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# ABOUT US

## AI POWERED INTEGRATED DIGITAL INFRASTRUCTURE SERVICE PROVIDER

Incorporated on 26 October 2001, **ITMAX SYSTEM BERHAD** has been providing Safe and Sustainable Intelligent City Solutions by installing and providing **Public Space Networked Systems** and leading solutions in the field of smart cities and data analytics in Malaysia. ITMAX core strength is in developing **Networking Solutions for Lighting Systems, Traffic Management Systems, Video Surveillance, Communication Network, and related Artificial Intelligence.**

# VISION

**ITMAX** envisions a better place to live and work -  
**Healthy, Safe and Connected**

# MISSION





## CORPORATE INFORMATION

**Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali**

*Independent  
Non-Executive Chairman*

**Tan Sri Dato' (Dr.) Tan Boon Hock**

*Non-Independent  
Non-Executive Director*

**Datin Afinaliza Binti Zainal Abidin**

*Non-Independent Executive Director*

**William Tan Wei Lun**

*Non-Independent Managing Director  
and Chief Executive Officer*

**Michelle Tan Sing Chia**

*Non-Independent Executive Director*

**Mok Juan Chek**

*Independent Non-Executive Director*

**Ng Nen Sin**

*Independent Non-Executive Director*

**Heng Ai Shan**

*Independent Non-Executive Director*

## BOARD OF DIRECTORS

**AUDIT AND RISK  
MANAGEMENT COMMITTEE**

Heng Ai Shan (*Chairman*)  
Mok Juan Chek (*Member*)  
Ng Nen Sin (*Member*)

**NOMINATION AND  
REMUNERATION COMMITTEE**

Mok Juan Chek (*Chairman*)  
Ng Nen Sin (*Member*)  
Heng Ai Shan (*Member*)

**COMPANY SECRETARIES**

Rebecca Kong Say Tsui  
(MAICSA 7039304)  
CCM Practising Certificate  
No. 202008001003

Yeng Shi Mei  
(MAICSA 7059759)  
CCM Practising Certificate  
No. 202008001282

**REGISTERED OFFICE**

Office Suite No. 603 Block C  
Pusat Dagangan Phileo Damansara 1  
No. 9, Jalan 16/11  
Off Jalan Damansara  
46350 Petaling Jaya  
Selangor Darul Ehsan  
Tel : +603 7890 0238

**HEAD/MANAGEMENT OFFICE**

No. 30-G & 30-3,  
Jalan Radin Bagus 3,  
Seri Petaling,  
57000 Kuala Lumpur,  
Wilayah Persekutuan  
Tel : +603 9054 8333  
Email : itmaxsales@itmax.com.my  
Website : www.itmax.com.my

**STOCK EXCHANGE LISTING**

Main Market of Bursa Securities

**STOCK NAME/CODE**

ITMAX/5309

**AUDITORS**

KPMG PLT  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants  
Level 10, KPMG Tower,  
8, First Avenue,  
Bandar Utama,  
47800 Petaling Jaya,  
Selangor Darul Ehsan  
Tel : +603 7721 3388  
Fax : +603 7721 3399

**SHARE REGISTRAR**

AscendServ Capital Markets  
Services Sdn. Bhd.  
Office Suite No. 603 Block C  
Pusat Dagangan Phileo Damansara 1  
No. 9, Jalan 16/11  
Off Jalan Damansara  
46350 Petaling Jaya  
Selangor  
Tel : +603 7890 0238  
Email : investor.enquiry@ascendserv.com

**PRINCIPAL BANKERS**

Malayan Banking Berhad  
AmBank Islamic Berhad



# CORPORATE STRUCTURE

AS AT 2 APRIL 2025



**Sena Traffic Systems Sdn. Bhd.**  
200701033286 (791314-W)



**ITMAX Solutions Sdn. Bhd.**  
202301015194 (1509116-X)



**Epeteknik Sdn. Bhd.**  
199801018077 (474206-P)



**ITMAX Digital Sdn. Bhd.**  
*(formerly known as ITMAX Green Sdn. Bhd.)*  
202301015206 (1509128-H)



**Southmax Sdn. Bhd.**  
202101021595 (1421895-K)



**ITMAX Tech Solutions Sdn. Bhd.**  
202401019814 (1565663-A)



**Enforcemax Sdn. Bhd.**  
202401046022 (1591868-U)



**Selmax Sdn. Bhd.**  
202501010630 (16122044-A)



**EMAX Health Sdn. Bhd.**  
202401054753 (1600597-K)



# MESSAGE FROM THE CHAIRMAN

DEAR VALUED SHAREHOLDERS,

ITMAX System Berhad (“ITMAX”) and its subsidiaries (“Group”) continues to demonstrate resilience and excellence, achieving strong financial results for the financial year ended 31 December 2024 (“FYE 2024”). As an artificial intelligence (“AI”) integrated digital infrastructure service provider, we continue to thrive on the demand for smart city solutions.

**Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali**  
*Independent Non-Executive Chairman*

On behalf of the Board of Directors (“Board”) of ITMAX, I am honoured to present the Group’s Annual Report 2024 and audited financial statements for the FYE 2024.

In FYE 2024, we reached another significant milestone, achieving record-breaking financial performance, advancing our technological capabilities, and expanding our geographical footprint. A notable highlight of the year was our continued success in Johor, where we secured multiple contracts that have strengthened our presence in this key market. Additionally, ITMAX made its strategic entry into the Penang market, unlocking new opportunities for sustainable growth.

Throughout the year, we remained steadfast in our mission, consistently striving for excellence and innovation. This report reflects our unwavering dedication to achieve our objectives, and we are pleased to share our accomplishments with you as we continue to deliver value to all stakeholders.

## FINANCIAL PERFORMANCE

I am pleased to share that ITMAX recorded all-time highs in both revenue and profit after tax and minority interest (“PATAMI”). Revenue grew by 47.1% to RM220.2 million, while PATAMI increased by 27.0% to RM80.4 million. These outstanding results were largely driven by the performance of our digital infrastructure solutions segment and the supply, installation and maintenance segment, which recorded robust year-on-year revenue growth of 9.7% and 113.9%, respectively.

As at 31 December 2024, the Group’s order book was RM1.4 billion, which will be progressively recognised until 2040. Additionally, our financial position remains healthy driven by the successful execution of the projects we have secured. With a net cash balance of RM154.9 million and a current ratio of 4.5% times, we are well-positioned to sustain growth and drive further innovation.

## MESSAGE FROM THE CHAIRMAN

(cont'd)

### DIVIDEND

As a token of appreciation to our valued shareholders and in rewarding them, we declared a total interim single-tier dividend of 2.0 sen per ordinary share, representing an increase from the 1.2 sen per ordinary share declared in the previous year. This increase underscores ITMAX's strong financial performance and unwavering dedication to create value for its shareholders.

Notably, the dividend declared in FYE 2024 of 25.6% exceeded the dividend payout ratio of 20% in financial year ended 31 December 2023, reflecting our commitment to delivering greater returns to our shareholders. Moving forward, we remain steadfast in our goal to enhance shareholders' confidence and foster long-term value creation through this dividend framework.

### ECONOMIC OUTLOOK

Malaysia's economy is demonstrating strong resilience, with GDP growth projected to be between 4.5% and 5.5% in 2025. This growth is underpinned by robust domestic demand, rising exports and consistent consumer spending. As urban centres rapidly evolve, the adoption of smart city solutions has become essential to support this growth and ensures Malaysia remains on par with other global cities. These advancements present significant opportunities for us to strengthen our leadership in the realm of smart city solutions.

### SMART CITY IN MALAYSIA

Malaysia continues to make commendable progress in its journey towards becoming a smart nation. The government's growing emphasis on smart city initiatives, supported by the allocation of RM15.1 million under Budget 2025, reflects a strong commitment to foster innovation and enhance urban living standards.

Notable advancements have been made through the Future Cities pilot projects in key urban areas such as Kuala Lumpur, Johor Bahru, Kulim, Kota Kinabalu, Putrajaya, Cyberjaya, Melaka and Penang. Notably, Kuala Lumpur has seen remarkable improvements, climbing 16 spots in the Institute for Management Development (IMD) Smart City Index to rank 73rd globally. This achievement highlights Malaysia's ongoing efforts in integrating smart city solutions to create more efficient cities.

As the market leader in smart city solutions, ITMAX is well-positioned to capitalise on these developments, leveraging its in-house technological capabilities. We remain committed to driving innovation and delivering scalable solutions that contribute to the nation's urban transformation.

### BUILDING A SUSTAINABLE FUTURE

Sustainability continues to be a cornerstone of ITMAX's strategy. Over the past year, we have strengthened our environmental, social, and governance ("ESG") framework to drive long-term value creation. Key initiatives include promoting gender diversity, enforcing anti-corruption measures, and reducing our environmental footprint. Aligned with our vision of creating smarter, more liveable cities, ITMAX is committed to foster inclusive growth while minimising environmental impact. Further details on our ESG initiatives can be found in the Sustainability Statement on pages 31 to 52 of this Annual Report.



## MESSAGE FROM THE CHAIRMAN

(cont'd)

### KEY MILESTONES AND FORWARD PLANS

In FYE 2024, we achieved several strategic milestones that have strengthened our foundation for continued and sustainable growth. Our expansion in Johor continues to gain momentum, with a total of four city council contracts secured for video surveillance systems and two for smart traffic light systems. Additionally, ITMAX has successfully ventured into smart parking solutions, securing appointments from five city councils in Johor. With a total of 16 city councils, Johor presents a vast market opportunity for ITMAX to further expand its footprint. Meanwhile, as DBKL accelerates its digital transformation initiatives, ITMAX has been awarded a contract to deploy an additional 5,000 CCTVs in Kuala Lumpur, doubling the existing number of CCTVs in the city to 10,000. This marks our largest contract to date in terms of CCTV video surveillance deployment.

Building on these successes, ITMAX is committed to driving sustainable growth through strategic initiatives. We plan to continue our geographical expansion by addressing the increasing demand for smart city solutions to other states in Malaysia. Additionally, we are actively exploring growth opportunities in key economic zones, such as the Johor-Singapore Special Economic Zone, to broaden our footprint and deliver value to urban communities.

Investments in research and development ("R&D") remain a cornerstone of our strategy. By leveraging our cutting-edge AI servers and highly skilled talents, our R&D team is continuously innovating and developing AI-driven solutions tailored to the evolving needs of our customers. These in-house developed AI features not only empower city councils to address urban challenges more effectively but also enhance our financial performance.

Through these initiatives, ITMAX reaffirms its commitment to lead Malaysia's smart city transformation while creating long-term value for stakeholders.

### APPRECIATION

I would like to express my heartfelt gratitude to the Board, the management team, and all the staff at ITMAX for their steadfast commitment, dedication and exceptional efforts in advancing the Group's vision. Their hard work and perseverance have been instrumental in achieving the milestones we celebrate today.

I would also like to extend our sincere appreciation to our valued clients, trusted business partners, dedicated associates, supportive financial institutions, and the regulatory authorities. Your continued collaboration and support have been crucial in driving our success and advancing the Group's progress.

To our esteemed shareholders, we are deeply honoured by your trust and confidence in ITMAX. We remain fully committed to deliver sustainable growth and long-term value for the Group. Your unwavering support inspires us to strive for excellence, and we look forward to continue this journey together to achieve even greater accomplishments in future.



## BOARD OF DIRECTORS

01

**Mok Juan Chek***Independent Non-Executive Director*

02

**Ng Nen Sin***Independent Non-Executive Director*

03

**Michelle Tan Sing Chia***Non-Independent Executive Director*

04

**Tan Sri Dato' (Dr.) Tan Boon Hock***Non-Independent Non-Executive Director*

05

**Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali***Independent Non-Executive Chairman*

06

**William Tan Wei Lun***Non-Independent Managing Director  
and Chief Executive Office*

07

**Datin Afinaliza Binti Zainal Abidin***Non-Independent Executive Director*

08

**Heng Ai Shan***Independent Non-Executive Director*

01

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## BOARD OF DIRECTORS' PROFILE

**TAN SRI DATUK DR. IR. AHMAD  
TAJUDDIN BIN ALI***Independent Non-Executive Chairman*

	Age	: 76	Number of Board Meetings Attended during the Financial Year	<b>5/5</b>
	Gender	: Male		
	Nationality	: Malaysian	Appointed on 27 May 2022	



Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali ("Tan Sri Dr. Tajuddin") obtained his Ordinary National Diploma in Engineering from Brighton Technical College, Brighton, United Kingdom in 1970. He then graduated with First Class Honours in Bachelor of Science (Engineering) from King's College, University of London in August 1973. Subsequently, he obtained a doctorate in Nuclear Engineering from Queen Mary College, University of London in 1977. He did post-doctoral work in nuclear engineering at Oregon State University, United States of America ("United States") in 1977 and at Pennsylvania State University, United States in 1978.

Tan Sri Dr. Tajuddin began his career as an assistant engineer with the National Electricity Board, Malaysia in 1973. He was sent to pursue his doctorate in Nuclear Engineering at Queen Mary College, University of London. He joined Tun Ismail Atomic Research Centre ("PUSPATI") as a senior research officer and was promoted as the Deputy Director (Operations) of PUSPATI. In 1985, Tan Sri Dr. Tajuddin joined the International Atomic Energy Agency as field expert.

In 1988, Tan Sri Dr. Tajuddin assumed the position of Deputy Director General of the Nuclear Energy Unit. In May 1989, he joined the Standards and Industrial Research Institute of Malaysia ("SIRIM") as a Director General. Tan Sri Dr. Tajuddin left SIRIM and joined Tenaga Nasional Berhad ("TNB") as its Chairman/Chief Executive in September 1996 until August 2000, where he was responsible for the day-to-day running of the company. In 2002, he was appointed as the President of Malaysia University of Science and Technology.

He joined the Advanced Management Program at Australian Administrative Staff College, Mount Eliza, Melbourne in 1983 and subsequently in 1994 he joined the Advanced Management Program (AMP 115) at Harvard Business School, Boston. Tan Sri Dr. Tajuddin was admitted to several professional bodies, including foundation fellow of the Academy of Sciences, Malaysia (FASc.), senior fellow of the Academy of Sciences Malaysia (Academician), fellow of the Institution of Engineers Malaysia (F.I.E.M.), registered professional

engineer (P. Eng.) with the Board of Engineers Malaysia, fellow of the ASEAN Federation of Engineering Organisation (A.F.E.O.) and fellow of the ASEAN Academy of Engineering and Technology (A.A.E.T.).

Tan Sri Dr. Tajuddin was conferred the Honorary Doctor of Science Degree by University Putra Malaysia in 2000, Honorary Doctor of Engineering Degree by Universiti Tenaga Nasional in 2008, Honorary Doctor of Science Degree by Universiti Malaysia Terengganu in 2009, Honorary Doctor of Engineering Degree by Universiti Teknikal Malaysia Melaka ("UTeM") in 2014, Honorary Doctor of Science Degree by Universiti Kebangsaan Malaysia in 2015 and Honorary Doctorate of Management Degree by Universiti Malaysia Perlis in 2016.

Tan Sri Dr. Tajuddin is also a member of the Advisory Council of Federation of Malaysian Manufacturers and a council member of the Northern Corridor Implementation Authority. He is also the Chairman of the Board of Trustees of Tropical Science Foundation (formerly known as Mahathir Science Award Foundation) and Chairman of the Board of Governors of the Malay College Kuala Kangsar.

Tan Sri Dr. Tajuddin is currently involved in several other companies and statutory bodies in various capacities. Besides serving as the Independent Non-Executive Chairman of Plytec Holding Berhad, a public listed company, he also holds the position of Chairman of Linde Malaysia Holdings Berhad and Joint-Chairman (Industry) of the Malaysian Industry-Government Group for High Technology (MIGHT). He is also the Pro Chancellor of Universiti Tenaga Nasional and Universiti Sains Malaysia.

Tan Sri Dr. Tajuddin was appointed as Independent Non-Executive Chairman of the Company on 27 May 2022.

Tan Sri Dr. Tajuddin has no conflict of interest with the Company and has no family relationship with any Director and/or major shareholder of the Company. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor subject to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

## BOARD OF DIRECTORS' PROFILE

(cont'd)



### TAN SRI DATO' (DR.) TAN BOON HOCK

*Non-Independent Non-Executive Director*

	Age : 69	Number of Board Meetings Attended during the Financial Year	<b>5/5</b>
	Gender : Male		
	Nationality : Malaysian	Appointed on 17 July 2020	

Tan Sri Dato' (Dr.) Tan Boon Hock ("Tan Sri Tan") was appointed to the Board in July 2020. He is a major shareholder of the Company.

In 2007, Tan Sri Tan incorporated Sena Traffic Systems Sdn. Bhd. ("STS") and became involved in the development and production of traffic controllers and traffic control centre system. Over the years, STS has broadened its business activities to include the research and development of digital solutions and system products for city administration and traffic management, supply/installation and maintenance of traffic light systems and related infrastructure and providing leased and managed services of video surveillance and analytics systems in Malaysia.

In 2019, Tan Sri Tan acquired interests in our Company, which is involved in the supply and installation and provision of public space networked systems.

In his capacity as Director, Tan Sri Tan has provided business and management guidance and strategic advice to the senior management of our Group over the years. He has also played a leading role in the formulation of the business direction and strategies of our Group.

Tan Sri Tan is also involved in the eye specialist healthcare industry through Optimax Holdings Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad, where he currently serves as the Deputy Executive Chairman.

He is interested in various Recurrent Related Party Transactions ("RRPT") which are carried out in the ordinary course of business as disclosed in the Company's Circular for RRPT where the annual mandate is sought. He has immediate family members working in the Group, i.e. his children.

Tan Sri Tan is father to William Tan Wei Lun and Michelle Tan Sing Chia. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor subject to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.





## BOARD OF DIRECTORS' PROFILE

(cont'd)

### WILLIAM TAN WEI LUN

*Non-Independent Managing Director  
and Chief Executive Officer*

	Age : 32	Number of Board Meetings Attended during the Financial Year	5/5
	Gender : Male		
	Nationality : Malaysian	Appointed on 17 July 2020	



William Tan Wei Lun ("William") obtained his Bachelor of Engineering (Civil Engineering) from the University of Manchester, United Kingdom in 2015.

William began his career in Sena Traffic Systems Sdn. Bhd. ("STS") in June 2015 as an Engineer, where he focused on research and development on public space networked systems which includes networked traffic light management systems, networked lighting systems and networked video surveillance systems. In 2016, he was promoted to the position of Business Development Manager in STS. In view of STS' research and development capabilities which complements our Company's business and given the established business relationship between STS and our Company, it was agreed by both our Company and STS for William to concurrently assume the position of Business Development Manager in our Company and STS with the objective of promoting joint business development strategies.

Following his appointment to our Company, William had led various business initiatives for our Company and STS in the public space networked systems. In 2018, he was promoted to the position of Business Development Director of our Company. In 2020, he was promoted as Chief Executive Officer before assuming the additional role of Managing Director of our Company in 2022.

In his role as Managing Director and Chief Executive Office of our Group, he is responsible for overseeing the entire operations of our Group, implementing business plans, developing new business opportunities and executing our Group's short to long term business strategies.

Other than the Company, William does not hold directorship in any other public companies and listed issuers in Malaysia.

He is interested in various Recurrent Related Party Transactions ("RRPT") which are carried out in the ordinary course of business as disclosed in the Company's Circular for RRPT where the annual mandate is sought. He has immediate family members working in the Group, i.e. his father and sister.

William is the son of Tan Sri Dato' (Dr.) Tan Boon Hock. He is also the brother to Michelle Tan Sing Chia. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor subject to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

## BOARD OF DIRECTORS' PROFILE

(cont'd)



### DATIN AFINALIZA BINTI ZAINAL ABIDIN

*Non-Independent Executive Director*

	Age	: 57	Number of Board Meetings Attended during the Financial Year	<b>5/5</b>
	Gender	: Female		
	Nationality	: Malaysian	Appointed on 27 May 2002	

Datin AFINALIZA Binti Zainal Abidin ("Datin AFINALIZA") began her career as a Secretary in March 1985 with Kelab Sultan Alam Shah Selangor (now known as Sultan Abdul Aziz Shah Golf and Country Club). Upon her resignation, she joined Cofreth (M) Sdn. Bhd. in December 1988 as a Secretary, where she assumed administrative and secretarial works.

In July 2002, Datin AFINALIZA acquired 40% equity interest in our Company and over the years until 2016, she increased her shareholding in our Company from 40% to 90% equity interest. After becoming a shareholder of our Company, Datin AFINALIZA played a leading role in the business development, stakeholders' management, human resource and talent management of our Company over the years.

In October 2019, Datin AFINALIZA disposed her entire equity interest in our Company to Akasia Rafflesia Sdn Bhd ("ARSB") while ARSB granted Datin AFINALIZA a call option to acquire 30% equity interest held by ARSB in our Company. Notwithstanding the disposal of her entire equity interest in our Company in October 2019, she remained as Director and continued in her business development role with our Company.

In October 2021, Datin AFINALIZA exercised her call option to acquire 30% equity interest of our Company from ARSB, through Ganda Sensasi Sdn. Bhd., a company nominated by her to acquire the 30% equity interest.

As our Non-Independent Executive Director, Datin AFINALIZA oversees the business development for our Group and her business development role includes stakeholders' management for the projects secured for our Group.

Other than the Company, Datin AFINALIZA does not hold directorship in any other public companies and listed issuers in Malaysia.

Datin AFINALIZA has no conflict of interest with the Company and has no family relationship with any Director and/or major shareholder of the Company. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor subject to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



## BOARD OF DIRECTORS' PROFILE

(cont'd)

**MICHELLE TAN SING CHIA***Non-Independent Executive Director*

 Age	: 36	Number of Board Meetings Attended during the Financial Year	<b>5/5</b>
 Gender	: Female		
 Nationality	: Malaysian	Appointed on 8 June 2022	



Michelle Tan Sing Chia ("Michelle") obtained a Bachelor of Science in Accounting and Finance degree from Cardiff University, United Kingdom in 2010.

She began her career as a Credit Control Officer at Pantai Hospital Kuala Lumpur in 2011, where she was primarily responsible for conducting credit checks on new customers and resolving problems for outstanding invoice payments. In late 2011, she joined Rawang Specialist Center Sdn. Bhd. as an Assistant to the Chief Operating Officer, where she was involved in establishing and setting up of the Rawang Specialist Hospital (now known as KPJ Rawang Specialist Hospital).

In November 2012, she was appointed as a director of Sena Traffic Systems Sdn. Bhd. ("STS") and was responsible for overseeing the finance and accounting functions of STS.

In June 2013, she left Rawang Specialist Center Sdn. Bhd. and joined Sena Letrik (M) Sdn. Bhd. ("Sena Letrik") as Acting Chief Financial Controller in December 2013, where she was primarily responsible for handling day-to-day finance activities and financial planning of the Sena Letrik Group of Companies (including STS, which was a subsidiary of Sena Letrik until January 2018).

In August 2018, Michelle left Sena Letrik and joined Optimax Eye Specialist Centre Sdn. Bhd. (a subsidiary of

Optimax Holdings Berhad, being a public company listed on the Main Market of Bursa Malaysia Securities Berhad) as Group Financial Controller. She was re-designated as Chief Financial Officer of Optimax Holdings Berhad in January 2020, where she was primarily responsible for overseeing the finance and accounting, treasury functions and regulatory compliance matters of the Optimax Holdings Berhad and its group of companies until her resignation in May 2022. She was subsequently appointed as the Non-Independent Non-Executive Director of Optimax Holdings Berhad in December 2022 and holds the position till present.

Michelle was appointed as Non-Independent Non-Executive Director of the Company on 8 June 2022.

She is interested in various Recurrent Related Party Transactions ("RRPT") which are carried out in the ordinary course of business as disclosed in the Company's Circular for RRPT where the annual mandate is sought. She has immediate family members working in the Group, i.e. her father and brother.

Michelle is the daughter of Tan Sri Dato' (Dr.) Tan Boon Hock. She is also the sister to William Tan Wei Lun. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor subject to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



## BOARD OF DIRECTORS' PROFILE

(cont'd)



### MOK JUAN CHEK

*Independent Non-Executive Director*

	Age	: 69	Number of Board Meetings Attended during the Financial Year	<b>5/5</b>
	Gender	: Male		
	Nationality	: Malaysian	Appointed on 27 May 2022	

- Chairman of Nomination and Remuneration Committee
- Member of Audit and Risk Management Committee

Mr. Mok Juan Chek ("Mr. Mok") obtained a Diploma in Agriculture and a Bachelor of Science in Agribusiness from Universiti Pertanian Malaysia in 1976 and 1984 respectively. He began his career as an Officer in Rubber Industry Smallholders Development Authority ("RISDA") in May 1976. He left RISDA in May 1984 and joined Public Bank Berhad as a Senior Operation Officer. In 1985, he was transferred to Public Finance Berhad as a Senior Administrative Officer.

In October 1990, Mr. Mok left Public Finance Berhad and joined Chung Khiaw Bank as Assistant Manager. He was promoted to the role of Deputy Manager and then Assistant Vice President of Credit Department.

Mr. Mok left Chung Khiaw Bank and joined Hong Leong Bank Berhad in May 1995 as Branch Manager. He was promoted to General Manager of Hong Leong Bank Berhad in May 2001, where he oversaw the entire credit card department of the bank. In 2002, Mr. Mok was transferred to the Business Banking Department of Hong Leong Bank Berhad, where he was in charge of the Business Banking portfolio for southern and east coast regions of Peninsular Malaysia from 2002 to 2008.

In September 2008, Mr. Mok left Hong Leong Bank Berhad and joined AmBank Berhad as General Manager, where he was tasked with Business Banking portfolio for southern and east coast regions of Peninsular Malaysia.

