,778)
(LATAMI) / PATAMI	(15,778)	(9,869)	7,160		6,706

Notes:

(1) Represents our offerings as set out below:

- Core 1** : System integration and application development focusing on business acquisition mainly for the public sector market (such as the health sector, internal security sector, government-linked companies and agencies), developing smart solutions and smart city specifically for local councils, and ancillary products surrounding financial solutions serving all market segments
- Core 2** : Engineering works for the energy sector, bulk mailing and outsourcing services, automotive/insurance claims platform services, mobile application, cooperative and smart council systems, simulation and training
- Core 3** : Business acquisition mainly for the transportation, financial services and concession business sectors

Notes: (cont'd)

Our subsidiaries under each segment for the past 3 FYE 2021 to FYE 2023 are as follows:

Core 1 : HeiTech i-Solutions Sdn Bhd, HeiTech Managed Services Sdn Bhd, Integrated Healthcare Solutions Sdn Bhd and PSG Data Sdn Bhd

Core 2 : Cinix 1 Pty Ltd, Domainedge Sdn Bhd, Duta Technic, Educational Trend Sdn Bhd, HeiTech Academy Sdn Bhd, HeiTech Defence System Sdn Bhd, HeiTech Eco Energy, HeiTech Enterprise Technology Services Sdn Bhd, HeiTech Global Services Sdn Bhd, HeiTech Pro Services Sdn Bhd, HeiTech Transbiz Sdn Bhd, Inter-City MPC (M) Sdn Bhd, Megacenter System Sdn Bhd, Motordata Research Consortium Sdn Bhd, Pro Office Solutions Sdn Bhd, PT Intercity Kerlipan, Synergy Grid Sdn Bhd, Tekkis Sdn Bhd and Vante Sdn Bhd

Core 3 : HeiTech Next Sdn Bhd

- (2) In light of the evolving business landscape, we have revised our organisational structure during the FYE 2024 to align the decision-making processes by redefining our segmentation based on business maturity to ensure a more streamlined approach towards addressing distinct operational needs as follows:

TMG : Core 1 and the IT contracting business of Core 3 were combined as TMG to refine the market acquisition and delivery processes and teams into a more streamlined approach

IMG : Core 2 is re-clustered as IMG to focus on new market areas for IT products and offerings such as commercials, small and medium enterprises, local councils and state governments

NMG : Sectors such as defence, renewable energy, healthcare and automated driving licenses testing system, which were previously under Core 2 have been combined as NMG

Our subsidiaries under each segment for the FYE 2024 are as follows:

TMG : HeiTech Academy Sdn Bhd, HeiTech Global Services Sdn Bhd, HeiTech i-Solutions Sdn Bhd, HeiTech Managed Services Sdn Bhd, HeiTech Next Sdn Bhd, HeiTech Transbiz Sdn Bhd, Megacenter System Sdn Bhd, PSG Data Sdn Bhd and Vante Sdn Bhd

IMG : Cinix 1 Pty Ltd, Educational Trend Sdn Bhd, Inter-City MPC (M) Sdn Bhd, Motordata Research Consortium Sdn Bhd, Pro Office Solutions Sdn Bhd, PT Intercity Kerlipan, Synergy Grid Sdn Bhd and Tekkis Sdn Bhd

NMG : Digital Healthcare Solutions Sdn Bhd, Domainedge Sdn Bhd, Duta Technic, HeiTech Defence System Sdn Bhd, HeiTech Eco Energy, HeiTech RE Sdn Bhd and Integrated Healthcare Solutions Sdn Bhd

Core 1, being our key business in the public sector, has always been our main revenue contributor. However, over the past few years after the COVID-19 pandemic, we have been facing stiff competition which resulted in volatility in our revenue. Public sector spending on system development and system maintenance was low with strong competition from other IT providers. Nevertheless, we were able to retain our existing customers' maintenance contracts, albeit with reduced scope and contract value. This has been reflected in Core 1's revenue reduction from approximately RM167.9 million for the FYE 2021 to RM86.7 million for the FYE 2023, which resulted in our loss position from the FYE 2021 to FYE 2023.

Similarly, the business of Core 2 also faced challenges after the COVID-19 pandemic despite efforts to enhance our market presence in enterprise solutions, public facing application and renewable energy engineering works. While revenue has grown from approximately RM25.8 million for the FYE 2021 to approximately RM45.0 million for the FYE 2023, profitability remained a concern with losses widening for the FYE 2023 primarily due to high operating and development costs, coupled with increased competition due to new market penetration.

The business of Core 3, which focuses on commercial and transportation sectors, recorded an increase in revenue from approximately RM75.8 million for the FYE 2021 to approximately RM146.1 million for the FYE 2023, which was mainly driven by our established presence and recurring projects from clients in the transportation sector. In addition, recurring IT maintenance contracts and IT leasing contracts that were awarded during the FYE 2023 have also mainly contributed to approximately RM27.7 million in PATAMI as compared to losses recorded in prior years.

For the FYE 2024, TMG recorded revenue and PATAMI of approximately RM231.5 million and RM15.5 million respectively primarily driven by major contracts secured in the public sector. However, the IMG and NMG segments recorded losses during the FYE 2024 mainly due to high operating costs associated with entering new IT markets as well as the increased costs relating to ongoing contracts in the healthcare and defence sectors.

2.1.2 Details of the Proposed Diversification

While we have made progress in growing our IT business in TMG, IMG and NMG, we remain cognisant of the challenges in the ICT industry such as, among others, low government spending, rapid technological advancements, increasing market competition and shifting market demands. To mitigate these risks and ensure long-term sustainability, we intend to undertake the Proposed Diversification to diversify our existing business for additional revenue and income stream.

Our involvement in the renewable energy sector dates back to 2015 with our acquisition of Duta Technic, a registered contractor for TNB specialising in high-voltage power infrastructure. To further strengthen our renewable energy portfolio, we had in 2018 established a wholly-owned subsidiary, HeiTech Eco Energy, to focus on sustainable energy solutions.

On 24 February 2025, we announced that the Consortium had received a Letter of Acceptance dated 21 February 2025 from TNB Genco for the Hydroelectric EPCC Project.

The said contract commenced on 31 March 2025 and covers a period of up to 99 months from the commencement date (i.e. up to 30 June 2033). The total contract value of the Hydroelectric EPCC Project is approximately RM2.4 billion, the breakdown of which is as follows:

	(A) Contract value in €		(B) Contract value in RM	(A) + (B) Total contract value in RM
	(€'000)	(RM'000)	(RM'000)	(RM'000)
Voith Hydro	291,430	⁽¹⁾ 1,402,565	134,026	1,536,591
HeiTech	-	-	902,962	902,962
Total	291,430	⁽¹⁾1,402,565	1,036,988	2,439,553

Note:

- (1) Based on the exchange rate of €1:RM4.8127 as at the LPD (source: Bank Negara Malaysia).

Based on the above, Voith Hydro is entitled to approximately €291.4 million (equivalent to approximately RM1.4 billion) for the replacement of turbines and generators and RM134.0 million for major mechanical plant works, installation of new command and control system as well as interfacing management, while HeiTech is entitled to approximately RM903.0 million for the balance of plant works under the contract as set out in Section 2.1.3 of this Circular.

Pursuant to the above, our Board envisages that the New Business will become a major contributor to our earnings going forward. Under the New Business, the Hydroelectric EPCC Project is expected to be the primary revenue driver, while we pursue further opportunities in the development, ownership, operation, and maintenance of renewable energy power plants as well as related EPCC services in relation to energy solutions that may arise in the future.

Pursuant to Paragraph 10.13(1) of the Listing Requirements, we are required to obtain your approval for any transaction or business arrangement which might reasonably be expected to result in either:

- (i) the diversion of 25% or more of our NA to an operation which differs widely from our existing operations; or
- (ii) the contribution from such an operation (including any associated transactions or loans effected or intended, and contingent liabilities or commitments) of 25% or more of our net profits.

In this regard, we will seek your approval for the Proposed Diversification at our forthcoming EGM.

Notwithstanding the Proposed Diversification, we intend to continue with our existing business activities in the ICT segment while regularly reviewing our operations to further enhance our financial performance.

2.1.3 Details of the Hydroelectric EPCC Project

As part of TNB Genco's initiatives in supporting the government's Low Carbon Nation Aspiration 2040 under the National Energy Policy 2022 - 2040, the Life Extension Program of Sungai Perak Hydroelectric Scheme involves the refurbishment of a total of 18 generating units at the 6 hydroelectric power plants on the Perak River located at Perak with a cumulative capacity of 650.75 megawatt. The Life Extension Program of Sungai Perak Hydroelectric Scheme, which was approved by the Energy Commission in October 2022, covers the hydroelectric power plants, namely SJ Bersia, SJ Chenderoh, SJ Kenering, SJ Sungai Piah (upper and lower) and SJ Temengor (source: TNB's announcement dated 14 October 2022 and press release dated 20 October 2022).

Under the Life Extension Program of Sungai Perak Hydroelectric Scheme, the Hydroelectric EPCC Project which was awarded to the Consortium covers electrical, mechanical and associated civil works for the refurbishment of 3 of the hydroelectric stations, namely SJ Bersia, SJ Kenering and SJ Temengor. For information purposes, the turbines and generators of SJ Bersia and SJ Kenering were initially installed by Voith Hydro and will be replaced as part of the Hydroelectric EPCC Project.

As a consortium, the key roles and responsibilities of Voith Hydro and HeiTech under the contract for the Hydroelectric EPCC Project are as follows:

Voith Hydro	HeiTech
Responsible for performance-critical hydroelectric plant modernisation including: <ul style="list-style-type: none"> turbine and generator replacement major mechanical plant works installation of new command and control system interfacing management 	Responsible for balance of plant works including: <ul style="list-style-type: none"> preliminary works electrical and mechanical works hydro-mechanical equipment works interconnection facilities associated civil works

We shall provide specialised services required to integrate Voith Hydro's hydroelectric equipment with Malaysia's energy grid specifically:

- (i) Balance of plant - : Installation and upgrading of generator transformers, circuit electrical works breakers, low voltage boards and protection systems
- (ii) Hydro-mechanical : Ensuring the efficiency and safety of water control systems, equipment works such as head gates and conduits
- (iii) Interconnection : Ensuring seamless power transmission by upgrading existing facilities substations and constructing new transmission towers to enhance grid reliability and efficiency

We expect to incur financial commitment of between RM700.0 million and RM800.0 million to undertake the balance of plant works under the Hydroelectric EPCC Project as set out above which shall include, among others, project mobilisation costs, procurement of equipment and materials, engagement of contractors and consultants for civil and structural works, project management services as well as other related commissioning expenses. Such financial commitment is expected to be funded through external borrowings and/or internal funds, the breakdown and quantum of which have not been determined at this juncture.

