

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 adviser immediately.

This Circular has been reviewed by KAF Investment Bank Berhad, an Adviser to Genetec Technology Berhad (“Genetec” or “Company”) for the Proposed Bonus Issue (as defined herein).

Bursa Malaysia Securities Berhad (“Bursa Securities”) has only conducted a limited review on the contents of this Circular prior to its issuance pursuant to Guidance Note 22 of the ACE Market Listing Requirements of Bursa Securities. Bursa Securities 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.

Genetec Technology

GENETEC TECHNOLOGY BERHAD
Registration No.: 199701030038 (445537-W)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED BONUS ISSUE OF UP TO 661,564,800 NEW ORDINARY SHARES IN GENETEC (“BONUS SHARES”) ON THE BASIS OF TWELVE (12) BONUS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN GENETEC HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED BONUS ISSUE”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser



The Company’s Extraordinary General Meeting (“EGM”) will be conducted fully virtual through live streaming and meeting online platform of TIIH Online provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its website at <https://tjih.online> on Thursday, 23 December 2021 at 2.00 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the resolution pertaining to the Proposed Bonus Issue. The Notice of EGM together with the Proxy Form are enclosed in this Circular.

As a shareholder, you are entitled to appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, kindly complete and deposit the Form of Proxy at the Company’s Share Registrar’s office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgement via TIIH online website at <https://tjih.online> (kindly refer to the Administrative Guide on the procedure of electronic submission Proxy Form via TIIH Online), not less than forty-eight (48) hours before the time appointed for the EGM or any adjournment thereof.

IMPORTANT DATES

Last date and time for lodging the Proxy Form : Tuesday, 21 December 2021 at 2.00 p.m.
Date and time for the EGM : Thursday, 23 December 2021 at 2.00 p.m.

This Circular is dated 8 December 2021

DEFINITIONS

In this Circular, unless otherwise indicated, the following words and abbreviations shall have the following meanings:-

“Act”	:	The Companies Act 2016
“Board”	:	Board of Directors of Genetec
“Bonus Shares”	:	Up to 661,564,800 new Genetec Shares to be issued pursuant to the Proposed Bonus Issue
“Bursa Depository”	:	Bursa Malaysia Depository Sdn. Bhd. (198701006854 / 165570-W)
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (200301033577 / 635998-W)
“Circular”	:	This circular dated 8 December 2021 to the shareholders of Genetec in relation to the Proposed Bonus Issue
“EGM”	:	Extraordinary general meeting
“Entitled Shareholders”	:	Shareholders of Genetec whose name appear in the Record of Depositors at the close of business on the Entitlement Date
“Entitlement Date”	:	The date to be determined and announced by the Board after the approvals from the relevant authorities and shareholders of the Company have been obtained, for the purpose of determining the entitlements of the shareholders of Genetec for the Proposed Bonus Issue
“EPS”	:	Earnings per Share
“ESOS Option(s)”	:	Options granted pursuant to the ESOS
“ESOS”	:	Employees’ share option scheme of the Company
“FYE”	:	Financial year ended/ending 31 March, as the case may be
“Genetec” or the “Company”	:	Genetec Technology Berhad (199701030038 / 445537-W)
“Genetec Group” or the “Group”	:	Genetec and its subsidiaries, collectively
“Genetec Share(s)” or “Share(s)”	:	Ordinary share(s) in the Company
“KAF IB”	:	KAF Investment Bank Berhad (197401003530 / 20657-W)
“Listing Requirements”	:	ACE Market Listing Requirements of Bursa Securities
“LPD”	:	12 November 2021, being the latest practicable date prior to the printing of this Circular
“Maximum Scenario”	:	661,564,800 Bonus Shares will be issued on the assumption that all of the 3,062,300 outstanding ESOS Options will be exercised into new Genetec Shares on or prior to the Entitlement Date
“Minimum Scenario”	:	624,817,200 Bonus Shares will be issued on the assumption that none of the 3,062,300 outstanding ESOS Options will be exercised into new Genetec Share on or prior to the Entitlement Date
“NA”	:	Net assets