Mr. Mok was promoted to Head of Mid-Corporates Segment in 2016 and subsequently to Executive Vice President, where he oversaw the operation and management of the Mid-corporates Segment of the bank until his retirement in May 2020.

Following his retirement from AmBank Berhad, Mr. Mok was appointed as Strategic Adviser of Affin Hwang Asset Management Berhad in September 2020, until the expiry of his contract on 31 December 2022.

Mr. Mok serves on the Board of several public listed companies, including Synergy House Berhad and Axteria Group Berhad as an Independent Non Executive Chairman since 29 October 2021 and 10 February 2022 respectively, and Tiong Nam Logistics Holdings Berhad as an Independent Non-Executive Director since 1 April 2024.

Mr. Mok was appointed as Independent Non-Executive Director of the Company on 27 May 2022.

Mr. Mok has no conflict of interest with the Company and has no family relationship with any Director and/or major shareholder of the Company. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor subject to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



## BOARD OF DIRECTORS' PROFILE

(cont'd)

### NG NEN SIN

*Independent Non-Executive Director*

	Age : 37	Number of Board Meetings Attended during the Financial Year	5/5
	Gender : Female		
	Nationality : Malaysian	Appointed on 27 May 2022	

- Member of Nomination and Remuneration Committee
- Member of Audit and Risk Management Committee



Ms. Ng Nen Sin ("Ms. Ng") obtained a Bachelor of Laws degree from Universiti Malaya in 2010 and was admitted to the Malaysian Bar as an advocate and solicitor on 17 June 2011.

Ms. Ng commenced her pupillage with Lee Hishamuddin Allen & Gledhill in July 2010 and was subsequently retained as a Legal Associate in Lee Hishammuddin Allen & Gledhill in 2011. During her tenure in Lee Hishammuddin Allen & Gledhill, she has had experience in various corporate law matters relating to debt capital markets and mergers and acquisitions exercises involving public listed companies.

In May 2016, Ms. Ng left Lee Hishamuddin Allen & Gledhill and joined KC Lee Chambers as Partner until March 2018. She subsequently left KC Lee Chambers and joined Gary Lee & Partners as Partner in March 2018 until her resignation in November 2020. During her tenure as a Partner of KC Lee Chambers and Gary Lee & Partners, she undertook work in mergers and acquisitions, as well as handling banking and finance and real estate matters.

In December 2020, Ms. Ng joined Mira Sham, Yong & Connie Ng as Partner, specialising in the same areas of law and has also been involved in cross border transactions and redevelopment projects.

Ms. Ng was appointed as Independent Non-Executive Director of the Company on 27 May 2022. Other than the Company, Ms. Ng does not hold directorship in any other public companies and listed issuers in Malaysia.

Ms. Ng has no conflict of interest with the Company and has no family relationship with any Director and/or major shareholder of the Company. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor subject to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.




## BOARD OF DIRECTORS' PROFILE

(cont'd)



### HENG AI SHAN

*Independent Non-Executive Director*

	Age	: 40	Number of Board Meetings Attended during the Financial Year	<b>5/5</b>
	Gender	: Female		
	Nationality	: Malaysian	Appointed on 27 May 2022	

- Chairman of Audit and Risk Management Committee
- Member of Nomination and Remuneration Committee

Ms. Heng Ai Shan obtained a Bachelor of Business (Accounting) from Monash University in 2005. She has been a member of the Malaysian Institute of Accountants and the CPA Australia since 2009 and an associate of the Chartered Tax Institute of Malaysia since 2013.

Ms. Heng began her career as Audit Associate with PricewaterhouseCoopers in January 2006. She was then promoted to Audit Senior in January 2008.

In April 2008, she left PricewaterhouseCoopers and joined J.S. Heng & Co., an accounting firm specialised in providing Audit and Tax Services to small and medium-sized enterprises as Audit & Tax Assistant Manager. Beyond that, she assisted the founder of the firm and her father, Mr. J.S. Heng, in all the firm's affairs which included serving and communicating with clients and dealing with human resources matters.

She was promoted to Audit & Tax Manager in January 2010, where she oversaw audit services, client relations related matters and human resources matters. She was also responsible for the firm's staff recruitment.

In November 2016, Ms. Heng was promoted as partner in J.S. Heng & Co, after obtaining her audit licence where she oversaw the entire operations of the firm. Following the retirement of her father in July 2018, Ms. Heng has been the sole proprietor of the firm.

In April 2013, having obtained her tax license, Ms. Heng founded her tax firm LS Consultancy & Management Sdn. Bhd., providing income tax compliance and consulting services, as well as tax submission, tax estimation and tax planning advises and services to clients.

Ms. Heng was appointed as Independent Non-Executive Director of the Company on 27 May 2022. Other than the Company, Ms. Heng does not hold directorship in any other public companies and listed issuers in Malaysia.

Ms. Heng has no conflict of interest with the Company and has no family relationship with any Director and/or major shareholder of the Company. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years nor subject to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



## KEY SENIOR MANAGEMENT

01

**Then Chee Guey**  
Chief Operating Officer

02

**Shaun Tee Wen Han**  
Chief Financial Officer

03

**Datin Afinaliza Binti Zainal Abidin**  
Non-Independent Executive Director

04

**William Tan Wei Lun**  
Non-Independent Managing Director  
and Chief Executive Office

05

**Michelle Tan Sing Chia**  
Non-Independent Executive Director

06

**Fun Mun Sek**  
Chief Commercial Officer

01



02



03



04



05



06





## PROFILE OF KEY SENIOR MANAGEMENT



**WILLIAM  
TAN WEI LUN**  
*Non-Independent  
Managing Director and  
Chief Executive Officer*  
Age: 32  
Gender: Male  
Nationality: Malaysian

Please refer to his profile in the Board of Directors' Profile on page 11



**SHAUN  
TEE WEN HAN**  
*Chief Financial Officer*  
Age: 37  
Gender: Male  
Nationality: Malaysian  
Appointed on  
2 November 2020

Shaun Tee Wen Han ("Shaun") obtained his Bachelor of Commerce degree in Accounting and Finance from the University of Melbourne, Australia in 2009. He has been a member of CPA Australia since 2014 and a member of Malaysian Institute of Accountants since 2021.

Shaun began his career as an Audit Associate with KPMG PLT, Malaysia in July 2011. He was then promoted Audit Manager in July 2016, where he was involved in providing audit services to clients across various industries. In November 2016, Mr. Shaun left KPMG PLT, Malaysia and joined KPMG Australia as an Audit and Assurance Manager, where he was primarily responsible for providing audit and assurance advisory services to clients operating in the real estate and financial services industries until his resignation in November 2018.

Shaun rejoined KPMG PLT, Malaysia in May 2019 as a Manager in the Deals Advisory Division, where he was mainly involved in the provision of transaction services for clients, including conducting financial and audit due diligence exercises.

He left KPMG PLT, Malaysia in April 2020 and joined UEM Edgenta Berhad as a Manager in its corporate development, strategy and planning department, where he was primarily responsible for formulating corporate strategies and development plans for UEM Edgenta Berhad and its Group of Companies.

Shaun left UEM Edgenta Berhad in October 2020 and joined our Company as our Chief Financial Officer where he manages all financial (including financial planning and reporting), treasury, accounting, legal, tax and regulatory compliance matters of our Group.

Shaun has no family relationship with any Director and/or major shareholder of the Company. He has no conviction of any offences (other than traffic offence, if any) within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia.



**MICHELLE  
TAN SING CHIA**  
*Non-Independent  
Executive Director*  
Age: 36  
Gender: Female  
Nationality: Malaysian

Please refer to her profile in the Board of Directors' Profile on page 13



**DATIN AFINALIZA  
BINTI ZAINAL  
ABIDIN**  
*Non-Independent  
Executive Director*  
Age: 57  
Gender: Female  
Nationality: Malaysian

Please refer to her profile in the Board of Directors' Profile on page 12



## PROFILE OF KEY SENIOR MANAGEMENT

(cont'd)



### THEN CHEE GUEY

*Chief Operating Officer*

*Age: 54*

*Gender: Male*

*Nationality: Malaysian*

*Appointed on  
1 January 2021*

Then Chee Guey ("Mr. Then") obtained his Bachelor of Science in Electrical Engineering degree from South Dakota State University, United States in 1993.

Following his graduation in 1993, Mr. Then began his career as Process Control Engineer with Thomson Audio Muar Sdn. Bhd., where he was primarily responsible for overseeing the manufacturing line in order to improve the production rate and to reduce the rejection rate of the audio and video related products manufactured by the company.

In 1994, Mr. Then joined MATSUSHITA Electronics Components (M) Sdn. Bhd. as Technical Engineer, where his focus was on product improvements. In the same year, Mr. Then left MATSUSHITA Electronics Components (M) Sdn. Bhd. and joined CAD-CAM Services (M) Sdn. Bhd. as Application Engineer, where he was primarily involved in the control and management of application software for data application. He left CAD-CAM Services (M) Sdn. Bhd. in 1995 and joined KUB Sistem as Application Engineer, where he was responsible for the management of oil and gas software distributed by the company.

In 1997, Mr. Then left KUB Sistem and joined Caruni Integrated Technologies Sdn. Bhd. as Technical Support Engineer, where he was tasked with providing technical support, as well as preparing tender applications and submissions for government projects. Subsequently in 2001, Mr. Then joined South Pacific Electronics Sdn. Bhd. as Assistant Manager, where he was mainly responsible for marketing and procurement of projects for the company.

In 2002, he joined Sena Letrik (M) Sdn. Bhd. as Senior Project Engineer and being promoted as Project Manager in 2006, where he was involved in project implementation and management until his resignation in 2019. In November 2019, he joined Sena Traffic Systems Sdn. Bhd. ("STS") as Project Director, where he was primarily responsible for overseeing STS' operations and project implementation. He was promoted to the position of Chief Operating Officer of STS and our Company on 1 January 2021 and he plays a leading role in overseeing our Group's operations and project implementation.

Mr. Then has no family relationship with any Director and/or major shareholder of the Company. He has no conviction of any offences (other than traffic offence, if any) within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia.



### FUN MUN SEK

*Chief Commercial Officer*

*Age: 52*

*Gender: Male*

*Nationality: Malaysian*

*Appointed on  
2 March 2020*

Fun Mun Sek (Mr. Fun") obtained a Graduate Diploma in Accounting from University Abertay Dundee, Scotland in 1995.

Mr. Fun began his career as Financial Executive with IBM Malaysia Sdn. Bhd. in 1995. In 1996, he left IBM Malaysia Sdn. Bhd. and joined VADS Sdn. Bhd. as Financial Analyst. In 1998, he was promoted to Business Development Executive, where he was involved in business development and sale of information and communications technology as well as network related services and products.

In January 1999, Mr. Fun left VADS Sdn. Bhd. and founded Databeam Net Sdn. Bhd. In February 2000, a company involved in the business of sale of information and communications technology and network related services and products. In June 2000, Mr. Fun ceased the business of Databeam Net Sdn. Bhd. and in July 2000, he joined SLW Communications Sdn. Bhd. as Sales Account Manager, where he was tasked with the sale of internet protocol telephony and voice over internet protocol solutions.

In November 2000, Mr. Fun left SLW Communications Sdn. Bhd. and joined Suidar Elektronik Sdn. Bhd. as General Manager, where he was responsible for the business operation of satellite and wireless network services.

In June 2003, Mr. Fun left Suidar Elektronik Sdn. Bhd. and joined Telescience (M) Sdn. Bhd. as General Manager, where he managed the business operation of telecommunications as well as information and communication technology related products until his resignation in 2005.

Mr. Fun founded Basic Gateway Sdn. Bhd. in August 2003, a company involved in the business of selling telecommunications, wireless and information technology networks related products.

On 2 March 2020, Mr. Fun ceased the business of Basic Gateway Sdn. Bhd. and joined Sena Traffic Systems Sdn. Bhd. ("STS") as Chief Marketing Officer. He is responsible for overseeing all marketing, sales and business development activities of our Group. In 2024, Mr. Fun was promoted to the position of Chief Commercial Officer of STS and our Company. In addition to his current responsibilities, he also assumes the responsibilities for the Group's business strategy, new technology exploration, partnership engagement and marketplace ecosystem development.

Mr. Fun has no family relationship with any Director and/or major shareholder of the Company. He has no conviction of any offences (other than traffic offence, if any) within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest with the Company. He does not hold any directorship in other public companies and listed issuers in Malaysia.



# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

## OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

ITMAX System Berhad (“**ITMAX**” or the “**Company**”) was initially incorporated in Malaysia under the name of Alfaville (M) Sdn. Bhd. as a private limited company on 9 April 2001. The Company later changed its name to ITMAX System Sdn. Bhd. on 26 October 2001.

In line with its growth and strategic objectives, ITMAX transitioned into a public limited company on 29 June 2022 and thereafter, successfully completed its initial public offering (“**IPO**”) and listed on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) on 13 December 2022.

ITMAX is an Artificial Intelligence (“**AI**”)-powered integrated digital infrastructure service provider, playing a crucial role in driving smart city transformation. The Company focuses on the development and implementation of advance AI solutions to enhance its network video surveillance, traffic management system and fibre optic infrastructure. By integrating AI into these key services, ITMAX aims to enhance efficiency and performance, and across its digital infrastructure components.

As an AI-powered integrated digital infrastructure service provider, ITMAX’s vision is to create cutting-edge technology solutions that promote sustainable urban living. These solutions are designed to improve the management of cities, townships, and enterprises through smarter, data-driven insights. Public spaces, including roads and parks, are primarily managed by government entities, and ITMAX’s goal is to leverage technology to enhance urban environments, making them safer, more efficient, and more sustainable.

ITMAX’s core competency lies in the following areas:

- Networked Video Surveillance Systems
- Networked Traffic Management Systems
- Networked Lighting Systems
- Communication Network Services
- Data Digitalisation



# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

(cont'd)

## OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS *cont'd*

Throughout the year, ITMAX's commitment to excellence was underscored by a series of significant awards and contracts. Notable developments in 2024 include:

- On 6 February 2024, ITMAX secured a variation order from Dewan Bandaraya Kuala Lumpur ("DBKL") for the replacement of LED streetlights, with a contract sum of approximately RM47 million.
- Southmax Sdn. Bhd. ("Southmax"), a 65%-owned subsidiary of ITMAX, was awarded a contract by Majlis Perbandaran Kulai ("MPKu") on 17 March 2024. This contract, valued at approximately RM77 million, involves the provision of video surveillance and traffic light system services, including a smart command centre, AI-enhanced Closed-Circuit Television ("CCTV"), and traffic management system. This contract is for a 15-year period, commencing 26 March 2024 to 25 March 2039. Southmax was also awarded a contract by Majlis Perbandaran Pengerang ("MPP") on 21 March 2024. This contract, valued at approximately RM30 million, involves the provision of video surveillance and traffic light system services, including a smart command centre, AI-enhanced Closed-Circuit Television ("CCTV"), and traffic management system. This contract is for a 15-year period, commencing 25 March 2025 to 24 March 2040.
- In May and August 2024, ITMAX secured a contract extension with DBKL for Phase 1 of the main contract, valued at RM105 million, extending through September 2029. Additionally, on 15 August 2024, ITMAX was awarded another variation order for the installation of 5,000 additional CCTVs across Kuala Lumpur, valued at RM539 million. This includes a 12-month installation period and a 108-month subscription period.
- Southmax accepted multiple letters of appointment in 2024 and 2025 for smart parking systems and services. Noteworthy contracts include:
  - Majlis Bandaraya Iskandar Puteri ("MBIP") for 32,025 on-street parking bays (June 2024–May 2039)
  - MPKu for outdoor parking spaces in the area under MPKu's purview (August 2024–July 2039)
  - Majlis Daerah Tangkak ("MDT") for 5,113 on-street parking spaces (September 2024–August 2039)
  - Majlis Perbandaran Segamat ("MPS") for 7,637 on-street parking spaces (September 2024–August 2039)
  - Majlis Perbandaran Muar ("MPM") for 8,640 on-street parking spaces (October 2024–September 2039)
  - Majlis Perbandaran Pontian ("MPPn") for outdoor parking spaces in the area under MPPn's purview (February 2025–January 2040)
  - Majlis Daerah Mersing ("MDM") for outdoor parking spaces in the area under MDM's purview (May 2025–Apr 2040)
- On 6 January 2025, ITMAX accepted a letter of acceptance from Majlis Bandaraya Pulau Pinang ("MBPP") for the upgrading and maintenance of CCTV systems in the MBPP area, valued at RM12 million. The contract runs from 13 January 2025 to 12 September 2030.
- On 17 March 2025, ITMAX accepted a letter of acceptance from Majlis Bandaraya Seberang Perai ("MBSP") for the provision of installation and maintenance of CCTV systems in the MBSP area, valued at RM27 million. The contract runs from 15 April 2025 to 14 October 2034.

### Networked Video Surveillance Systems

Our Networked Video Surveillance System integrates cutting-edge AI and machine learning technologies, providing an intelligent solution for urban areas where security and safety are paramount. These systems are an essential component of smart city infrastructure, utilising advanced capabilities like facial recognition and license plate recognition to effectively monitor individuals and vehicles.

In addition to enhancing security, our AI-powered surveillance systems contribute to broader city management efforts. They are equipped with features that can detect illegal hawkers, identify potholes, recognise illegal buntings, and monitor flood-prone areas, among other capabilities. This integration of AI technologies delivers a holistic approach to managing urban spaces, improving both safety and operational efficiency.

# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

(cont'd)

## OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS *cont'd*

### Networked Traffic Management Systems

Our Networked Traffic Management System offers an intelligent solution to optimise traffic flow and mitigate road congestion. In Malaysia, smart traffic lights play a vital role in improving transportation infrastructure. These lights are connected to a central control system, which dynamically adjusts signal timing based on real-time traffic data. This optimises the flow of vehicles, reducing delays and enhancing overall road safety.

We are proud to be the original designer and manufacturer of traffic light controllers, branded TrafficSens, and hold two patents for our traffic management technology. Currently, over 730 traffic controllers are deployed across Peninsular Malaysia, covering key urban areas such as Kuala Lumpur, Selangor, Negeri Sembilan and Johor.

### Networked Lighting Systems

Our Networked Lighting Systems provide advanced, energy-efficient solutions for both residential and commercial applications. These systems are increasingly popular due to their ability to monitor and control lighting remotely, optimising energy use by activating lights only when necessary.

ITMAX's solution, branded Selmos, allows city planners to configure, schedule and remotely manage street lighting. Features include dimming, on/off control, performance monitoring and generating reports on the health status of lighting systems. As of 31 December 2024, approximately 45,000 LED streetlights incorporating our Selmos system have been installed across Kuala Lumpur, all connected to a central control centre through a dedicated communication network.

### Communication Network Services

ITMAX plays a pivotal role in city connectivity, aiming to provide reliable and extensive communication infrastructure to all Malaysians. We hold multiple licenses from The Malaysian Communications and Multimedia Commission ("MCMC"), including:

- Network Facilities Provider Individual license (NFP(I))
- Network Service Provider Individual license (NSP(I))
- Application Service Provider (ASP)

These licenses empower us to own and operate fibre optic communication networks, telecommunication towers, and to provide bandwidth services. We also design and construct network systems to interconnect buildings and devices, supporting the seamless operation of our public space networked systems.

Our fibre optic network serves as the backbone for ITMAX's smart city solutions, providing secure and reliable telecommunications infrastructure. As of 31 December 2024, our network includes 450km of fibre optic cables in Kuala Lumpur, along with 31 telecommunication towers located in key regions such as Kuala Lumpur, Selangor and Perak.

Additionally, ITMAX constructs and owns telecommunication towers and monopoles at locations requested by wireless telecommunication companies. We handle all necessary approvals, procure the towers or monopoles, and subcontract the installation process.

### Data Digitalisation

The rise of digital technologies has transformed the way data is collected, analysed and utilised. Historically, data collection in urban spaces was often manual and inefficient, leading to underutilisation of valuable information. ITMAX has revolutionised this process through Data Digitalisation, leveraging Internet of Things (IoT) devices and video surveillance technologies to capture and record data and provide actionable insights in real-time.

Using AI we create cutting-edge technology solutions that promote sustainable urban living. These solutions are designed to improve the management of cities, townships, and enterprises through smarter, data-driven insights.





# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE (cont'd)

## OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS *cont'd*

### Data Digitalisation *cont'd*

ITMAX operates under a dual revenue model that supports both asset ownership and service-based revenue streams:

#### 1. Digital Infrastructure Solutions

Under this model, customers subscribe to ITMAX's digital infrastructure services, including video surveillance, traffic management systems and analytics. Revenue is generated primarily through monthly subscription fees, which cover the use of our digital infrastructure, AI features, other value added features and solutions, including our support services throughout the contract period.

#### 2. Supply, Installation and Maintenance Services

This model focuses on providing supply, installation and maintenance services for our networked systems and solutions, which often includes connecting these systems to designated control centres. Progressive contract fees are recognised over the contract period for these services.

A significant portion of our revenue is derived from the central and south region of Peninsular Malaysia, where our digital infrastructure are most prevalent. Looking ahead, we plan to leverage our core competencies to explore new opportunities, particularly in the smart city ecosystem. Our robust in-house research and development capabilities position us to drive business expansion and pursue growth in both public and private sectors.

We are committed to diversifying our business by targeting new market segments, particularly expanding our reach into the private sector and exploring emerging opportunities in smart city projects across Malaysia. By focusing on innovation and operational excellence, we aim to further enhance the liveability and sustainability of urban spaces.

### Operational Updates

Despite a global tightening of monetary policy, the world economy has remained resilient throughout the disinflationary process, avoiding a global recession. The global economy remained steady at 3.2% in 2024, slightly slowing from 3.3% in 2023.

A key development has been the shift in monetary policy. Since June 2024, major central banks in advanced economies have started cutting interest rates, moving towards a neutral stance. The easing of global monetary conditions is also helping emerging markets, strengthening their currencies against the US Dollar ("USD") and improving financial conditions. This, in turn, reduces inflation pressures and allows these economies to pursue their own disinflation paths more effectively.

However, caution remains essential. In emerging markets and developing economies, disruptions in commodity production and shipping, especially oil, along with conflicts, civil unrest, and extreme weather, have weakened the outlook for regions like the Middle East and Central Asia. However, the outlook for emerging Asia has improved, driven by strong demand for semiconductors and electronics, fuelled by significant investments in artificial intelligence.

(Source : <https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>)

Malaysia's economy expanded by 5.1% in 2024, an improvement from the 3.6% growth recorded in 2023. This was driven by robust domestic demand and a recovery in exports. On the domestic front, economic expansion was supported by stronger household spending, buoyed by favourable labour market conditions, government policy measures, and stable household finances. Additionally, sustained private and public sector investments, propelled by major national initiatives such as the New Industrial Master Plan, the National Energy Transition Roadmap, and the National Semiconductor Strategy, further bolstered growth.

(Source : [http://bnm.gov.my/-/qb24q4\\_en\\_pr](http://bnm.gov.my/-/qb24q4_en_pr))

# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

(cont'd)

## OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS *cont'd*

### Operational Updates *cont'd*

With strategic initiatives like the New Industrial Master Plan, National Energy Transition Roadmap, and National Semiconductor Strategy, Malaysia is accelerating technological advancements and digital transformation. This shift is driving greater demand for networked systems, AI-powered security and smart city solutions across transport hubs, government buildings and urban infrastructure.

The nationwide expansion of 5G further amplifies the need for connected systems, IoT-driven solutions and AI-enhanced analytics in public surveillance, traffic management and urban planning. As a leading provider of networked public space solutions, ITMAX is well-positioned to capitalise on government-led smart city initiatives and the rapid expansion of digital infrastructure, reinforcing its role in shaping Malaysia's future urban ecosystem.

The Group delivered an increase in its results for the financial year ended 31 December 2024 ("FYE 2024"). Total revenue surged to RM220.2 million, marking a robust year-on-year ("YoY") growth of 47.1% compared to RM149.7 million in previous financial year. This increase in revenue is a testament to the strength of our business model, our strategic investments, and the continued demand for our innovative solutions.

Profit before tax ("PBT") also saw an increase of 30.2% to reach RM107.2 million from RM82.3 million in financial year ended 31 December 2023 ("FYE 2023"). This increase of RM24.9 million underscores the effectiveness of our operational strategies and the growing scale of our business.

## YEAR-ON-YEAR FINANCIAL REVIEW

Outlined below are key highlights of our financial performance and position indicators for FYE 2024 and FYE 2023:

Our financial position	Audited 31.12.2023	Audited 31.12.2022	Variance	
	RM'000	RM'000	RM'000	%
Revenue	220,232	149,681	70,551	47.1
Gross profit ("GP")	134,950	104,797	30,153	28.8
PBT	107,207	82,348	24,859	30.2
Profit after tax and minority interest ("PATAMI")	80,394	63,279	17,115	27.0
GP margin (%)	61.3%	70.0%	-8.7 bp	-12.5
PBT margin (%)	48.7%	55.0%	-6.3 bp	-11.5
PATAMI margin (%)	36.5%	42.3%	-5.8 bp	-13.7





# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE (cont'd)

## YEAR-ON-YEAR FINANCIAL REVIEW *cont'd*

	Audited FYE 2024	Audited FYE 2023	Variance	
Revenue by segment	RM'000	RM'000	RM'000	%
<u>Revenue from contracts with customers</u>				
Digital infrastructure solutions <sup>(1)</sup>	99,934	91,133	8,801	9.7
Supply, installation and maintenance services	116,926	54,665	62,261	113.9
Trading	473	918	-445	-48.5
<u>Lease revenue</u>				
Telecommunication and network infrastructure and services	2,899	2,965	-66	-2.2
Revenue	220,232	149,681	70,551	47.1

<sup>(1)</sup> Digital infrastructure solutions consist of revenue from video surveillance, analytics and subscription services

### Revenue

Our Group recorded an increase in revenue, rising from RM149.7 million in FYE 2023 to RM220.2 million in FYE 2024, representing a 47.1% YoY growth of RM70.6 million.