2.1.4 Information on Voith Hydro

Voith Hydro is a corporation incorporated under the laws of Austria and is a wholly-owned subsidiary of Voith Hydro Holding GmbH & Co. KG, which is the hydro group division under Voith GmbH & Co. KGaA. As at the LPD, the Corporate Board of Management of Voith GmbH & Co. KGaA comprises Dirk Hoke, Andreas Endters, Stephanie Holdt, Jan Lüder and Cornelius Weitzmann.

Voith Hydro specialises in providing equipment and services for hydropower plants, including turbines, generators, pumps, automation systems, and maintenance services. Its portfolio of products and services covers the entire life cycle of all major components for hydropower plants such as generators, turbines, pumps, automation systems and spare parts as well as maintenance, training and digital solutions for intelligent generation of hydropower.

(Source: 2023 Annual Report of Voith GmbH & Co. KGaA)

Voith Hydro, as the leader of the Consortium under the Hydroelectric EPCC Project, had conducted a comprehensive review and audit of HeiTech to evaluate our technical expertise, financial capability, and project execution capacity as a local partner for the Hydroelectric EPCC Project. Following a rigorous assessment process, we successfully met all criteria set by Voith Hydro, and the latter confirmed us as a qualified and suitable partner to undertake the Hydroelectric EPCC Project in compliance with the Consortium's requirements and industry standards.

2.1.5 Information on the Consortium

On 26 September 2023, we entered into the Consortium Agreement with Voith Hydro (as varied by a supplemental consortium agreement dated 11 October 2024) to collaborate and jointly participate in the tender and execution of the Hydroelectric EPCC Project. The salient terms of the Consortium Agreement are set out below:

(i) Purpose and objective

The parties agree to form an unincorporated joint venture / consortium to jointly prepare and submit the tender for the Hydroelectric EPCC Project, and, if successful, to execute the Hydroelectric EPCC Project. The co-operation between the parties shall be exclusive and both parties are prohibited from submitting any other proposals or perform any other contracts for the Hydroelectric EPCC Project without prior written consent of all parties.

(ii) Management committee

A management committee, comprising representatives of the parties with Voith Hydro as the leader of the Consortium, is established to review and decide upon all matters relating to the tender and the Hydroelectric EPCC Project as well as to supervise the performance of the parties under the Hydroelectric EPCC Project.

(iii) Liability of the parties

The parties shall be jointly and severally bound by the terms of the tender and shall be liable to TNB Genco for the performance of all obligations under the Hydroelectric EPCC Project.

(iv) Breach or default

(a) In the event of the occurrence of any of the following:

(aa) TNB Genco serves a written notice to suspend or terminate the Hydroelectric EPCC Project for breach of or default under the Hydroelectric EPCC Project and no reasonable action to remedy such breach or default is initiated by the party(ies) responsible for such breach or default within 15 days from the date of such notice;

(bb) any party is in material breach or default under the Consortium Agreement or Hydroelectric EPCC Project (other than those referred to in (aa) above), and such material breach or default is not remedied within 30 days after the written notice from the non-defaulting party, or reasonable action to remedy such material breach or default has not been diligently initiated and pursued following the written notice from the non-defaulting party; or

(cc) if a party assigns or sub-lets its scope of work in contravention with the terms of the Consortium Agreement,

then the non-defaulting party shall have the right to take-over and complete the scope of work of the defaulting party at the expense of such defaulting party by giving a 5 business days' prior written notice.

(b) In the event of a breach or default as described in item (iv)(a) above, the defaulting party agrees to indemnify the non-defaulting party any and all liability, including but not limited to liquidated damages and any excess costs and expenses associated with the scope of work incurred by the non-defaulting party.

The non-defaulting party shall have the exclusive right to use and possess, and a preferred lien on all the defaulting party's equipment (excluding permanent manufacturing facilities), temporary works, materials and all other things in connection with the Hydroelectric EPCC Project.

(c) If HeiTech is the defaulting party, we shall assign to Voith Hydro, as the leader of the Consortium, all rights, titles and benefits to the works, services, equipment, facilities and to the plant. We shall, at our own cost, assign and/or transfer to Voith Hydro any and all of our rights and/or obligations under the contracts concluded between our Company and our subcontractors and suppliers in relation to the Consortium Agreement and Hydroelectric EPCC Project.

(v) Bank guarantees

- (a) Subject to the requirements of the Hydroelectric EPCC Project, each party shall issue and maintain at its own expenses, any performance security, bank guarantee, bond or other surety, to the extent of its entitlement under the said contract.
- (b) As a condition precedent for the effectiveness of the Consortium, HeiTech must provide a performance bank guarantee or bond with a total value of €50.0 million ("**Bank Guarantee**")⁽¹⁾ to Voith Hydro, the leader of the Consortium, as security for performance of all our obligations under the Consortium Agreement or Hydroelectric EPCC Project. The Bank Guarantee shall be reduced progressively by one-third of the initial guarantee value upon the completion of taking over of each of the 3 hydroelectric stations under the Hydroelectric EPCC Project.

Note:

- (1) As at the LPD, part of the Bank Guarantee amounting to €3.0 million has been provided to Voith Hydro, while the balance of the Bank Guarantee will be provided after obtaining our shareholders' approval for the Proposed Diversification at our forthcoming EGM.

2.1.6 Key management personnel for the Proposed Diversification

We have identified the following key management personnel to spearhead the operations of the New Business. Their qualifications and experiences are set out below:

(i) Syed Omar Albar Bin Syed Abdullah

Syed Omar Albar Bin Syed Abdullah, a Malaysian aged 38, is our Group Chief Executive Officer effective from 26 May 2025 and will be responsible for overseeing and managing the overall implementation of the Hydroelectric EPCC Project.

He has more than 15 years of experience in various sectors, including port and logistics, telecommunications, property development, renewable energy and government services. He began his career as Special Assistant to Executive Director of Jalur Lebar Nasional Sdn Bhd in 2010 before joining Johor Port Berhad as Head of Corporate Communication in 2012, where he was responsible for overseeing and managing communications with media and stakeholders.

He left Johor Port Berhad and joined Perbadanan Kemajuan Negeri Perak ("**PKNP**"), a state agency responsible for the development of the State of Perak, as Manager of Port and Logistics in 2015. He was subsequently transferred to Perak Teamwork Sdn Bhd, a subsidiary of PKNP, as Manager of Industrial Development and Promotion and rose through the ranks to become General Manager in 2020. He was promoted to Director of PKNP in 2021 and to Deputy Chief Executive of PKNP in 2022 where he was involved in renewable energy projects in Perak.

(ii) **Azuar Fariz Bin Adnan**

Azuar Fariz Bin Adnan, a Malaysian aged 49, is the Acting Chief Executive Officer of HeiTech Eco Energy. He graduated with a Bachelor of Science in Computing Science from the University of East Anglia, United Kingdom in 1998. He has more than 9 years of experience in EPCC for high-voltage substation projects and is responsible for overseeing the entire business operation of HeiTech Eco Energy.

He began his career with our Company in 1998 as Software Engineer, and was responsible for the implementation of projects across the financial sector, government agencies, security, and defence. He was later transferred to Duta Technic in 2016, as Business Development Director, where he played a key role in securing major projects. He was subsequently transferred to HeiTech Eco Energy in 2019 and was promoted to Chief Operating Officer, a position he held until 2023, before assuming his current position. He was also the Acting Chief Executive Officer of Duta Technic from 2021 to 2023, where he was responsible for overseeing the entire business operation of Duta Technic.

In his leadership role, he was instrumental in leading our project acquisition team during the tendering stage of the Life Extension Program for Sungai Perak. This included negotiating with Voith Hydro as a consortium partner and subsequently engaging in 14 months of negotiations with TNB Genco. He led the team in contractual, commercial, and technical discussions, ultimately securing the Hydroelectric EPCC Project, being one of the largest contracts for our Company.

The recent key projects which he was involved in securing the contract and overseeing the full implementation of the projects are as follows:

Project/Location	Project duration	Status	Contract value (RM'000)
Interconnection facilities works for LSS plants in Gurun, Jasin and Merchang	2 years (from 2017 to 2019)	Completed	75,000
Interconnection facilities works for a LSS plant in Pekan	3 years (since 2023)	Ongoing	27,000
Interconnection facilities works for a hydro power plant in Batang Kali	2 years (since 2023)	Ongoing	4,300

Our expansion into the renewable energy sector is underpinned by the proven track record of our subsidiaries, Duta Technic and HeiTech Eco Energy, which have collectively secured and delivered energy-related projects with a total contract value of more than RM300.0 million over the past 10 years since 2015 comprising high-voltage interconnection facilities, substations and renewable energy systems (including solar and small hydro installations). The successful delivery of these projects demonstrates our technical competency and operational capability in the renewable energy business. Building on this foundation, we are further strengthening our in-house expertise through the recruitment of additional technical professionals to support the delivery of upcoming large-scale energy projects.

As at the LPD, we have a total of 19 employees in HeiTech Eco Energy and Duta Technic to undertake EPCC projects. To ensure that we have sufficient manpower to undertake the Hydroelectric EPCC Project, we expect to increase our headcount within the next 6 months by up to 50 personnel for positions such as, among others, consultants, engineers, safety officers, project managers and compliance officers.

2.2 Proposed Bonus Issue

2.2.1 Basis and number of Bonus Shares to be issued

The Proposed Bonus Issue entails the issuance of 27,836,955 Bonus Shares on the basis of 1 Bonus Share for every 4 existing Shares held by the Entitled Shareholders on the Entitlement Date.