DEFINITIONS (CONT'D)

“Proposed Bonus Issue”	:	Proposed bonus issue of up to 661,564,800 Bonus Shares on the basis of twelve (12) Bonus Shares for every one (1) existing Genetec Share held on the Entitlement Date
“Record of Depositors”	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“Rules of Bursa Depository”	:	The rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991 as amended from time to time, including the Securities Industry (Central Depositories) Amendment Act, 1998
“Substantial Shareholders”	:	Shall have the meaning given in Section 136 of the Act
“TEBP”	:	Theoretical ex-bonus price
“VWAMP”	:	Volume weighted average market price

Words denoting the singular number only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender, neuter gender and vice versa. Reference to persons shall include a body of persons, corporate or unincorporated (including a trust). Any reference to a time of day shall be a reference to Malaysian time, unless otherwise stated. Any reference to any statute is a reference to that statute as for the time being amended or re-enacted.

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EXECUTIVE SUMMARY

This Executive Summary only highlights the key information of this Circular. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Circular before making a decision on the Proposed Bonus Issue.

<u>Key information</u>	<u>Description</u>	<u>Reference to Circular</u>
Summary of the Proposed Bonus Issue	<p>: The Proposed Bonus Issue entails the issuance of up to 661,564,800 Bonus Shares on the basis of twelve (12) Bonus Shares for every one (1) existing Genetec Share held by the Entitled Shareholders on the Entitlement Date.</p> <p>For illustrative purpose only, the pro forma effects of the Proposed Bonus Issue shall be based on the following illustrations:-</p> <p>Minimum Scenario – 624,817,200 Bonus Shares will be issued on the assumption that none of the 3,062,300 outstanding ESOS Options will be exercised into new Genetec Share on or prior to the Entitlement Date.</p> <p>Maximum Scenario – 661,564,800 Bonus Shares will be issued on the assumption that all of the 3,062,300 outstanding ESOS Options will be exercised into new Genetec Shares on or prior to the Entitlement Date.</p>	Section 2
Rationale	<p>: After taking into consideration all options available, the Board is of the view that the Proposed Bonus Issue is the most appropriate avenue of rewarding its existing shareholders for their continuous support and loyalty towards Genetec as the Proposed Bonus Issue will:-</p> <ul style="list-style-type: none">(i) enable the existing shareholders to have greater participation in the equity of the Company in terms of the number of Genetec Shares held while maintaining their percentage of equity interest in the Company;(ii) potentially improve the trading liquidity and marketability of Genetec Shares on the ACE Market of Bursa Securities; and(iii) encourage greater participation by investors as well as potentially broadening the shareholder base of the Company.	Section 3

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EXECUTIVE SUMMARY (CONT'D)

<u>Key information</u>	<u>Description</u>	<u>Reference to Circular</u>
Approvals required	: The Proposed Bonus Issue is subject to the following approvals being obtained:- (i) Bursa Securities for the listing of and quotation for the Bonus Shares on the ACE Market of Bursa Securities; (ii) shareholders of Genetec for the Proposed Bonus Issue at an EGM to be convened; and (iii) any other relevant authorities and/or parties, if required.	Section 5
Directors' Statement and Recommendation	: The Board, after having considered all aspects of the Proposed Bonus Issue, including but not limited to the rationale and financial effects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interest of the Company and accordingly, on the basis above, recommends you to vote in favour of the resolution in relation to the Proposed Bonus Issue to be tabled at the forthcoming EGM.	Section 8

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Genetec Technology

GENETEC TECHNOLOGY BERHAD
Registration No.: 199701030038 (445537-W)
(Incorporated in Malaysia)

Registered Office:

Lot 7, Jalan P10/11, Seksyen 10
Kawasan Perusahaan Bangi
43650 Bandar Baru Bangi
Selangor Darul Ehsan
Malaysia