In FYE 2024, the revenue generated from supply, installation and maintenance services segment was higher than digital infrastructure solutions, contributing 53.1% of total revenue, compared to 36.5% in FYE 2023. Revenue from this segment grew 113.9% YoY, increasing by RM62.3 million to RM116.9 million. This growth was largely fuelled by additional projects secured under our networked street lighting and smart hospital contracts. Revenue from this segment is primarily recognised progressively over the contract period.

Meanwhile, the digital infrastructure solutions segment, which includes video surveillance, analytics, and subscription-based services, posted a YoY revenue growth of 9.7% or RM8.8 million. This segment accounted for 45.4% of total revenue in FYE 2024, compared to 60.9% in FYE 2023.

Revenue from digital infrastructure solutions is predominantly derived from monthly subscription fees, which cover the use of our digital infrastructure, AI features, other value added features and solutions including our support services throughout the contract period. Growth in this segment during FYE 2024 was primarily driven by an increase in the number of video cameras deployed under our ongoing projects, further strengthening our recurring revenue base.

### Gross profit

Aligned with the increase in revenue, the Group's GP rose to RM135.0 million in FYE 2024, marking a YoY increase of RM30.2 million or 28.8% compared to RM104.8 million in FYE 2023. However, the GP margin declined by 8.7 basis point ("bp"), from 70.0% in FYE 2023 to 61.3% in FYE 2024. This reduction was primarily due to higher material and installation costs incurred from our supply, installation and maintenance contracts.

### Profit before tax

Following the increase in gross profit, the Group's PBT increased to RM107.2 million in FYE 2024, reflecting a YoY growth of RM24.9 million or 30.2% from RM82.3 million in FYE 2023. However, the PBT margin declined by 6.3 bp, from 55.0% to 48.7%, primarily due to the lower GP margin, as previously mentioned.

# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

(cont'd)

## YEAR-ON-YEAR FINANCIAL REVIEW *cont'd*

### Profit after tax and minority interest

In FYE 2024, the Group's PATAMI expanded to RM80.4 million, reflecting a 27.0% uplift from RM63.3 million in FYE 2023. This growth was driven by higher revenue and improved operational performance. In tandem with the rise in PATAMI, our basic earnings per share increased from 6.15 sen in FYE 2023 to 7.81 sen in FYE 2024, underscoring our commitment to delivering sustained value to shareholders.

Our financial position	Audited 31.12.2024	Audited 31.12.2023	Variance	
	RM'000	RM'000	RM'000	%
Non-current assets	189,581	142,417	47,164	33.1
Current assets	316,182	295,574	20,608	7.0
Non-current liabilities	34,393	49,533	-15,140	-30.6
Current liabilities	69,901	44,454	25,447	57.2
Equity attributable to owners of the Company	401,178	343,826	57,352	16.7

### Assets

As of 31 December 2024, the Group's non-current assets, comprising property, plant and equipment, intangible assets, right-of-use ("ROU") assets and contract assets, expanded to RM189.6 million from RM142.4 million recorded on 31 December 2023. This increase was primarily attributed to capital investments in plant and equipment amounting to RM51.3 million and intangible assets totalling RM11.6 million. These capital investments were mainly directed toward video surveillance, communications network infrastructure and graphics processing units. However, the overall increase was partially offset by depreciation charges of RM17.9 million.

Current assets, which include cash and cash equivalents, trade and other receivables, contract assets, inventories, fixed deposits and other assets, grew from RM295.6 million as of 31 December 2023 to RM316.2 million as of 31 December 2024. This growth was primarily driven by higher working capital requirements to support revenue expansion. Specifically, trade and other receivables increased by RM47.1 million, contract assets by RM15.8 million, and prepayments and other assets by RM9.9 million. However, these increases were partially offset by a RM57.6 million reduction in cash and bank balances, with further details provided in the "Liquidity, capital resources, and gearing" section below.

### Liabilities

As of 31 December 2024, the Group's non-current liabilities, which include loans and borrowings, lease liabilities and deferred tax liabilities, declined by RM15.1 million or 30.6% YoY to RM34.4 million, compared to RM49.5 million on 31 December 2023. This reduction was primarily attributed to a RM16.6 million decrease in loans and borrowings.

In contrast, current liabilities, comprising trade and other payables, loans and borrowings, lease liabilities and current tax liabilities, rose by RM25.4 million or 57.1% YoY to RM69.9 million as of 31 December 2024, from RM44.5 million on 31 December 2023. The increase was mainly driven by a RM24.4 million rise in trade and other payables, reflecting higher material purchases to support newly secured contracts during the year.



# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE (cont'd)

## YEAR-ON-YEAR FINANCIAL REVIEW *cont'd*

### Liquidity, capital resources and gearing

Our cash flow from/(used in)	Audited As at 31 December 2024	Audited As at 31 December 2023	Variance	
	RM'000	RM'000	RM'000	%
Operating activities	48,328	55,985	-7,657	-13.7
Investing activities	-60,487	-18,451	-42,036	-227.8
Financing activities	-45,472	-31,911	-13,561	-42.5
Net changes in cash and cash equivalents	-57,631	5,623	-63,254	-1,124.9

As of 31 December 2024, the Group's cash and cash equivalents saw a reduction of RM57.6 million, primarily due to cash outflows related to investing and financing activities.

The Group's PBT for FYE 2024 contributed to a positive cash flow before changes in working capital, amounting to RM123.8 million. Of this, RM53.6 million was allocated to working capital requirements, primarily driven by:

- RM57.0 million allocated to the increase in trade and other receivables, in line with revenue growth.
- RM15.7 million used to support the rise in contract assets, reflecting higher billings submitted.
- RM1.9 million allocated to the increase in inventories, in line with revenue growth.
- RM24.5 million cash inflow generated from the increase in trade and other payables, corresponding with higher cost of sales.

After accounting for taxes paid of RM25.0 million and interest income of RM3.2 million, the Group generated a net cash inflow of RM48.3 million from operating activities in FYE 2024.

During FYE 2024, the Group recorded a net cash outflow of RM60.5 million from investing activities, primarily due to capital expenditures, including RM51.3 million for plant and equipment and RM11.6 million for intangible assets.

Additionally, financing activities resulted in a net cash outflow of RM45.5 million, mainly due to a dividend payment of RM26.8 million, loan repayments totalling RM19.3 million and interest expenses of RM3.0 million.

The Group finances its operations through a mix of internal and external funding sources. Internally, funds are primarily generated from shareholders' equity and operating cash flow. Externally, the Group utilises bank borrowings and supplier credit terms, which typically range between 30 to 90 days.

Management remains confident that with our existing cash reserves, bank balances and anticipated operational cash flow, the Group will have sufficient working capital to support ongoing and foreseeable business operations. At present, there are no significant trends or events that are expected to materially impact our financial position, liquidity, or overall performance.

As of FYE 2024, the Group had no outstanding capital commitments.

# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

(cont'd)

## REVIEW OF OPERATING ACTIVITIES

### Corporate Development

On 22 April 2024, Southmax entered into a Memorandum of Understanding ("**MOU**") with Jland Group Sdn. Bhd. ("**JGSB**"), a wholly owned subsidiary of Johor Corporation ("**JCORP**"), to explore potential business opportunities in smart township, park management and facilities management. The MOU aims to pave the way for a joint venture agreement to be established at a later stage, with a focus on sustainable urban development.

On 6 December 2024, the Company, together with Aim-Force Sdn. Bhd. ("**AFSB**"), entered into a Mutual Termination Agreement, officially terminating and revoking the term sheet entered between ITMAX and AFSB on 23 August 2023.

Concurrently, Enforcemax Sdn. Bhd. ("**Enforcemax**"), a 70%-owned subsidiary of ITMAX, entered into a Joint Venture Agreement ("**JVA**") with AFSB on the same day. The JVA sets the foundation for collaboration on the joint development of smart parking enforcement solutions, as well as enterprise mobility software and technologies. This strategic partnership enables both parties to expand into new geographical markets and product segments by leveraging their combined infrastructure, technical capabilities, expertise and deep market knowledge. Through this collaboration, ITMAX and AFSB aim to enhance their competitive edge and unlock new growth opportunities in the evolving smart city and mobility solutions landscape.

## RISK PROFILES

We highlight below the key anticipated or known risks that our Group is exposed to that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks are as disclosed below:

### (i) Business risks

Our Group is principally involved in the business of supply, installation and provision of digital infrastructure solutions, and we are susceptible to the risks inherent to this industry. These include, amongst others, rising costs of labour and raw materials, availability of skilled personnel, changes in laws and regulations applicable to our business, business and credit conditions, as well as fluctuations in foreign exchange rates. There is no assurance that any material changes to these factors will not have a material adverse effect on the business operations of our Group.

Nevertheless, our Group has been taking effective measures to mitigate the aforementioned risks such as prudent financial management and efficient operating procedures. Further, we constantly keep abreast of economic and regulatory changes relating to our business.

### (ii) Operational risks

We require various licences, permits and approvals including registration with the Construction Industry Development Board (CIDB), the Ministry of Finance Malaysia (MOF), as well as licences issued by the Energy Commission and MCMC for our business operations. These licences, permits and approvals are subject to periodic renewal.

We must comply with the restrictions and conditions imposed by the relevant authorities for us to maintain the validity of such approvals, permits and licences. In the event we fail to comply with the applicable requirements or any required conditions, our registration, approvals, licences and permits may be cancelled or suspended or subject to penalties. Delay in renewing such registrations, approvals, licences and permits upon expiry may also result in temporary suspension or restriction of our business operations. Therefore, any revocation and/or failure to obtain renewals for such registrations, approvals, licences and permits which are required for our business activities will have a material impact on our ability to continue business operations.

We have not experienced any instance in the past where our registrations, approvals, licences and permits have been revoked or suspended prior to their expiration or where renewals of such registrations, approvals, licences and permits were unsuccessful.



# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE (cont'd)

## RISK PROFILES *cont'd*

### (iii) Credit risks

We are exposed to credit risks due to slowdown in the collection of payments. The Group evaluated the likelihood of the severity and concluded that the Group would not be significantly affected by the expected credit loss of financial assets.

### (iv) Foreign exchange risks

Although not in significant quantities, we purchase materials and services which are quoted and transacted in USD and Singapore Dollars (SGD). As such, we are exposed to foreign exchange risks. There is no assurance that any foreign exchange fluctuation will not have an adverse impact on our earnings.

Although we do not actively hedge our Group's foreign currency exposure, we will continue to assess the need to utilise financial instruments to hedge our currency exposure, taking into consideration factors such as foreign currency, exposure period and transaction costs. For FYE 2024, our Group has not encountered any significant foreign currency exchange fluctuation that has resulted in material adverse impact on our Group's financials.

### (v) Competition risks

The Group's revenue and profitability are exposed to the risk of uncertainty arising from global and local economic conditions. Furthermore, we continue to face competition from existing and new competitors who may be capable of offering similar services and products. While we strive to remain competitive, there is no assurance that any changes in the competitive environment would not have any material and adverse impact on our business and financial performance.

Nevertheless, our Group strives to maintain our competitive edge by ensuring the quality of our services and products through stringent quality assurance procedures. We also continuously place importance on improving our services and products by investing in market research and product development activities.

## FORWARD-LOOKING STATEMENT

The global economy is expected to remain resilient despite significant challenges, according to the latest economic outlook from the Organisation for Economic Co-operation and Development. The report forecasts global GDP growth to reach 3.3% in 2025, slightly up from the projected 3.2% in 2024, and maintaining the same pace in 2026.

However, the outlook emphasises continued uncertainty. Escalating conflicts in the Middle East could disrupt markets, undermining confidence and growth. Additionally, rising trade tensions pose a risk to trade expansion. Unexpected setbacks in growth or the trajectory of disinflation could lead to disruptive corrections in financial markets. On the other hand, there are potential upside risks. For instance, stronger-than-expected improvements in consumer confidence, such as a faster-than-anticipated recovery in purchasing power, could boost spending. Moreover, an early resolution to major geopolitical conflicts and a decrease in energy prices could also improve global sentiment.

(Source : <https://www.oecd.org/en/about/news/press-releases/2024/12/economic-outlook-global-growth-to-remain-resilient-in-2025-and-2026-despite-significant-risks>)

Malaysia's economic growth is projected to remain on a steady path in 2025, driven by resilient domestic demand despite external challenges such as uncertainties in US tariff policies and global trade dynamics. Household spending is expected to stay robust, supported by stable employment, wage growth and policy measures, including the upward revision of the minimum wage and civil servant salaries.

Investment activity will continue its strong momentum, underpinned by the progress of multi-year projects in both the public and private sectors, a high realisation rate of approved investments, and the implementation of key national master plan initiatives.

However, the growth outlook remains susceptible to downside risks, including a slowdown in major trading partners, the potential for increased trade and investment restrictions and lower-than-expected commodity production.

(Source : <https://www.bnm.gov.my/-/monetary-policy-statement-22012025>)

# MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

(cont'd)

## FORWARD-LOOKING STATEMENT *cont'd*

Despite ongoing market volatility, we remain cautiously optimistic about our growth prospects. Our strategy focuses on actively identifying income-generating opportunities while maintaining disciplined cost management to sustain strong performance. At the core of our approach is the reinforcement of capital and liquidity buffers, ensuring resilience against market uncertainties and business challenges. These efforts align with our long-term commitment to sustainable growth and value creation for our shareholders.

The ASEAN Smart Cities market is projected to generate revenue of US\$2.05 billion in 2025, with an anticipated compound annual growth rate (CAGR) of 16.34% from 2025 to 2029, reaching US\$3.75 billion by 2029. This sector focuses on the deployment of innovative technologies to enhance urban living, efficiency, and sustainability.

(Source : <https://www.statista.com/outlook/tmo/internet-of-things/smart-cities/asean>)

In Malaysia, the momentum towards smart city transformation continues to accelerate, driven by government initiatives such as the Malaysia Digital Economy Blueprint. The private sector is also playing a pivotal role, collaborating with policymakers and urban planners to implement cutting-edge solutions. Given this conducive environment, ITMAX remains confident in the sustained demand for smart city solutions and the market's long-term growth potential.

Our early entry into the smart city sector has positioned us advantageously to expand our footprint across additional cities. Leveraging our first-mover advantage, we are actively broadening our market presence to capture a larger share of this growing industry. This expansion aligns with our goal of solidifying ITMAX as a leading provider of smart city solutions in Malaysia and beyond.

To further enhance our service capabilities, we are undertaking significant upgrades to our network and telecommunications infrastructure. A key initiative includes expanding our fibre optic network to increase coverage and scalability, ensuring our ability to support future growth. This infrastructure serves as the critical backbone for our smart systems, providing a secure and private network essential for managing national data and digital infrastructure.

In line with our expansion strategy, ITMAX is broadening its service offerings to encompass additional high-potential market segments. These include townships, shopping malls, office towers, hospitals, healthcare facilities, and highways. With our expertise and established capabilities, we are well-positioned to serve these sectors effectively, diversifying revenue streams and capturing new opportunities.

Furthermore, we are actively exploring geographical expansion into the northern region and East Malaysia. In the private sector, we have secured a smart hospital system project and are engaging with real estate developers on the potential development of smart city and smart township solutions within their portfolio. These initiatives reinforce our commitment to strategic growth across various sectors.

As of 31 December 2024, our unbilled order book stands at RM1,419 million, comprising digital infrastructure solutions, supply, installation and maintenance services, and telecommunications and network infrastructure services. Additionally, we have submitted tenders and proposals for various network system and facilities projects across both public and private sectors. Successful bids will further strengthen our order book, ensuring continued business growth and market expansion.

## DIVIDEND

Our primary objective remains to be the creation of sustainable, long-term value for our shareholders. Despite ongoing macroeconomic uncertainties, our strong operational performance and disciplined cost management have enabled us to consistently deliver returns to our shareholders.

On 25 November 2024 and 25 February 2025, ITMAX declared single-tier interim dividends of 1.4 sen and 0.6 sen per ordinary share respectively, bringing the total dividend for FYE 2024 to 2.0 sen per share (FYE 2023: 1.2 sen), amounting to RM20.6m. This distribution represents a payout ratio of 25.6% of the Group's consolidated PATAMI, underscoring our commitment to operational efficiency and strong cash generation.

While the Company has not adopted a fixed dividend policy, we remain dedicated to delivering an attractive dividend yield while maintaining financial prudence to support reinvestment in our business. Our goal is to ensure consistent dividend distributions, reinforcing the importance of shareholder participation in our success.



# SUSTAINABILITY STATEMENT

## DEFINITIONS AND ABBREVIATIONS

Except when the context otherwise requires, the following definitions and abbreviations shall apply throughout this report:

ABAC	Anti-Bribery and Anti-Corruption
BOD	Board of Directors
CCTV	Closed-Circuit Television
CEO	Chief Executive Officer
CFO	Chief Financial Officer
ESG	Environment, Social and Governance
FYE	Financial Year Ended
GJ	Gigajoule
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
ISAE	International Standard on Assurance Engagements
ITMAX	ITMAX System Berhad
kgCO <sub>2e</sub>	Kilograms of CO <sub>2e</sub> (CO <sub>2</sub> equivalent)
KPMG	KPMG PLT
kWh	Kilowatt-hour
m <sup>3</sup>	Cubic meter
MACC	Malaysian Anti-Corruption Commission
ML	Megalitres
MMLR	Main Market Listing Requirements
OSH	Occupational Safety and Health
PDPA	Personal Data Protection Act
QSHE	Quality, Safety, Health, and Environmental
tCO <sub>2e</sub>	Tonnes of CO <sub>2e</sub> (CO <sub>2</sub> equivalent)
UN SDGs	United Nations Sustainable Development Goals



# SUSTAINABILITY STATEMENT

(cont'd)

## Reporting Scope & Boundary

This Report covers the sustainability matters of ITMAX from the period 1 January 2024 to 31 December 2024 and encompasses all business operations and activities over which the Group exercises direct management control unless otherwise stated.

## Reporting Guidelines and Framework

This Report adopts the following local and international frameworks as below:-

	Framework	Method of Adoption
	Main Market Listing Requirements ("MMLR") of the Bursa Malaysia Securities Berhad Sustainability Reporting Guide (3rd Edition) and the Enhanced Sustainability Reporting Requirements outlined in Annexure A Practice Note 9	In Accordance
	2021 Global Reporting Initiative ("GRI") Standards	With Reference
	The United Nations Sustainable Development Goals ("UN SDGs")	In Alignment

## Assurance

In strengthening the credibility of this Sustainability Report, selected sustainability indicators in this Sustainability Report has been subjected to an independent assurance by KPMG PLT ("KPMG") in accordance with International Standard on Assurance Engagements ("ISAE") 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and has been approved by the Board of Directors of ITMAX System Berhad. The Subject Matter, Scope and Conclusion can be found in KPMG's limited assurance report set out on page 50 to 52.

## Sustainability Framework

At ITMAX System Berhad, we continue to be committed to integrating sustainability into our core business operations, ensuring that our technological advancements contribute positively to the Environment, Social, and Governance ("ESG") perspective. As a technology-driven company specialising in intelligent solutions, we are committed to leveraging innovation to drive positive ESG outcomes by focusing on the three key pillars, name Economic, Environment and Social. All these, while upholding strong ethical Governance.



### Governance

Commit to upholding highest standards of corporate governance to ensure transparency, accountability and long-term value creation.

To maintain a corporate culture rooted in integrity and ethical decision-making.

Integrate strong governance principles to ensure that the business remains resilient, ethical and aligned with the long-term interests of all shareholders.



## SUSTAINABILITY STATEMENT

(cont'd)



### Economic

Commit to achieving long-term financial stability while integrating ESG considerations into our business strategy.

To leverage on digital transformation to create economic value while supporting sustainable urban development.

Overarchingly, uphold integrity, transparency and accountability to provide accurate financial disclosures and proactively manage economic risks.



### Environment

Commit to minimise environmental impact while delivering cutting-edge technology solutions as a company that specialises in smart city innovations.

To explore eco-friendly technologies as opportunities in our smart city solutions to support sustainable urban development.

Ultimately, use technology as a force for environmental good by leveraging on innovation and resource efficiency.



### Social

Commit to social responsibility, beyond the workforce and to the communities we serve.

To foster a culture of inclusion, fairness and equal growth opportunities for the workforce and enhance urban safety, traffic management and accessibility through innovative technology.

Through technology, to create a lasting positive impact on society to ensure that our innovations contribute to the well-being of the communities.

### Stakeholder Engagement







ITMAX continues to engage with different stakeholder groups with different methods of engagement to have a deeper understanding of their perspectives on sustainability.



# SUSTAINABILITY STATEMENT

(cont'd)

Engagements are carried out on a regular basis with the various stakeholders as summarised below:-

Stakeholders	Focus Areas	Engagement Approach	Frequency of Engagement
<b>Shareholders</b> 	<ul style="list-style-type: none"> <li>Annual &amp; Extraordinary General Meetings</li> <li>Bursa announcements</li> <li>Quarterly reports</li> <li>Annual Reports</li> <li>Investors and analyst briefings</li> <li>Timely update on corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>Dividend policy Return on investments</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>As required</li> <li>Annually</li> <li>Periodically</li> </ul>
<b>Government Regulators</b> 	<ul style="list-style-type: none"> <li>Operations regulations Bursa listing requirements</li> <li>Companies' Act</li> <li>Labour Law</li> <li>Taxations</li> </ul>	<ul style="list-style-type: none"> <li>Compliances to laws and regulations</li> <li>Compliances to standards and specifications</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> <li>As required</li> </ul>
<b>Board of Directors</b> 	<ul style="list-style-type: none"> <li>Corporate Strategy</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Board Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>As required</li> </ul>
<b>Customers</b> 	<ul style="list-style-type: none"> <li>Customers satisfaction</li> <li>Post implementation support</li> <li>Quality assurance</li> <li>Product innovation</li> </ul>	<ul style="list-style-type: none"> <li>Regular meetings and visits</li> <li>Customer survey</li> <li>24/7 support at command centre</li> </ul>	<ul style="list-style-type: none"> <li>Periodically</li> </ul>
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>Supplier assessments</li> <li>Collaboration and feedback.</li> </ul>	<ul style="list-style-type: none"> <li>Email communication for updates and reviews.</li> </ul>	<ul style="list-style-type: none"> <li>Bi-annual reviews</li> <li>As required</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Occupational safety &amp; health</li> <li>Remuneration Policy</li> <li>Career development</li> <li>Performance review</li> <li>Corporate Social Responsibility (CSR) activities</li> </ul>	<ul style="list-style-type: none"> <li>Trainings</li> <li>Performance appraisal</li> <li>Team building activities</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>As required</li> </ul>



# SUSTAINABILITY STATEMENT

(cont'd)

## Materiality Assessment

At ITMAX System Berhad, we recognize the importance of identifying and prioritizing sustainability matters that have a significant impact on our business and stakeholders. Our materiality assessment process ensures that we focus on the most relevant ESG issues, aligning our sustainability strategy with stakeholder expectations and business objectives.

The steps undertaken to conduct the Materiality Assessment are as follows:

### Step 1: Identification of Sustainability Matters

We began by identifying potential material sustainability matters through multiple sources, including stakeholder engagement, industry benchmarking, regulatory requirements, and internal discussions. Key frameworks referenced include Bursa Malaysia's Sustainability Reporting guidelines and the GRI Standards. This process generated a list of matters spanning environmental, social, and governance topics relevant to our operations.

### Step 2: Prioritisation of Material Matters

To prioritise the identified matters, we engaged internal stakeholders, and considered the viewpoints of key stakeholder groups—including investors, government regulators, patients, suppliers, and employees. Each matter was assessed based on two primary criteria: the significance of its impact on our business and the level of stakeholder concern. The results were plotted on a materiality matrix, which visually represents the prioritisation of these matters.

### Step 3: Validation of Material Matters

The prioritised list of material matters was presented to senior management and the Board of Directors for validation. This step ensured alignment with our strategic objectives and allowed for the incorporation of expert insights. The validated matters reflect ITMAX's commitment to addressing critical sustainability risks and opportunities.