As at the LPD, our issued share capital is RM136,652,026.40 comprising 111,347,820 Shares (including 100 treasury shares). Pursuant to Section 127(11)(a) of the Act, all the treasury shares held by us will be entitled to the Bonus Shares and such allotted Bonus Shares will be treated as treasury shares held by us. Accordingly, our total number of issued Shares will increase from 111,347,820 Shares to 139,184,775 Shares based on 27,836,955 Bonus Shares to be issued pursuant to the Proposed Bonus Issue.

The Entitlement Date will be determined by our Board and announced by our Company at a later date after all the relevant approvals for the Proposed Bonus Issue have been obtained. The Proposed Bonus Issue will be implemented in a single issuance and not on a staggered basis over a period of time. Any fractional entitlements arising from the Proposed Bonus Issue shall be disregarded and/or dealt with in such manner as our Board in its absolute discretion deems fit, expedient and in the best interest of our Company.

The basis of entitlement for the Proposed Bonus Issue was determined after taking into consideration the following:

- (i) dilutive effects arising from the issuance of the Bonus Shares on our consolidated EPS and NA per Share; and
- (ii) compliance with Paragraph 6.30(1A) of the Listing Requirements which states that we must ensure that our share price adjusted for the Proposed Bonus Issue is not less than RM0.50 based on the daily VWAMP during the 3-month period before the date of the additional listing application to Bursa Securities on 13 May 2025 ("**Submission Date**").

For illustrative purposes only, based on the 5-day VWAMP of our Shares up to and including the LPD, as well as the lowest daily VWAMP of our Shares during the 3-month period before the Submission Date, the illustrative TEBP of our Shares is as follows:

	⁽¹⁾ VWAMP before the Proposed Bonus Issue	Illustrative ⁽²⁾TEBP after the Proposed Bonus Issue
5-day VWAMP up to and including the LPD	RM2.0021	RM1.6017
Lowest daily VWAMP during the 3-month period before the Submission Date	RM1.1846	RM0.9477

Notes:

- (1) Extracted from Bloomberg.
- (2) The illustrative TEBP is arrived at based on the following formula:

$$\text{TEBP} = \frac{P \times Y}{Y + X}$$

Notes: (cont'd)

whereby:

- P = Price per Share (RM/Share)
- X = Number of entitled Bonus Shares
- Y = Number of existing Shares held

Premised on the above, our share price adjusted for the Proposed Bonus Issue is not less than RM0.50 based on the daily VWAMP during the 3-month period before the Submission Date. Hence, the Proposed Bonus Issue complies with Paragraph 6.30(1A) of the Listing Requirements.

2.2.2 No capitalisation of reserves

The Bonus Shares will be issued as fully paid Shares, at no consideration and without capitalisation of our reserves. For the avoidance of doubt, the Proposed Bonus Issue will increase the number of Shares in issue but will not increase the value of our issued share capital.

For illustrative purposes only, on the basis of 1 Bonus Share for every 4 existing Shares held and assuming an Entitled Shareholder holds 100 Shares on the Entitlement Date, the number and value of our Shares held by the Entitled Shareholder before and after the Proposed Bonus Issue are set out below:

	Before the Proposed Bonus Issue	After the Proposed Bonus Issue
Number of Shares held	100	125
Value of Shares (RM)	⁽¹⁾ 200.21	⁽²⁾ 200.21

Notes:

- (1) Based on the 5-day VWAMP of our Shares up to and including the LPD of RM2.0021.
- (2) Based on the illustrative TEBP of our Shares of RM1.6017.

2.2.3 Ranking of the Bonus Shares

The Bonus Shares will, upon allotment and issuance, rank equally in all respects with the then existing Shares, save and except that the Bonus Shares will not be entitled to any dividend, rights, allotment and/or other distribution that may be declared, made or paid prior to the date of allotment and issuance of the Bonus Shares.

2.2.4 Listing of and quotation for the Bonus Shares

Bursa Securities had, vide its letter dated 9 June 2025, approved the listing of and quotation for 27,836,955 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market of Bursa Securities, subject to the conditions as set out in Section 7(ii) of this Circular.

The Bonus Shares shall be listed and quoted on the Main Market of Bursa Securities on the next market day after the Entitlement Date. The notices of allotment for the Bonus Shares will be issued and despatched to the Entitled Shareholders no later than 4 market days after the listing of and quotation for the Bonus Shares.

2.3 Details of the Proposed Private Placement

2.3.1 Placement size

The Proposed Private Placement will entail the issuance of up to 27,836,955 Placement Shares, representing up to 20% of our enlarged total number of issued Shares after the completion of the Proposed Bonus Issue. The Proposed Private Placement will be implemented after the completion of the Proposed Bonus Issue and the Placement Shares will not be entitled to the Bonus Shares.

2.3.2 Placement arrangement

The Placement Shares will be placed out to Placee(s) to be identified at a later date. The Placee(s) shall be persons or parties who/which qualify under Schedules 6 and 7 of the Capital Markets and Services Act 2007. The Placement Shares are not intended to be placed to the following persons:

- (i) a director, major shareholder or chief executive of HeiTech or a holding company of HeiTech (collectively, the “**Interested Persons**”);
- (ii) a person connected with the Interested Persons; and
- (iii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

The identity of the Placee(s), the number of Placement Shares to be placed out to each of the Placee(s) as well as the issue price for the Placement Shares will be determined and finalised by our Board and announced by our Company at a later date.

Subject to, among others, the prevailing market conditions and investors’ interest at the point of implementation, the Proposed Private Placement may be implemented in one or more tranches within 6 months from the date of approval by Bursa Securities for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities, or any extended period as may be approved by Bursa Securities.

The implementation of the placement arrangement in multiple tranches, would provide us with the flexibility to procure interested investor(s) to subscribe for the Placement Shares within the approved period. In the event the Placement Shares are issued in multiple tranches, the issue price for each tranche of the Placement Shares will be determined by our Board and announced by us separately.

2.3.3 Basis of determining the issue price of the Placement Shares

The issue price of the Placement Shares shall be determined and fixed by our Board and announced by us at a later date after obtaining the approval of Bursa Securities for the listing of and quotation for the Placement Shares.

The issue price of the Placement Shares will be based on a discount of not more than 10% to the 5-day VWAMP of the Shares immediately before the price-fixing date.

For illustrative purposes throughout this Circular, the Illustrative Issue Price is assumed to be RM1.45 per Placement Share, representing a discount of approximately 9.5% to the TEBP of RM1.6017 (after adjusting for the Proposed Bonus Issue).

2.3.4 Ranking of the Placement Shares

The Placement Shares will, upon allotment and issuance, rank equally in all respects with the then existing Shares, save and except that the Placement Shares will not be entitled to any dividend, rights, allotment and/or other distribution that may be declared, made or paid prior to the date of allotment and issuance of the Placement Shares.

2.3.5 Listing of and quotation for the Placement Shares

Bursa Securities had, vide its letter dated 9 June 2025, approved the listing of and quotation for up to 27,836,955 Placement Shares to be issued pursuant to the Proposed Private Placement on the Main Market of Bursa Securities, subject to the conditions as set out in Section 7(ii) of this Circular.

2.3.6 Utilisation of proceeds

Based on the Illustrative Issue Price, we expect to raise gross proceeds of approximately RM40.4 million which are expected to be utilised in the following manner:

Details of utilisation	RM'000	Expected time frame for use from the date of listing of the Placement Shares
Project expenditures ⁽¹⁾	35,000	Within 36 months
Working capital requirements ⁽²⁾	4,014	Within 12 months
Estimated expenses for the Proposals ⁽³⁾	1,350	Within 1 month
	40,364	

Notes:

- (1) On 18 October 2024, we were awarded the NIISe Project. The NIISe Project, which commenced on 18 October 2024 and covers a period of 60 months from the commencement date (i.e. up to 17 October 2029), has a contract value of approximately RM892.2 million.

The NIISe Project is a government-led initiative to replace the existing Malaysian Immigration System with a more modern and centralised platform. It is intended to improve the management of immigration processes such as visa applications, border control and foreign worker administration through a streamlined and integrated system.

We expect to incur financial commitment of between RM700.0 million and RM800.0 million to undertake the NIISe Project. As part of our continuing efforts to ensure the successful delivery of the NIISe Project, we have allocated RM35.0 million of the gross proceeds to be raised from the Proposed Private Placement to fund the project cost for the NIISe Project, particularly in the initial stages of design and planning as well as infrastructure and hardware procurement.

The remaining project cost for the subsequent stages of the NIISe Project will primarily be funded through future fund raising exercises, which may include a combination of debt and/or equity financing depending on the prevailing market conditions and our objective to maintain a sustainable funding structure in ensuring the successful execution of the NIISe Project.

Notes: (cont'd)

The breakdown of proceeds to be used for the NIISe Project is as follows:

Description	RM'000
Purchase of IT hardware and infrastructure including servers and storage	24,500
Purchase of software, application licenses and security solutions	10,500
Total	35,000

The details of the IT hardware and infrastructure to be purchased for the NIISe Project are as follows:

Details	Description	Quantity as at the LPD	Quantity to be purchased	Amount allocated (RM'000)
Server and storage	Integrated server and storage system for data centre and disaster recovery centre at customer site	1 lot	1 lot	24,500

The software, application licenses and security solutions to be purchased for the NIISe Project is estimated to cost RM200.0 million and will be on a subscription basis. The validity period will cover the entire duration of the NIISe Project (i.e. up to 17 October 2029) with the renewal subject to the award of new maintenance contract awarded by the Immigration Department of Malaysia.

- (2) Approximately RM4.0 million of the gross proceeds to be raised from the Proposed Private Placement shall be utilised for our working capital requirements to finance our day-to-day operations which includes staff costs and other overhead costs such as, among others, rental of office and leased lines. The breakdown of proceeds to be used for each component of working capital is as follows:

Description	RM'000
Staff costs	
- Salaries and allowances	2,500
- Defined contribution plan	1,000
Overhead costs	514
Total	4,014

As at 31 March 2025, we have cash and cash equivalents of approximately RM1.5 million. The proceeds to be allocated for our working capital requirements will enhance our cash position and provide us with flexibility in managing our operational requirements and short-term obligations.