8 December 2021

BOARD OF DIRECTORS

Hew Voon Foo (Chairman and Independent Non-Executive Director)
Teh Kim Seng (Independent Non-Executive Director)
Ong Phoe Be (Independent Non-Executive Director)
Chin Kem Weng (Managing Director)
Sow Ewe Lee (Executive Director)
Tan Moon Teik (Executive Director)

To: The Shareholders of Genetec

Dear Sir/Madam,

PROPOSED BONUS ISSUE

1.0 INTRODUCTION

On 25 October 2021, KAF IB had, on behalf of the Board, announced that Genetec is proposing to undertake a bonus issue of up to 661,564,800 Bonus Shares on the basis of twelve (12) Bonus Shares for every one (1) existing Genetec Share held by the entitled shareholders of Genetec on the Entitlement Date.

On 1 December 2021, KAF IB had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 1 December 2021 resolved to approve the listing of and quotation for up to 661,564,800 new Genetec Shares to be issued pursuant to the Proposed Bonus Issue on the ACE Market of Bursa Securities.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE THE SHAREHOLDERS OF GENETEC WITH THE DETAILS OF THE PROPOSED BONUS ISSUE AND TO SEEK YOUR APPROVAL ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE FORTHCOMING EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED HEREWITH IN THIS CIRCULAR.

SHAREHOLDERS OF GENETEC ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AT THE FORTHCOMING EGM.

2.0 DETAILS OF THE PROPOSED BONUS ISSUE

2.1 Basis and number of Bonus Shares

The Proposed Bonus Issue entails the issuance of up to 661,564,800 Bonus Shares on the basis of twelve (12) Bonus Shares for every one (1) existing Genetec Share held by the entitled shareholders of Genetec whose names appear in the Record of Depositors of the Company as at the Entitlement Date. The Entitlement Date will be determined and announced at a later date upon receipt of all relevant approvals for the Proposed Bonus Issue.

As at the LPD, the issued share capital of Genetec is RM87,515,729 comprising 52,068,100 Genetec Shares. In addition, Genetec has 3,062,300 outstanding ESOS Options, which remained unexercised as at the LPD. For information purpose, the Company does not hold any treasury share as at the LPD.

For illustrative purpose only, the pro forma effects of the Proposed Bonus Issue shall be based on the following illustrations:-

Minimum Scenario – 624,817,200 Bonus Shares will be issued on the assumption that none of the 3,062,300 outstanding ESOS Options will be exercised into new Genetec Share on or prior to the Entitlement Date.

Maximum Scenario – 661,564,800 Bonus Shares will be issued on the assumption that all of the 3,062,300 outstanding ESOS Options will be exercised into new Genetec Shares on or prior to the Entitlement Date.

The actual number of Bonus Shares to be issued pursuant to the Proposed Bonus Issue will depend on the total number of issued Shares on the Entitlement Date. The Proposed Bonus Issue is not intended to be implemented on a staggered basis.

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

- (i) the potential adjustments to the share price of Genetec Shares and the enlarged number of issued Shares after the Proposed Bonus Issue; and
- (ii) compliance with the Rule 6.31(1A) of the Listing Requirements that the Share price adjusted for the Proposed Bonus Issue shall not be less than RM0.20 based on the daily VWAMP during the past three (3)-month period before the application to Bursa Securities for the listing of and quotation for the Bonus Shares on the ACE Market of Bursa Securities on 5 November 2021.

The Proposed Bonus Issue will result in an adjustment to the market price of Genetec Shares listed and quoted on the ACE Market of Bursa Securities. For illustration purpose, based on the five (5)-day VWAMP of Genetec Shares up to and including the LPD and lowest daily VWAMP of Genetec Shares during the past three (3) months up to and including the date of submission of the application to Bursa Securities on 5 November 2021, the TEBP of Genetec Shares are as follows:-

	VWAMP (RM)	TEBP (RM)
5-day VWAMP up to the LPD	45.7521	3.5194
Lowest 3-month daily VWAMP up to the date of submission of the application to Bursa Securities on 5 November 2021	23.3487	1.7961

Pursuant thereto, the Board confirms that the Proposed Bonus Issue is in compliance with Rule 6.31(1A) of the Listing Requirements.

