



LGMS BERHAD

(Registration No. 202001039091 (1395412-W))

NOTICE OF 3RD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 3rd Annual General Meeting (“**AGM**”) of LGMS Berhad (“**the Company**”) will be held on a fully virtual basis through live streaming and online remote voting via the online meeting platform at <https://web.vote2u.my> (Domain registration number with MYNIC D6A471702) on **Thursday, 30 May 2024 at 2.00 p.m.**, or any adjournment thereof for the purpose of considering and, if thought fit, passing with or without modifications the resolutions as set out in this notice:

A G E N D A

AS ORDINARY BUSINESS

- | | |
|---|--|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Directors’ Report and Auditors’ Report thereon. | (Please refer to Explanatory Notes) |
| 2. To approve the payment of Directors’ Fees amounting to RM172,500 for the financial year ended 31 December 2023. | RESOLUTION 1 |
| 3. To approve the payment of Directors’ benefits up to an amount of RM30,000 for the financial year ending 31 December 2024 and up to the date of the 4 th AGM of the Company. | RESOLUTION 2 |
| 4. To re-elect Mr. Chan Kam Chiew, who retires in accordance with Article 18.2 of the Company’s Constitution and being eligible, has offered himself for re-election. | RESOLUTION 3 |
| 5. To re-elect Dr Teh Chee Ghee, who retires in accordance with Article 18.2 of the Company’s Constitution and being eligible, has offered himself for re-election. | RESOLUTION 4 |
| 6. To re-elect Mr. Kenichi Kogiku, who retires in accordance with Article 18.9 of the Company’s Constitution and being eligible, has offered himself for re-election. | RESOLUTION 5 |
| 7. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | RESOLUTION 6 |

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions with or without modifications:

- | | |
|---|---------------------|
| 8. AUTHORITY TO ALLOT AND ISSUE SHARES BY THE DIRECTORS UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 | RESOLUTION 7 |
|---|---------------------|

THAT subject always to the Companies Act, 2016 (“**the Act**”), the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”) and approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered, pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority and shall continue to be in force until the conclusion of the next AGM of the Company.

Notice of 3rd Annual General Meeting (continued)

THAT pursuant to Section 85 of the Act read together with Article 13.2 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to Sections 75 and 76 of the Act.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.

9. To transact any other business for which due notice shall have been given.

BY ORDER OF THE BOARD

SIEW SUET WEI (MAICSA 7011254)

SSM Practicing Certificate No. 202008001690

LIM YEN TENG (LS0010182)

SSM Practicing Certificate No. 201908000028

Company Secretaries

Kuala Lumpur

Date: 30 April 2024

NOTES:

(A) Information for Shareholders/Proxies

1. For the purpose of determining a member who shall be entitled to attend and vote at the 3rd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 15.9 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), to issue a General Meeting Record of Depositors as at 23 May 2024. Only a depositor whose name appears on the Record of Depositors as at 23 May 2024 shall be entitled to attend the said meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
3. Where a member appoints more than one (1) proxy but not more than two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus account**") as defined under the SICDA, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.
6. The duly completed and executed Proxy Form must be deposited at the Company's registered office at No. 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Alternatively, the Proxy Form may also be lodged electronically via the Vote2U Online at <https://web.vote2u.my>. Kindly refer to the Administrative Guide for the 3rd AGM for further information on the electronic lodgement of proxy form.
7. Pursuant to Rule 8.31A(1) of the Listing Requirements, voting at the 3rd AGM of the Company will be conducted by poll. Poll Administrator and Independent Scrutineers will be appointed respectively to conduct the polling and to verify the results of the poll.

EXPLANATORY NOTES ON ORDINARY BUSINESS

1. Audited Financial Statements for the financial year ended 31 December 2023

This Agenda item is meant for discussion only as under the provisions of Section 340(1)(a) of the Act, the audited financial statements do not require the approval of the shareholders. As such, this matter will not be put forward for voting.