- (3) The estimated expenses for the Proposals comprise professional fees, placement fees, fees payable to the relevant authorities, cost to convene the EGM, printing and advertisement expenses as well as other miscellaneous expenses. The breakdown of proceeds to be used for each component of the estimated expenses for the Proposals is as follows:

Description	RM'000
Professional fees (principal adviser, placement agent and solicitors)	1,150
Fees to authorities	39
Printing, advertisement and cost to convene EGM	30
Miscellaneous expenses	131
Total	1,350

The actual gross proceeds to be raised from the Proposed Private Placement will depend on the final issue price and the number of Placement Shares to be issued. In the event the actual gross proceeds from the Proposed Private Placement vary from the estimated gross proceeds as set out in the table above, such variance will be adjusted against the proceeds allocated to our working capital requirements. Any shortfall in the placement proceeds raised will be funded from our internally generated funds.

Pending utilisation of the proceeds from the Proposed Private Placement, such proceeds will be placed in interest-bearing deposit(s) with licensed financial institution(s) and/or short-term money market instrument(s). The interest derived from such deposit(s) and/or any gain arising from such short-term money market instrument(s) will be utilised for our working capital requirements.

2.3.7 Equity fundraising exercise undertaken in the past 5 years

Save as disclosed below, we have not undertaken any other equity fund-raising exercises in the past 5 years prior to the date of this Circular:

(i) Previous Private Placement

On 26 July 2024, we completed the Previous Private Placement which involved the issuance of a total of 10,122,520 new Shares, representing 10% of our then total number of issued Shares, and raised gross proceeds of approximately RM18.9 million.

The details of the proceeds raised from the Previous Private Placement are as follows:

Details of utilisation	Intended timeframe for utilisation from 26 July 2024	Original proposed utilisation (RM'000)	Actual proceeds raised (RM'000)	Actual utilisation as at the LPD (RM'000)	Unutilised proceeds as at the LPD (RM'000)
Working capital ⁽¹⁾	Within 12 months	22,644	18,567	18,567	-
Expenses in relation to the Previous Private Placement	Within 1 month	334	334	334	-
		22,978	18,901	18,901	-

Note:

- (1) Approximately RM18.6 million of the proceeds from the Previous Private Placement was used for our working capital requirements to finance our day-to-day operations which included staff salaries, employer's statutory contributions, payment to suppliers and creditors, office administrative expenses, utility expenses and overhead expenses. The breakdown of the proceeds used for each component of working capital is as follows:

Description	RM'000
Staff salaries and employer's statutory contributions for directors, senior management and employees of our Group	7,789
Payment to suppliers and creditors	7,789
Office administrative, utilities and overhead expenses (such as office rental, utilities, upkeep of office, marketing, public relations and motor vehicle running costs)	2,989
Total	18,567

As at the LPD, we have fully utilised the proceeds raised from the Previous Private Placement.

(ii) Placement to Regal Orion

On 24 June 2021, we announced the Placement to Regal Orion which involved the issuance of 10,000,000 new Shares, representing approximately 9.9% of our then total number of issued Shares, at an issue price to be determined. Bursa Securities had vide its letter dated 19 July 2021, approved the listing of and quotation for 10,000,000 new Shares to be issued pursuant to the Placement to Regal Orion.

The proceeds from the Placement to Regal Orion were intended to be used for the following purposes:

Details of utilisation	Proposed utilisation (RM'000)	Expected time frame for use from the date of listing of the new Shares to be issued
Working capital		Within 12 months
- Purchase of IT hardware, software and services	9,904	
- General operating expenses	2,476	
Estimated expenses for the Placement to Regal Orion	220	Within 1 month
	12,600	

We had sought and obtained Bursa Securities' approval for an extension of time from 19 January 2022 until 18 February 2022 to complete the Placement to Regal Orion. However, on 18 February 2022, we announced that our Board decided to defer the Placement to Regal Orion and the said private placement exercise was deemed aborted as we did not seek any further extension of time from Bursa Securities for implementation. As such, we did not raise any proceeds from the Placement to Regal Orion.

3. RATIONALE AND JUSTIFICATION FOR THE PROPOSALS

3.1 Proposed Diversification

We are currently involved in the renewable energy business through our subsidiaries, namely Duta Technic and HeiTech Eco Energy. We provide EPCC services in relation to renewable energy sector involving commercial solar rooftop, mini hydro systems as well as infrastructure relating to transmission and distribution of electricity from renewable sources.

The New Business, which is complementary to our existing business in the renewable energy sector, represents a strategic opportunity for us to expand our business portfolio and service offerings to cover larger-scale hydroelectric stations with the aim to further diversify our existing business and reduce our reliance on the ICT segment. With the favourable outlook of the renewable energy industry and the long-term prospects of the Hydroelectric EPCC Project as set out in Sections 4.2 and 4.3 of this Circular respectively, the Proposed Diversification allows us to strengthen our earnings base as our Board anticipates that the Hydroelectric EPCC Project will contribute positively to our financial performance in the coming years.

The Proposed Diversification aligns with Malaysia's long-term energy transition strategy, which supports national efforts towards cleaner and more sustainable energy solutions, while the Hydroelectric EPCC Project allows us to play a key role in enhancing national energy security. Furthermore, by participating in large-scale energy infrastructure development, we are able to strengthen our position in the renewable energy market while at the same time support government initiatives to modernise and expand the country's hydropower assets.

The renewable energy industry offers stable and long-term growth potential for us. Through our strategic collaboration with Voith Hydro, we are able to enhance our capability to execute large scale energy projects while gaining valuable industry expertise. Our involvement in the Hydroelectric EPCC Project is expected to strengthen our presence in the renewable energy industry, with future plans to explore further opportunities in the development, ownership, operation and maintenance of renewable energy assets. This strategic shift reflects our commitment to long-term business sustainability while contributing to Malaysia's clean energy goals.

3.2 Proposed Bonus Issue

After taking into consideration the various options available, our Board is of the view that the Proposed Bonus Issue is the most appropriate avenue to reward you for your support as the Proposed Bonus Issue:

- (i) increases your equity participation in our Company in terms of number of Shares without you having to incur any cost, while maintaining your percentage of equity interest in our Company;
- (ii) could potentially improve the trading liquidity of our Shares on the Main Market of Bursa Securities at a lower adjusted trading price and at an increased number of Shares in issue without affecting the size of our market capitalisation; and
- (iii) would not materially affect our reserves as the Proposed Bonus Issue will be implemented without capitalisation of our reserves.

3.3 Proposed Private Placement

The Proposed Private Placement will enable us to raise funds for the purposes as detailed in Section 2.3.6 of this Circular.

After due consideration of the various methods of fundraising, our Board is of the view that the Proposed Private Placement is the most appropriate avenue as the Proposed Private Placement will:

- (i) allow us to raise funds expeditiously and cost effectively as compared to other forms of fundraising, such as a rights issue which is likely to take a longer time to complete, and may require undertakings from our shareholder(s) for minimum subscription, and/or procurement of underwriting arrangement which would result in additional costs;
- (ii) raise the required funding for our Group without incurring further finance cost as compared to bank borrowings, thereby minimising any potential cash outflow in respect of principal and interest servicing;
- (iii) allow us to raise funds in tranches based on market conditions and the prevailing market price of our Shares; and
- (iv) strengthen our financial position and capital base and potentially enhance the liquidity of our Shares.

4. INDUSTRY OUTLOOK AND PROSPECTS

4.1 Overview and outlook of the Malaysian economy

Despite challenges from the global macroeconomic environment, Malaysia's economy performed well in 2024. The economy recorded a stronger growth, expanding by 5.1% (2023: 3.6%) on the back of robust domestic demand with strong investments, as well as a rebound in exports. Malaysia's sound financial system also provided a strong buffer against the effects of volatile global financial markets. This ensured that domestic financial conditions remained conducive to financial intermediation, with sustained credit growth supporting the economy.

Positive labour market conditions amid continued employment and wage growth provided underlying support to resilient household spending. An improvement in household wealth, along with policy measures such as targeted cash transfers, also provided an additional lift to private consumption. 2024 marked a further advancement of an investment upcycle in Malaysia as the economy experienced a significant boost in investments across both private and public sectors. The country's expansion in semiconductor manufacturing and rise as a data centre hub in Southeast Asia spurred investment projects in the E&E and ICT sub-sectors. Further, ongoing multi-year private and public sector projects continued to progress well during the year.

(Source: Bank Negara Malaysia Annual Report 2024)

The growth in 2025 is projected between 4.5% and 5.5%, supported by a resilient external sector, benefitting from improved global trade and stronger demand for electrical and electronic goods, leveraging the country's strategic position within the semiconductor supply chain. Additionally, robust domestic demand, fuelled by strong private sector expenditure, will support the expansion, through continued implementation of key national master plans and ongoing initiatives.

A pertinent initiative which is Government-linked Enterprises Activation and Reform Programme (GEAR-uP), will synergise efforts across government-linked entities to catalyse growth in high-growth sectors, encompassing energy transition, advanced manufacturing, food security, healthcare, Islamic finance and biopharmaceuticals. The potential investment from this initiative is expected to amount to RM120 billion over the span of 5 years. On the production side, most sectors are expected to expand, highlighting the resilience and agility of Malaysia's economy.

(Source: Economic Outlook 2025, Ministry of Finance Malaysia)

4.2 Overview and outlook of the renewable energy industry

On the sustainable environmental front, Malaysia is committed to promoting low-carbon and climate-resilient policies, with energy transition serving as a crucial lever to accelerate these efforts. Energy transition is a structural shift in energy sector towards cleaner sources, increased use of renewable energy, and a significant reduction in carbon emissions. The ongoing transition is expected to take place at an accelerated pace, driven by rapid technological progress and implementation of strong climate change policies. In response to the complexities of energy transition and the need to balance energy security, access to affordable energy, and environmental sustainability, the Government introduced the National Energy Transition Roadmap ("NETR") in August 2023. The Roadmap, which works in parallel with the initiatives under the National Energy Policy (DTN) 2022 – 2040 and the New Industrial Master Plan 2030, aims to further amplify Malaysia's commitments to achieve the net-zero aspirations by 2050.

