

**ITMAX SYSTEM BERHAD ("ITMAX" OR "THE COMPANY")
REGISTRATION NO.: 200101008580 (544336-M)**

LETTER OF VARIATION FROM MAJLIS BANDARAYA ISKANDAR PUTERI TO SOUTHMAX SDN. BHD., A 65%-OWNED SUBSIDIARY OF THE COMPANY, TO THE CONTRACT FOR THE PROVISION OF VIDEO SURVEILLANCE SERVICES WHICH INCLUDES A CLOSED-CIRCUIT CAMERA SYSTEM WITH ARTIFICIAL INTELLIGENCE FEATURES AND SMART TRAFFIC LIGHT SYSTEM ON A MONTHLY SERVICE SUBSCRIPTION BASIS

1. INTRODUCTION

Pursuant to Paragraph 9.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of ITMAX ("**Board**") is pleased to announce that Southmax Sdn. Bhd. ("**Southmax**"), a 65%-owned subsidiary of ITMAX, had on 19 May 2026 received a Letter of Variation dated 15 May 2026 ("**Variation Order**") awarded by Majlis Bandaraya Iskandar Puteri (hereinafter referred to as "**MBIP**") for the deployment of additional units of smart traffic light controllers. The Variation Order forms part of the existing provision of smart traffic light system within the MBIP area, which is undertaken on a monthly service subscription basis for a contract period of 15 years commencing 26 September 2023 to 25 September 2038, pursuant to the Letter of Award dated 21 September 2023 ("**Main Contract**").

Reference is made to the Company's announcement dated 22 September 2023 in relation to the details of the Main Contract.

2. INFORMATION OF MBIP

MBIP is the city council under the Johor State Government which administers Iskandar Puteri City in Malaysia.

3. KEY SALIENT TERMS OF THE VARIATION ORDER

The Key Salient Terms of the Variation Order are as follows:-

- (a) The Variation Order, with a contract sum of RM79,920,000.00 in addition to the Main Contract sum of RM111,240,000.00, was awarded for the deployment of additional units of smart traffic light controllers.
- (b) The contract period for the Variation Order remains aligned with the Main Contract, which runs up to 25 September 2038, with an option to extend for a further eight (8) years up to 24 September 2046 ("**Contract Period**").
- (c) The work orders for the installation of the additional smart traffic light units and the provision of related services pursuant to the Variation Order will be issued by MBIP from time to time.

4. RISK FACTORS

The risks associated with the Variation Order are normal operational risks. Save for the aforesaid, the Board is unaware of any significant risks arising from the Variation Order which could materially or adversely affect the financial of ITMAX Group.

5. FINANCIAL EFFECTS

The Variation Order is expected to contribute positively towards the earnings and net assets per share of the Company over the period until the expiry of the Contract Period.

6. APPROVALS REQUIRED

The Variation Order does not require the approval of the shareholders of ITMAX or any relevant authorities.

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

None of the Directors, major shareholders of ITMAX and/or persons connected with them has any interest, whether direct or indirect, in the Variation Order.

This announcement is dated 20 May 2026.