

LGMS BERHAD (“LGMS” OR THE “COMPANY”)

MEMORANDUM OF UNDERSTANDING (“MOU”) ENTERED INTO BETWEEN LGMS AND ANTAREX HOLDINGS SDN BHD (“AHSB”) AND THE MAJOR SHAREHOLDERS OF AHSB FOR EXPLORATION OF STRATEGIC COLLABORATION

1. INTRODUCTION

The Board of Directors of LGMS (“**Board**”) wishes to announce that the Company had, on 9 April 2025, entered into a MOU with AHSB and its major shareholders, namely Tan Soon Huat and Tan Pek Loon (collectively referred to as “**AHSB Major Shareholders**”), to explore on the following:-

- (i) collaboration in product development, cross selling of commercial cybersecurity products and services in Malaysia and regionally (“**Strategic Collaboration**”); and
- (ii) the proposed acquisition of an equity stake in AHSB from the AHSB Major Shareholders to be determined later and subject to the terms and conditions to be negotiated and mutually agreed between both parties (“**Proposed Acquisition**”).

The MOU accords the parties with a period of approximately 6 months or such other period mutually agreed by both parties to negotiate and finalise on the terms of the Strategic Collaboration and Proposed Acquisition (“**Negotiation Period**”). For information purposes, AHSB and its group of companies (“**AHSB Group of Companies**”) is recognised for its cybersecurity expertise, operating a suite of advanced cyber defence platforms (such as XNI (Extended Network Intelligence), DarkShield, and XOR (Extended Operations & Response)), which delivers real-time threat detection, automated incident response and compliance-ready support aligned with regulatory frameworks.

The terms of the Proposed Acquisition will be formalised into share sale and purchase agreement to be entered into by the parties within the Negotiation Period. A detailed announcement on the Proposed Acquisition, if materialises and required, will be made upon execution of the share sale and purchase agreement.

2. INFORMATION ON AHSB

AHSB (Registration No. 202301022649 (1516572-U)) was incorporated as a private limited company in Malaysia under the Companies Act 2016 on 15 June 2023 and having its registered address at No. 02-03A, PV128, Jalan Genting Klang, Setapak, 53300 Wilayah Persekutuan Kuala Lumpur.

AHSB is principally involved in investment holding and provision of information technology services. AHSB has an issued share capital of RM100 comprising 100 ordinary shares as at 8 April 2025, being the latest practicable date of this announcement.

3. SALIENT TERMS OF THE MOU

3.1 Due diligence review

The AHSB Major Shareholders shall, upon execution of the MOU, facilitate and grant LGMS access to carry out a due diligence exercise in respect of AHSB Group of Companies (“**Due Diligence Exercise**”).

3.2 Timeline

- (i) The AHSB Major Shareholders and LGMS shall endeavour to complete the Due Diligence Exercise on or before 30 August 2025, or such other date as may be mutually agreed by both parties ("**Due Diligence Completion Date**").
- (ii) Thereafter, the parties shall endeavour to finalise the terms and conditions of the Proposed Acquisition within 60 days thereafter from the Due Diligence Completion Date.

3.3 Share sale and purchase agreement

The execution of the share sale and purchase agreement is subject to:-

- (i) the completion of a restructuring exercise to be undertaken by AHSB as required under the MOU and the Due Diligence Exercise, to the satisfaction of LGMS within the timeframe stated in **Section 3.2(i)** above; and
- (ii) the finalisation of the terms and conditions of the Proposed Acquisition in accordance with **Section 3.2(ii)** above, the parties shall enter into a share sale and purchase agreement in respect of the Proposed Acquisition within 60 days from the Due Diligence Completion Date, or such other date as may be mutually agreed by both parties.

4. RATIONALE AND JUSTIFICATION OF THE MOU

The strategic collaboration between LGMS, AHSB and AHSB Major Shareholders are envisaged to unlock significant growth potential and synergies. In particular, LGMS will be able to leverage on AHSB Group of Companies' regional market presence to introduce its award-winning cybersecurity solution, StarSentry to a broader client base across Southeast Asia. AHSB Group of Companies will also stand to benefit from the Strategic Collaboration through the integration of StarSentry solution into its existing suite of cybersecurity solutions, which will potentially create a robust, comprehensive and unified cybersecurity defence system.

5. FINANCIAL EFFECTS

The MOU is not expected to have any material effects on the issued share capital and substantial shareholders' shareholdings of LGMS, as well as net assets, gearings and earnings per share of LGMS.

6. APPROVALS REQUIRED

The MOU is not subject to the approval of shareholders of the Company or any relevant authorities.

7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors, major shareholders and/or persons connected with them have any interest, whether direct or indirect, in the MOU.

8. DIRECTORS' STATEMENT

After taking into consideration all aspects of the MOU, the Board is of the opinion that the MOU is in the best interest of the Company.

9. DOCUMENT AVAILABLE FOR INSPECTION

The MOU is available for inspection at the registered office of LGMS at Unit 7-01, Level 7, Lagenda Tower, No. 3 Jalan SS20/27, 47400 Petaling Jaya Selangor from Monday to Friday (except public holidays) for a period of 3 months commencing from the date of this announcement.

This announcement is dated 9 April 2025.