The NETR was developed to steer Malaysia's shift towards a high-value green economy. The Roadmap outlines 10 flagship catalyst projects and 50 key initiatives under 6 energy transition levers, namely energy efficiency, renewable energy, hydrogen, bioenergy, green mobility, as well as carbon capture, utilisation and storage (CCUS) to unlock economic opportunities and reduce carbon emissions. These flagship catalyst projects are championed by various entities, including Petroliaam Nasional Berhad, TNB, Khazanah Nasional Berhad, and SEDC Energy Sdn Bhd. The successful implementation of the NETR is expected to increase the gross domestic product contribution from RM25 billion in 2023 to RM220 billion in 2050, with 310,000 job opportunities to be generated. It is also expected to reduce greenhouse gas emissions.

(Source: Economic Outlook 2025, Ministry of Finance Malaysia)

4.3 Prospects of the New Business and Hydroelectric EPCC Project

The Proposed Diversification, particularly our involvement in the Hydroelectric EPCC Project, aligns with Malaysia's commitment to renewable energy by transitioning to cleaner energy while reducing reliance on fossil fuels. As Malaysia intensifies its efforts to combat climate change, the country has set targets to expand its renewable energy share, with hydropower playing a crucial role as a reliable and sustainable energy source. By participating in the New Business and Hydroelectric EPCC Project, we not only contribute to a greener future but also tap into the growing demand for renewable energy solutions driven by government initiatives.

In addition, the Hydroelectric EPCC Project would enhance our technical credibility and reputation in the renewable energy industry. Our collaboration with Voith Hydro, a globally recognised player in hydropower technology, is expected to enhance our expertise, and strengthen our position as a preferred EPCC service provider for future hydropower developments. By building a solid track record and strong industry partnerships through the Hydroelectric EPCC Project, we are well-placed to secure additional contracts in both government and private-sector renewable energy projects, paving the way for sustainable long-term growth.

While we have secured the Hydroelectric EPCC Project, we are strategically positioned to further expand our involvement in the hydroelectric EPCC sector. With the formation of the Consortium with Voith Hydro, this provides an opportunity for us to leverage on Voith Hyrdo's technical expertise and industry knowledge, which allows us to pursue the following opportunities:

(a) Undertaking future hydropower life extension projects

Our involvement in the Hydroelectric EPCC Project is expected to provide us with a competitive edge over our competitors and position us in driving sustainable growth. It will also enhance our capability to execute future hydropower life extension projects of similar scale and complexity and increase our likelihood of securing such opportunities going forward.

(b) Expansion to new market

By leveraging on Voith Hydro's global presence and technology, we are able to position ourselves as a regional player in hydroelectric EPCC solutions. To that end, we intend to expand our geographical coverage beyond Malaysia to pursue growth opportunities in other markets such as Indonesia, Vietnam, Laos, the Philippines and Thailand, which have growth potential for hydropower development to meet growing energy demands, driven in part by investment from the local government in areas such as refurbishment, expansion and integration of hydroelectric plants and hydropower infrastructures.

(c) Diversification into related energy sectors

In addition to hydroelectric EPCC solutions, we are able to further expand our income stream by offering highly complementary service offerings to cater for the renewable and energy infrastructure businesses, such as:

- (i) floating solar photovoltaics which involve the deployment of floating solar panels on hydro reservoirs to optimise land use and increase power generation;
- (ii) hybrid hydro-solar systems which involve the integration of solar and hydropower for optimised energy output;
- (iii) energy storage solutions which involve the development of pumped hydro storage or battery storage systems to support grid stability;
- (iv) hydrogen production which involves the use of hydroelectric power for green hydrogen production, an initiative under Malaysia's low-carbon roadmap; and
- (v) micro and mini hydro projects which involve the expansion of rural electrification projects for remote communities.

(d) Strengthening capabilities in power transmission and distribution

With the shared industry knowledge through the collaboration with our consortium partner in the Hydroelectric EPCC Project, we are able to continue our efforts in strengthening our capabilities in providing power transmission and distribution solutions for high-voltage substations and interconnection facilities such as:

- (i) providing grid infrastructure upgrades to accommodate new renewable energy plants;
- (ii) developing smart grid and digital monitoring solutions for efficient power management; and
- (iii) participating in cross-border power transmission projects supporting power grid interconnectivity in the ASEAN region.

This should position us in capturing more opportunities in the hydropower sector and drive future revenue growth.

(Source: Management of HeiTech)

4.4 Prospects of our Group

We have taken steps to redesign our structure by realigning our core business pillars to be market-driven and consolidating our business operations. The new structure, namely the TMG, IMG and NMG, centralises various functions for better governance and monitoring while staying focussed on our different markets. We remain committed to integrating sustainability into our core business strategy, ensuring long-term value creation for stakeholders while contributing to a greener and more inclusive digital future.

At the strategic level, we are embarking on becoming a full digital technology service provider that offers and serves end-to-end IT solutions to our customers and hence be able to provide holistic service that covers the entire lifecycle of IT offerings from concept and design up to implementation, maintenance and support that would meet customers' requirements.

As we continue to strengthen our position in the ICT industry, we have been able to secure notable projects, including those from the Immigration Department of Malaysia such as the NIISe Project (being one of the largest contracts for HeiTech) and contract extension for the Malaysian Immigration System. These achievements underscore our commitment to deliver innovative and reliable solutions, and reinforce our position as a trusted technology partner in Malaysia.

We have also ventured into the renewable energy sector through the Hydroelectric EPCC Project in support of national development to align our strategic direction with Malaysia MADANI, an initiative by the Malaysian government aimed at fostering a progressive, sustainable, and digitally advanced society. This framework prioritises economic empowerment through digitalisation, the cultivation of an innovative, technology-driven economy, and the strengthening of public-private partnerships to drive Malaysia's digital transformation. It also highlights the importance of digital inclusivity, ensuring that both businesses and communities can access modern ICT solutions.

We believe that the above strategic direction and operational approach will propel us into a better position in our existing markets which augurs well for our future prospects.

(Source: Management of HeiTech)

5. RISK FACTORS

5.1 Non-approval of the Proposed Diversification

As set out in Section 2.1.2 of this Circular, we are required to obtain your approval for the Proposed Diversification pursuant to Paragraph 10.13(1) of the Listing Requirements. In the event the Proposed Diversification is not approved by our shareholders, we will not be able to undertake the Hydroelectric EPCC Project and all costs incurred will not be reimbursable. Furthermore, TNB Genco may have grounds to claim for all associated costs and damages. For information purposes, since the commencement of the Hydroelectric EPCC Project on 31 March 2025 and up to the LPD, we have incurred preliminary planning and mobilisation costs amounting to approximately RM1.1 million.

5.2 Business diversification risk

The Proposed Diversification would result in the diversification of our existing business to include the New Business, whereby we may face new challenges and risks that we have not been involved in previously. These may include, among others, competition from established industry players, socio-political uncertainties, changes in the regulatory framework governing the renewable energy industry, constraints in skilled labour and technical expertise, as well as our ability to secure new projects continuously.

Notwithstanding that, we will conduct periodic reviews of our business and operations and adopt prudent financial management as well as efficient operating procedures to mitigate the impact of the aforementioned risks. However, there can be no assurance that we will be able to successfully mitigate the various risks inherent in the renewable energy industry or that our business operations and financial performance will not be adversely affected.

5.3 Dependency on key technical personnel

The success of our venture into the New Business and the execution of the Hydroelectric EPCC Project is dependent on, among others, the expertise, commitment and leadership of key technical personnel, who play significant roles in the daily operations of the Hydroelectric EPCC Project. Their technical knowledge and industry experience are essential in executing business strategies and ensuring the smooth implementation of the Hydroelectric EPCC Project, driving the growth of the New Business.

If we are unable to retain these key technical personnel or if we lose any key technical personnel without timely and suitable replacements, our expansion and competitive position in the New Business may be adversely affected. To mitigate such risk, we will assess and implement suitable measures such as offering competitive remuneration packages, incentives and career development opportunities to attract and retain our key employees.

In addition, we will leverage on the industry experience and professional networks of our senior management and our Board to identify and onboard suitable replacements when necessary. We will also actively recruit experienced professionals with relevant technical and project management backgrounds to build a robust and resilient team capable of sustaining and expanding our presence in the energy sector.

5.4 Project risk

In executing projects under the New Business such as the Hydroelectric EPCC Project, we may face risks related to cost overruns, which could reduce profitability or lead to financial losses, and in turn adversely impact our overall financial performance. Factors such as unforeseen technical complexities, project delays as well as fluctuations in material and labour costs may also contribute to these risks.

Notwithstanding this, we undertake comprehensive assessments of project requirements, complexities and specifications before tendering or accepting contracts, ensuring well-planned execution and minimising the likelihood of cost overruns. In addition, contract costs will be closely monitored to provide management with timely and accurate insights into each project's profitability. These measures help to reduce the risk of underestimating contract costs and ensure effective financial and operational management throughout the project lifecycle.

5.5 Financing and interest rate risk

Our gearing ratio stood at approximately 1.4 times as at 31 December 2024. We may seek external financing to fund our working capital for our contracted works for the Hydroelectric EPCC Project. Our ability to obtain external financing and the cost of financing depend on numerous factors, such as general economic and market conditions, interest rates, credit availability from the banks and/or other lenders, any restriction imposed by the Government or the political, social and economic conditions in Malaysia.

There can be no assurance that the necessary financing will be available on terms and conditions acceptable to us and hence, there can be no assurance that we will be able to obtain sufficient borrowings to fund our working capital for our contracted works for the Hydroelectric EPCC Project. In addition, we may be exposed to fluctuation in interest rates on the financing obtained, leading to higher borrowing costs that may adversely affect our financial performance and our ability to meet our financial obligations.

Nevertheless, we will continue to monitor and review our debt portfolio, which takes into consideration our gearing level, interest costs and cash flow.

5.6 Competition risk

We will face competition from both established industry players and new entrants that offer EPCC services for renewable energy solutions, which may impact our ability to secure new projects and maintain our market position. Nevertheless, we will take proactive measures to remain competitive, including staying updated on market trends, optimising cost structures as well as ensuring high quality and reliable service.

However, there can be no assurance that we will be able to compete effectively with existing competitors and new entrants which may have an adverse impact on our business operations and financial performance.

5.7 Political, economic and regulatory risk

We may be adversely affected by changes in the political, economic and regulatory conditions in Malaysia. These risks include, among others, risks of war, terrorism, riot, expropriation, political instability and changes in government policies.