### Step 4: Review and Monitoring

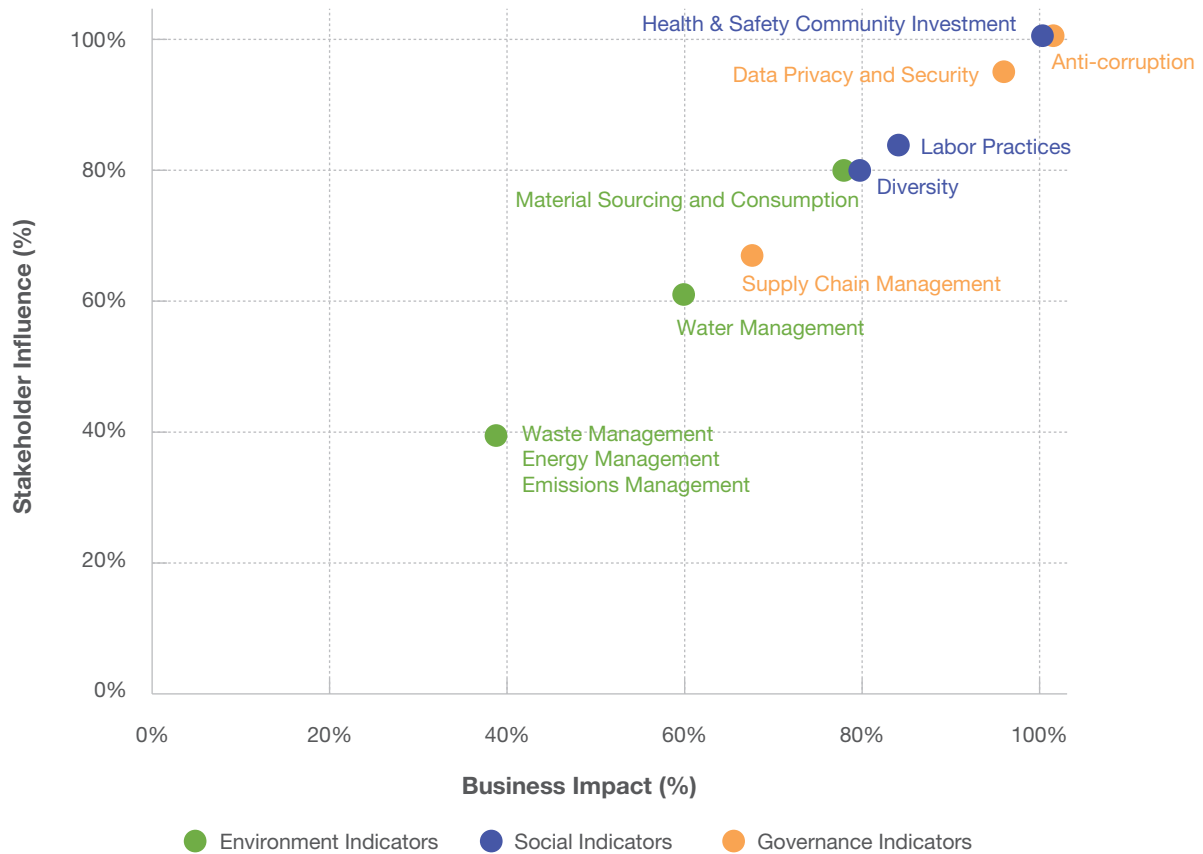
Moving forward, material matters will be reviewed annually to remain responsive to evolving stakeholder expectations, regulatory requirements, and market dynamics. We will continue to monitor these matters through ongoing dialogue with stakeholders and periodic internal assessments.

The results of our materiality assessment are presented in the Materiality Matrix below. The materiality matrix visually represents the prioritization of sustainability matters based on stakeholder influence and business impact. The x-axis represents Business Impact (%), while the y-axis represents Stakeholder Influence (%), both scaled to a maximum value of 100%.

# SUSTAINABILITY STATEMENT

(cont'd)

ITMAX Materiality Matrix



## Highly Material Topics

These topics are of the highest priority, as they hold both significant business impact and strong stakeholder influence:

- Anti-corruption
- Health and Safety
- Community Investment
- Data Privacy and Security

## Moderately Material Issues

- Labor Practices
- Supply Chain Management
- Diversity
- Material Sourcing and Consumption

## Lower Materiality Issues

- Energy Management
- Waste Management
- Emissions Management
- Water Management



# SUSTAINABILITY STATEMENT

(cont'd)



## Sustainability Governance

### Sustainability Governance Structure

At ITMAX, we recognise that strong governance is essential for driving long-term value creation and responsible practices. To strengthen our commitment to our ESG principles, the Board of Directors holds the ultimate responsible for the Group's sustainability strategy and ensuring that these principles are effectively integrated into our business operations and long-term growth plan.

Guided by the Board, the Chief Executive Officer ("CEO") plays a pivotal role in executing the Board's sustainability vision, driving ESG initiative across the organisation and fostering a culture of sustainability. To ensure effective implementation, the Senior Management plays a crucial role in translating the ESG vision into measurable actions and operational initiatives.

The Chief Financial Officer ("CFO") has been assigned to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company. The CFO monitors key ESG regulatory developments and ensures alignment and provides updates to the CEO and Board of Directors on sustainability related matters, risks and areas of concern identified from time to time.

Through strong governance, leadership and collaboration, the Group remains committed to advancing sustainability, minimising environmental impact and fostering social responsibility.



### The Foundation of Ethical and Responsible Practices

Guided by our core values and corporate governance framework, the Group ensure that ethical business practices, transparency and accountability are embedded in our daily operations and decision-making processes. ‘

Robust policies have been established and remain up to date to ensure that all employees, business partners and stakeholders adhere to the highest ethical standards.

# SUSTAINABILITY STATEMENT

(cont'd)

<b>Code of Conduct and Business Ethics Policy</b>	Outlines the Group's values and standards of behaviour expected of all employees.
<b>Directors' Fit &amp; Proper Policy</b>	Fit & proper policy for the appointment and re-election of Directors to ensure that the fit and proper criteria on the appointment and re-election of Directors are met
<b>Whistleblowing Policy</b>	Emphasises on the Group's commitment to the highest standard of integrity, openness and accountability in the conduct of its business and operations and by recognising this, provides an avenue for the stakeholders to disclose any improper conduct within the Group
<b>Anti-Bribery and Anti-Corruption ("ABAC") Policy</b>	Elaborates on the Group's principles of adopting a zero tolerance policy against all forms of bribery and corruption and provides guidance to employees on how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of the business.
<b>No Gift Policy</b>	The Group adopts a "No Gift Policy" whereby, subject only to certain narrow exceptions, the Group, including employees and all directors, family members or agents acting for or on behalf of ITMAX are prohibited from, directly or indirectly, receiving or providing gifts.

Please refer to <https://www.itmax.com.my/ir-corporate-gover> for details

## Anti-Bribery and Anti-Corruption

At ITMAX System Berhad, we uphold the highest standards of integrity, transparency, and ethical business conduct. We maintain a zero-tolerance policy towards bribery and corruption, ensuring that all our business dealings are conducted in a fair and responsible manner.

As part of our ongoing efforts to strengthen governance and uphold ethical business practices, we have implemented a robust Anti-Bribery and Anti-Corruption (ABAC) framework that aligns with the Malaysian Anti-Corruption Commission (MACC) Act 2009 and the National Anti-Corruption Plan (NACP). Our initiatives include:

- **Director Integrity Pledge:** All directors are required to sign an integrity pledge, reaffirming their commitment to ethical leadership and corporate governance.
- **Organizational Anti-Corruption Plan:** Our internal anti-corruption policies and procedures are designed to prevent, detect, and address corruption risks effectively.
- **Governance Oversight:** A designated Governance Officer is responsible for overseeing the implementation of anti-bribery measures, ensuring compliance, and providing guidance on ethical matters.

Category	Unit of measurement	Financial Year			
		FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
C1(a) Percentage of employees who have received training on anti-corruption by employee category					
Manager & Above	%	-	-	100	100
Executive	%	-	-	100	100
Non-Executive	%	-	-	100	100
Contract	%	-	-	100	100





## SUSTAINABILITY STATEMENT

(cont'd)

			Financial Year End	
Category	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C1(b) Percentage of operations assessed for corruption-related risks				
Group	%	-	-	-

## Whistleblowing Policy and Mechanism

ITMAX has in place a Whistleblowing Policy that outlines the procedures and appropriate whistleblowing channels.

During the financial year, there were no whistleblowing incidents reported through the available channels to the ITMAX and no confirmed incidents of corruption.

Category	Unit of measurement	Financial Year End			
		FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
C1(c) Confirmed incidents of corruption and action taken					
Group	Number	0	0	0	0

## Data Privacy

ITMAX is committed to ensuring the privacy and security of confidential data, including personal data of its customers, employees and business partners. ITMAX strongly adheres to the Personal Data Protection Act ("PDPA") 2010 to ensure that all data collection process is conducted with prior consent of the data owners. To further safeguard data, security measures and protocols are put in place to prevent potential breaches.

Thanks to the measures put in place, ITMAX experienced zero cases of data breaches or complaints concerning such breaches of customer privacy and losses of customer data.

Category	Unit of measurement	Financial Year End			
		FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data					
Group	Number	0	0	0	0

# SUSTAINABILITY STATEMENT

(cont'd)



## Economic

### Procurement Practices

At ITMAX, we continue to cultivate robust partnerships with our suppliers, ensuring their business practices align with our core policies, including the Code of Business Ethics, Human Rights Policy, and Quality, Safety, Health, and Environmental (“QSHE”) Policy.

We hold our Suppliers accountable for environmental management, with legally binding agreements mandating compliance with ecological standards. Our QSHE and procurement teams conduct continuous monitoring of suppliers’ environmental performance, emphasizing greenhouse gas emission reduction and broader ESG best practices.

Our procurement processes are rooted in ethics and transparency, as outlined in our Procurement Policy.

During this reporting period, majority of our total procurement spending was directed towards local Suppliers. By engaging local suppliers, we aim to contribute to job creation and capacity building within the community, while also ensuring efficient supply chain operations that align with our business goals.

		Financial Year End		
Category	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C7(a) Proportion of spending on local suppliers				
Group	%	-	90	80

### Community Investment

At ITMAX, we are dedicated to fostering a compassionate and inclusive culture, ensuring that our operations create meaningful and lasting impacts on the communities we serve. Our commitment to social responsibility is reflected in ongoing investments in initiatives that enhance community well-being and drive positive change.

Through strategic partnerships and targeted programs, we support education, environmental sustainability, and social welfare, focusing on initiatives that empower underserved communities. Our efforts include partnerships and contributions to the following organisations:

Beneficiary / Initiative	Estimated Investment (RM)
Universiti Tun Hussein Onn Malaysia (UTHM)	108,000.00
TARC Education Foundation	100,000.00
The Associated Chinese Chambers of Commerce And Industry of Malaysia (ACCIM)	100,000.00
The Federation of Chinese Associations Malaysia	50,000.00
World Wide Fund For Nature Malaysia	35,000.00
Yayasan Bursa Malaysia	30,000.00
Pengurusan Kecemasan & Bencana Malaysia	10,000.00



## SUSTAINABILITY STATEMENT

(cont'd)

Category	Unit of measurement	Financial Year End		
		FYE December 2022	FYE December 2023	FYE December 2024
C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer				
Group	RM	-	269,000.00	433,000.00
C2(b) Total number of beneficiaries of the investment in communities				
Group	Number	2	14	18



## Environment

## Energy Management

In recent reporting years, ITMAX observed an increase in internal energy consumption, primarily driven by business expansion and a rise in workforce headcount. The additional operational capacity and increased facility usage contributed to higher electricity demand. ITMAX remains committed to monitoring and optimizing energy efficiency across its operations to mitigate environmental impact while supporting sustainable growth.

		Financial Year End		
Entity	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C4(a) Total energy consumption				
Group	Kilowatt-hour (“kWh”)	142,267	221,465	257,556
	Gigajoule (“GJ”)	512.16	797.27	927.20

Beyond internal energy management, ITMAX has undertaken several external initiatives to drive energy efficiency and cost savings. These efforts include:

- **Energy-Efficient Infrastructure** – ITMAX prioritizes sustainable IT practices by optimizing network efficiency and reducing carbon emissions in digital operations.
- **LED Streetlight Replacement** – Since 2016, ITMAX has been replacing halogen streetlights in Kuala Lumpur with energy-efficient LED lights. This initiative contributes to lower exhaust gas emissions, reduced noise pollution, improved street and walkway illumination, longer-lasting bulbs, and overall energy and cost savings.
- **Solar-Powered Surveillance Systems** – To further enhance sustainability, ITMAX has implemented surveillance systems powered by solar energy, reducing reliance on conventional electricity sources while ensuring continuous monitoring capabilities.

These initiatives reflect ITMAX's commitment to integrating sustainable solutions into its operations and infrastructure.

# SUSTAINABILITY STATEMENT

(cont'd)

## Water Management

At ITMAX, we acknowledge the significance of responsible water management and pledge to integrate sustainable practices moving forward.

		Financial Year End		
Entity	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C4(a) Total energy consumption				
Group	m³	108	368	701
	Megalitres (“ML”)	0.108	0.368	0.701

ITMAX has been actively investigating strategies to optimize water utilization, bolster efficiency measures, and incorporate sustainable practices pertaining to water consumption.

## Emissions Management

At ITMAX, we recognize the importance of addressing climate change and reducing our greenhouse gas ("GHG") emissions. As part of our commitment to sustainability, we have embarked on our journey to monitor and measure our carbon footprint across our operations in order to implement strategies for improvement and mitigation in the future.

Our GHG emissions reporting covers all entities under our group. The emissions data is calculated in accordance with the GHG Protocol and includes:

**Scope 1:** Direct emissions from company-owned assets (e.g., company vehicles).

**Scope 2:** Indirect emissions from purchased electricity

		Financial Year End		
Entity	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C11(a) Scope 1 Emissions				
Group	Kilograms of CO2e (“kgCO2e”)	-	-	125,643.88
	Tonnes of CO2e (“tCO2e”)	-	-	125.64
C11(b) Scope 2 Emissions				
Group	kgCO2e	-	-	199,348.34
	tCO2e	-	-	199.35

Currently, we are reporting Scope 1 and Scope 2 emissions, with plans to expand to Scope 3 in future reporting cycles as we refine our data collection processes.



# SUSTAINABILITY STATEMENT

(cont'd)



## Social

### Diversity

At ITMAX, we recognise that employees are the foundation to our continuous success. By investing in our human capital, we achieve sustainable growth and maintain our competitive advantage. We are committed to attracting, developing and retaining talents to unleash their full potential.

Financial Year End						
Entity	Employee Category	Age Group	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C3(a)i Percentage of employees by age group and employee category						
Group	Manager & Above	< 20	%	-	0	0
		21 – 30	%	-	0	0
		31 – 40	%	-	22	30
		41 – 50	%	-	42	40
		51- 60	%	-	22	30
		> 61	%	-	14	0
	Executive	<20	%	-	0	0
		21 – 30	%	-	62	64
		31 – 40	%	-	29	27
		41 – 50	%	-	7	7
		51- 60	%	-	2	2
		> 61	%	-	0	0
	Non-Executive	<20	%	-	2	2
		21 – 30	%	-	35	48
		31 – 40	%	-	39	35
		41 – 50	%	-	19	14
		51- 60	%	-	3	1
		> 61	%	-	2	0
	Contract	<20	%	-	0	0
		21 – 30	%	-	14	25
		31 – 40	%	-	29	6
		41 – 50	%	-	0	13
		51- 60	%	-	0	6
		> 61	%	-	57	50



# SUSTAINABILITY STATEMENT

(cont'd)

				Financial Year End		
Entity	Employee Category	Age Group	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C3(a)ii Percentage of employees by gender and employee category						
Group	Manager & Above	Male	%	-	82	78
		Female	%	-	18	22
	Executive	Male	%	-	67	62
		Female	%	-	33	38
	Non-Executive	Male	%	-	76	74
		Female	%	-	24	26
	Contract	Male	%	-	86	75
		Female	%	-	14	25

## Board Diversity

At ITMAX, we recognise that a diverse and inclusive board is essential for strong corporate governance, innovation and sustainable growth. We are committed to fostering a board diversity in terms of experience, expertise, age, gender and background to ensure well-rounded decision-making reflects the interest of all stakeholders.

			Financial Year End		
Entity	Age Group	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C3(b)i Percentage of directors by age group					
Group	31 – 40	%	50	50	50
	41 – 50	%	0	0	0
	51- 60	%	13	13	13
	> 60	%	37	37	37

ITMAX demonstrates a strong commitment to gender diversity on its Board of Directors, achieving an equal representation of 50% female and 50% male directors. This exceeds Bursa Malaysia's requirement of a minimum 30% female board representation.

			Financial Year End		
Entity	Gender	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C3(b)ii Percentage of directors by gender					
Group	Male	%	50	50	50
	Female	%	50	50	50



# SUSTAINABILITY STATEMENT

(cont'd)

## Labour Practices

ITMAX is committed to empowering its employees through continuous learning and development opportunities. The company offers a comprehensive range of training programs, mentoring, and coaching initiatives designed to enhance employees' skills and knowledge. These programs include leadership development, technical upskilling, and stress management training, fostering both professional growth and personal well-being.

			Financial Year End		
Entity	Category	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024
C6(a) Total hours of training by employee category					
Group	Manager & Above	Number	-	0	112
	Executive	Number	-	0	133
	Non-Executive	Number	-	0	42
	Contract	Number	-	0	20
C6(b) Percentage of employees that are contractors or temporary staff					
Group	-	%	-	4	7
C6(c) Total number of employee turnover					
Group	Manager & Above	Number	-	0	1
	Executive	Number	-	14	14
	Non-Executive	Number	-	3	6
	Contract	Number	-	0	0

## Employee Benefits

At ITMAX, we firmly believe that employees are our assets and we are committed to their welfare, well-being and rights. We work together towards building a workplace that fosters respect, dignity and fairness to ensure that all employees are treated fairly and provided with the necessary support throughout their tenure with ITMAX.

To date, the Group is proud to announce zero complaints concerning human rights violations.

Financial Year End					
Entity	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
C6(d) Number of substantiated complaints concerning human rights violations					
Group	Number	0	0	0	0

# SUSTAINABILITY STATEMENT

(cont'd)

## Occupational Safety and Health

Our dedicated Health and Safety team, comprising two (2) employees, actively monitors, evaluates, and provides onsite training on occupational health and safety measures. Their proactive approach helps minimize risks and ensures a secure and safe working environment for both employees and subcontractors.

Entity	Unit of measurement	FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
<i>C5(a) Number of work-related fatalities</i>					
Group	Number	0	0	0	0
<i>C5(b) Lost time incident rate</i>					
Group	Rate	0	0	0	-
<i>C5(c) Number of employees trained on health and safety standards</i>					
Group	Number	-	2	2	-

## Performance Data Table

Common Indicator	Unit of Measurement	FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
<b>Anti-corruption</b>					
<i>C1(a) % of employees who have received training on anti-corruption by employee category</i>					
• Manager & Above	%	-	0	100	100
• Executive	%	-	0	100	100
• Non-Executive	%	-	0	100	100
• Contract	%	-	0	100	100
<i>C1(b) % of operations assessed for corruption-related risks</i>					
• Group	%	-	-	-	-
<i>C1(c) Confirmed incidents of corruption &amp; action taken</i>					
• Group	Number	0	0	0	0
<b>Community / Society</b>					
<i>C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer</i>					
• Group	RM	-	269,000	433,000	-
<i>C2(b) Total number of beneficiaries of the investment in communities</i>					
• Group	Number	2	14	18	-



# SUSTAINABILITY STATEMENT

(cont'd)

Common Indicator	Unit of Measurement	FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
<b>Diversity</b>					
<b>C3(a)i % of employees by age group, for each employee category</b>					
• Manager & Above					
- < 20	%	-	0	0	-
- 21 – 30	%	-	0	0	-
- 31 – 40	%	-	22	30	-
- 41 – 50	%	-	42	40	-
- 51 – 60	%	-	22	30	-
- > 61	%	-	14	0	-
• Executive					
- < 20	%	-	0	0	-
- 21 – 30	%	-	62	64	-
- 31 – 40	%	-	29	27	-
- 41 – 50	%	-	7	7	-
- 51 – 60	%	-	2	2	-
- > 61	%	-	0	0	-
• Non-Executive					
- < 20	%	-	2	2	-
- 21 – 30	%	-	35	48	-
- 31 – 40	%	-	39	35	-
- 41 – 50	%	-	19	14	-
- 51 – 60	%	-	3	1	-
- > 61	%	-	2	0	-
• Contract					
- < 20	%	-	0	0	-
- 21 – 30	%	-	14	25	-
- 31 – 40	%	-	29	6	-
- 41 – 50	%	-	0	13	-
- 51 – 60	%	-	0	6	-
- > 61	%	-	57	50	-
<b>C3(a)ii % of employees by gender for each employee category</b>					
• Manager & Above					
- Male	%	-	82	78	-
- Female	%	-	18	22	-
• Executive					
- Male	%	-	67	62	-
- Female	%	-	33	38	-
• Non-Executive					
- Male	%	-	76	74	-
- Female	%	-	24	26	-



# SUSTAINABILITY STATEMENT

(cont'd)

Common Indicator	Unit of Measurement	FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
<b>Diversity (cont'd)</b>					
<b>C3(a)ii % of employees by gender for each employee category (cont'd)</b>					
• Contract					
- Male	%	-	86	75	-
- Female	%	-	14	25	-
<b>C3(b)i % of directors by age group</b>					
• 31 – 40	%	50	50	50	-
• 41 – 50	%	0	0	0	-
• 51- 60	%	13	13	13	-
• > 60	%	37	37	37	-
<b>C3(b)ii % of directors by gender</b>					
• Male	%	50	50	50	-
• Female	%	50	50	50	-
<b>Energy management</b>					
<b>C4(a) Total energy consumption</b>					
• Group	kWh	142,267	221,465	257,556	-
	GJ	512.16	797.27	927.20	-
<b>Health &amp; safety</b>					
<b>C5(a) Number of work-related fatalities</b>					
• Group	Number	0	0	0	0
<b>C5(b) Lost time incident rate</b>					
• Group	Rate	0	0	0	-
<b>C5(c) Number of employees trained on health &amp; safety standards</b>					
• Group	Number	-	2	2	-
<b>Labour practices &amp; standards</b>					
<b>C6(a) Total hours of training by employee category</b>					
• Manager & Above	Number	-	0	112	-
• Executive	Number	-	0	133	-
• Non-Executive	Number	-	0	42	-
• Contract	Number	-	0	20	-
<b>C6(b) % of employees that are contractors or temporary staff</b>					
• Group	%	-	4	7	-
<b>C6(c) Total number of employee turnover by employee category</b>					
• Manager & Above	Number	-	0	1	-
• Executive	Number	-	14	14	-
• Non-Executive	Number	-	3	6	-
• Contract	Number	-	0	0	-
<b>C6(d) Number of substantiated complaints concerning human rights violations</b>					
• Group	Number	0	0	0	0



# SUSTAINABILITY STATEMENT

(cont'd)

Common Indicator	Unit of Measurement	FYE December 2022	FYE December 2023	FYE December 2024	Target for next FY
<b>Supply chain management</b>					
<i>C7(a) Proportion of spending on local suppliers</i>					
• Group	%	-	90	80	-
<b>Data privacy &amp; security</b>					
<i>C8(a) Number of substantiated complaints concerning breaches of customer privacy &amp; losses of customer data</i>					
• Group	Number	0	0	0	0
<b>Water</b>					
<i>C9(a) Total volume of water used</i>					
• Group	m3	108	368	701	-
	ML	0.108	0.368	0.701	-
<b>Emissions</b>					
<i>C11(a) Scope 1 emissions</i>					
• Group	kgCO <sub>2</sub> e	-	-	125,643.88	-
	tCO <sub>2</sub> e	-	-	125.64	-
<i>C11(b) Scope 2 Emissions</i>					
• Group	kgCO <sub>2</sub> e	-	-	199,348.34	-
	tCO <sub>2</sub> e	-	-	199.35	-

Internal assurance	External assurance	No assurance	(*) Restated
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# SUSTAINABILITY STATEMENT

(cont'd)

## Limited Assurance report

Board of Directors  
**ITMAX System Berhad**  
No.30-G & 30-3 Jalan Radin Bagus 3  
Bandar Baru Seri Petaling  
57000 Kuala Lumpur

Dear Sirs,

**Independent Practitioners' Limited Assurance Report on ITMAX System Berhad's (the "Company") Selected Sustainability Indicators for the financial year ended 31 December 2024 ("FYE 2024") presented in the Company's Annual Report 2024**

## Conclusion

We have performed a limited assurance engagement on whether the Company's selected sustainability indicators for the FYE 2024 listed below ("Selected Sustainability Indicators") have been prepared in accordance with the Company's definition and calculation methodologies and/ or where relevant, the Bursa Malaysia Securities Berhad Listing Requirements ("Applicable Criteria"):

1. Total amount invested in the community where the target beneficiaries are external to the Company (RM);
2. Percentage of employees by gender and age group, for each employee category (%);
3. Percentage of directors by gender and age group (%);
4. Percentage of employees that are contractors or temporary staff (%);
5. Proportion of spending on local suppliers (%); and
6. Total number of employee turnover by employee category (No.)

The boundary of the limited assurance engagement on the Selected Sustainability Indicators represents the Company's operations in Malaysia.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Selected Sustainability Indicators for the FYE 2024 presented in the Company's Annual Report 2024 are not prepared, in all material respects, in accordance with the Company's Applicable Criteria.

## Basis for conclusion

We conducted our engagement in accordance with Malaysian Approved Standard on Assurance Engagements ("ISAE") 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Our responsibilities under this standard are further described in the Our responsibilities section of our report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Our quality management and independence

Our firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.



# SUSTAINABILITY STATEMENT

(cont'd)

## Restriction on distribution and use of our report

Our report has been prepared for the Board of Directors of the Company (the “Directors”) solely in accordance with the terms of our engagement letter.

Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, we will accept no responsibility or liability in respect of our report to any other party, other than the Company, for our work, for the assurance report we will issue, and for the conclusion we reach.

Without affecting, adding to or extending our duties and responsibilities to the Company or giving rise to any duty or responsibility being accepted or assumed by or imposed on us by any other party, we consent to the inclusion of this report in the Company’s Annual Report 2024, to assist the Directors in responding to their governance responsibilities by obtaining independent an limited assurance report on the Selected Sustainability Indicators.

Our conclusion is not modified in respect of this matter.

## Responsibilities for the Selected Sustainability Indicators

The management of the Company (the “Management”) is responsible for:

- (a) Designing, implementing and maintaining internal control relevant to the preparation of the Selected Sustainability Indicators such that they are free from material misstatement, whether due to fraud or error;
- (b) Selecting or developing suitable criteria for preparing the Selected Sustainability Indicators and appropriately referring to or describing the criteria used, including who developed them, when not readily apparent from the engagement circumstances;
- (c) Preparing and properly calculating the Selected Sustainability Indicators in accordance with the Applicable Criteria;
- (d) Preventing and detecting fraud; and
- (e) Selecting the content of the Selected Sustainability Indicators, including identifying and engaging with intended users to understand their information needs.

## Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Company’s Annual Report 2024 may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Company’s Annual Report 2024, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

# SUSTAINABILITY STATEMENT

(cont'd)

## Our responsibilities

We are responsible for:

- (a) Planning and performing the engagement to obtain limited assurance about whether the Selected Sustainability Indicators are free from material misstatement, whether due to fraud or error;
- (b) Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- (c) Reporting our conclusion to the Directors.

## Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Selected Sustainability Indicators that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Selected Sustainability Indicators and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we have performed the following procedures, amongst others:

- (a) Enquired the Management to gain an understanding of the processes established from which the Selected Sustainability Indicators are derived;
- (b) Interviewed relevant staff responsible for preparing and presenting the Selected Sustainability Indicators in the Company's Annual Report 2024;
- (c) Compared the Selected Sustainability Indicators presented in the Company's Annual Report 2024 to underlying sources on a sample basis; and
- (d) Read the Selected Sustainability Indicators presented in the Company's Annual Report 2024 to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Other matter

Our assurance conclusion was with respect to the Company's Selected Sustainability Indicators for the financial year ended 31 December 2024. We previously expressed a conclusion over the Company's Selected Sustainability Indicators for the financial year ended 31 December 2023, and our report dated 29 April 2024 included an unmodified conclusion.

We have not performed any procedures over the Company's Selected Sustainability Indicators with respect to financial year ended 31 December 2022 and any other elements included in the Company's Annual Report 2024 and therefore, we do not express any conclusion thereon.

## KPMG PLT

(LLP0010081-LCA & AF 0758)  
Chartered Accountants

Petaling Jaya

Date: 24 April 2025





## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) recognises the importance of corporate governance towards promoting business prosperity and corporate accountability, to safeguard and enhance shareholders’ value as well as the interest of the Company and its subsidiaries (“**Group**”) on a sustainable and long-term basis.

The Board is committed to instilling and uphold good corporate governance (“**CG**”) practices throughout the Group from time to time in accordance with the principles and practices of the Malaysian Code on Corporate Governance updated and issued by the Securities Commission Malaysia on 28 April 2021 (“**MCCG**”) towards achieving corporate excellence.

This CG Overview Statement (“**Statement**”) provides our shareholders and investors with an overview of the CG approach and summary of CG practices adopted by the Company for the financial year ended 31 December 2024 (“**FYE 2024**”), by making reference to the following three (3) key principles as set out in the MCCG:

Principle A: Board Leadership and Effectiveness;

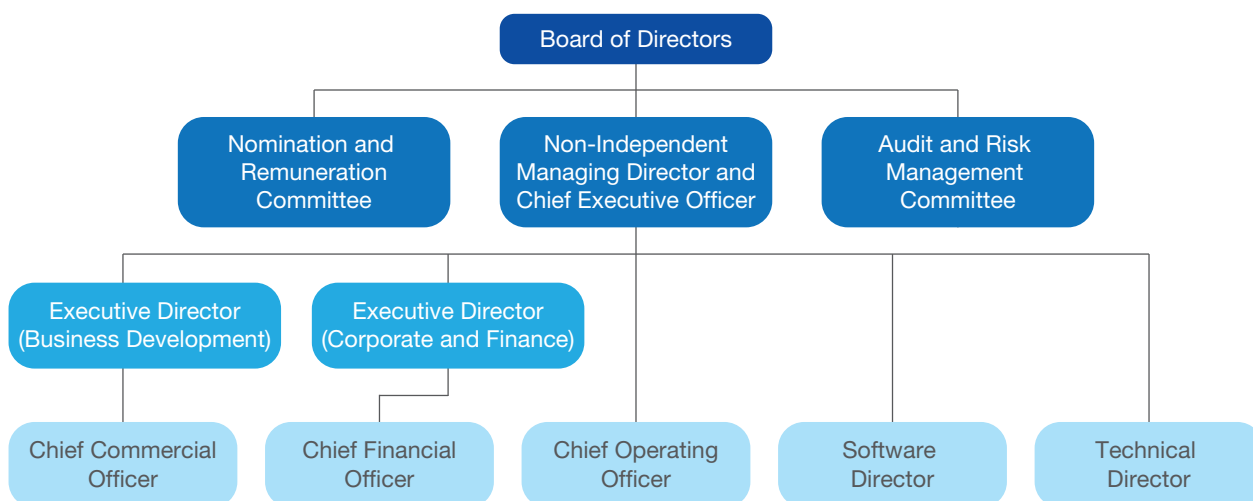
Principle B: Effective Audit and Risk Management; and

Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This Statement, which was approved by the Board, is prepared in compliance with the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and shall be read together with the Corporate Governance Report 2024 (“**CG Report**”) of the Company, which provides the detailed explanations of the Company’s application of each CG practice. Departures from the practices are explained with alternative practices undertaken by the Company to achieve the intended outcomes as recommended by MCCG.

The CG Report is available on the Company’s website at [www.itmax.com.my](http://www.itmax.com.my) and the announcement on Bursa Securities’ website.

The governance structure of the Group is as follows:



### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### 1. Board Responsibilities and Board Charter

The Board takes full responsibility for the performance of the Group and determines the Group’s strategic objectives, ensuring required resources are in place for the Group to meet its objectives, as well as to lead the Group towards achieving its short and long-term goals, providing advice, stewardship and directions on the governance of sustainability, management and business development of the Group. The Board also sets the Group’s values and standards and ensures that its obligations to shareholders and other stakeholders are understood and fulfilled.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 1. Board Responsibilities and Board Charter *cont'd*

The Board has delegated the day-to-day operations of the Group to the Managing Director and Chief Executive Officer ("MD & CEO"), Executive Directors ("EDs") and the Key Senior Management, who manage the Group in accordance with the strategies and policies approved by the Board.

The Board has adopted a Board Charter, which outline the composition, roles and responsibilities of the Board, the Chairman of the Board ("Chairman"), the MD & CEO and individual Directors. The Board Charter serves to provide guidance and clarity to the Board in overseeing the progression of strategic plans, overall performance of the Group and delivery of sustainable value to its stakeholders while discharging its fiduciary duties and leadership functions. The Board Charter also clearly sets out all relevant governance matters and applicable limits of authority, including a formal schedule of matters reserved for the Board's deliberation and approval and those which are expressly delegated to the Board Committees, to ensure the Board retains control of key decisions and clear division of responsibilities.

The Board Charter is reviewed periodically or as and when changes occur to ensure that it reflects the development in the relevant rules and regulations that may have an impact on the discharge of the Board's duties and responsibilities as well as current needs of the Group. The Board Charter was last reviewed on 21 April 2025 and is accessible on the Company's website at [www.itmax.com.my](http://www.itmax.com.my).

#### (i) Board Committees

The Board, in discharging its fiduciary duties, may from time to time establish Committees as it considers necessary to assist in carrying out its functions and responsibilities more orderly and effectively.

The Board has established and delegated specific authorities and responsibilities to the following Board Committees to assist in discharging its oversight function of the Management of the Group:

- Audit and Risk Management Committee ("ARMC")
- Nomination and Remuneration Committee ("NRC")

The functions, composition, roles and responsibilities, duties and power delegated to each Board Committee are set out in their respective Terms of Reference ("TOR") approved by the Board to ensure effective governance and efficient decision-making within the Group. The TOR of the NRC and ARMC were last reviewed on 17 March 2025 and 21 April 2025 respectively and are available on the Company's website at [www.itmax.com.my](http://www.itmax.com.my).

All the Board Committees are actively engaged in overseeing the governance matters under their purview in accordance with their respective TOR. Each Board Committee is provided with the authority and adequate resources, which include among others, to obtain external professional advice at the expenses of the Company in performing its duties.

The Board receives updates from the respective Chairman of the Board Committees on key matters discussed and deliberated at the respective meetings. The Board acknowledges that while these Board Committees have the authority to examine issues and make recommendations to the Board, the ultimate responsibility and decision-making for all matters lies with the Board. By leveraging the expertise of the members of these Board Committees and empowering them to provide independent insights and recommendations, the Board is better equipped to make informed decisions and navigate complex challenges in an effective and efficient manner.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 1. Board Responsibilities and Board Charter *cont'd*

#### (ii) Separation of the Chairman and the Managing Director and Chief Executive Officer Roles

To foster a sound governance and to maintain a clear balance of power and authority, the roles of Chairman and MD & CEO of the Company are distinctly separated, such that no one individual has unfettered powers of decision making. This is also to maintain effective supervision and accountability of the Board and Management. The segregation of their roles and responsibilities is clearly stated in the Company's Board Charter.

The Board is led by Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali, the Independent Non-Executive Chairman, who is responsible for ensuring the orderly conduct and overall effectiveness of the Board, including the collective oversight of Management with a strong focus on governance and compliance. The Chairman is not a member of any Board Committee of the Company since the date of his appointment.

Mr William Tan Wei Lun, the Group's MD & CEO, takes on the primary responsibility of managing the Group's businesses and resources as well as overseeing the day-to-day operations of the Group. He is also responsible for the development and implementation of the Board's decisions, policies and strategies.

#### (iii) Company Secretaries

The Board is supported by two (2) external competent Company Secretaries, whom are the member of the Malaysian Institute of Chartered Secretaries and Administrators. Both the Company Secretaries are qualified under Section 235(2) of the Companies Act 2016. The Company Secretaries play a vital role in advising and updating the Board on CG related matters and ensuring the Board adheres to the relevant statutory and regulatory requirements, as well as the Company's Constitution and the Board's policies and procedures.

All Directors have full and unrestricted access to the Company Secretaries, enabling Directors to seek guidance on various matters related to the Board's affairs and compliance whenever required. The Company Secretaries or the representatives of the Company Secretaries attended the Board and Board Committees' meetings held by the Company during the FYE 2024 and ensure that the meetings are properly convened. All deliberations and decisions are properly minuted and kept.

In order to contribute and discharge their duties and responsibilities to the Board effectively, the Company Secretaries keep themselves abreast of the evolving capital market environment as well as the changes and developments in relevant corporate governance and regulatory requirements by undertaking continuous professional development.

#### (iv) Strategies in Governance of Sustainability

The Board recognises the growing importance of sustainability in the Group's pursuit of long-term business success and in creating long-term value to its stakeholders and the communities in which it operates at large. The Board assumes the ultimate responsibility for the Group's sustainability development and management. Accordingly, the Board aims to integrate the principles of sustainability into the Group's strategies, performance, policies and procedures, by taking into consideration the Group's sustainability, economic as well as environmental, social and governance ("ESG") related issues when it comes to decision making and delivery of outcomes.

The Board is committed to staying abreast with sustainability issues associated with the ever-evolving operating environment which are relevant to its business. During the FYE 2024, the Board was briefed on the updates pertaining to sustainability reporting requirements from the Company Secretary and the Internal Auditors. Further, the Board had pursued the support of an external sustainability and ESG consultant to provide guidance and recommendations on sustainable business practices as well as to formulate a comprehensive sustainability framework for the Company to support long-term value creation and sustainability goals.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 1. Board Responsibilities and Board Charter *cont'd*

#### (iv) Strategies in Governance of Sustainability *cont'd*

The Group's sustainability activities are communicated to its internal and external stakeholders through various engagement channels include, among others, the Company's corporate website, Annual Report, Annual General Meeting ("AGM"), announcements to Bursa Securities, press release, analyst briefings and etc. The feedback and concerns from stakeholders are crucial in identifying, prioritising and managing the material ESG matters which may have an impact on the Group's business sustainability in the long term.

The Group's efforts to promote sustainable initiatives for the communities in which it operates, the environment and the employees are entailed in the Sustainability Statement of this Annual Report.

#### (v) Board and Board Committees' Meetings

The Board meets at least once in every quarter, to review and approve, inter alia, the strategic plans and direction for the Group, the annual business plans and budgets, operational and business performance reports, quarterly financial results and reports and annual audited financial statements of the Group. Additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters which requires the Board's expeditious review or consideration. Where appropriate, the Board may also resolve and approve various matters by way of written resolutions. All Board approvals sought are supported with all the relevant information and explanations required for informed decisions to be made.

To ensure maximum attendance of the Directors at the Board and Board Committees' meetings, the annual meeting schedule for the Board and Board Committees' meetings of the Company is circulated in advance before the commencement of the financial year to facilitate the Directors' planning.

All Directors are furnished with proper agenda with due notice issued and Board papers circulated at least five (5) business days prior to the meetings, to allow Directors to have sufficient time to review and obtain further clarification, if necessary, to facilitate effective discussion and informed decision-making during the meetings.

The proceedings of the Board and Board Committee meetings are conducted in accordance with a structured agenda to enable focused and constructive deliberation at meetings. Executive Directors, Key Senior Management and/or external advisors are invited to attend Board meetings to present and provide explanation to the Board on the reports pertaining to the relevant agenda items, for the Board's deliberation and informed decision-making or approval.

Directors are required to inform the Board of any conflicts or potential conflicts of interest they may have in relation to a particular agenda item or business transacted by the Group or the Company as soon as practicable after the relevant facts have come to his/her knowledge. The interested Directors should abstain themselves from discussion or decisions on matters in which they have a conflicting interest. The Chairman also ensures that the Board Committee meetings are not combined with the Board meetings to enable objective and independent discussion during the Board Committee meetings.

All proceedings of the Board and Board Committees' meetings are minuted by the Company Secretary. The Board meeting minutes are circulated to the Board for their perusal and comments within a reasonable timeframe prior to the Chairman's confirmation of the minutes at the following Board meeting. The Directors ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board on all pertinent issues, including whether any Director abstain from voting or deliberating on a particular matter.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 1. Board Responsibilities and Board Charter *cont'd*

#### (v) Board and Board Committees' Meetings *cont'd*

A total of five (5) Board meetings were held during the FYE 2024. The Board is satisfied with the level of time commitment given by the Directors in fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the full attendance record of the Directors at the Board meetings held during the FYE 2024 as follows:

Directors	No. of Meetings Attended	%
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali	5/5	100
Tan Sri Dato' (Dr.) Tan Boon Hock	5/5	100
Datin Afinaliza Binti Zainal Abidin	5/5	100
William Tan Wei Lun	5/5	100
Michelle Tan Sing Chia	5/5	100
Mok Juan Chek	5/5	100
Ng Nen Sin	5/5	100
Heng Ai Shan	5/5	100

#### (vi) Code of Conduct and Ethics, Whistleblowing Policy and Anti-Bribery and Corruption Policy

Anchored in the Group's core values of integrity and reliability, the Group has adopted its Code of Conduct and Ethics to uphold high standards of corporate governance and to promote ethical conducts of business across the organisation. The Code of Conduct and Ethics shall be observed by all Directors and employees of the Group.

To uphold the Board's commitment to highest standards of integrity and ethical conduct, the Board, together with Management, have put in place policies and procedures which engender conduct throughout all levels of the Group, which includes implementation of appropriate internal systems to ensure adherence to the Code of Conduct and Ethics.

The Board had adopted a Whistleblowing Policy, which provides a mechanism for any employee of the Group and external parties to report genuine concerns relating to any malpractice or improper conduct of the Group's business to the Chairman of the ARMC anonymously. Procedures are in place for confidential and independent investigation of all reports as well as appropriate follow up action. The Board assures that the identity of any whistle-blower acting in good faith will be kept confidential and be protected from any form of victimisation or retaliation for raising such concerns or allegations. There was no complaint or report received by the Chairman of the ARMC and the Board on malpractice or wrongdoing involving Directors, Key Senior Management or employees of the Group for the FYE 2024.

In light of the corporate liability provisions introduced under the Malaysian Anti-Corruption Commission Act 2009, the Group undertook a comprehensive exercise to strengthen its bribery and corruption control framework by establishing and adopting an Anti-Bribery and Corruption Policy that sets out the Group's principles, stance and adequate procedures in addressing corruption and/or bribery risks and activities in the conduct of its business and operations. Key initiatives under the policy include delivery of tone-at-the-top messages, awareness campaigns, periodic risk assessments, undertaking control measures by enhancing the Group's policies and procedures, compliance monitoring and enforcements, as well as ongoing training and communication. These initiatives form part of the Group's ongoing effort to mitigate corruption risks and reinforce a culture of integrity within the Group.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 1. Board Responsibilities and Board Charter *cont'd*

#### (vi) Code of Conduct and Ethics, Whistleblowing Policy and Anti-Bribery and Corruption Policy *cont'd*

The Code of Conduct and Ethics, Whistleblowing Policy and Anti-Bribery and Corruption Policy are available on the Company's website at [www.itmax.com.my](http://www.itmax.com.my) and will be reviewed by the Board periodically to ensure its relevance and effectiveness. The aforesaid documents were last reviewed on 21 April 2025.

#### (vii) Conflict of Interest Policy

The Board adopted a Conflict of Interest ("COI") Policy on 25 April 2024, to provide guidance in identifying and manage any actual, potential and/or perceived conflict of interest situations between the Directors (including the Key Senior Management) and the Group. The aforesaid document was last reviewed on 21 April 2025.

All Directors and employees of the Group should conduct themselves with integrity, impartiality, honesty and professionalism at all times, and shall avoid any conflict arising between their role with the Group and their private interests.

#### (viii) Access to Information and Independent

All Directors, whether as a full Board or in their individual capacity shall have unrestricted access to Management on any information pertaining to the Group, including access to the advice and services of the Company's auditors and consultants, Company Secretary and are also entitled to obtain independent professional advice, which is relevant to the furtherance of discharging their duties and responsibilities as Directors of the Company at the expense of the Company and in accordance with the procedure determined by the Board.

### 2. Board Composition

The Group is effectively led by an experienced and diverse Board comprising a strong mix of experienced individuals from a broad range of backgrounds and fields, bringing together a balance blend of skills, diversity and expertise, particularly in areas relevant to the Group's business, enabling the Board to facilitate strategic decision making and effective governance. None of the Board members is a person linked directly with the executive powers such as heads of state, heads of government and ministers and none of the Board members is an active politician.

The Board currently consists of eight (8) members, details of which as follows:

Directors	Directorship
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali	Independent Non-Executive Chairman
Tan Sri Dato' (Dr.) Tan Boon Hock	Non-Independent Non-Executive Director
Datin Afinaliza Binti Zainal Abidin	Non-Independent Executive Director
William Tan Wei Lun	Non-Independent Managing Director and Chief Executive Officer
Michelle Tan Sing Chia	Non-Independent Executive Director
Mok Juan Chek	Independent Non-Executive Director
Ng Nen Sin	Independent Non-Executive Director
Heng Ai Shan	Independent Non-Executive Director



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 2. Board Composition *cont'd*

With the current composition of the Board, the Company is in compliance with Paragraph 15.02 of the MMLR of Bursa Securities, which requires at least two (2) directors or one-third (1/3) of the Board, whichever is the higher, to be independent and at least one (1) Director is a woman. The Company also applied Practice 5.2 of the MCGG, which stipulates at least half of the Board comprises Independent Directors.

The Directors are of the opinion that the current Board size and composition are optimal and are satisfied that it is appropriate for the scope and nature of the Group's business and operations as well as for facilitating effective oversight, discussions and decision making. Further, the Board recognises that diversity, in its broadest sense, which comprises individuals with a broad range of backgrounds, skills, experience, expertise and perspectives is a key driver for the Board to discharge its duties professionally and effectively, uphold good governance standards in their conduct and that of the Board.

The Board maintains an appropriate balance of expertise, skills and attributes among its directors, which is reflected in their diverse backgrounds and competencies. No individual or group dominates the Board's decision-making process.

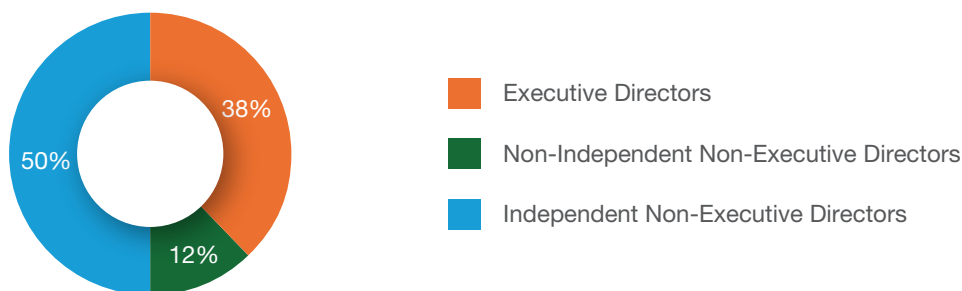
All Directors are encouraged to declare their time commitment to the Board and to notify the Chairman of the Board before accepting any new directorship in other public listed companies and that the new directorship would not unduly affect their time commitments and responsibilities to the Board. The Board believes that all members must be equally responsible for their overall core responsibilities.

The Board is satisfied with the level of time committed by its members in discharging their duties and roles as Directors of the Company. All the Directors of the Company do not hold more than five (5) directorships in listed issuers in Malaysia as stipulated under Paragraph 15.06 of the MMLR of Bursa Securities. A brief profile of each Director is presented in the Board of Directors' Profile section of this Annual Report.

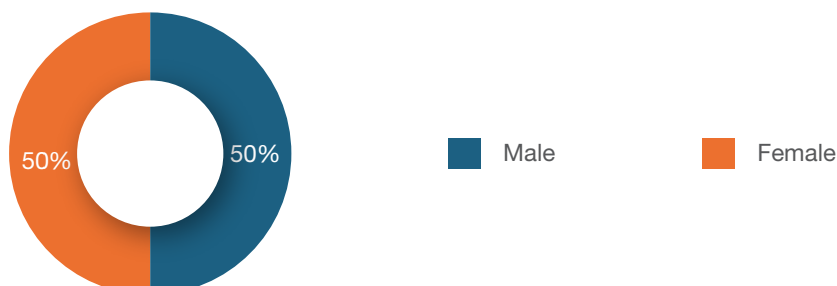
The structure, composition and size of the Board are reviewed periodically to ensure continued appropriateness.

The summary of the Board composition as of the date of this Statement is set out below:

### BOARD COMPOSITION



### BOARD COMPOSITION : GENDER



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

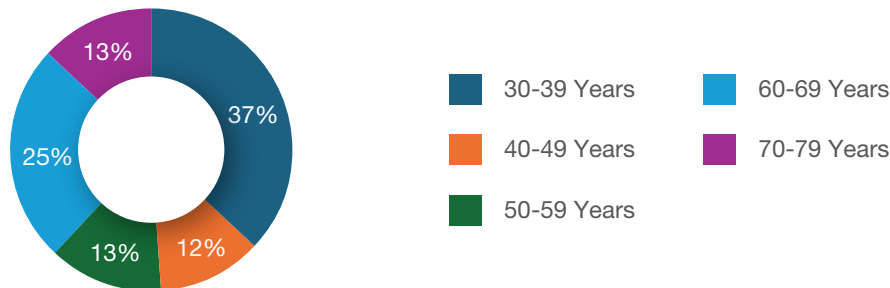
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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 2. Board Composition *cont'd*

The summary of the Board composition as of the date of this Statement is set out below: *cont'd*

#### BOARD COMPOSITION : AGE



#### (a) Election and Re-election of Director

The NRC is primarily responsible for identifying, selecting and recommending to the Board the suitable candidates for the appointment of members of the Board and Board Committees. In making such recommendations, the NRC shall assess and determine based on appropriate character, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse composition, backgrounds and experience.

All Directors are expected to be individuals with integrity, high personal and professional ethics, sound business judgment, the ability and willingness to commit sufficient time to the duties of the Board, while new Directors are expected to have such expertise so as to qualify them to make positive contribution to the Board, perform their duties and to give sufficient commitment, time and attention to the affairs of the Company.

In accordance with the Directors' Fit and Proper Policy adopted by the Company in 2022, the Board and the NRC shall conduct comprehensive review and the fit and proper assessment prior to the appointment of new Director or when making recommendation for the re-election of retiring Director, including checks on character and integrity, experience and competence as well as time and commitment.

The Directors' Fit and Proper Policy is accessible on the Company's website at [www.itmax.com.my](http://www.itmax.com.my) and will be reviewed by the Board periodically to ensure its relevance and effectiveness. The aforesaid document was last reviewed on 21 April 2025.

Proposals for the annual re-election of Directors are recommended by the NRC to the Board prior to the shareholders' approval at the AGM of the Company, based on the annual evaluation and the Directors' fit and proper assessment conducted by the NRC.

The NRC had on 17 March 2025 conducted the annual assessment to evaluate the effectiveness of the Board, Board Committees and individual Directors for the FYE 2024, which includes the fit and proper assessment and is satisfied with the performance of the Directors who are standing for re-election at the Company's forthcoming Twenty-Third (23rd) AGM ("Retiring Directors") and agreed that they met the criteria of character, experience, integrity, competence and time to effectively discharge their duties and functions as Director as prescribed by the MMLR of Bursa Securities.

The Board concurred with the findings of the NRC, recommends and supports the re-election of the Retiring Directors who are seeking for re-election pursuant to Clause 76(3) of the Company's Constitution at the forthcoming 23rd AGM. The Retiring Directors had also provided the fit and proper declarations in accordance with the Directors' Fit and Proper Policy to the Company and abstained from deliberation on their re-election.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 2. Board Composition *cont'd*

#### (b) Independence of the Board

The Board recognises the importance of independence and objectivity in the decision-making process. The Independent Non-Executive Directors ("INEDs") of the Company are not involved in the day-to-day management of the Group and are free from any business or other relationship with the Group which could interfere with the exercise of their independent judgement.

The INEDs contribute their own expertise and experience, and provide unbiased and impartial opinion, advice and judgement in the development of the Group's overall business strategy, which are essential to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account. Their roles as members of the Board and Board Committees have contributed towards the enhancement of the corporate governance and controls of the Group and provide an effective check and balance in the functioning of the Board.

