INFOLINE TEC GROUP BERHAD [REGISTRATION NO. 202101032489 (1432789-M)] ("INFOLINE" OR "THE COMPANY")

- **MEMORANDUM OF UNDERSTANDING BETWEEN UNIVERSITY MALAYSIA OF COMPUTER SCIENCE AND ENGINEERING AND INFOLINE IT SOLUTIONS SDN. BHD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY**

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1. INTRODUCTION

The Board of Directors of Infoline is pleased to announce that Infoline IT Solutions Sdn. Bhd. ("**Infoline IT**"), a wholly-owned subsidiary of the Company, has on 27 August 2026 entered into a Memorandum of Understanding ("**MOU**") with University Malaysia of Computer Science and Engineering [Registration No. DU040(B)] ("**UNIMY**") to establish collaboration and explore opportunities to develop, support and enrich the artificial intelligence ("**AI**") research and development, educational programs and training in the fields that will be beneficial to both Infoline IT and UNIMY (hereinafter be referred to singularly as "**the Party**" and jointly as "**the Parties**").

2. INFORMATION ON INFOLINE IT AND UNIMY

Infoline IT [Registration No. 201301015421 (1045254-P)], a wholly-owned subsidiary of the Company, is a private limited company incorporated in Malaysia and having its business address at No. 53-3, Jalan PJU 5/20E, Pusat Perdagangan Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan. Infoline IT is principally engaged in providing Information Technology infrastructure and cybersecurity solutions as well as trading of ancillary hardware and related services.

UNIMY is a private university incorporated under the laws of Malaysia and having its business address at Level 1 & 2, Block B, VSQ@PJ City Centre, Jalan Utara, Section 14, 46200 Petaling Jaya, Selangor Darul Ehsan. UNIMY is a premier education provider under the Brickfields Asia College (BAC) Education Group, operating the university at its business address and aims to provide quality higher education in Malaysia which includes pre-university, undergraduate, postgraduate and professional courses in engineering and information technology, amongst others.

3. SALIENT TERMS OF THE MOU

The salient terms as extracted from the MOU include, inter-alia, the following:-

(a) <u>Scope of Co-Operation</u>

The MOU is intended to establish a collaboration and explore opportunities to develop, support and enrich the AI research and development, educational programs and training in the fields that will be beneficial to the Parties. The collaboration aims to:-

(i) Collaboration in research and development activities relating to technological innovation, AI, digital transformation and industry-academia collaboration;

(ii) The Parties intends to establish, develop and operate an "*INFOLINE-UNIMY AI HUB*" at UNIMY's campus to facilitate research and development, talent cultivation, commercialisation activities and industry engagement initiatives;

(iii) UNIMY intends to provide the location, facilities, academic expertise and talent required for the establishment and operation of the AI hub; and

(iv) Infoline IT intends to provide financial contributions and the necessary hardware, equipment, software, technology platforms and industry support for the establishment and development of the AI hub.

The Parties acknowledge that the MOU serves as a high-level framework for the proposed collaboration. The detailed scope of work, governance structure, financial commitments, operational arrangements and the respective rights and obligations of the Parties shall be governed by a definitive collaboration agreement to be negotiated and executed between the Parties.

The Parties agree that they may undertake such other projects, programmes or activities as may be mutually identified and agree upon from time to time.

(b) <u>Duration of MOU</u>

The MOU comes into effect on the date of execution and will remain in effect for a period of one (1) year from the date of the MOU. The MOU may be extended for a further period as may be agreed by the Parties. Either Party may terminate the MOU by giving to the other Party a written notice of at least three (3) months prior to the intended termination date.

(c) <u>Intellectual Property Rights</u>

The intellectual property rights in respect of the collaboration under the MOU shall be as follows: -

(i) Each party shall retain ownership of all intellectual property rights owned or developed by it prior to the commencement of the MOU or independently of the collaboration contemplated under the MOU;

(ii) Nothing in the MOU shall confer upon either Party any right, title or interest in the other Party’s pre-existing intellectual property without the prior written consent of the owning Party;

(iii) The ownership, protection, use, licensing, commercialisation and exploitation of any intellectual property created, developed or arising from the collaboration under the MOU shall be governed by the definitive collaboration agreement and/or such project-specific agreements as may be mutually agreed between the Parties; and

(iv) The expiry or termination of the MOU shall not affect the rights and obligations of the Parties, which shall survive and continue in full force and effect notwithstanding such expiry or termination.

(d) <u>Cost and Expenses</u>

Unless otherwise mutually agreed in writing by the Parties, each Party shall bear its own costs and expenses incurred in connection with the negotiation, execution and implementation of the MOU.

Any financial contributions, capital investments, procurement of equipment, operational costs, funding commitments or other financial arrangements relating to the establishment, operation and management of the AI hub shall be subject to the definitive collaboration agreement and/or such other definitive agreements as may be mutually agreed between the Parties.

4. FINANCIAL EFFECTS OF THE MOU

The MOU is not expected to have any material immediate effect on the earnings per share, net assets per share and gearing of the Company and its subsidiaries ("**Group**") for the financial year ending 31 March 2027, but is expected to contribute positively to the Group's future earnings and cash flow position.

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

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

6. DIRECTORS' STATEMENT

The Board of Directors of Infoline, having taken into consideration all aspects of the MOU, is of the opinion that the MOU will have a positive impact on the business of the Company and is in the best interest of the Group.

This announcement is dated 27 August 2026.