Notwithstanding this, we will continue to monitor the business environment and adapt our strategies accordingly. By staying informed about regulatory developments and maintaining operational flexibility, we aim to respond effectively to any significant changes so as to minimise any potential disruptions to our business operations and adverse impact on our financial performance.

6. EFFECTS OF THE PROPOSALS

The Proposed Diversification will not have any effect on our issued share capital and substantial shareholders' shareholdings as the Proposed Diversification does not involve the issuance of any Shares. The Proposed Diversification is not expected to have any immediate effect on our NA and gearing.

We expect the Hydroelectric EPCC Project to contribute positively to our future earnings and EPS for the FYE 2025, which will, in turn, enhance our NA and NA per Share.

The impact of the Proposed Diversification on our gearing will depend on the manner of funding for the capital expenditure and working capital in respect of the Hydroelectric EPCC Project and New Business. As at the LPD, the amount of borrowings to partially finance our financial commitment for the Hydroelectric EPCC has not been determined at this juncture. As such, the extent of the increase in our gearing would depend on the quantum and timing of the borrowings to be procured by us.

6.1 Issued share capital

The pro forma effects of the Proposed Bonus Issue and Proposed Private Placement on our issued share capital are as follows:

	No. of Shares ('000)	RM'000
Issued share capital as at the LPD	⁽¹⁾ 111,348	136,652
Bonus Shares to be issued pursuant to the Proposed Bonus Issue	27,837	⁽²⁾ -
	139,185	136,652
Placement Shares to be issued pursuant to the Proposed Private Placement	27,837	⁽³⁾ 40,364
Enlarged issued share capital	167,022	177,016

Notes:

- (1) Including 100 treasury shares as at the LPD.
- (2) The Bonus Shares will be issued as fully paid Shares, at no consideration and without capitalisation of our reserves.
- (3) Assuming 27,836,955 Placement Shares are issued at the Illustrative Issue Price.

6.2 NA per Share and gearing

The pro forma effects of the Proposed Bonus Issue and Proposed Private Placement on our consolidated NA and gearing based on our latest audited consolidated statement of financial position as at 31 December 2024 are as follows:

		(I)	(II)
	Audited as at 31 December 2024 (RM'000)	After the Proposed Bonus Issue (RM'000)	After (I) and the Proposed Private Placement (RM'000)
Share capital	136,652	136,652	⁽¹⁾ 177,016
Accumulated losses	(15,009)	(15,009)	⁽²⁾ (16,359)
Foreign currency translation reserve	(1,190)	(1,190)	(1,190)
Revaluation reserve	53,182	53,182	53,182
NA	173,635	173,635	212,649
Number of Shares in issue (excluding treasury shares) ('000)	111,348	139,185	167,022
NA per Share (RM)	1.6	1.2	1.3
Total borrowings	236,655	236,655	236,655
Gearing ratio (times)	1.4	1.4	1.1

Notes:

- (1) Based on the Illustrative Issue Price.
- (2) After deducting estimated expenses of RM1.4 million in relation to the Proposals.

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6.3 Substantial shareholders' shareholdings

The Proposed Bonus Issue will not affect the percentage shareholdings of our substantial shareholders as the Bonus Shares will be allotted and issued on a pro-rata basis to all the Entitled Shareholders. However, the number of Shares held by our substantial shareholders will increase proportionately as a result of the Proposed Bonus Issue.

The pro forma effects of the Proposed Bonus Issue and Proposed Private Placement on the shareholdings of our substantial shareholders are as follows:

Substantial shareholders	As at the LPD			(I) After the Proposed Bonus Issue		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%		No. of Shares	%	
Rosetta Partners Sdn Bhd	25,060,070	22.5	-	31,325,087	22.5	-
My E.G. Capital Sdn Bhd	21,364,700	19.2	-	26,705,875	19.2	-
Padujade Corporation Sdn Bhd	14,236,328	12.8	-	17,795,410	12.8	-
Dato' Sri Mohd Hilmei Bin Mohd Taib	4,159,484	3.7	⁽¹⁾ 14,242,328	5,199,355	3.7	⁽¹⁾ 17,802,910
My E.G. Services Berhad	-	-	⁽²⁾ 21,364,700	-	-	⁽²⁾ 26,705,875
Wong Thean Soon	1,234,000	1.1	⁽³⁾ 21,364,700	1,542,500	1.1	⁽³⁾ 26,705,875
Mfivesouthsea Sdn Bhd	-	-	⁽⁴⁾ 25,060,070	-	-	⁽⁴⁾ 31,325,087
KDYMM Sultan Muhammad V Tengku Muhammad Faris Petra Ibni Al-Marhum Sultan Ismail Petra	-	-	⁽⁵⁾ 25,060,070	-	-	⁽⁵⁾ 31,325,087

(II)

After (I) and the Proposed Private Placement				
Substantial shareholders	Direct		Indirect	
	No. of Shares	*%	No. of Shares	*%
Rosetta Partners Sdn Bhd	31,325,087	18.8	-	-
My E.G. Capital Sdn Bhd	26,705,875	16.0	-	-
Padujade Corporation Sdn Bhd	17,795,410	10.7	-	-
Dato' Sri Mohd Hilmei Bin Mohd Taib	5,199,355	3.1	⁽¹⁾ 17,802,910	10.7
My E.G. Services Berhad	-	-	⁽²⁾ 26,705,875	16.0
Wong Thean Soon	1,542,500	0.9	⁽³⁾ 26,705,875	16.0
Mfivesouthsea Sdn Bhd	-	-	⁽⁴⁾ 31,325,087	18.8
KDYMM Sultan Muhammad V Tengku Muhammad Faris Petra Ibni Al-Marhum Sultan Ismail Petra	-	-	⁽⁵⁾ 31,325,087	18.8

Notes:

* Excluding treasury shares.

- (1) Deemed interest by virtue of his shareholding in Padujade Corporation Sdn Bhd and his daughter's direct shareholdings in our Company pursuant to Sections 8(4) and 59(1)(c) of the Act.
- (2) Deemed interest by virtue of its shareholding in My E.G. Capital Sdn Bhd pursuant to Section 8(4) of the Act.
- (3) Deemed interest by virtue of his shareholding in My E.G. Services Berhad pursuant to Section 8(4) of the Act.
- (4) Deemed interest by virtue of its shareholding in Rosetta Partners Sdn Bhd pursuant to Section 8(4) of the Act.
- (5) Deemed interest by virtue of his shareholding in Mfivesouthsea Sdn Bhd pursuant to Section 8(4) of the Act.

6.4 Earnings and EPS

The Proposed Bonus Issue and Proposed Private Placement are not expected to have any material impact on our earnings for the FYE 2025. However, our EPS may be diluted as a result of the increase in the number of Shares in issue pursuant to the Proposed Bonus Issue and Proposed Private Placement.

For illustrative purposes, based on our latest audited consolidated statements of comprehensive income for the FYE 2024 and assuming that the Proposed Bonus Issue and Proposed Private Placement had been completed on 1 January 2024 (i.e. the beginning of the FYE 2024), the pro forma effects of the Proposed Bonus Issue and Proposed Private Placement on our earnings and EPS are as follows:

		(I)	(II)
	Audited for the FYE 2024	After the Proposed Bonus Issue	After (I) and the Proposed Private Placement
PATAMI (RM'000)	6,706	6,706	⁽¹⁾ 5,356
No. of Shares in issue as at the LPD (excluding treasury shares) ('000)	111,348	139,185	167,022
Basic EPS (sen)	6.0	4.8	3.2

Note:

(1) After deducting estimated expenses of RM1.4 million in relation to the Proposals.

6.5 Convertible securities

We do not have any convertible securities as at the LPD.

7. APPROVALS REQUIRED

The Proposals are subject to the approvals/consents being obtained from:

- (i) our shareholders at our forthcoming EGM;
- (ii) Bursa Securities, for the listing of and quotation for:
 - 27,836,955 Bonus Shares to be issued pursuant to the Proposed Bonus Issue; and
 - up to 27,836,955 Placement Shares to be issued pursuant to the Proposed Private Placement,

on the Main Market of Bursa Securities, which was obtained vide its letter dated 9 June 2025, subject to the following conditions:

Conditions imposed	Status of compliance
(i) RHB Investment Bank to furnish Bursa Securities with details of the proposed placee(s) as per Paragraph 6.15 of the Listing Requirements for its clearance, prior to the issuance/allotment of the Placement Shares;	To be complied

Conditions imposed	Status of compliance
(ii) HeiTech and RHB Investment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue and Proposed Private Placement	To be complied
(iii) HeiTech and RHB Investment Bank to inform Bursa Securities upon completion of the Proposed Bonus Issue and Proposed Private Placement;	To be complied
(iv) HeiTech and RHB Investment Bank to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue and Proposed Private Placement are completed;	To be complied
(v) HeiTech and RHB Investment Bank are required to make the relevant announcements pursuant to Paragraphs 6.35(2)(a) and (b), and 6.35(4) of the Listing Requirements;	To be complied
(vi) HeiTech to furnish Bursa Securities with a certified true copy of the resolution passed by shareholders of the Company in general meeting approving the Proposals; and	To be complied
(vii) additional listing fee payable based on the final issue price together with a copy of the details of the computation of the amount of listing fees payable (where applicable).	To be complied
(iii) any other relevant authorities and/or parties, if required.	

8. CONDITIONALITY OF THE PROPOSALS

Save for the Proposals, there are no other corporate exercises/scheme that have been announced by our Company but have yet to be completed before the printing of this Circular.

The Proposals are not inter-conditional with each other. However, the Proposed Private Placement will only be implemented after the completion of the Proposed Bonus Issue and the Placement Shares will not be entitled to the Bonus Shares.

The Proposals are not conditional upon any other corporate exercise/scheme undertaken or to be undertaken by our Company.

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

None of our Directors, major shareholders and/or chief executive, and/or persons connected with them have any interest, whether direct or indirect, in the Proposals, save for their respective entitlements as our shareholders under the Proposed Bonus Issue, the rights of which are also available to all our other existing shareholders as at the Entitlement Date.

10. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, after having considered all aspects of the Proposals, including but not limited to the rationale and effects of the Proposals, is of the opinion that the Proposals are in the best interest of our Company.

Accordingly, our Board recommends that you vote in favour of the ordinary resolutions in relation to the Proposals to be tabled at our forthcoming EGM.