2.2 Non-capitalisation of reserves

The Bonus Shares in respect to the Proposed Bonus Issue will be issued as fully paid, at nil consideration and without capitalisation of the Company's reserves.

For the avoidance of doubt, the Proposed Bonus Issue will increase the number of Genetec Shares but will not increase the value of the issued share capital of Genetec.

2.3 Ranking of the Bonus Shares

The Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the then existing Genetec Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution ("**Distribution**") which may be declared, made or paid to the shareholders of Genetec, where the entitlement date for the Distribution is prior to the date of allotment and issuance of the Bonus Shares.

2.4 Listing of and quotation for the Bonus Shares

Bursa Securities had vide its letter dated 1 December 2021 approved the listing of and quotation for the Bonus Shares on the ACE Market of Bursa Securities, subject to the conditions as set out in Section 5 of this Circular.

3.0 RATIONALE FOR THE PROPOSED BONUS ISSUE

After taking into consideration all options available, the Board is of the view that the Proposed Bonus Issue is the most appropriate avenue of rewarding its existing shareholders for their continuous support and loyalty towards Genetec as the Proposed Bonus Issue will:-

- (i) enable the existing shareholders to have greater participation in the equity of the Company in terms of the number of Genetec Shares held while maintaining their percentage of equity interest in the Company;
- (ii) potentially improve the trading liquidity and marketability of Genetec Shares on the ACE Market of Bursa Securities; and
- (iii) encourage greater participation by investors as well as potentially broadening the shareholder base of the Company.

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4.0 EFFECTS OF THE PROPOSED BONUS ISSUE

4.1 Issued share capital

The proforma effects of the Proposed Bonus Issue on the issued share capital of Genetec are as follows:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
As at the LPD	52,068,100	87,515,729	52,068,100	87,515,729
To be issued upon full exercise of the outstanding ESOS Options	-	-	3,062,300	⁽¹⁾ 5,484,579
	52,068,100	87,515,729	55,130,400	93,000,308
To be issued pursuant to the Proposed Bonus Issue	624,817,200	⁽²⁾ -	661,564,800	⁽²⁾ -
Enlarged issued share capital	676,885,300	87,515,729	716,695,200	93,000,308

Notes:-

- (1) Assuming the issuance of 3,062,300 new Genetec Shares upon full exercise of 3,062,300 outstanding ESOS Options into new Genetec Shares at the exercise price of RM1.37 per ESOS Option as well as the incorporation of fair value of RM1,289,228 pertaining to the exercise of 3,062,300 outstanding ESOS Options.
- (2) The Bonus Shares will be issued as fully paid, at nil consideration and without capitalisation of the Company's reserves as explained in Section 2.2 of this Circular.

4.2 Earnings and EPS

The Proposed Bonus Issue is not expected to have any effect on the consolidated earnings of Genetec for the FYE 2022, save for the proportionate reduction in the EPS as a result of the increase in the number of Genetec Shares in issue pursuant to the issuance of Bonus Shares.

4.3 NA and gearing

The proforma effects of the Proposed Bonus Issue on the consolidated NA per Share and gearing of Genetec based on the latest audited consolidated financial statements of Genetec for the FYE 2021 are as follows:-

Minimum Scenario

	Audited as at 31 March 2021 RM'000	(I)	(II)
		After subsequent events up to LPD RM'000	After the Proposed Bonus Issue RM'000
Share capital	68,760	⁽¹⁾ 87,516	87,516
Reserves	8,997	⁽²⁾ 8,215	⁽³⁾ 8,115
Shareholders' equity/ NA	77,757	95,731	95,631
No. of Shares ('000)	45,639	52,068	676,885
NA per Share (RM)	1.70	1.84	0.14
Borrowings (RM'000)	18,307	18,307	18,307
Gearing (times)	0.24	0.19	0.19

