

INFRAHARTA HOLDINGS BERHAD (FORMERLY KNOWN AS VERTICE BERHAD) ("IHB" OR THE "COMPANY")

WRIT OF SUMMONS AND STATEMENT OF CLAIM SERVED ON BUILDMARQUE CONSTRUCTION SDN BHD AND INFRAHARTA SDN BHD BY CONSORTIUM ZENITH CONSTRUCTION SDN BHD, KUALA LUMPUR HIGH COURT OF MALAYA AT KUALA LUMPUR *VIDE* SUIT NUMBER: WA-22NCvC-443-08/2023 ("SUIT 443")

The Board of Directors of IHB informs that the following subsidiaries of IHB had on 17 August 2023 been served with a sealed Writ of Summons and Statement of Claim filed by Consortium Zenith Construction Sdn Bhd (Registration No. 201201024329 / 1008819-M) ("**CZC**") against:-

- a) Wholly owned subsidiary, Infraharta Sdn Bhd (Registration No. 201501011777 / 1137112-M) ("**Infraharta**");
- b) 50% owned subsidiary of Infraharta, Buildmarque Construction Sdn Bhd (Registration No. 201801029055 / 1291081-X) ("**Buildmarque**"); and
- c) Dato Lee Chee Hoe (NRIC No. 761225-10-5249).

(Collectively referred to as "the Defendants")

1. SERVICE OF THE SEALED WRIT OF SUMMONS AND STATEMENT OF CLAIM

The sealed Writ of Summons and Statement of Claim are both dated 14 August 2023 and for which were served on Buildmarque and Infraharta on 17 August 2023.

2. THE PARTICULARS OF THE CLAIM UNDER THE WRIT OF SUMMONS AND STATEMENT OF CLAIM

By the Statement of Claim, CZC seeks for the following against the Defendants:-

- a) a declaration that Part A of the Deed of Rescission and Terminated dated 29 December 2021 (entered into between CZC, Buildmarque and Infraharta) ("**the Deed**") was entered into without free consent of the CZC whose consent is caused by misrepresentation;
- b) a declaration that Part A of the Deed is void and unenforceable in law;
- c) Buildmarque shall pay to CZC a sum of RM1,032,739.73 being the monies paid by CZC to Buildmarque caused by the misrepresentations;
- d) all further proper accounts, inquiries and/or directions;
- e) damages for fraud;

- f) general, aggravated, punitive and/or exemplary damages to be assessed;
- g) interests on the judgment sum to be calculated at the rate of 5% per annum from the date of the filing of the action until the date of full and final settlement;
- h) costs; and
- i) such further and/or other reliefs that the Court deems just and proper.

The matter has been fixed for a case management by way of e-Review on 18 September 2023 before Puan Nik Nur Amalina binti Mat Zaidan.

3. THE DETAILS OF THE DEFAULT OR CIRCUMSTANCES LEADING TO THE FILING OF THE WRIT OF SUMMONS AND STATEMENT OF CLAIM ON BUILDMARQUE AND INFRAHARTA

On 22 May 2023, Buildmarque served a Statutory Notice of Demand pursuant to Sections 465 and 466 of the Companies Act 2016 dated 22 May 2023 (“**Notice**”) on CZC demanding for payment totalling RM7,374,419.57 (“**Demanded Sum**”), being the unpaid sum inclusive of interest calculated as at the date of the Notice due and owing by CZC to Buildmarque. In the event the Demanded Sum is not paid within the stipulated statutory time frame of 21 days after the service of the Notice, CZC shall be deemed to be unable to pay, secure or compound for the Demanded Sum and a Winding-Up petition may be presented against CZC.

CZC had on 7 June 2023 *via* its solicitors filed Kuala Lumpur High Court Originating Summons No. WA-24NCC-311-06/2023 (“**OS 311**”) for an injunction to restrain Buildmarque from presenting a winding-up petition against CZC.

On 12 June 2023, the High Court of Malaya at Kuala Lumpur granted an Injunction on an *ad interim* basis by consent restraining Buildmarque from presenting a winding-up petition against CZC until disposal of OS 311.

In OS 311, CZC took the position that the RM1,032,739.73 previously paid by CZC to Buildmarque pursuant to Part A of the Deed was caused by misrepresentations.

4. THE FINANCIAL AND OPERATIONAL IMPACT OF THE WRIT OF SUMMONS AND STATEMENT OF CLAIM ON THE GROUP FOR THE CURRENT FINANCIAL YEAR

As of the date of this announcement, there is no material financial and operational impact arising from the Writ of Summons and Statement of Claim on the Group. The potential claims from CZC to Defendants stated in the item 2 above are subject to legal advice.

5. THE STEPS TAKEN AND PROPOSED TO BE TAKEN BY THE COMPANY IN RESPECT OF THE WRIT OF SUMMONS AND STATEMENT OF CLAIM

Buildmarque and Infraharta are seeking the legal advice to defend Suit 443.

Further announcement(s) to Bursa Malaysia Securities Berhad will be made as and when there are any material developments on the above matter in due course.

This announcement is dated 18 August 2023.