11. ESTIMATED TIME FRAME FOR COMPLETION

The Proposed Diversification will take effect immediately upon obtaining your approval at our forthcoming EGM.

Barring any unforeseen circumstances and subject to the receipt of all required approvals, the Proposed Bonus Issue and Proposed Private Placement are expected to be completed by the 3rd quarter of 2025. The tentative timetable for the implementation of the Proposals is as follows:

Event	Tentative date
<ul style="list-style-type: none">• EGM• Effective date of the Proposed Diversification	25 June 2025
<ul style="list-style-type: none">• Announcement of the Entitlement Date	End-June 2025
<ul style="list-style-type: none">• Entitlement Date• Listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities• Completion of the Proposed Bonus Issue	Mid-July 2025
<ul style="list-style-type: none">• Price-fixing for the Placement Shares• Listing of and quotation for the Placement Shares on the Main Market of Bursa Securities• Completion of the Proposed Private Placement	By September 2025

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12. HISTORICAL SHARE PRICES

The monthly highest and lowest transacted market prices of our Shares for the past 12 months from June 2024 to May 2025 are as follows:

	High (RM)	Low (RM)
<u>2024</u>		
June	2.180	1.850
July	2.500	2.030
August	2.400	1.820
September	3.890	2.190
October	4.430	3.260
November	3.720	3.170
December	3.320	2.940
<u>2025</u>		
January	3.280	2.460
February	3.140	2.480
March	2.830	2.250
April	2.360	1.750
May	2.220	1.960

Last transacted market price of our Shares immediately before the announcement of the Proposals on 9 May 2025 RM2.160

Last transacted market price of our Shares as at the LPD RM2.000

(Source: Bloomberg)

13. EGM

Our forthcoming EGM, the notice of which is enclosed in this Circular, will be held at Casuarina, Level G, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, 60000 Kuala Lumpur, on Wednesday, 25 June 2025 at 12.30 p.m. or immediately upon the conclusion or adjournment (as the case may be) of our 30th Annual General Meeting (which will be held at the same venue on the same day at 10.30 a.m.), whichever is later, or at any adjournment of the EGM to consider and, if thought fit, passing with or without modifications the ordinary resolutions to give effect to the Proposals.

If you are unable to attend and vote at our forthcoming EGM, please complete and lodge the Form of Proxy, which is attached in this Circular, in accordance with the instructions contained therein at our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, to submit the Form of Proxy electronically via TIIH Online website at <https://tiih.online> not less than 48 hours before the time set for the EGM or at any adjournment thereof. The lodging of the Form of Proxy shall not preclude you from attending and voting in person at our forthcoming EGM should you subsequently wish to do so.

14. FURTHER INFORMATION

You are requested to refer to the enclosed appendix for further information.

Yours faithfully,
For and on behalf of our Board of
HEITECH PADU BERHAD

SANDRARUBEN A/L NEELAMAGHAM
Executive Director

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

Our Board has seen and approved this Circular and it collectively and individually accepts full responsibility for the accuracy of the information given in this Circular and confirms that, after having made all reasonable enquiries and to the best of our knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

RHB Investment Bank, being our Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement, 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 they appear in this Circular.

RHB Investment Bank, its subsidiaries and associated companies, as well as its holding company, RHB Bank Berhad, and the subsidiaries and associated companies of RHB Bank Berhad (collectively, the **"RHB Banking Group"**) engage in private banking, commercial banking and investment banking transactions which include, among others, brokerage, advisory on mergers and acquisitions, securities trading, assets and fund management as well as credit transaction services. The RHB Banking Group has engaged and may in the future engage in transactions with and perform services for our Group, in addition to the roles set out in this Circular. RHB Banking Group, its directors and major shareholders may from time to time hold or deal in the securities of our Company and/or our affiliates for their own accounts or their proprietary accounts.

In addition, any member of the RHB Banking Group may at any time, in the ordinary course of business, offer to provide its services or to engage in any transaction (on its own account or otherwise) with any member of our Group, our Directors, our shareholders, our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise affect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Group and/or our affiliates.

The businesses of RHB Banking Group generally act independently of each other, and accordingly, there may be situations where parts of RHB Banking Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the said regulations issued by the relevant authorities governing its advisory business, which require, amongst others, segregation between dealing and advisory activities and Chinese Wall between different business divisions.

As at the LPD, RHB Banking Group had extended various credit facilities amounting to RM64.0 million (with an amount of approximately RM41.7 million outstanding) to our Group. The said credit facilities represent approximately 0.2% of the audited consolidated NA of RHB Banking Group of approximately RM32.5 billion as at 31 December 2024.

Notwithstanding the above, RHB Investment Bank is of the view that concerns of any potential conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement are mitigated by the following:

- (i) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement is in the ordinary course of its business. RHB Investment Bank does not receive or derive any financial interest or benefits save for the professional fees received in relation to the aforesaid appointment;

FURTHER INFORMATION (CONT'D)

- (ii) the said credit facilities were approved by RHB Banking Group's relevant credit committee and granted on an arm's length basis and is not material when compared to the audited consolidated NA of RHB Banking Group of approximately RM32.5 billion as at 31 December 2024;
- (iii) the Corporate Finance division of RHB Investment Bank is required under its investment banking license to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and
- (iv) the conduct of the RHB Banking Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013, Capital Markets and Services Act 2007 and the RHB Banking Group's own internal controls and checks which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

Save as disclosed above, RHB Investment Bank has confirmed that no conflict of interest exists or is likely to exist in relation to its role as the Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement.

3. MATERIAL COMMITMENTS

As at the LPD, there are no material commitments incurred or known to be incurred by our Group which may have a material impact on our profits or NA.

4. CONTINGENT LIABILITIES

As at the LPD, there are no contingent liabilities incurred or known to be incurred by us which, upon becoming enforceable, may have a material impact on our profits or NA.

5. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, as at the LPD, we are not involved in any other material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware of any proceedings pending or threatened against us or of any facts which are likely to give rise to any proceedings which might materially and adversely affect our business or financial position:

(i) **HeiTech vs Smart City Consultants Sdn Bhd ("SCC")**
Shah Alam High Court Civil Suit No.: BA-23NCvC-15-04/2022

On 8 July 2020, we commenced a suit against SCC for a claim for defamation and unlawful interference against our economic interests. The dispute arose from a consortium agreement entered into between our Company and SCC in 2018 in relation to a smart parking project in Penang ("**Project**").

SCC has allegedly engaged in defamatory conduct, including sending emails and letters to state officials containing false and damaging statements about our competence and integrity. It was further alleged that SCC's unlawful interference disrupted the Project and harmed our business interests. Such defamatory statements implied that we are incompetent, dishonest, and exploitative, damaging our professional standing. In our claim, we sought declarations of defamation and unlawful interference, injunctions to prevent further harm, damages and a public apology. There was no specific amount of damages stated in our claim.

FURTHER INFORMATION (CONT'D)

SCC has filed a counterclaim against us for damages and declaratory reliefs for breach of contract and/or fiduciary duty together with a defence on 17 August 2020 alleging that we have wrongfully excluded SCC from the Project despite SCC's contributions. In the counterclaim, SCC sought the following reliefs and damages:

- (i) RM3,520,682.95 for work done by SCC;
- (ii) RM8,037,900.00 as loss of revenue from implementation of the Project to the completion of the first year of the Project.
- (iii) RM90,766,440.00 as loss of revenue for the following 6 years of the Project as projected by the parties;
- (iv) general and aggravated damages; and
- (v) interest and cost on the above sums.

5 trials were held between July 2024 to August 2024 and is now fixed for continued trial on 17 June 2025 and 30 June 2025.

Our solicitors, Messrs Cheang & Ariff, is of the view that we have a reasonable chance of succeeding in the claim and defending against the counterclaim. While we have claimed for the damages in the matter to be assessed in our claim, SCC's counterclaim represents potential exposure of up to approximately RM102.3 million.

**(ii) Pertubuhan Keselamatan Sosial ("PERKESO" or "Plaintiff") vs HeiTech
Kuala Lumpur High Court Civil Suit No.: WA-22NCvC-72-02/2023**

On 28 February 2023, we received a Writ of Summons and Statement of Claim both dated 23 February 2023, filed by PERKESO in the Kuala Lumpur High Court. The Plaintiff is claiming that we are in breach of the contract for services rendered to the Plaintiff in respect of an agreement for its Scheme Management Application System ("**Agreement**"). The reliefs sought by Plaintiff are as follows:

- (i) RM8,491,377.12, being payments previously made by the Plaintiff to us under the Agreement;
- (ii) RM984,783.33, being the liquidated ascertained damages imposed under the Agreement;
- (iii) RM16,887,208.58 being loss of expenses for the existing system until August 2021;
- (iv) interest on all sums ordered to be paid by us to the Plaintiff at the rate of 5% per annum calculated from the date of judgment until the date of full settlement;
- (v) costs; and
- (vi) such further relief and/or orders as the court deems fit.

FURTHER INFORMATION (CONT'D)

On 10 April 2023, we have filed and served our Defence and Counterclaim to seek for the following relief:

- (i) RM6,615,157.61, for work done until the Plaintiff's unilateral termination on 25 June 2021;
- (ii) RM6,539,141.39, being expectation loss as a result the said termination;
- (iii) RM1,726,258.61, for the additional works done and supply of hardware, software and services;
- (iv) general damages to be assessed by the court, where applicable;
- (v) pre-judgment interest on all sum ordered to be paid by the Plaintiff to us at the rate of 5% per annum calculated from the date of termination 25 June 2021 until the date of judgment;
- (vi) post-judgment interest on all sum ordered to be paid by the Plaintiff to us at the rate of 5% per annum calculated from the date of judgment until full settlement;
- (vii) costs; and
- (viii) any other reliefs that the court deems fit and proper.

On 2 May 2023, the Plaintiff filed their Reply & Defence to the Counterclaim.

The case has progressed through multiple case management hearings, with our application for summary judgment under Order 14A being dismissed by the High Court on 21 March 2025 due to the complexity of issues involved. On the same date, a mediation was held between the parties, but the parties have not been able to achieve a settlement.