Maximum Scenario

	(I) After subsequent events up to LPD RM'000	(II) After (I) and full exercise of the outstanding ESOS Options RM'000	(III) After the Proposed Bonus Issue RM'000
Audited as at 31 March 2021 RM'000	RM'000	RM'000	RM'000
Share capital	68,760	⁽¹⁾ 87,516	⁽⁴⁾ 93,000
Reserves	8,997	⁽²⁾ 8,215	⁽⁵⁾ 6,926
Shareholders' equity/ NA	77,757	95,731	99,926
No. of Shares ('000)	45,639	52,068	55,130
NA per Share (RM)	1.70	1.84	1.81
Borrowings (RM'000)	18,307	18,307	18,307
Gearing (times)	0.24	0.19	0.18

Notes:-

- (1) *After adjusted for the following:-*
 - (a) *the issuance of 2,280,000 Genetec Shares and 2,292,200 Genetec Shares at the issue prices per Share of RM3.42 and RM3.33 respectively pursuant to a private placement completed on 17 June 2021;*
 - (b) *the exercise of 1,856,600 ESOS Options at RM1.37 per ESOS Option; and*
 - (c) *the incorporation of fair value of RM781,629 pertaining to the exercise of 1,856,600 ESOS Options.*
- (2) *After adjusted for the reversal of RM781,629 pertaining to the exercise of 1,856,600 ESOS Options.*
- (3) *After deducting the estimated expenses incidental to the Proposed Bonus Issue of approximately RM0.10 million.*
- (4) *After adjusted for the full exercise of 3,062,300 outstanding ESOS Options at RM1.37 per ESOS Option and the incorporation of fair value of RM1,289,228 pertaining to the exercise of 3,062,300 outstanding ESOS Options.*
- (5) *After adjusted for the reversal of RM1,289,228 pertaining to the exercise of 3,062,300 outstanding ESOS Options.*

4.4 Convertible securities

As at the LPD, save for 3,062,300 outstanding ESOS Options, the Company does not have any other convertible securities.

Pursuant to the Proposed Bonus Issue, the exercise price and the number of outstanding ESOS Options will be adjusted in accordance with the provisions of the by-laws of the ESOS. The eventual adjustments to the exercise price and number of outstanding ESOS Options will only be finalised on the Entitlement Date. The holders of such ESOS Options will be notified in writing within thirty (30) calendar days from the effective date of adjustments arising from the Proposed Bonus Issue.

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4.5

Substantial Shareholders' shareholdings

The Proposed Bonus Issue will not have any effect on the Substantial Shareholders' percentage of shareholding in the Company as the Bonus Shares will be allotted on a pro-rata basis to all the shareholders of the Company. However, the number of Genetec Shares held by each Substantial Shareholder will increase proportionately as a result of the Proposed Bonus Issue. The proforma effects of the Proposed Bonus Issue on Genetec's Substantial Shareholders' shareholdings in the Company are as follows:-

Minimum Scenario

Substantial Shareholders	As at the LPD				After the Proposed Bonus Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
KVC Corporation Sdn. Bhd.	3,595,400	6.91	-	-	46,740,200	6.91	-	-
Chin Kem Weng	4,032,505	7.74	-	-	52,422,565	7.74	-	-
Tan Moon Teik	3,098,600	5.95	-	-	40,281,800	5.95	-	-
Chen Khai Voon	6,352,800	12.20	(1) 3,595,400	6.91	82,586,400	12.20	(1) 46,740,200	6.91