The NRC is responsible for reviewing and assessing the independence of each INEDs on an annual basis via the Independent Director's Self-Assessment Form. The Independent Directors of the Company are required to confirm their independence and have undertaken to inform the Company immediately if there is any change which could hinder their independent judgement or ability to act in the best interest of the Company, considering the Independent Directors' ability to exercise independent judgement at all times.

The Board, through the NRC's assessment, is satisfied with the level of independence demonstrated by all the INEDs during the financial year under review, as well as their ability to exercise objective judgement and act in the best interests of the Company. All the INEDs of the Company met the relevant criteria for independence as defined under Paragraph 1.01 and Practice Note 13 of the MMLR of Bursa Securities.

As stipulated in the Board Charter of the Company, the Board is mindful that the tenure of an Independent Director shall not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director.

As at the date of issuance of this Annual Report, none of the INEDs has exceeded the tenure of a cumulative term limit of nine (9) years on the Board of the Company.

#### (c) Board Diversity

In identifying and assessing the suitability of candidates for appointment to the Board, the Board gives due consideration to a diverse range of factors, including skills, knowledge, expertise, experience, background, character, integrity, competence, contributions, character and time commitment. These elements are critical in ensuring that each director is able to effectively discharge his/her role and responsibilities as a director. The Board is also mindful of the importance of promoting diversity in terms of gender, age and ethnicity and remains committed to embedding these considerations as part of the agenda in achieving boardroom diversity.

The Board comprises four (4) woman Directors, which constitutes more than 30% female representation on the Board as recommended under Practice 5.9 of the MCCG. The Group takes diversity not only at the Board level, but also at workplace as it is an essential measure of good governance, critically contributing to a well-functioning organisation and sustainable development of the Group.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 2. Board Composition *cont'd*

#### (c) Board Diversity *cont'd*

The Board reaffirms its commitment to fostering a diverse and inclusive workforce across the Group by ensuring equal access to opportunities and fair treatment to all individuals. It actively supports diversity and inclusivity at all levels within the Group. In line with this, the Group considers all qualified candidates, regardless of age, gender, ethnicity, cultural background or other personal attributes with appropriate experience and qualifications equally in matters of recruitment, promotion, remuneration and professional development. The Board is also committed to workplace diversity, as it is an essential measure of good governance, critically contributing to a well-functioning organisation and sustainable development of the Group, ensuring that the workplace environment that is fair, accessible, flexible and inclusive, as well as free from any form of harassment and discrimination.

The Gender Diversity Policy is available on the Company's website at [www.itmax.com.my](http://www.itmax.com.my) and will be reviewed by the Board periodically to ensure its relevance and effectiveness. The aforesaid document was last reviewed on 21 April 2025.

#### (d) Director's Continuous Professional Development

The Board is mindful that the Directors shall continuously undergo appropriate trainings to equip and keep themselves abreast of the latest developments in statutory requirements and/or regulatory environment, as well as supplement their knowledge in the latest issues and areas of sustainability relevant to the Group, enabling them to effectively discharge their duties and responsibilities as Directors of the Company.

All Directors have completed the Mandatory Accreditation Programme Part I and II, as required by the MMLR of Bursa Securities.

The details of external training programmes, seminars and/or conferences attended by the Directors in office during the FYE 2024 are as follows:

Director	Seminars/ Conferences/ Training Programmes	Date
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali	Talk Series, Malaysia: Outlook for 2024 and beyond – Issues and Challenges by YBhg Dato' Seri Hamzah Kassim - Co-Founder & CEO, The IA Group	05/01/2024
	Board Retreat: Breakfast Talk by LUX Research on Decoding AI's Impact / The Future of AI	13/01/2024
	Universiti Malaya Global Intellectual Discourse 2024. YBhg Academician Tan Sri Dr. Ir. Ahmad Tajuddin Ali as a Panel member at Session 3: Global Science and Energy Roundtable 2024 – “The Future of Energy Security and Technology Transition for the Next Century of Growth: Advancing Nuclear Energy & Green Technology for Malaysia and the World”	22/01/2024
	2024 Financial Education District Series – Sonny Bill Williams on his Rugby, Life & Leadership Journey	23/02/2024
	ICDM Powertalk – Future-Proofing Malaysian Businesses: Navigating Cyber-Threats in the Age of AI & Thriving in a High-Risk Landscape	11/03/2024
	International Day Forest: Forests & Innovation – New Solutions for a Better World Focusing on “Forest Issues of the Tropics”	21/03/2024
	Talk on “Pekerja Hebat!” by Saudara Syamsul Debat	25/04/2024





# CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 2. Board Composition *cont'd*

#### (d) Director's Continuous Professional Development *cont'd*

The details of external training programmes, seminars and/or conferences attended by the Directors in office during the FYE 2024 are as follows:

Director	Seminars/ Conferences/ Training Programmes	Date
	Panel Discussion – Developing High Tech Malaysian Healthcare with a High Touch People Centric Approach	07/05/2024
	Environmental, Social & Governance (ESG) Conversation on “Friends of Sustainable Malaysia by PwC”	27/05/2024
	Recent and Key Tax Developments for Direct and Indirect Taxes by PwC Tax Advisory	07/06/2024
	Power Talk: Circular Economy – “Scheduled Waste Management for Environment Sustainability” by Pn Norlin Jaafar, Minconsult Advisory Council Member	26/06/2024
	Environmental, Social & Governance (ESG) Conversation on “Friends of Sustainable Malaysia by PwC”	23/07/2024
	National Dialogue Session on Planetary Health: Interconnectedness Between Humans, The Planet & Prosperity	25/07/2024
	Engagement Session with the Institutional Investors Council Malaysia (IIC): Environmental, Social & Governance (ESG) & Sustainability journey, Business Human Rights and Diversity efforts and matters affecting governance.	08/08/2024
	Environmental, Social & Governance (ESG) Conversation on “Friends of Sustainable Malaysia by PwC”	20/09/2024
	Global Policy Dialogue Malaysia on Climate Change, Food Security & Poverty Alleviation – as Moderator	23/09/2024
	Integerity Ethics and Ikrar Bebas Rasuah Program with Suruhanjaya Pencegahan Rasuah Malaysia (SPRM)	27/09/2024
	Integrity Forum – Unplugged Ethics: Voice of Integrity Person (VIP) – as Speaker for “Living a Life of Integrity”	02/10/2024
	Science & Technology in Society (STS) Forum	06/10/2024 -08/10/2024
	Innovation for Cool Earth Forum (ICEF)	09/10/2024 & 10/10/2024
	KSI (Knowledge Strategic Innovation) Strategic Institute for Asia Pacific: Asia New Economy Summit	15/10/2024
	International Conference on Tropical Sciences	16/10/2024 & 17/10/2024
	Ansaldo Energia Day	24/10/2024
	Directors Development Programme – Leadership Development Talk – as Speaker	10/12/2024
Tan Sri Dato' (Dr.) Tan Boon Hock	E-Invoice Accounting and Its Implementation Mechanism	27/09/2024

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 2. Board Composition *cont'd*

#### (d) Director's Continuous Professional Development *cont'd*

The details of external training programmes, seminars and/or conferences attended by the Directors in office during the FYE 2024 are as follows:

Director	Seminars/ Conferences/ Training Programmes	Date
Michelle Tan Sing Chia	Ethics & Influence – Mastering Political Integrity	24/05/2024
	UBS Mid-Year Outlook 2024 – The New Momentum	03/07/2024
	Equity in Focus: Embracing Change and Transformation	26/08/2024
	Generational Wealth Summit	07/11/2024
		-09/11/2024
	E-invoice Accounting and Its Implementation Mechanism	27/09/2024
	AI Regulations Globally in Healthcare	19/11/2024
	Leadership Training	26/11/2024
Datin Afinaliza Binti Zainal Abidin	MOGEC Icon Talk	30/10/2024
	National OGSE Blue Print Forum 2024	05/11/2024
	Energy Talk UM	13/11/2024
William Tan Wei Lun	Ethics & Influence – Mastering Political Integrity	24/05/2024
	UBS Mid-Year Outlook 2024 – The New Momentum	03/07/2024
	Equity in Focus: Embracing Change and Transformation	26/08/2024
	Generational Wealth Summit	07/11/2024
		-09/11/2024
	E-invoice Accounting and Its Implementation Mechanism	27/09/2024
	AI Regulations Globally in Healthcare	19/11/2024
	Leadership Training	26/11/2024
Ng Nen Sin	Finance for Non-Finance Managers and Executives	20/3/2024 & 21/3/2024
	Transform Your Organisation: Unleashing the AI Revolution	10/06/2024
	Insights from the UK on Navigating Digital Transformation	24/07/2024
	E-Invoicing for Law Firms	29/07/2024
	Dawn Raid – Practical Aspects on How Law Firms Can Manage Dawn Raid	06/09/2024
	AOB Conversation with Audit Committees	19/11/2024
Heng Ai Shan	LHDN E-Invoicing	17/01/2024
	Essential Tax Updates in 2023/2024	06/03/2024
	Practical Approach to Accounting Principles and Practice Series – Professional level	18/07/2024 & 19/07/2024
	Budget 2025	19/11/2024
	Post Budget 2025	20/11/2024
Mok Juan Chek	Conflict of Interest	20/02/2024
	Unleashing the Transformation power of AI	10/06/2024
	Anti Bribery and Anti Corruption	18/07/2024
	Economic Outlook for 2nd half of 2024	17/08/2024
	Board Ethics, Growing concerns from New Technology	16/10/2024
	Tax and Business Summit	17/11/2024



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 2. Board Composition *cont'd*

#### (d) Director's Continuous Professional Development *cont'd*

The Directors are encouraged to evaluate their own training needs on a continuous basis and to determine the relevant programmes, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board. The Board, through the NRC, will continue to evaluate and determine the training needs of the Directors to ensure they are up-to-date with the latest development in statutory requirements and regulatory environment, as well as in the Group's business and industry, enabling them to discharge their roles and responsibilities effectively as Directors of the Company.

### 3. Nomination and Remuneration Committee

The NRC is primarily responsible for recommending suitable appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the director should bring to the Board to ensure the Board continues to function effectively, as well as carrying out reviews for the recommendation of the remuneration package for all Directors and Key Senior Management. The NRC also assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director.

The NRC comprises three (3) members, all of whom are INEDs. As of the date of this Statement, the composition of the NRC is as follows:

Designation	Name of NRC Members	Directorship
Chairman	Mok Juan Chek	Independent Non-Executive Director
Member	Heng Ai Shan	Independent Non-Executive Director
Member	Ng Nen Sin	Independent Non-Executive Director

#### (a) Board Assessment and Evaluation

The Board, through the NRC, conducted the annual assessment to evaluate the effectiveness of the Board, Board Committees and individual directors for FYE 2024 by way of completion of questionnaires by each Director, covering the following aspects:

- Evaluation on the Board composition and structure, quality of information and decision making, Board's relationship with Management, corporate governance and sustainability, and the Board Committees;
- Evaluation on the ARMC, its quality and composition, skills and competencies, meeting administration and conduct, as well as evaluation of Internal Audit Function;
- Individual Directors' self and peer evaluation on fit and proper, contribution and performance as well as calibre and personality; and
- Assess the independence of the Independent Directors based on the criteria set out in the MMLR of Bursa Securities.

The results of the Board assessment for the FYE 2024 indicated that overall performance of the Board, the Board Committees and each individual Directors was effective and satisfactory. The results of the Board assessment also form the basis of the NRC's recommendations to the Board for the re-election of the Retiring Directors at the forthcoming 23rd AGM of the Company, in line with the Directors' Fit and Proper Policy.

The Board, via the NRC also reviewed the Group's succession plans for the Board and Key Senior Management roles, ensuring continuous leadership is in place at all times, alongside a strong talent pipeline.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### 3. Nomination and Remuneration Committee *cont'd*

#### (b) Remuneration of Directors and Key Senior Management

The Board, through the NRC, ensures that the Group's remuneration levels are commensurate with the skills, experience and responsibilities expected of its Directors and Key Senior Management, and that such remuneration is structured to be fair, reasonable and competitive in order to attract and retain talent required to lead the Group effectively.

The Board, as a whole, determines the remuneration packages of all Directors and Key Senior Management based on the NRC's recommendations. The NRC is guided by market norms and industry best practices when making appropriate recommendations for the remuneration and benefits of Directors and Key Senior Management to the Board for approval.

The Director concerned shall abstain from deliberation and voting on decision in respect of his or her own remuneration, prior to tabling of such for the Board's approval or recommendation, and subsequently for shareholders' approval of the Director's fees and benefits at the AGM of the Company. Further, Directors who are shareholders and controlling shareholders with a nominee or connected director on the Board are required to abstain from voting on the resolution relating to the payment of the Directors' fees and benefits at the AGM.

The details of the Group's remuneration policies and practices are included in the Board Charter of the Company, which is available on the Company's website.

The remuneration received by the Directors on a named basis for FYE 2024 is as follows:

Name	Fee (RM'000)	Salary (RM'000)	Bonus (RM'000)	Allowance (RM'000)	Other Emoluments (RM'000)	Total (RM'000)
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali	168	-	-	3	12.8	183.8
Tan Sri Dato' (Dr.) Tan Boon Hock	66	-	-	3	-	69.0
Datin Afinaliza Binti Zainal Abidin	66	180	14	3	23.3	286.3
William Tan Wei Lun	66	1,008	120	3	137.9	1,334.9
Michelle Tan Sing Chia	66	378	45	3	50.8	542.8
Mok Juan Chek	72	-	-	3	-	75.0
Ng Nen Sin	66	-	-	3	-	69.0
Heng Ai Shan	78	-	-	3	-	81.0

The Board acknowledged the need for transparency in the disclosure of its Key Senior Management's remuneration. As such, the Board has disclosed, on a named basis, the remuneration of the Company's top three (3) Key Senior Management. This includes salary, allowance, bonus, benefits and other emoluments disclosed in bands of RM50,000, as detailed in the CG Report under Practice 8.2.

Detailed information regarding the duties and responsibilities, meeting and attendance, summary of key activities of the NRC are set out in the NRC Report on pages 78 to 80 of this Annual Report.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### 1. Audit and Risk Management Committee

The ARMC comprises three (3) members, all of whom are INEDs. As of the date of this Statement, the composition of the ARMC is as follows:

Designation	Name of ARMC Members	Directorship
Chairman	Heng Ai Shan	Independent Non-Executive Director
Member	Mok Juan Chek	Independent Non-Executive Director
Member	Ng Nen Sin	Independent Non-Executive Director

The Chairman of the ARMC, who is a qualified Chartered Accountant and a member of both the Malaysian Institute of Accountants ("MIA") and Certified Practicing Accountants, Australia, is distinct from the Chairman of the Board. The ARMC's TOR sets out that the Chairman of the Board must not be a member of the ARMC.

All the ARMC members have solid understanding of the Group's operation, financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities within the ARMC's purview, as well as ensuring compliance with the applicable regulations, rules, directives, and guidelines. None of the ARMC members were former audit partners who are required to observe a cooling-off period of at least three (3) years before being appointed in accordance with the TOR of the ARMC.

The ARMC is entrusted to provide advice and assistance to the Board in fulfilling its statutory and fiduciary responsibilities relating to the Company's internal and external audit functions, risk management, compliance systems and practices, financial accounting and control systems, reportable related party transactions, conflict of interest and potential conflict of interest situations, as well as matters that may significantly impact the financial condition or affairs of the Group's business.

The ARMC assists the Board in reviewing the Group's financial reporting process and accuracy of its financial results and scrutinising information for disclosure to ensure integrity, reliability and compliance with the applicable financial reporting standards. The ARMC reviewed the unaudited quarterly financial reports and year-end financial statements of the Group prior to recommendation of the same to the Board for approval and submission to Bursa Securities.

The term of office and performance of the ARMC are subject to the annual review of the NRC and the Board is satisfied that the ARMC members have discharged their functions, duties and responsibilities in accordance with the TOR of the ARMC during the financial year under review.

The ARMC has unrestricted access to both the Internal Auditors and External Auditors, who report functionally and directly to the ARMC. The ARMC also reviews the audit and non-audit services provided by the External Auditors to ensure that their independence and objectivity are not compromised in the course of delivering such services.

The Board, through the ARMC, conducted an annual assessment to review, assess and monitor the performance, suitability and independence of KPMG PLT as the External Auditors of the Group and of the Company for the FYE 2024. Having assessed their performance, the ARMC was satisfied with the quality of services, performance, adequacy of resources, suitability, objectivity and independence of KPMG PLT and therefore, recommended their re-appointment to the Board, upon which shareholders' approval will be sought at the forthcoming 23rd AGM.

KPMG PLT had also provided written assurance to the ARMC and confirmed that they are and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the terms of relevant professional and regulatory requirements. In addition, the audit partner of KPMG PLT is regulated by the MIA guidelines, which is subject to a seven-year rotation to ensure the independence of the External Auditors is not impaired.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

### 1. Audit and Risk Management Committee *cont'd*

Detailed information regarding the duties and responsibilities, meeting and attendance, summary of key activities of the ARMC in furtherance of its oversight role and the internal audit function are set out in the ARMC Report on pages 71 to 74 of this Annual Report.

### 2. Risk Management and Internal Control Framework

The Board has ultimate responsibility for reviewing the Group's risks, approving the risk management framework and policies and overseeing the Group's strategic risk management and internal control framework to achieve its objective within an acceptable risk profile, as well as safeguarding the Group's assets.

The Board fulfils its responsibilities in risk governance and oversight functions through the ARMC via a risk management and internal control framework, which adopts a structured and integrated approach in managing key business risks. This framework is designed to enable Management to identify, evaluate, manage, monitor and report to the ARMC and the Board the principal business risks faced by the Group on an ongoing basis, including remedial measures to be taken to address and mitigate the risks rather than to eliminate the risk of failure to achieve the Group's business and corporate objectives.

The Board is assisted by ARMC in discharging its roles and responsibilities to oversee the effectiveness and adequacy of the risk management and internal control system of the Group. To maintain total independence in the management of the Group's internal control environment and ensure compliance with the MMLR of Bursa Securities, the internal audit function of the Company is outsourced to Crowe Governance Sdn. Bhd. ("Crowe"), an independent professional consulting firm who is free from any relationships or conflict of interest that could impair their objectivity and independence.

Crowe reports directly to the ARMC and assists the ARMC in managing the risks and establishment of the internal control system and processes of the Group by providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. The internal audit function adopts a risk-based audit approach when executing each audit assignment carried out in accordance with the annual internal audit plan.

Further details pertaining to the effectiveness of the Group's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control on pages 75 to 77 of this Annual Report.

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### 1. Communication with Stakeholders

The Board recognises and values the importance of an effective dissemination of information on material developments of the Group and clear communication with its shareholders, potential investors and the public in a timely and equitable manner.

Although the Board has not formalised a corporate disclosure policy, the Group has established procedures to ensure strict compliance with all applicable legal and regulatory disclosure requirements. The Board is fully committed to promote and uphold the highest standard of integrity, transparency and accountability by ensuring timely, accurate, quality and comprehensive disclosures of pertinent information relating to the Group's businesses, operations and financial performance through various communication channels, including annual reports, circulars/statements to shareholders, unaudited quarterly financial results and annual financial statements, announcements or disclosures to Bursa Securities pertaining to material contracts awarded, regular dialogues with financial analyst and media release.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *cont'd*

### 1. Communication with Stakeholders *cont'd*

As part of the Group's daily business activities and through structured processes, our businesses routinely engage with customers, suppliers, regulators and industry bodies. Detailed information about our approach to stakeholder engagement and specific activities for the FYE 2024 are available in the Sustainability Statement of this Annual Report.

All public disclosures and announcements made by the Company to Bursa Securities comply with the MMLR of the Bursa Securities and are guided by the Corporate Disclosure Guide issued by the Bursa Securities. All information contained in such announcements is reviewed by the CEO and, where necessary, approved by the Board prior to release.

The Company's website, [www.itmax.com.my](http://www.itmax.com.my) is accessible by all stakeholders and serves as a platform to communicate with the shareholders, investors and the public. The Board has established dedicated sections on the Company's corporate website to provide updates on the Company's unaudited quarterly financial results, annual financial statements, announcements, annual reports, circular/statements to shareholders, CG matters as well as other corporate information related to the Group's business, for the stakeholders to have access to all information they need to make informed decisions.

Any enquiries on investor related matters or concerns relating to the Group may be directed to the Chairman of the Board or the CEO at our designated email address at [itmaxsales@itmax.com.my](mailto:itmaxsales@itmax.com.my) and all relevant and appropriate issues raised will be addressed accordingly.

### 2. Conduct of General Meetings

The AGM serves as the principal forum for dialogue and communication between the Company and its shareholders. Shareholders are encouraged to attend the AGM, where they can participate, have the opportunity to ask questions and vote on important matters affecting the Group, including the election or re-election of Directors. The shareholders could also engage directly with the Board and gain insights on the Group's business operations, as well as its financial performance and position.

The Company will conduct its forthcoming 23rd AGM by way of physical meeting to facilitate direct engagement and foster effective communication between the Board, Management and shareholders. Barring unforeseen circumstances, all Directors (which include the Chairs of all mandated Board Committees) will attend the forthcoming 23rd AGM to address shareholders' enquiries at the meeting. The External Auditors will also be present at the meeting to answer shareholders' questions with regards to the conduct of the audit and the preparation of the auditor's report for the Group.

The Twenty-Second (22<sup>nd</sup>) AGM held on 6 June 2024 was conducted virtually through live streaming and online remote voting using the Remote Participating and Voting facilities on the online meeting platform in Malaysia provided by Tricor Investor & Issuing House Services Sdn. Bhd. via <https://tiih.online>. The Notice of the 22nd AGM was issued to shareholders on 29 April 2024, which is more than twenty-eight (28) days prior to the date of the AGM, in compliance with Paragraph 7.15 of the MMLR of Bursa Securities and Practice 13.1 of the MCCG, to accord them with sufficient time to consider the resolutions to be discussed and resolved at the 22nd AGM.

The Notice of the 22nd AGM was circulated together with the Administrative Guide to all shareholders and were made available at the Company's and Bursa Securities' website. Shareholders who were unable to attend were allowed to appoint their own proxy(ies) or appoint the Chairperson as their proxy to attend and vote on their behalf.

The Board encourages shareholders' active participation at the Company's AGM and endeavours to ensure all Board members, Key Senior Management and the External Auditors are in attendance to respond to shareholders' queries. All the Directors, including the External Auditors were in attendance at the 22nd AGM. The Chairperson of the AGM ensured that shareholders and proxies were given sufficient opportunity to raise questions relating to the proposed resolutions and affairs of the Company and adequate responses were given by the Board and Management.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *cont'd*

### 2. Conduct of General Meetings *cont'd*

In compliance with the MMLR of Bursa Securities, all resolutions set out in the Notice of the 22nd AGM were voted by poll. The Company also appointed an independent scrutineer to validate the votes cast before the poll results were announced by the Chairperson of the meeting. The outcome of all resolutions proposed at the 22nd AGM was announced to Bursa Securities on the event date.

The proceedings (including all the Questions raised at the meeting and the Answers thereto) of the 22nd AGM held on 6 June 2024 were properly minuted by the Company Secretary. The minutes detailing the key matters and concerns raised by the shareholders together with the responses from the Company was published on the Company's website within 30 business days after the conclusion of the 22nd AGM.

## KEY FOCUS AREAS AND FUTURE PRIORITIES IN KEY AREAS OF CORPORATE GOVERNANCE PRACTICES

The Board is satisfied that the Group has maintained high standards of corporate governance and strived to achieve the highest level of integrity and ethical standard in all its business dealings.

Moving forward, the Board will continue to operationalise and improve the Company's corporate governance practices and instil a risk and governance awareness culture and mindset throughout the organisation in the best interest of all stakeholders.

This Statement is prepared pursuant to Paragraph 15.25(1) of the MMLR of Bursa Securities and was approved by the Board on 21 April 2025.



## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee (“**ARMC**”) was established as a committee of the Board of Directors (“**Board**”) with the primary objective of assisting the Board in fulfilling its fiduciary duties and oversight function in following key areas of the Company and its subsidiaries (“**Group**”):

- Financial reporting and internal control;
- External and internal audit processes;
- Related party transactions (“RPTs”), recurrent related party transactions (“RRPTs”) and conflict of interest (“COI”); and
- Processes in relation to the risk management and risk reporting.

The Board is pleased to present the ARMC Report for the financial year ended 31 December 2024 (“FYE 2024”), prepared in compliance with Paragraph 15.15 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

### MEMBERSHIP AND MEETINGS

The ARMC comprises three (3) Non-Executive Directors, all of whom are Independent Directors, which complies with Paragraphs 15.09 and 15.10 of the MMLR of Bursa Securities and the Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance (“MCCG”).

The ARMC conducted five (5) meetings during the FYE 2024. The composition of the ARMC during FYE 2024 and as of the date of this Report together with the details of the meeting attendance of each ARMC member are as follows:

Name of ARMC Members	Designation	Directorship	No. of Meetings Attended
Heng Ai Shan	Chairman	Independent Non-Executive Director	5/5
Mok Juan Chek	Member	Independent Non-Executive Director	5/5
Ng Nen Sin	Member	Independent Non-Executive Director	5/5

Ms. Heng Ai Shan, the Chairman of the ARMC, is a qualified Chartered Accountant and a member of both the Malaysian Institute of Accountants and Certified Practicing Accountants, Australia. In adherence to Practice 1.4 of the MCCG, she is not the Chairman of the Board. Additionally, none of the members were former partners of the Company’s External Auditors. All the ARMC members are financially literate and have contributed to meaningful discussions in overseeing the integrity of the Group’s accounting and financial reporting matters.

The ARMC meetings were appropriately structured through the use of agenda, whereby notice and meeting papers were distributed to the ARMC members prior to the meetings. The Company Secretaries, who also serve as the secretaries to the ARMC, were in attendance at all ARMC meetings during the financial year.