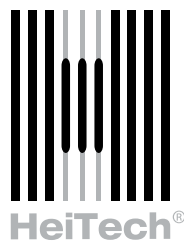
The matter is now scheduled for full trial between 5 March 2026 and 17 March 2026.

Our solicitors, Messrs Ahmad Deniel, Ruben & Co, is of the view that PERKESO would have an arduous task in proving their case on the balance of probabilities, and it is unlikely that they would be able to claim the full sum as demanded in the statement of claim.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our Registered Office at Level 15, Menara Insignia, Persiaran Kewajipan, USJ 1, UEP Subang Jaya, 47600 Subang Jaya, Selangor Darul Ehsan during normal office hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) our Constitution;
- (ii) our audited consolidated financial statements for the past 2 FYE 2023 and FYE 2024, as well as our latest unaudited consolidated financial statements for the 3-month financial period ended 31 March 2025;
- (iii) the letter of consent and conflict of interest referred to in Section 2 of this Appendix; and
- (iv) the relevant cause papers in respect of the material litigation referred to in Section 5 of this Appendix.



HEITECH PADU BERHAD

(Registration No. 199401024950 (310628-D))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of HeiTech Padu Berhad (“**HeiTech**” or the “**Company**”) will be held at Casuarina, Level G, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 25 June 2025 at 12.30 p.m. or immediately upon the conclusion or adjournment (as the case may be) of the 30th Annual General Meeting of HeiTech (which will be held at the same venue on the same day at 10.30 a.m.), whichever is later, or at any adjournment of the EGM to consider and, if thought fit, passing with or without modifications the following ordinary resolutions:

ORDINARY RESOLUTION 1

PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF HEITECH AND ITS SUBSIDIARIES TO INCLUDE THE BUSINESS OF DEVELOPMENT, OWNERSHIP, OPERATION AND MAINTENANCE OF RENEWABLE ENERGY POWER PLANT AS WELL AS RELATED ENGINEERING, PROCUREMENT, CONSTRUCTION AND COMMISSIONING SERVICES IN RELATION TO ENERGY SOLUTIONS (“PROPOSED DIVERSIFICATION”)

“**THAT** subject to the approvals of the relevant authorities and/or parties (if required) being obtained, approval be and is hereby given to the Board of Directors of HeiTech (“**Board**”) to diversify the existing business of the Company and its subsidiaries to include the business of development, ownership, operation and maintenance of renewable energy power plant as well as related engineering, procurement, construction and commissioning services in relation to energy solutions;

AND THAT the Board be and is hereby authorised and empowered to take all such steps and enter into all deeds, agreements, arrangements, undertakings, transfers and indemnities as it deems fit, necessary, expedient and/or appropriate and in the best interest of the Company in order to implement, finalise, complete and give full effect to the Proposed Diversification with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by any relevant authorities as the Board deems fit, appropriate and in the best interest of the Company.”

ORDINARY RESOLUTION 2

PROPOSED BONUS ISSUE OF 27,836,955 NEW ORDINARY SHARES IN HEITECH (“SHARES”) (“BONUS SHARES”) ON THE BASIS OF 1 BONUS SHARE FOR EVERY 4 EXISTING SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED BONUS ISSUE”)

“**THAT** subject to the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to allot and issue 27,836,955 Bonus Shares on the basis of 1 Bonus Share for every 4 existing Shares held by the shareholders of the Company whose names appear in the Record of Depositors of the Company as at 5.00 p.m. on an entitlement date to be determined by the Board and announced later by the Company;

THAT the Board be and is hereby authorised to allot and issue the Bonus Shares as fully paid shares, at no consideration and without capitalisation of the Company's reserves;

THAT the Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the then existing Shares, save and except that they will not be entitled to any dividend, rights, allotment and/or any other distribution that may be declared, made or paid prior to the date of allotment and issuance of the Bonus Shares;

THAT any fractional entitlements arising from the Proposed Bonus Issue shall be disregarded and/or dealt with in such a manner as the Board in its absolute discretion deems fit, expedient and in the best interest of the Company;

AND THAT the Board be and is hereby authorised to take all such steps and to execute all necessary documents as the Board may deem fit to give effect to the Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as the Board may consider necessary and/or expedient in the best interest of the Company in order to implement, finalise, complete and to give full effect to the Proposed Bonus Issue."

ORDINARY RESOLUTION 3

PROPOSED PRIVATE PLACEMENT OF UP TO 27,836,955 NEW SHARES ("PLACEMENT SHARES"), REPRESENTING UP TO 20% OF THE ENLARGED TOTAL NUMBER OF ISSUED SHARES AFTER THE COMPLETION OF THE PROPOSED BONUS ISSUE ("PROPOSED PRIVATE PLACEMENT")

"THAT subject to the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to allot and issue up to 27,836,955 Placement Shares, representing up to 20% of the enlarged total number of issued Shares after the completion of the Proposed Bonus Issue;

THAT the issue price of the Placement Shares will be determined and fixed by the Board at a later date ("**Price-Fixing Date**") at a discount of not more than 10% to the 5-day volume weighted average market price of the Shares immediately before the Price-Fixing Date, for such purpose and use of proceeds as set out in Section 2.3.6 of the circular to shareholders in relation to, among others, the Proposed Private Placement dated 10 June 2025 ("**Circular**");

THAT the Placement Shares will, upon allotment and issuance, rank equally in all respects with the then existing Shares, save and except that the Placement Shares will not be entitled to any dividend, rights, allotment and/or other distribution that may be declared, made or paid prior to the date of allotment and issuance of the Placement Shares;

THAT pursuant to subsection 85(1) of the Companies Act 2016 read together with the Constitution of the Company, approval be and is hereby given to waive the pre-emptive rights of the existing shareholders of the Company to be first offered any new Shares ranking equally to the existing issued shares arising from the allotment and issuance of the new Shares pursuant to the Proposed Private Placement and that the Board is exempted from the obligation to offer such new Shares first to the existing shareholders of the Company in respect of the allotment and issuance of the Placement Shares pursuant to the Proposed Private Placement, which will consequently result in a dilution of the shareholders' shareholdings percentage in the Company;

AND THAT the Board be and is 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, variations, modifications and/ or amendments as may be required or permitted by any relevant authorities, and to take all steps and to enter into all such agreements, arrangements, undertakings, indemnities, transfer, assignments and guarantees with any party or parties and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Private Placement."

By Order of the Board

Zainal Amir Bin Ahmad (SSM PC No. 202008000998) (LS0010080)

Company Secretary

Selangor Darul Ehsan

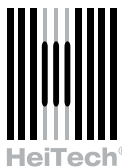
10 June 2025

Notes:

1. For the purpose of determining who shall be entitled to participate in the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, the Record of Depositors as at 18 June 2025. Only a member whose name appears on this Record of Depositors shall be entitled to participate in the EGM.
2. A member who is entitled to participate in the EGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than 2 proxies to participate instead of the member at the EGM. Where there are 2 proxies, the number of shares to be represented by each proxy must be stated.
4. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991, it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. Where the appointment is executed by a corporation, it must be either under its Common Seal or the hand of its officer or attorney duly authorised.
6. The appointment of proxy may be made in hard copy form in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - a. **Hard copy form**
In the case of an appointment made in hard copy form, the Form of Proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - b. **Electronic form**
The form of proxy can be electronically submitted via Tricor Investor & Issuing House Services Sdn Bhd's TIIH Online website at <https://tiih.online>.
7. Please ensure all the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
8. The last date and time for lodging the Form of Proxy is Monday, 23 June 2025 at 12.30 p.m.

Notes: (cont'd)

9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of EGM will be put to the vote by way of a poll. Independent scrutineers will be appointed to conduct the polling process and to verify the results of the poll.



FORM OF PROXY

No. of Shares held	
CDS Account No.	

HEITECH PADU BERHAD

(Registration No. 199401024950 (310628-D))
(Incorporated in Malaysia)

I/We, _____ NRIC/Passport/Registration No. _____
of _____

being a member of HeiTech Padu Berhad hereby appoint _____
_____ NRIC/Passport/Registration No. _____

of _____

or failing him/her _____ NRIC/Passport/Registration No. _____

of _____

or failing him/her, *Chairman of the meeting* as my/our proxy to attend and vote for me/us on my/our behalf at the Extraordinary General Meeting of HeiTech Padu Berhad to be held at Casuarina, Level G, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 25 June 2025 at 12.30 p.m. or immediately upon the conclusion or adjournment (as the case may be) of the 30th Annual General Meeting of HeiTech Padu Berhad (which will be held at the same venue on the same day at 10.30 a.m.), whichever is later, or at any adjournment of the Extraordinary General Meeting.

My/our proxy is to vote as indicated below:

NO.	ORDINARY RESOLUTION	FOR	AGAINST
1.	Proposed Diversification		
2.	Proposed Bonus Issue		
3.	Proposed Private Placement		

Please indicate with an "X" in the space provided, how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.

Dated this _____ day of _____ 2025

Signature /Common Seal of Appointor

For the appointment of 2 proxies, the number of shares and percentages of shareholding to be represented by each proxy:

	Name	No. of shares	% of shareholding
Proxy 1			
Proxy 2			
Total			100%

Notes:

- For the purpose of determining who shall be entitled to participate in the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, the Record of Depositors as at 18 June 2025. Only a member whose name appears on this Record of Depositors shall be entitled to participate in the EGM.
- A member who is entitled to participate in the EGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than 2 proxies to participate instead of the member at the EGM. Where there are 2 proxies, the number of shares to be represented by each proxy must be stated.
- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991, it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where the appointment is executed by a corporation, it must be either under its Common Seal or the hand of its officer or attorney duly authorised.
- The appointment of proxy may be made in hard copy form in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - Hard copy form**
In the case of an appointment made in hard copy form, the Form of Proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - Electronic form**
The form of proxy can be electronically submitted via Tricor Investor & Issuing House Services Sdn Bhd's TIH Online website at <https://tih.online>.
- Please ensure all the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
- The last date and time for lodging the Form of Proxy is Monday, 23 June 2025 at 12.30 p.m.
- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of EGM will be put to the vote by way of a poll. Independent scrutineers will be appointed to conduct the polling process and to verify the results of the poll.



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Then fold here

AFFIX
STAMP

Share Registrar
HEITECH PADU BERHAD
(Registration No. 199401024950 (310628-D))

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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