Maximum Scenario

Substantial Shareholders	As at the LPD				(I) After full exercise of the outstanding ESOS Options				(II) After (I) and the Proposed Bonus Issue			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
KVC Corporation Sdn. Bhd.	3,595,400	6.91	-	-	3,595,400	6.52	-	-	46,740,200	6.52	-	-
Chin Kem Weng	4,032,505	7.74	-	-	(2) 4,592,505	8.33	-	-	59,702,565	8.33	-	-
Tan Moon Teik	3,098,600	5.95	-	-	(3) 3,598,600	6.53	-	-	46,781,800	6.53	-	-
Chen Khai Voon	6,352,800	12.20	(1) 3,595,400	6.91	6,352,800	11.52	(1) 3,595,400	6.52	82,586,400	11.52	(1) 46,740,200	6.52

Notes:-

- (1) Deemed interested by virtue of his interest in KVC Corporation Sdn. Bhd. pursuant to Section 8 of the Act.
- (2) Assuming Chin Kem Weng's holding of 560,000 ESOS Options as at the LPD are fully exercised.
- (3) Assuming Tan Moon Teik's holding of 500,000 ESOS Options as at the LPD are fully exercised.

5.0 APPROVALS REQUIRED

The Proposed Bonus Issue is subject to the following approvals being obtained:-

- (i) Bursa Securities, for the listing of and quotation for the Bonus Shares on the ACE Market of Bursa Securities;

The approval of Bursa Securities was obtained vide its letter dated 1 December 2021 and is subject to the following conditions:-

Condition	Status of compliance
(a) Genetec and KAF IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue;	To be complied
(b) Genetec and KAF IB to inform Bursa Securities upon the completion of the Proposed Bonus Issue;	To be complied
(c) Genetec and KAF IB 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 is completed;	To be complied
(d) Genetec and KAF IB are required to make the relevant announcements pursuant to Rules 6.36(2)(a) and (b) and 6.36(4) of the Listing Requirements; and	To be complied
(e) Submission of a written confirmation letter by KAF IB to Bursa Depository that all conditions imposed by Bursa Securities which are required to be met before the listing and quotation of the securities have been fully complied with and/or fulfilled together with submission of the share certificate by Genetec and a cover letter containing the summary of the Proposed Bonus Issue to Bursa Depository before 10.00 a.m. on the market day prior to the listing date.	To be complied

- (ii) shareholders of Genetec for the Proposed Bonus Issue at the EGM to be convened; and
- (iii) any other relevant authorities and/or parties, if required.

The Proposed Bonus Issue is not conditional upon any other proposal undertaken or to be undertaken by the Company

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6.0 HISTORICAL SHARE PRICES

The monthly highest and lowest prices of Genetec Shares as traded on Bursa Securities for the past twelve (12) months up to the LPD are as follows:-

	Highest (RM)	Lowest (RM)
2020		
November	1.88	1.58
December	1.82	1.69
2021		
January	3.18	1.75
February	6.55	2.75
March	6.28	4.25
April	5.10	4.25
May	4.34	3.60
June	9.45	3.66
July	23.94	8.45
August	31.12	22.10
September	40.00	29.08
October	49.38	34.50
Last transacted market price on 22 October 2021 (being the latest market day preceding the announcement of the Proposed Bonus Issue)		46.80
Last transacted market price on the LPD		43.50

(Source: Bloomberg)

7.0 INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

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

8.0 DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposed Bonus Issue, including but not limited to the rationale and financial effects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interest of the Company and accordingly, on the basis above, recommends you to vote in favour of the resolution in relation to the Proposed Bonus Issue to be tabled at the forthcoming EGM.

9.0 OUTSTANDING CORPORATE EXERCISES

Save for the Proposed Bonus Issue, there are no other corporate exercises/schemes which have been announced but yet to be completed by the Company prior to the printing of this Circular.