Management were invited to the meetings to present their reports and deliberate on matters within their purview. The External Auditors and Internal Auditors were also invited to attend the ARMC meetings to present their audit plan, audit findings, provide updates and developments on issues arising from the audit reports to the ARMC, as well as to assist the ARMC in its review of the year-end financial statements. During the FYE 2024, the ARMC had private session with both the External Auditors and Internal Auditors without the presence of the Executive Directors and Management.

The ARMC Chairman maintains continuous engagement with Management, the External Auditors and Internal Auditors to keep abreast of matters affecting the Group. When significant issues arise, the ARMC Chairman communicates and confers with other ARMC members, either through email or during meetings. The ARMC Chairman reports the matters deliberated at each ARMC meeting and the ARMC’s recommendations to the Board for their consideration. Matters reserved for the Board’s approval are tabled for discussion at Board meetings. All deliberations during ARMC meetings were minuted and tabled to the Board for notation after they were confirmed at each succeeding ARMC meeting. Any actions required from Management were also documented for their action.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(cont'd)

## MEMBERSHIP AND MEETINGS *cont'd*

In compliance with Paragraph 15.20 of the MMLR of Bursa Securities, the Nomination and Remuneration Committee ("NRC") had reviewed the terms of office and performance of the ARMC and each of its members for the FYE 2024 and the summary results of the ARMC's performance assessment was reported to the Board for evaluation at the Board meeting held in April 2025. The Board, through the NRC assessment, was satisfied with the overall performance of the ARMC as a whole, as well as the performance of each of its members and concurred that they had discharged their functions, duties and responsibilities effectively in accordance with the ARMC's Terms of Reference ("TOR").

## TERMS OF REFERENCE

The ARMC is guided by its own TOR, covering its scope of duties and responsibilities, authority and other relevant matters, which is available on the Company's website at [www.itmax.com.my](http://www.itmax.com.my).

The TOR of the ARMC was reviewed and revised to align with the amendments to the MMLR of Bursa Securities pertaining to COI and was subsequently approved by the Board in April 2024.

## SUMMARY OF ACTIVITIES

The following activities were carried out by the ARMC during FYE 2024 in discharging its functions and duties to meet its responsibilities in accordance with its TOR:

### (a) Financial Reporting

- Reviewed the Group's unaudited quarterly financial results and year-end audited financial statements of the Group and Company before recommending to the Board for consideration and approval for public release to Bursa Securities.
- Reviewed and advised on the accuracy of the financial statements to ensure they present a true and fair view of the Company's financial position and performance.
- Deliberated on financial reporting issues, material exceptional items including material one-off transactions, significant judgements made by Management, any significant and unusual events or transactions and how these matters have been addressed, Management's reports and updates on actions recommended by the External Auditors.

### (b) External Audit

- Reviewed, discussed and approved the External Auditors' scope of work and audit plan of the Group prior to the commencement of the annual audit.
- Reviewed the proposed external audit fees for the FYE 2024 and recommended to the Board for approval.
- Reviewed the proposed non-audit fees and related costs in respect of non-audit services rendered by the External Auditors to ensure that their independence is not impaired.
- Reviewed and discussed with the External Auditors the results of their audit, the Audit Memorandum with their comments on any significant audit findings, management letter and their evaluation of the Group's internal controls.
- Reviewed and discussed with the External Auditors and Management on the significant financial reporting issues and adjustment arising from the audit, if any, material accounting estimates, the impact or expected impact of adoption of new or amendments to accounting policies which are applicable to the Group and compliance with applicable accounting standards and other legal and regulatory requirements. The ARMC was satisfied with the judgements made and the actions taken by Management to address the matters highlighted by the External Auditors.



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(cont'd)

## SUMMARY OF ACTIVITIES *cont'd*

### (b) External Audit *cont'd*

- Carried out an annual assessment of the performance, suitability, objectivity, capabilities and independence of the External Auditors and recommended their re-appointment to the Board for shareholders' approval.
- Had private session with the External Auditors once during FYE 2024 without the presence of any Executive Directors and Management to exchange free and honest views and opinions, to ensure there were no restrictions on their scope of audit. There were no major concerns highlighted by the External Auditors during the private session, and they had been receiving full co-operation from Management during the course of their audit.

### (c) Internal Audit

- Reviewed and approved the Group's internal audit plan and the Internal Auditors' scope of work for the FYE 2024, and that the Internal Auditors have the necessary authority to carry out its work.
- Reviewed and deliberated on the findings and issues arise during the course of audit, the audit recommendations made for improvement and Management's responses thereto and/or actions taken in response to the recommendations, as reported in the internal audit reports tabled to the ARMC during the FYE 2024 and briefed the Board on the same.
- Reviewed the progress updates on the follow-up audit review of the previous internal audit reports and ensured the adequacy and effectiveness of corrective actions taken by Management to address all significant matters, key risks and control weaknesses raised by the Internal Auditors on a timely basis.
- Reviewed the adequacy of the scope, competency and resources of the internal audit function and was satisfied with the Internal Auditors' performance for the FYE 2024.
- Had private session with the Internal Auditors once during FYE 2024 without the presence of Executive Directors and Management to exchange free and honest views and opinions, to ensure there were no restrictions on their scope of audit.

### (d) Related Party Transactions

- Reviewed and considered any RPTs and RRPTs to ensure that the Group's internal policies and procedures governing RPTs and RRPTs are adhered, to as well as compliance with the disclosure requirements of the MMLR of Bursa Securities.
- Reviewed the RPTs and RRPTs entered into by the Group with related parties on a quarterly basis to ensure that the transactions were fair, reasonable and carried out on an arm's length basis; and on normal commercial terms and were not detrimental to the interests of the minority shareholders of the Company.
- Reviewed the Circular to Shareholders in respect of the RRPTs prior to recommending for the Board's approval on 24 April 2024 to seek shareholders' mandate at the Annual General Meeting of the Company.

### (e) Conflict of Interest

- Reviewed and recommended to the Board the adoption of the COI Policy together with the COI Declaration Form, for the purpose of effectively identify, address and manage COI or potential COI, including those that are actual, potential or perceived in nature.
- Reviewed and considered any COI and potential COI situations that arose, persist or may arise within the Company and the Group, including interest in any competing business, any transactions, procedure or courses of conduct that may raise concerns regarding Management's integrity or impartiality.

### (f) Risk Management and Internal Control

- Assessed the Group's significant risks identified by the Internal Auditors and evaluated the mitigation actions and strategies implemented by Management to manage these risks.



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(cont'd)

## SUMMARY OF ACTIVITIES *cont'd*

### (f) Risk Management and Internal Control *cont'd*

- Overseeing and ensuring the adequacy and effectiveness of the Group's risk management and internal control framework, policies and strategies.

### (g) Corporate Governance and Regulatory Compliance

- Reviewed the Corporate Governance Report, as well as the ARMC Report, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement, Sustainability Statement and Management Discussion and Analysis, prior to recommending to the Board's approval for inclusion in the Company's Annual Report.
- Reviewed the revised TOR of ARMC prior to recommending for the Board's approval.

## INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to Crowe Governance Sdn. Bhd. ("Crowe"), an independent professional consulting firm, to assist the ARMC in discharging their responsibilities and duties. Crowe reports directly to the ARMC and has affirmed to the ARMC that they are free from any relationships or conflicts of interest in respect of the Group or the Company which could impair their objectivity and independence as Internal Auditors.

The role of the internal audit function is to undertake independent, regular and systematic reviews of the Group's internal control system so as to provide reasonable assurance that such system operates adequately and effectively within the Group on continuous basis.

The major internal audit activities undertaken during the FYE 2024 were as follows:

- Formulated annual risk-based internal audit plan, taking into account the Group's key risk areas, feedback from Management and resource requirements for execution of the internal audit and thereafter, presented the internal audit plan to the ARMC for approval;
- Performed internal audit review in accordance with the approved annual internal audit plan;
- Issued and presented internal audit reports highlighting the internal audit findings, recommendations for improvement and Management's response to the ARMC for review and deliberation; and
- Carried out follow-up review and update the ARMC on the progress of Management's execution of action plans in relation to past internal audit recommendations.

During the FYE 2024, the Internal Auditors performed internal audit reviews in accordance with the approved risk-based internal audit plan covering the internal controls system in respect of the following areas:

- Fixed Asset Management
- Inventory Management
- Human Resources and Payroll Processing

The results of the internal audit reviews were discussed with Management and subsequently, the internal audit findings together with recommendations for improvement were presented to the ARMC for deliberation at its scheduled quarterly meetings.

The total costs incurred for the outsourced internal audit function of the Group for FYE 2024 was RM50,000.00 (FYE 2023: RM75,000.00).

## SUMMARY OF CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST SITUATION

Other than those disclosed in the Company's Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate for RRPTs, no COI or potential COI situations have arisen during the FYE 2024.

The ARMC Report was approved by the Board on 21 April 2025.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board of Directors (“Board”) of ITMAX System Berhad and its subsidiaries (“Group”) is pleased to present its Statement on Risk Management and Internal Control (“SORMIC”) for the financial year ended 31 December 2024, which has been prepared in accordance to Rule 15.26(b) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and Practice 10.1 and 10.2 of the Malaysian Code on Corporate Governance (“MCCG”), as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guideline”).

## BOARD’S RESPONSIBILITY

The Board recognises the importance of a sound framework of risk management and internal control for good corporate governance and to safeguard the Group’s assets and shareholders’ interests. In carrying out its obligations, the Board is fully dedicated to upholding adequate risk management and internal control systems and to monitor their adequacy and effectiveness in order to provide assurance on the execution of our Group’s objectives.

The Board believes that rather than eliminating the risk of not fulfilling the Group’s aims and objectives, the risk management framework and internal control system are created to manage the Group’s risks within the acceptable risk appetite. Due to inherent limitations in the internal control and risk management system, the Board recognises that such system is designed to manage risk within the Group’s tolerance level. As a result, these systems can only give reasonable but not total assurance against substantial misstatement or loss.

The Board’s duty includes identifying the principal risks and ensuring implementation of appropriate internal controls to achieve a proper balance between risks incurred and potential returns to the shareholders. The accountability to approve the Group’s risk management framework which defines the objectives, principles, activities, and areas of responsibility of risk management sits with the Board. Furthermore, the Group’s Board is also in charge of overseeing the conduct of the Group’s business to ensure it is properly managed, including supervising and assessing corporate behavior and conduct of the business of the Group.

The Audit and Risk Management Committee (“ARMC”), empowered by its Terms of Reference (“TOR”) is accountable to the Board and reports to the Board of its findings and recommendation on any matters regarding risk management, among other matters. The Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) are responsible for the method, implementation, and supervision of risk management across the Group and to report on these to the Board and ARMC. The corporate level risk management function duties on the other hand are to develop group-wide risk management principles, practices and risk report, development of tools and the application as well as adoption of these tools. The CEO and key management personnel at the subsidiary level lead the risk management effort at their respective levels.

The Board has delegated the responsibility of undertaking the process of periodic review to the ARMC, whose responsibilities and duties are detailed in the Audit Committee Report of this Annual Report. The Board will implement the relevant action plans as needed to further improve the Group’s internal control and risk management systems as part of its continuous improvement efforts.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

## INTERNAL AUDIT FUNCTION

The Board recognises that effective monitoring on a continuous basis is a crucial component of a strong internal control management. During the financial year ended 31 December 2024, the Group has outsourced its internal audit function to external consultants, an outsourced internal audit service provider who works independently and reports to the ARMC on a regular basis.

The outsourced internal audit service provider assists ARMC and the Board in performing their duties by independently evaluating the governance internal control system's sufficiency and effectiveness to ensure that all the Group's policies and procedures are being followed. The scope of internal audit reviews comprises of:

- a) Fixed Asset Management
- b) Inventory Management
- c) Human Resources and Payroll

The internal audit staff involved in the engagement are free from any relationships or conflicts of interest which could impair their objectivity and independence of the internal audit of the Group. The Internal Auditors also follow up on the Management implementation of all the audit recommendations and ascertain the status of implementation thereof for improvement on the systems of internal control.

The ARMC reviews the internal audit plan and results of the internal audit assessments and investigation undertaken and assure that the suggestions made by the internal auditors are followed up appropriately. The ARMC also takes into consideration internal audit reports and findings by the internal auditors, investigations, actions and steps taken by the management in response to audit findings and recommendations. In addition, they also review the adequacy of the scope, competency, and resources of the internal audit function to ensure that it has the necessary authority to carry out its work.

The total cost incurred for the internal audit function for the financial ended 31 December 2024 amounted to RM50,000 excluding out-of-pocket expenses.

## MAIN FEATURES OF RISK MANAGEMENT AND INTERNAL CONTROL PROCESS

The Group has its ongoing approach in identifying, assessing, monitoring and managing major risks from the year under review to the date of completion of this Statement.

The following are important aspects of the internal control process, rules and procedures established by the Board to ensure the Group has a strong internal control system:

### Code of Conduct and Business Ethics Policy

The Group is committed in conducting its business in an open, honest, and ethical manner. The Board has set the tone at the top for corporate behaviour and corporate governance. Code of Conduct and Business Ethics Policy is the main reference for all employees when dealing with various internal and external stakeholders with high integrity standards. It is designed to maintain discipline and order in the workplace among employees of all levels.

### Whistleblowing Policy

The Board has established a Whistleblowing Policy to provide a structured mechanism for the employees of the Group to report or raise any suspected or known misconduct such as any potential violations of corporate ethics, failure to comply with legal and regulatory obligations, and other wrongdoings.

### Anti-Bribery and Corruption Policy

The Group is committed to conducting its business with integrity and in an ethical manner and has established the Anti-Bribery and Corruption Policy ("ABC Policy") to set out the Group's zero tolerance stance against bribery and corruption in all forms.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

## MAIN FEATURES OF RISK MANAGEMENT AND INTERNAL CONTROL PROCESS *cont'd*

### No Gift Policy

No Gift Policy mandates that the Group employees and directors, family members or agents acting for or on behalf of ITMAX Group employees, directors or their family members are prohibited from, directly or indirectly, receiving or providing gifts. Employees and directors are strictly prohibited from providing or receiving entertainment and corporate hospitality with a view to improperly cause undue influence on any party in exchange for some future benefit or result.

## REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2024, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

## CONCLUSION

There were no significant weaknesses or failures in the internal control system of the Group that resulted in significant losses for the Company during the financial year ended 31 December 2024. The Board considers the current Group's review framework, risk management, and internal control systems are operating adequately and effectively, in all material aspects to safeguard the Group's interests and assets. The risks incurred are at an acceptable level throughout the Group. However, the Group will continue to take the necessary measures to ensure that the internal control and risk management systems are working effectively. The Board has received the same assurance from both the CEO and CFO.

The Statement was reviewed by ARMC and approved by the Board on 21 April 2025.

## NOMINATION AND REMUNERATION COMMITTEE REPORT

The Nomination and Remuneration Committee (“**NRC**”) was established as a committee of the Board of Directors (“**Board**”) and is primarily responsible for assisting the Board in fulfilling its fiduciary duties in relation to:

- Recommending suitable appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the director should bring to the Board to ensure the Board continues to function effectively.
- Reviewing the Board composition to ensure an appropriate mix of skills, knowledge, experience, independence, competencies, and diversity, including diversity in age, cultural background, and gender.
- Assessing annually the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director.
- Ensuring succession plans are in place for Directors and Senior Management positions.
- Reviewing, deliberating and recommending to the Board for approval, the Group’s remuneration policies and procedures for Directors and Senior Management that is fairly guided by market norms and industry practice which allows the Group to attract and retain talented individuals to steer the Group to achieve its long-term goals and enhance shareholders’ value.
- Reviewing the remuneration packages of all Directors and Senior Management, taking into account the Group’s operating results, individual performance and relevant market benchmarks before recommending to the Board for approval.

The NRC is guided by its own Terms of Reference (“**TOR**”), covering its scope of duties and responsibilities, authority and other relevant matters, which is available on the Company’s website at [www.itmax.com.my](http://www.itmax.com.my).

### MEMBERSHIP AND MEETINGS

The NRC meets as and when required, at least once a year in accordance with its TOR. The NRC had conducted three (3) meetings during financial year ended 31 December 2024 (“**FYE 2024**”).

The NRC comprises exclusively Independent Non-Executive Directors. The composition of the NRC during FYE 2024 and as of the date of this Report together with the details of the meeting attendance of each NRC member are as follows:

Name of NRC Members	Designation	Directorship	No. of Meetings Attended
Mok Juan Chek	Chairman	Independent Non-Executive Director	3/3
Heng Ai Shan	Member	Independent Non-Executive Director	3/3
Ng Nen Sin	Member	Independent Non-Executive Director	3/3

Senior Management would be invited to the NRC meetings as and when necessary, to brief the NRC and to facilitate direct communication on matters under the purview of the NRC in accordance with its TOR. The Company Secretaries, who also serve as the secretaries to the NRC, were in attendance at all NRC meetings held during the financial year.

The Chairman of the NRC reports the matters discussed at every NRC meeting and the NRC’s recommendations to the Board for consideration after each NRC meeting. All deliberations during NRC meetings were minuted and tabled to the Board for notation after they were confirmed at each succeeding NRC meeting. Any actions required from Management were also documented for their action.



# NOMINATION AND REMUNERATION COMMITTEE REPORT

(cont'd)

## SUMMARY OF ACTIVITIES

The following activities were undertaken by the NRC during FYE 2024 in discharging its functions and duties to meet its responsibilities in accordance with its TOR:

### (a) Nomination Matters

- Reviewed and recommended the re-election of Directors who are retiring and seeking for re-election pursuant to the Company's Constitution ("Retiring Directors") at the forthcoming Annual General Meeting ("AGM"). The assessment took into consideration the criteria set out in the Directors' Fit and Proper Policy.
- Reviewed and assessed the performance and effectiveness of the Board, Board Committees and individual Directors.
- Reviewed the composition of the Board and Board Committees.
- Reviewed and assessed the mix of skills, expertise, composition, size and experience required by the Board.
- Reviewed the independence of the Independent Directors based on the criteria set out in the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").
- Reviewed the term of office, competency and performance of the Audit and Risk Management Committee ("ARMC") and each of its members.
- Reviewed the training needs of the Directors and Senior Management.
- Reviewed and recommended the proposed issuance of Employee Share Option Scheme Grant 2 to the eligible employees for the Board's approval.

### (b) Remuneration Matters

- Reviewed and deliberated the proposed Directors' fees and benefits payable to Directors for the period from the Twenty-Third AGM until the next AGM and recommended the same to the Board to propose for shareholders' approval.
- Reviewed and deliberated the Group's remuneration policies and procedures, including the proposed remuneration packages of the Executive Directors and Senior Management for the FYE 2024 and recommended to the Board for approval.
- Reviewed and deliberated the proposed staff bonuses for the FYE 2024 and recommended to the Board for approval.

## BOARD ASSESSMENT AND EVALUATION

One of the key responsibilities of the NRC is to assist the Board, among others, to assess the performance and effectiveness of the Board as a whole, Board Committees and the contribution of each individual Directors, as well as to evaluate and recommend suitable candidates for the Board. The annual Board assessment enables the NRC to ensure the Board has an appropriate balance, size and the required mix of skills, experience and core competencies to govern the Group towards achieving its intended goals and objective.

The Board, through the NRC, conducted the annual assessment to evaluate the effectiveness of the Board, Board Committees and individual directors for FYE 2024 by way of completion of questionnaires by each Director.

The annual assessment was facilitated by the external Company Secretary, of which the Company Secretary presented the outcome and the summary results of the annual assessment for the FYE 2024 to the NRC and the Board for deliberation in March and April 2025. An identifiable and actionable plan was outlined in the summary report upon the conclusion of the assessment for implementation of identified improvements.

The results of the Board assessment for the FYE 2024 indicated that the current size, composition, as well as the mix of skills and experience of the Board and the respective Board Committees as a whole had met the requirements of the Company and the overall performance of the Board, the Board Committees and the members of the Board was effective and satisfactory. The results of the Board assessment also form the basis of the NRC's recommendations to the Board for the re-election of the Retiring Directors at the forthcoming Twenty-Third AGM of the Company, in line with the Directors' Fit and Proper Policy.



# NOMINATION AND REMUNERATION COMMITTEE REPORT

(cont'd)

## BOARD ASSESSMENT AND EVALUATION *cont'd*

In assessing the Retiring Directors' fitness and propriety, the Board through the NRC, had considered all relevant factors based on the overarching criteria namely, character and integrity, experience and competence, as well as time and commitment.

The NRC is also responsible for assessing the level of independence of each Independent Directors to ensure alignment with the Company's objectives, strategic goals and compliance with the MMLR of Bursa Securities. The evaluation of independence of Independent Directors is conducted as part of the annual Board assessment.

The NRC and the Board, upon their assessment, are satisfied with the level of independence demonstrated by all the Independent Directors during the financial year under review, as well as their ability to exercise objective judgement, provide independent views and act in the best interest of the Company.

The details of the processes and criteria used in the evaluation are set out in the Corporate Governance ("CG") Overview Statement of this Annual Report 2024 and in the CG Report 2024 under Practice 6.1.

## REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

The NRC is tasked to review and assess the remuneration packages, reward structure and benefits for all Directors and Senior Management on an annual basis to ensure the same remain competitive, appropriate and in alignment with the prevalent market practices and makes appropriate recommendations to the Board for approval.

The remuneration packages of Executive Directors and Senior Management comprise fixed salary and allowances, as well as bonus structured to link rewards to corporate and individual performance and achievements, comprising both fixed and variable elements. The level of remuneration of each Executive Directors and Senior Management takes into consideration, among others, the roles and responsibilities, qualification, technical competency, skills, expertise and experience.

A fair, reasonable and competitive remuneration package was provided to the Executive Directors and Senior Management to ensure that the Company attracts and retains high calibre Executive Directors and Senior Management who have the skills, experience and knowledge to increase entity value to the benefit of all shareholders.

The remuneration packages of Non-Executive Directors which comprise fixed Director's fee, meeting allowances, reimbursement of expenses for their services in connection with Board and Board Committee meetings as well as benefits are not linked to the Group's financial performance. The level of remuneration for respective Non-Executive Directors is a matter to be decided by the Board as a whole and shall be structured to reflect the roles, experience, time and level of responsibilities undertaken by the respective Non-Executive Director.

The Director concerned abstained from deliberation and voting on decision in respect of his or her own remuneration, prior to tabling of such for the Board's approval or recommendation, followed by shareholders' approval at the AGM of the Company. Further, Directors who are shareholders and controlling shareholders with a nominee or connected director on the Board are required to abstain from voting on the resolution relating to the payment of the Directors' fees and benefits at the AGM.

## REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT

The details of the remuneration received by the Directors and the remuneration of the Company's top three (3) Senior Management in bands of RM50,000 for the FYE 2024, both on a named basis, are disclosed in the CG Overview Statement of this Annual Report 2024 and in the CG Report under Practices 8.1 and 8.2.

The NRC Report was approved by the Board on 21 April 2025.



## ADDITIONAL COMPLIANCE INFORMATION

### 1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

The Company did not raise any funds from any corporate proposal during the financial year ended 31 December 2024.

The Company undertook its initial public offering ("IPO") exercise in 2022 and was listed on the Main Market of Bursa Malaysia Securities Berhad on 13 December 2022 ("Listing"). Pursuant to the said IPO, the Company had successfully raised gross proceeds of RM203.9 million from the issuance of 190.0 million ordinary shares in the Company at an issue price of RM1.07 per share on 13 December 2022 ("IPO Proceeds").

The Company had on 13 December 2023, announced the Board of Directors' decision to extend the timeframe for the utilisation of the remaining unutilised IPO Proceeds allocated for working capital for another 12 months to 24 months from the date of Listing and to re-allocate the surplus amounts for the repayment of borrowings and the defray fees and expenses for IPO and Listing to working capital.

As at 31 December 2024, the Company had utilised approximately RM161.0 million of the IPO Proceeds, details of which are as follows:-

Details of utilisation of proceeds	Expected timeframe for utilisation of IPO Proceeds from the date of Listing	Original Proposed utilisation RM'000	Proposed utilisation after re-allocation RM'000	Amount utilised as at 31 December 2024 RM'000 %	
(i) Smart city application expansion to other local governments, federal ministries, and existing customers	Within 36 months	85,000	85,000	72,119	84.85%
(ii) Expansion of R&D capabilities	Within 36 months	12,500	12,500	6,484	51.87%
(iii) Expansion into enterprise market	Within 36 months	20,000	20,000	13,039	65.20%
(iv) Network and telecommunication infrastructure expansion	Within 36 months	39,500	39,500	22,434	56.79%
(v) Working capital	Within 12 months	29,078	32,834	32,834	100%
(vi) Repayment of borrowings	Within 6 months	8,000	5,572	5,572	100%
(vii) Defray fees and expenses for our IPO and our Listing	Within 6 months	9,814	8,486	8,486	100%
<b>Total</b>		<b>203,892</b>	<b>203,892</b>	<b>160,968</b>	<b>78.95%</b>

The IPO Proceeds allocated for smart city application expansion to other local governments, federal ministries, and existing customers, expansion of R&D capabilities, expansion into enterprise market, and network and telecommunication infrastructure expansion have not been fully utilised as at the date of this report.

## ADDITIONAL COMPLIANCE INFORMATION

(cont'd)

### 2. MATERIAL CONTRACTS

There were no material contracts and/or contract relating to loan entered into by the Company and/or its subsidiaries involving any Directors, Chief Executive or major shareholders' interests which were still subsisting as at the financial year ended 31 December 2024 or which were entered into since the end of the previous financial year.

