

20 JUN, 2026

Stepping out of govt's shadow



The Star, Malaysia

By LYDIA NATHAN

lydia.sheena@thestar.com.my

HEITECH Padu Bhd is no stranger to controversy.

Often winning some of the government's largest technology contracts, the systems integration company has, in the past, found itself at the centre of debate over public procurement and political connections.

But HeiTech Padu positions itself as a homegrown technology player entrusted with keeping critical government systems running and modernising the nation's digital infrastructure.

Some of its projects include the National Integrated Immigration System or NIISe, two contracts from the Road Transport Department (JPJ), a separate contract for the maintenance of Malaysian Immigration System or MyIMMs from the Immigration Department, and a RM1bil hydroelectric-related contract from Tenaga Nasional Bhd (TNB).

Syed Omar Albar Syed Abdullah was recently appointed group chief executive officer effective May 26, 2026.

He tells *StarBiz 7* that the company has always been associated with government contracts – such contracts are, after all, HeiTech Padu's bread and butter.

"The reality is we are typically contracted by the government of the day to come up with solutions or systems for daily occurrences, whether it is facial recognition at airports or maintaining the (JPJ's) MySikap system," he says, adding that there are many systems that are built on top of HeiTech Padu's systems.

Having been around for more than 30 years, HeiTech Padu has insights into what the government needs and what sort of technology to utilise best.

"As a systems integrator, it's how you package everything and tailor make a solution that will solve a certain need.

"HeiTech Padu's never failed at building a project. We've always looked at the how's and figured out which technology to use that can be translated into a system and adopted by the government," he says.

Winning a contract is a completely different thing to actually being able to deliver it, he says.

"There's glitz and glam when you announce you've bagged a contract. Then we go to the table to look at what we need to deliver – that alone is a challenge.

"There's always assumptions at the start, and then you slowly see the challenges and limitations you have to work through," he explains.

Syed Omar says HeiTech Padu is possibly the biggest systems integration company in the country, with a 1,500 workforce.

"People are our biggest assets, about 30% of our workforce have served HeiTech Padu for more than 20 years. This is our strength – their knowledge, expertise and experience," Syed Omar says.

Despite being more known for its government contracts, HeiTech Padu also has a foot in the private sector.

Projects won include significant data centre contracts as well as TNB's hydroelectric project.

Last February, HeiTech Padu and its Austrian partner, Voith Hydro GmbH & Co KG, received a letter of acceptance from TNB

Power Generation Sdn Bhd.

The contract entails engineering, procurement, construction and commissioning, as well as electrical, mechanical and associated civil works for the hydro life extension programme at Sungai Perak.

HeiTech Padu's part of the contract is valued at RM902.96mil.

Soon after the announcement, HeiTech Padu clarified that its venture into the energy sector has been established since 2015 and that since then, it has successfully secured projects totaling RM200mil.

For the TNB contract, HeiTech Padu will provide specialised services needed to integrate Voith's hydroelectric equipment with Malaysia's energy grid.

At the moment, public sector contracts contribute some 65% to 70% to HeiTech Padu's earnings. "But, if we are taking it from the book value perspective, I'd say the private contracts are technically more. For instance, the TNB contract is to be spread out over 10 years," he says.

Syed Omar believes they will be kept busy this year.

"For the immigration contract, e-gates at five international airports have been fully deployed,

and are in expansion phases," he adds.

The group is also targeting to secure two large government contracts this year, collectively valued at RM1.1bil.

"We will also be looking at expanding services and businesses within the municipalities.

"For instance, we are concession holders for parking in four municipalities, so we are looking to explore other areas like CCTV monitoring and the likes," he says.

Since taking over, Syed Omar has been reviewing the group's overseas ventures.

"We were in Dubai, the United Arab Emirates, Sri Lanka, Ghana, Australia and Indonesia.

"Our presence overseas has decreased significantly, and right now, we reviewing our overseas strategy," he says.

The group is also currently exploring the market in Pakistan.

HeiTech Padu's earnings have been patchy over the last few years, reporting losses in financial year 2021 (FY21) and FY22 before returning to the black in FY23 with a profit after tax of RM7.22mil.

Its profits were down slightly to RM6.69mil in FY24 before

going up again last year to RM22.75mil.

This was due to higher project execution activities, particularly in the public sector, supported by improved cost management and strengthened project governance.

HeiTech Padu saw a higher revenue of RM111.35mil for the first quarter ended March 31, 2026.

Its profit for the quarter, however, was lower at RM2.44mil compared to RM9.96mil posted in the same quarter last year.

Syed Omar said revenue was higher because deliverables for the immigration project were finalised.

"Profit was down because we took some initiatives to reinvest into our staff.

"Secondly, the nature of some projects shifted. The contract for KLIA, for example, was meant to begin in 2028 but the government has asked for it (to start) earlier, so we've had to take some of the heat first," he says.

HeiTech Padu closed at RM1.35 last Wednesday, at a historical price-to-earnings multiple of close to 13 times and a market capitalisation of RM220mil.

Syed Omar is focused on creating a balance between the public and private sectors, while continuing to diversify the business and drive sustainable growth.

"We are a project-based company that delivers. It doesn't matter if the government changes, we are still going to continue doing what we do," he adds.

Rosetta Partners Sdn Bhd, an investment vehicle owned by Sultan Muhammad V of Kelantan, is HeiTech Padu's largest shareholder with a 23.6% stake, followed by MyEG Services Bhd's group managing director Wong Thean Soon with a 17% stake, held largely through MyEG Capital Sdn Bhd.

Datuk Sri Mohd Hilmey Mohd Taib, the former executive deputy chairman of the group who remains as a non executive director, has whittled down his stake to around 13.2%, making him the third-largest shareholder.

■ Government contracts are HeiTech Padu's bread and butter

■ HeiTech Padu is among the country's biggest systems integration company, with a 1,500 workforce

Stepping out of govt's shadow