10.0 ESTIMATED TIME FRAME FOR COMPLETION OF THE PROPOSED BONUS ISSUE

Subject to the approvals as stated in Section 5.0 above and barring any unforeseen circumstances, the Proposed Bonus Issue is expected to be completed by the first (1st) quarter of 2022. The tentative timetable in relation to the Proposed Bonus Issue is set out below:-

Date	Events
23 December 2021	Convening of the EGM to obtain the approval of Genetec's shareholders for the Proposed Bonus Issue
End December 2021	Announcement of the Entitlement Date
Mid January 2022	Entitlement Date
Mid January 2022	Listing of and quotation for the Bonus Shares on Bursa Securities / Completion of the Proposed Bonus Issue

11.0 EGM

The EGM, the notice of which is enclosed in this Circular, will be conducted fully virtual through live streaming and meeting online platform of TIIH Online provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its website at <https://tiih.online> on Thursday, 23 December 2021 at 2.00 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the resolution pertaining to the Proposed Bonus Issue.

As a shareholder, you are entitled to appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, kindly complete and deposit the Form of Proxy at the Company's Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgement via TIIH online website at <https://tiih.online> (*kindly refer to the Administrative Guide on the procedure of electronic submission Proxy Form via TIIH Online*), not less than forty-eight (48) hours before the time appointed for the meeting.

12.0 FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendix I for further information.

Yours faithfully,
For and on behalf of the Board of
GENETEC TECHNOLOGY BERHAD

HEW VOON FOO
Independent Non-Executive Chairman

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and the Directors of Genetec individually and collectively accept full responsibility for the accuracy of the information given in this Circular and confirm that after making all reasonable enquiries, and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement/information herein misleading.

2. CONSENT

KAF IB, as the adviser to Genetec in relation to the Proposed Bonus Issue, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto, where relevant, in the form and context in which it appears.

3. DECLARATION

KAF IB confirms that there is no conflict of interest that exist or likely to exist that affect or may affect its ability to act independently and objectively as the adviser in connection with the Proposed Bonus Issue.

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

As at the LPD, the Board is not aware of any other material commitments and contingent liabilities incurred or known to be incurred by Genetec Group which, upon becoming due and enforceable, may have a material and adverse impact on the financial results/position of Genetec Group.

5. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, Genetec Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Board has no knowledge of any proceedings pending or threatened against the Group or any facts which are likely to give rise to any proceedings, which may materially and adversely affect the business or financial position of Genetec Group.

6. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of Genetec at Lot 7, Jalan P10/11, Seksyen 10, Kawasan Perusahaan Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan during ordinary business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM:-

- (i) the Constitution of Genetec;
- (ii) the letters of consent and conflict of interest referred to in Section 2 and Section 3 respectively of this Appendix I;
- (iii) the audited consolidated financial statements of Genetec for the past two (2) FYE 2020 and FYE 2021; and
- (iv) the unaudited consolidated financial statements of Genetec for the six (6)-month financial period ended 30 September 2021.

GENETEC TECHNOLOGY BERHAD

Registration No.: 199701030038 (445537-W)

(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of Genetec Technology Berhad (“**Genetec**” or “**Company**”) will be conducted fully virtual through live streaming and meeting online platform of TIIH Online provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its website at <https://tjih.online> on Thursday, 23 December 2021 at 2.00 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolution, with or without any modifications:-

ORDINARY RESOLUTION

PROPOSED BONUS ISSUE OF UP TO 661,564,800 NEW ORDINARY SHARES IN GENETEC (“BONUS SHARES”) ON THE BASIS OF TWELVE (12) BONUS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN GENETEC (“GENETEC SHARE”) HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED BONUS ISSUE”)

“**THAT** subject to and conditional upon the approvals of all the relevant regulatory authorities and/or parties, if required, being obtained for the Proposed Bonus Issue, approval be and is hereby given to the Board of Directors of Genetec (“**Board**”) to allot and issue up to 661,564,800 Bonus Shares on the basis of twelve (12) Bonus Shares for every one (1) existing Genetec Share held by the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined and announced later.

THAT the Bonus Shares in respect of the Proposed Bonus Issue shall be issued as fully paid, at nil consideration and without capitalisation of the Company’s reserves.