Notice of 3rd Annual General Meeting (continued)

2. Ordinary Resolutions No. 1 & 2: Payment of Directors' Fees & Benefits

Pursuant to Section 230(1) of the Act, the shareholders' approval is sought for the proposed payment of Directors' fees and benefits to the Non-Executive Directors.

Ordinary Resolution 1 is to seek shareholders' approval on the payment of Directors' fees to the Independent Non-Executive Directors in respect of financial year ended 31 December 2023.

Ordinary Resolution 2 is to seek shareholders' approval on the payment of Directors' benefits to the Independent Non-Executive Directors in respect of financial year ending 31 December 2024 and up to the date of the 4th AGM of the Company which have been reviewed by the Remuneration Committee and the Board of Directors of the Company. The calculation of the benefits is in respect of meeting allowance and based on the estimated number of scheduled and/or special Board and Board Committees' meetings and on the assumption that the number of Non-Executive Directors in office remain the same during the financial year ending 31 December 2024. In the event that the proposed amount is insufficient (due to enlarged Board size and additional number of meetings), approval will be sought at the next AGM to meet the shortfall.

3. Ordinary Resolutions No. 3, 4 and 5: Re-election of Directors

Article 18.2 of the Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company where one third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one third (1/3) shall retire from office and be eligible for re-election. PROVIDED ALWAYS THAT all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

In determining the eligibility of the Directors due for retirement to stand for re-election at the forthcoming 3rd AGM, the Nomination Committee has assessed the retiring Directors and was satisfied with the outcome of the fit and proper assessment.

The Board approved the Nomination Committee's recommendation for the re-election of the retiring Directors pursuant to Article 18.2 of the Company's Constitution at the forthcoming 3rd AGM of the Company. At the Board Meeting, the retiring Directors have offered themselves for re-election, and abstained from deliberation as well as decision on their own eligibility to stand for re-election at the forthcoming 3rd AGM.

Article 18.9 of the Company's Constitution provides that any Director appointed as an addition to the existing Board of Directors shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. Mr Kenichi Kogiku was appointed as a Non-Independent Non-Executive Director of the Company on 5 July 2023.

The profiles of the three (3) Directors standing for re-election are set out in the Annual Report 2023 issued on 30 April 2024.

4. Ordinary Resolution No. 6: Appointment of Auditors

The Board and Audit Committee had at their respective meetings on 4 April 2024 recommended the re-appointment of Messrs Crowe Malaysia PLT for the financial year ending 31 December 2024. Messrs Crowe Malaysia PLT have met the criteria prescribed under the Rule 15.21 of the Listing Requirements and indicated their willingness to continue their services for the next financial year.

5. Ordinary Resolution No. 7: Authority to allot and issue shares by the Directors under Sections 75 And 76 of the Act

The proposed Resolution 7 is intended to renew the authority granted to the Directors of the Company at the 2nd AGM of the Company held on 26 June 2023 to allot and issue shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being.

The authority to issue shares granted by the members at the 2nd AGM of the Company had not been utilised and hence, no proceeds were raised therefrom. The approval of this mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares, for purpose of funding future project(s), working capital and/or acquisitions and to avoid delay and cost in convening general meetings to approve such issue of shares.

By voting in favour, the shareholders of the Company will waive their statutory pre-emptive rights under Section 85 of the Act and Article 13.2 of the Constitution and thus will allow the Directors to issue new shares to any person under the general mandate without having to offer the new shares to be issued equally to all existing shareholders of the Company prior to issuance.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect thereof.

STATEMENT ACCOMPANYING NOTICE OF 3RD ANNUAL GENERAL MEETING

(pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Details of individual who are standing for election as Directors (excluding Directors standing for re-election)

There are no individuals who are standing for election as directors (excluding directors standing for a re-election).

2. General mandate for issue of securities in accordance with Rule 6.04(1) of the Listing Requirements

The Company will seek shareholders' approval on the general meeting for issue of securities in accordance with Rule 6.04(3) of the Listing Requirements. Please refer to the proposed Ordinary Resolution 7 as stated in Notice of 3rd AGM of the Company for details.