THAT the Bonus Shares shall, upon allotment and issue, rank equally in all respects with the then existing Genetec Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution (“**Distribution**”) which may be declared, made or paid to the shareholders of Genetec, where the entitlement date for the Distribution is prior to the date of allotment and issuance of the Bonus Shares.

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to and to complete the Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or deemed necessary by the Directors of Genetec 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 deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue.”

BY ORDER OF THE BOARD

LOW SOOK KUAN
(SSM PC NO. 202008001384)
(MAICSA 7047833)
Company Secretary

Selangor Darul Ehsan
8 December 2021

Notes:-

1. For the purpose of determining a member who shall be entitled to attend and vote at the forthcoming Extraordinary General Meeting (“EGM”), the Company shall be requesting the Record of Depositors as at 17 December 2021. Only a depositor whose name appears on such Record of Depositors shall be regarded as a member and entitled to participate and vote at the EGM as well as for appointment of proxy(ies) or authorised representative to attend, speak and vote on his/her stead.
2. A member of the Company entitled to attend, speak and vote at the meeting shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote in his stead. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless the member specifies the proportion of the member’s shareholdings to be represented by each proxy.
3. Where a member of the Company is an Exempt Authorised Nominee (“EAN”) which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) as defined under the Securities Industry (Central Depositories) Act, 1991 (“SICDA”), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.
4. Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint more than one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, shall either under its common seal or under the hand of an officer or attorney of the corporation duly authorised.
6. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited as follows, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. The resolution set out in this Notice will be put to vote by poll.

(a) Deposit Hardcopy of Proxy Form

To the Company’s Share Registrar’s office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

(b) Deposit of Proxy Form Electronically

To the Company’s Share Registrar via TIIH Online website at <https://tiih.online>. Kindly refer to the Administrative Guide on the procedure of electronic submission Proxy Form via TIIH Online.

Genetec Technology

PROXY FORM

No. of shares held	
--------------------	--

I/We _____ NRIC/Co. No. _____

(FULL NAME OF MEMBER(S) IN CAPITAL LETTERS AS PER NRIC/PASSPORT/CERTIFICATE OF INCORPORATION)

of _____

(FULL ADDRESS)

being a member/members of GENETEC TECHNOLOGY BERHAD [Registration No. 199701030038 (445537-W)] (the "Company") hereby appoint:

Full Name (in block letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and

Full Name (in block letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be conducted fully virtual through live streaming and online meeting platform of TIIH Online provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its website at <https://tiih.online> on Thursday, 23 December 2021 at 2.00 p.m. and at any adjournment thereof as indicated below:

ORDINARY RESOLUTION	FOR	AGAINST
Proposed Bonus Issue		

(Please indicate with an "X" in the space provided above as to how you wish your vote to be cast. In the absence of specific directions, the proxy will vote or abstain from voting at his/her discretion.)

Dated this: _____ day of _____ 2021.

Signature/Common Seal of Shareholder(s)

Tel No. (During office hours): _____

Notes:-

- For the purpose of determining a member who shall be entitled to attend and vote at the forthcoming Extraordinary General Meeting ("EGM"), the Company shall be requesting the Record of Depositors as at 17 December 2021. Only a depositor whose name appears on such Record of Depositors shall be regarded as a member and entitled to participate and vote at the EGM as well as for appointment of proxy(ies) or authorised representative to attend, speak and vote on his/her stead.
- A member of the Company entitled to attend, speak and vote at the meeting shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote in his stead. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless the member specifies the proportion of the member's shareholdings to be represented by each proxy.
- Where a member of the Company is an Exempt Authorised Nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.
- Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint more than one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, shall either under its common seal or under the hand of an officer or attorney of the corporation duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited as follows, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. The resolution set out in the Notice will be put to vote by poll.

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To the Company's Share Registrar via TIIH Online website at <https://tiih.online>. Kindly refer to the Administrative Guide on the procedure of electronic submission Proxy Form via TIIH Online.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar
Genetec Technology Berhad (199701030038)(445537-W)
c/o: 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
Malaysia

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