### 3. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to the External Auditors, KPMG PLT by the Company and the Group for the financial year ended 31 December 2024 are as follows:-

	Group (RM'000)	Company (RM'000)
Audit Fees		
- KPMG PLT	353	185
Non-Audit Fees		
- KPMG PLT	52	52
<b>Total</b>	<b>405</b>	<b>237</b>

### 4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The details for the Recurrent Related Party Transactions of a revenue or trading nature transacted during the financial year ended 31 December 2024 pursuant to the shareholders' mandate obtained at the Company's Twenty-Second Annual General Meeting held on 6 June 2024 are stated in Section 2.5 of Part A of the Circular/Statement to Shareholders dated 25 April 2025 and Note 27 of the Financial Statements.



## DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which have been made in accordance with the applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs and financial position of the Group and of the Company as at the end of the financial year, and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements, the Directors have:-

- adopted and consistently applied the appropriate accounting policies;
- made judgements and estimates that are prudent and reasonable;
- stated whether the applicable accounting standards have been complied with, subject to any material departures disclosed and explained in the financial statements; and
- ensured that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy and enable them to ensure that the financial statements comply with the Companies Act 2016. The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities.



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## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

#### PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of supply and installation and provision of public space networked systems and investment holding. There has been no significant change in the nature of these activities during the financial year.

#### HOLDING COMPANY

The holding company during the financial year was Sena Holdings Sdn Bhd, a company incorporated in Malaysia.

#### SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 13 to the financial statements.

#### RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	80,394	45,822
Non-controlling interests	113	-
	80,507	45,822

#### RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

#### DIVIDENDS

Since the end of the previous financial year, the amount of dividends paid by the Company were as follows:

- i) In respect of the financial year ended 31 December 2023:
  - a single-tier interim dividend of 1.2 sen per ordinary share totalling to RM12,349,033 declared on 14 March 2024 and paid on 25 March 2024 .
- ii) In respect of the financial year ended 31 December 2024:
  - a single-tier interim dividend of 1.4 sen per ordinary share totalling to RM14,417,899 declared on 9 December 2024 and paid on 24 December 2024 .
  - a single-tier interim dividend of 0.6 sen per ordinary share totalling to RM6,188,553 declared on 14 March 2025 and paid on 25 March 2025 . These financial statements do not reflect the single-tier interim dividend which will be accounted for in the financial year ending 31 December 2025.



# DIRECTORS' REPORT

## FOR THE YEAR ENDED 31 DECEMBER 2024

Cont'd

### DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Afinaliza Binti Zainal Abidin  
 Tan Sri Dato' (Dr.) Tan Boon Hock  
 Tan Wei Lun  
 Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali  
 Ng Nen Sin  
 Heng Ai Shan  
 Mok Juan Chek  
 Tan Sing Chia

### DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares and options over shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2024	Bought	Sold	At 31.12.2024
Interests in the holding company:				
<i>Sena Holdings Sdn Bhd</i>				
Tan Sri Dato’ (Dr.) Tan Boon Hock	70	-	-	70
Tan Wei Lun	30	-	-	30
Interests in the Company:				
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali	800,000	-	(300,000)	500,000
Ng Nen Sin	100,000	-	-	100,000
Mok Juan Chek	162,200	-	-	162,200
Deemed interests in the Company:				
Tan Sri Dato’ (Dr.) Tan Boon Hock	547,600,000	-	-	547,600,000
Tan Wei Lun	547,600,000	-	-	547,600,000
Datin Afinaliza Binti Zainal Abidin	109,000,000	-	(61,863,000)	47,137,000

	Number of options over ordinary shares			
	At 1.1.2024	Granted	Exercised/ Forfeited	At 31.12.2024
Interests in the Company:				
Tan Sri Dato' (Dr.) Tan Boon Hock	2,500,000	-	-	2,500,000
Tan Wei Lun	5,000,000	838,000	-	5,838,000
Afinaliza Binti Zainal Abidin	3,000,000	98,000	-	3,098,000
Tan Sing Chia	2,860,000	314,000	-	3,174,000



## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2024

Cont'd

#### DIRECTORS' INTERESTS IN SHARES *cont'd*

By virtue of the above Directors' interests in the shares of the holding company and the Company, they are also deemed interested in the shares of the subsidiaries during the financial year to the extent that the holding company and the Company have an interest.

The other Director holding office at 31 December 2024 did not had any interest in the shares and options over shares of the Company and of its related corporations during the financial year.

#### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 December 2024 are as follows:

	From the Company RM'000	From the subsidiaries RM'000
Directors of the Company:		
Fees	648	-
Remuneration	1,678	316
	2,326	316

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, apart from the issue of the Employees Share Option Scheme ("ESOS").

#### ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial year except for the issuance of 1,550,100 new ordinary shares at RM1.07 per ordinary share which were issued to employees of the Group in accordance with the ESOS granted to employees of the Group on 6 December 2022 and 79,400 new ordinary shares at RM3.17 per ordinary share which were issued to employees of the Group in accordance with ESOS granted to employees of Group on 3 November 2024. There were no debentures issued during the year.

#### OPTIONS GRANTED OVER UNISSUED SHARES

At an extraordinary general meeting held on 30 June 2022, the Company's shareholders approved the establishment of a Long Term Incentive Plan of up to 10% of the ordinary shares of the Company to eligible directors and eligible executives of the Group.

On 6 December 2022, the Company issued ESOS Grant 1 and the salient features are as follows:

- The exercise price of the option is RM1.07.
- The employee must remain an employee of the Group throughout the duration of the ESOS.
- The Option is personal of the grantee and is non-transferable.
- The Options will vest over 4 years and the scheme has a duration of 5 years.

# DIRECTORS' REPORT

## FOR THE YEAR ENDED 31 DECEMBER 2024

Cont'd

### OPTIONS GRANTED OVER UNISSUED SHARES *cont'd*

On 3 November 2024, the Company issued ESOS Grant 2 and the salient features are as follows:

- i) The exercise price of the option is RM3.17.
- ii) The employee must remain an employee of the Group throughout the duration of the ESOS.
- iii) The Option is personal of the grantee and is non-transferable.
- iv) The Options will vest over 2 years and the scheme has a duration of 3 years.

The options offered to take up unissued ordinary shares are as follows:

Date of offer	Expiry date	Exercise Price(RM)	Number of options over ordinary shares				
			At 1.1.2024	Granted	Exercised	Forfeited	At 31.12.2024
06.12.2022	13.12.2027	1.07	24,047,000	-	(1,550,100)	(170,000)	22,326,900
03.10.2024	02.11.2026	3.17	-	6,418,000	(79,400)	(13,000)	6,325,600

There were no other options granted to any person to take up unissued shares of the Company during the financial year.

### INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of insurance effected for Directors and officers of the Group and the Company is RM5,000,000. The insurance premium for the Group and the Company is RM23,770.

There were no indemnity and insurance effected for the auditors of the Group and the Company during the financial year.

### OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.



## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2024

Cont'd

#### OTHER STATUTORY INFORMATION *cont'd*

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

#### SIGNIFICANT EVENTS

On 20 May 2024, the Company incorporated a new wholly-owned subsidiary, ITMAX Tech Solutions Sdn Bhd.

On 1 November 2024, the Company incorporated another new subsidiary, Enforcemax Sdn Bhd, in which the Company holds 70% of the shares.

On 26 December 2024, the Company incorporated further new subsidiary, EMAX Health Sdn Bhd, which the Company holds 78% of the shares.

#### SUBSEQUENT EVENT

On 13 March 2025, the Company incorporated a new wholly-owned subsidiary, Selmax Sdn Bhd.

#### AUDITORS

The auditors, KPMG PLT have indicated their willingness to accept re-appointment.

The auditors' remuneration for audit and non-audit services of the Group and of the Company during the year are RM405,000 and RM237,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

**Tan Wei Lun**  
Director

**Tan Sing Chia**  
Director

Kuala Lumpur

Date: 14 April 2025

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	2	220,232	149,681	127,532	103,602
Cost of sales		(85,282)	(44,884)	(51,776)	(38,408)
<b>Gross profit</b>		<b>134,950</b>	<b>104,797</b>	<b>75,756</b>	<b>65,194</b>
Other income		3,327	563	3,229	534
Administrative expenses		(34,106)	(25,635)	(19,898)	(18,001)
Net (loss)/reversal on impairment of financial instruments and contract assets	5	(38)	(368)	10	(383)
<b>Results from operating activities</b>		<b>104,133</b>	<b>79,357</b>	<b>59,097</b>	<b>47,344</b>
Finance income	3	6,086	7,325	5,601	6,401
Finance costs	4	(3,012)	(4,334)	(4,172)	(5,310)
<b>Profit before tax</b>	5	<b>107,207</b>	<b>82,348</b>	<b>60,526</b>	<b>48,435</b>
Tax expense	6	(26,700)	(19,152)	(14,704)	(10,853)
<b>Profit and total comprehensive income for the year</b>		<b>80,507</b>	<b>63,196</b>	<b>45,822</b>	<b>37,582</b>
<b>Profit and total comprehensive income attributable to:</b>					
Owners of the Company		80,394	63,279	45,822	37,582
Non-controlling interests		113	(83)	-	-
<b>Profit and total comprehensive income for the year</b>		<b>80,507</b>	<b>63,196</b>	<b>45,822</b>	<b>37,582</b>
<b>Basic earnings per ordinary share (sen)</b>	7	<b>7.81</b>	<b>6.15</b>		
<b>Diluted earnings per ordinary share (sen)</b>	7	<b>7.59</b>	<b>6.01</b>		



# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Assets</b>					
Property, plant and equipment	10	171,838	133,894	54,802	57,237
Right-of-use assets	11	3,126	3,696	69,895	92,744
Intangible assets	12	13,927	4,421	9,570	15
Investment in subsidiaries	13	-	-	61,946	59,945
Contract assets	14	19	77	19	77
Contract costs	14	660	-	-	-
Deferred tax assets	22	11	329	-	-
<b>Total non-current assets</b>		<b>189,581</b>	<b>142,417</b>	<b>196,232</b>	<b>210,018</b>
Contract assets	14	38,304	22,504	12,033	15,569
Contract costs	14	3,850	1,087	3,507	960
Inventories	15	19,687	17,811	4,742	2,278
Trade and other receivables	16	76,019	28,905	99,636	22,173
Current tax assets		224	1	-	-
Prepayments and other assets	17	11,343	1,461	499	572
Fixed deposits with licensed banks	18	11,896	11,315	4,914	4,514
Cash and cash equivalents	19	154,859	212,490	141,802	190,632
<b>Total current assets</b>		<b>316,182</b>	<b>295,574</b>	<b>267,133</b>	<b>236,698</b>
<b>Total assets</b>		<b>505,763</b>	<b>437,991</b>	<b>463,365</b>	<b>446,716</b>
<b>Equity</b>					
Share capital	20	261,490	259,580	261,490	259,580
Share option reserve	20	4,850	3,035	4,850	3,035
Merger reserve	20	(56,358)	(56,358)	-	-
Retained earnings		191,196	137,569	91,157	72,102
<b>Total equity attributable to owners of the Company</b>		<b>401,178</b>	<b>343,826</b>	<b>357,497</b>	<b>334,717</b>
Non-Controlling interest		291	178	-	-
<b>Total equity</b>		<b>401,469</b>	<b>344,004</b>	<b>357,497</b>	<b>334,717</b>
<b>Liabilities</b>					
Loans and borrowings	21	20,932	37,551	3,153	401
Lease liabilities		2,276	2,747	51,541	74,707
Deferred tax liabilities	22	11,185	9,235	3,458	2,974
<b>Total non-current liabilities</b>		<b>34,393</b>	<b>49,533</b>	<b>58,152</b>	<b>78,082</b>
Loans and borrowings	21	21,078	19,585	348	194
Lease liabilities		1,021	1,071	23,075	22,091
Trade and other payables	23	45,361	21,006	23,832	11,545
Contract liabilities	14	22	22	22	22
Current tax liabilities		2,419	2,770	439	65
<b>Total current liabilities</b>		<b>69,901</b>	<b>44,454</b>	<b>47,716</b>	<b>33,917</b>
<b>Total liabilities</b>		<b>104,294</b>	<b>93,987</b>	<b>105,868</b>	<b>111,999</b>
<b>Total equity and liabilities</b>		<b>505,763</b>	<b>437,991</b>	<b>463,365</b>	<b>446,716</b>

The notes on pages 98 to 136 are an integral part of these financial statements





# STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

← Attributable to owners of the Company →								
← Non-distributable → Distributable								
	Note	Share capital RM'000	Share option reserve RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	Total RM'000
<b>Group</b>								
<b>At 1 January 2023</b>		258,983	692	(56,358)	82,507	285,824	-	285,824
Issue of new shares	20	725	-	-	-	725	-	725
Increase in shares in subsidiary to non-controlling interest		-	-	-	-	-	261	261
Share issuance expenses	20	(128)	-	-	-	(128)	-	(128)
Share-based payment transaction	24	-	2,351	-	-	2,351	-	2,351
Forfeited employee share option		-	(8)	-	8	-	-	-
Profit and total comprehensive income for the year		-	-	-	63,279	63,279	(83)	63,196
Dividend paid	8	-	-	-	(8,225)	(8,225)	-	(8,225)
<b>At 31 December 2023/ 1 January 2024</b>		259,580	3,035	(56,358)	137,569	343,826	178	344,004
Issue of new shares	20	1,910	-	-	-	1,910	-	1,910
Share-based payment transaction	24	-	1,815	-	-	1,815	-	1,815
Profit and total comprehensive income for the year		-	-	-	80,394	80,394	113	80,507
Dividend paid	8	-	-	-	(26,767)	(26,767)	-	(26,767)
<b>At 31 December 2024</b>		261,490	4,850	(56,358)	191,196	401,178	291	401,469



# STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024  
Cont'd

← Attributable to owners of the Company →  
← Non-distributable → Distributable

	Note	Share capital RM'000	Share option reserve RM'000	Retained earnings RM'000	Total RM'000
<b>Company</b>					
<b>At 1 January 2023</b>		258,983	692	42,737	302,412
Issue of new shares	20	725	-	-	725
Share issuance expenses	20	(128)	-	-	(128)
Share-based payment transaction	24	-	2,351	-	2,351
Forfeited employee share option		-	(8)	8	-
Profit and total comprehensive income for the financial year		-	-	37,582	37,582
Dividend paid	8	-	-	(8,225)	(8,225)
<b>At 31 December 2023/1 January 2024</b>		259,580	3,035	72,102	334,717
Issue of new shares	20	1,910	-	-	1,910
Share-based payment transaction	24	-	1,815	-	1,815
Profit and total comprehensive income for the financial year		-	-	45,822	45,822
Dividend paid	8	-	-	(26,767)	(26,767)
<b>At 31 December 2024</b>		261,490	4,850	91,157	357,497

# STATEMENTS OF CASH FLOWS

## FOR THE YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Profit before tax		107,207	82,348	60,526	48,435
Adjustments for:					
Initial public offering expenses		-	749	-	749
Share based payment	5	1,815	2,351	1,815	2,351
Depreciation of property, plant and equipment	10	14,800	12,447	4,035	3,891
Depreciation of right-of-use assets	11	1,073	971	22,777	22,701
Amortisation of intangible assets	12	2,075	1,267	6	14
Gain on lease remeasurement		55	(46)	56	(46)
Gain on bargain purchase		-	(26)	-	-
Gain on disposal of property, plant and equipment		(90)	-	-	-
Property, plant and equipment written off		-	3	-	3
Goodwill written off		-	3	-	-
Finance income	3	(6,086)	(7,325)	(5,601)	(6,401)
Finance costs	4	3,012	4,334	4,172	5,310
Net loss/(reversal) on impairment of financial instruments and contract assets	5	38	368	(10)	383
Unrealised foreign exchange (gain)/loss	5	(97)	100	26	100
Operating profit before changes in working capital		123,802	97,544	87,802	77,490
Inventories		(1,876)	(9,395)	(2,464)	(778)
Trade and other receivables		(47,152)	(10,960)	(77,453)	(6,408)
Prepayments and other assets		(9,882)	(1,194)	73	(413)
Trade and other payables		24,452	5,122	12,261	(695)
Contract costs		(3,423)	(338)	(2,547)	(412)
Contract assets		(15,742)	(9,669)	3,594	(7,201)
Cash generated from operations		70,179	71,110	21,266	61,583
Interest received		3,155	4,459	2,670	3,535
Tax refund		-	152	-	-
Tax paid		(25,006)	(19,736)	(13,846)	(11,108)
Net cash from operating activities		48,328	55,985	10,090	54,010



# STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

Cont'd

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment	(i)	(51,346)	(18,771)	(1,600)	(5,828)
Acquisition of intangible assets	12	(11,581)	(1,846)	(9,561)	(4)
Interest received from money market		2,931	2,866	2,931	2,866
Net cash outflow from acquisition subsidiaries		-	(87)	-	-
Increase in investments in subsidiaries		-	-	(2,001)	(587)
Proceed from disposal of property, plant and equipment		90	-	-	-
Change in pledged deposits		(581)	(613)	(400)	208
<b>Net cash used in investing activities</b>		<b>(60,487)</b>	<b>(18,451)</b>	<b>(10,631)</b>	<b>(3,345)</b>
<b>Cash flows from financing activities</b>					
Proceeds from issuance of shares		1,910	986	1,910	725
Payment of listing expenses		-	(877)	-	(877)
Drawdown of loans and borrowings		3,240	-	3,240	-
Repayment of loans and borrowings		(19,331)	(18,173)	(140)	-
Payment of lease liabilities		(1,079)	(909)	(22,166)	(21,061)
Repayment of hire purchase liabilities		(433)	(379)	(194)	(234)
Dividends paid to owners of the Company	8	(26,767)	(8,225)	(26,767)	(8,225)
Interest paid		(3,012)	(4,334)	(4,172)	(5,310)
<b>Net cash used in financing activities</b>		<b>(45,472)</b>	<b>(31,911)</b>	<b>(48,289)</b>	<b>(34,982)</b>
<b>Net change in cash and cash equivalents</b>		<b>(57,631)</b>	<b>5,623</b>	<b>(48,830)</b>	<b>15,683</b>
Cash and cash equivalents at 1 January		212,490	206,867	190,632	174,949
<b>Cash and cash equivalents at 31 December</b>	19	<b>154,859</b>	<b>212,490</b>	<b>141,802</b>	<b>190,632</b>

# STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

Cont'd

## (i) Acquisition of property, plant and equipment

During the financial year, the Company acquired property, plant and equipment as follows:

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Paid in cash		51,346	18,771	1,600	5,828
In the form of hire purchase		1,398	252	-	-
	10	52,744	19,023	1,600	5,828

## (ii) Cash outflows for leases as a lessee

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Included in net cash from operating activities:</b>					
Payment relating to leases of low-value assets	5	48	37	35	31
<b>Included in net cash from financing activities:</b>					
Payment of lease liabilities		1,079	909	22,166	21,061
Interest paid in relation to lease liabilities	4	218	204	4,108	5,066
<b>Total cash outflows for leases</b>		<b>1,345</b>	<b>1,150</b>	<b>26,309</b>	<b>26,158</b>

**STATEMENTS OF CASH FLOWS**

FOR THE YEAR ENDED 31 DECEMBER 2024

Cont'd

**(iii) Reconciliation of movement of liabilities to cash flows arising from financing activities**

	<b>Term loans RM'000</b>	<b>Hire purchase liabilities RM'000</b>	<b>Lease liabilities RM'000</b>	<b>Total RM'000</b>
<b>Group</b>				
At 1 January 2023	74,416	1,020	2,760	78,196
Net changes from financing cash flows	(18,173)	(379)	(909)	(19,461)
Interest paid	(3,885)	(245)	(204)	(4,334)
Interest charged	3,885	245	204	4,334
Addition	-	252	2,804	3,056
Derecognition	-	-	(837)	(837)
At 31 December 2023/ 1 January 2024	56,243	893	3,818	60,954
Net changes from financing cash flows	(16,091)	(433)	(1,079)	(17,603)
Interest paid	(2,712)	(68)	(218)	(2,998)
Interest charged	2,712	68	218	2,998
Addition	-	1,398	825	2,223
Derecognition	-	-	(267)	(267)
At 31 December 2024	40,152	1,858	3,297	45,307
<b>Company</b>				
At 1 January 2023	-	829	116,317	117,146
Net changes from financing cash flows	-	(234)	(21,061)	(21,295)
Interest paid	-	(244)	(5,066)	(5,310)
Interest charged	-	244	5,066	5,310
Addition	-	-	2,379	2,379
Derecognition	-	-	(837)	(837)
At 31 December 2023/ 1 January 2024	-	595	96,798	97,393
Net changes from financing cash flows	3,100	(194)	(22,166)	(19,260)
Interest paid	(28)	(23)	(4,108)	(4,159)
Interest charged	28	23	4,108	4,159
Addition	-	-	250	250
Derecognition	-	-	(266)	(266)
At 31 December 2024	3,100	401	74,616	78,117



# NOTES TO THE FINANCIAL STATEMENTS

ITMAX System Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

## Principal place of business

No. 30-G & 30-3, Jalan Radin Bagus 3  
Seri Petaling  
57000 Kuala Lumpur

## Registered office

Office Suite No. 603 Block C  
Pusat Dagangan Phileo Damansara 1  
No. 9, Jalan 16/11, Off Jalan Damansara  
46350 Petaling Jaya Selangor

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprised the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”).

The Company is principally engaged in the business of supply and installation and provision of public space networked systems and investment holding. There has been no significant change in the nature of these activities during the financial year.

The holding company during the financial year was Sena Holdings Sdn Bhd, a company incorporated in Malaysia.

These financial statements were authorised for issue by the Board of Directors on 14 April 2025.

## 1. BASIS OF PREPARATION

### (a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 1. BASIS OF PREPARATION *cont'd*

### (a) Statement of compliance *cont'd*

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2025 for the amendment that is effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 January 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the accounting standards, interpretations or amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.

### (b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for share-based payments arrangements as disclosed in Note 24.

### (c) Functional and presentation currencies

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

### (d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 11 – Extension options and incremental borrowing rate in relation to leases
- Note 14 – Consideration estimated for work completed on service contract in relation to contract assets
- Note 24 – Share-based payments arrangement
- Note 25.4 – Measurement of expected credit loss ("ECL")

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 2. REVENUE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Revenue from contracts with customers</b>				
- Digital infrastructure solutions	99,934	91,133	81,241	79,952
- Supply, installation and maintenance services	116,926	54,665	43,392	20,568
- Trading revenue	473	918	-	117
<b>Lease revenue</b>				
- Telecommunication and network infrastructure services	2,899	2,965	2,899	2,965
	220,232	149,681	127,532	103,602
<b>Timing and recognition</b>				
- At a point in time	473	918	-	117
- Over-time	216,860	145,798	124,633	100,520
- Non-MFRS 15	2,899	2,965	2,899	2,965
	220,232	149,681	127,532	103,602

### 2.1 Nature of goods and services

The following information reflects the typical transactions of the Group:

Types of revenue	Digital infrastructure solutions	Supply, installation and maintenance services	Trading revenue
<b>Description of type of revenue</b>	Video surveillance, and analytics services and subscription services.  Smart parking services.	Supply, installation and maintenance services.	Trading sale of goods.
<b>Timing of recognition or method used to recognise revenue</b>	Revenue is recognised over-time using the output method based on services provided.	Revenue is recognised over-time using output method based on supply, installation and maintenance work completed.	Revenue is recognised at point in time when the goods are delivered and accepted by the customers.
<b>Significant payment terms</b>	Credit period of 30 days from invoice date.	Credit period of 30 - 60 days from invoice date.	Credit period of 30 days from invoice date.
<b>Variable element in consideration</b>	Progress claims for video surveillance and analytics services and subscription services are subject to monthly efficiency rate based on the effectiveness of services.	There would be penalty charges where the goods or services are delivered late.	Not applicable.
<b>Obligation for returns or refunds</b>	Not applicable.	Not applicable.	The Company allows returns only for exchange with new goods if the goods delivered are faulty.
<b>Warranty</b>	Defect liability period of 1 to 2 years is given to the customers.	Defect liability period of 1 to 2 years is given to the customers.	Not applicable.



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 2. REVENUE *cont'd*

### 2.2 Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	Group	Company
	2025-2039	2025-2039
2024	RM'000	RM'000
Digital infrastructure solutions	1,334,176	934,508
Supply, installation and maintenance services	85,001	59,744
	1,419,177	994,252
	2024-2029	2024-2029
2023	RM'000	RM'000
Digital infrastructure solutions	708,118	367,975
Supply, installation and maintenance services	114,249	69,398
	822,367	437,373

### 2.3 Material accounting policy information

#### Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group or the Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group or the Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided as the Group or the Company performs;
- (b) the Group's or the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company has an enforceable right to payment for performance completed to date.

## 3. FINANCE INCOME

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income of financial assets calculated using effective interest rate method that are at amortised cost	6,086	7,325	5,601	6,401

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 4. FINANCE COSTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expense on lease liabilities	218	204	4,108	5,066
Unwinding interest expense from acquisition of network equipment from a related party	-	7	-	-
Other finance costs	2,794	4,123	64	244
	3,012	4,334	4,172	5,310
Recognised in profit or loss	3,012	4,334	4,172	5,310

## 5. PROFIT BEFORE TAX

	Note	Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Profit before tax is arrived at after charging/(crediting):</b>					
<b>Auditors' remunerations</b>					
Audit fees:					
- KPMG PLT		353	310	185	170
Non-audit fees:					
- KPMG PLT		52	52	52	52
- Local affiliates of KPMG PLT		233	88	233	88
<b>Material expenses/(income)</b>					
Depreciation of property, plant and equipment	10	14,800	12,447	4,035	3,891
Depreciation of right-of-use assets	11	1,073	971	22,777	22,701
Amortisation of intangible assets	12	2,075	1,267	6	14
Personnel expenses (including key management personnel):					
- Contributions to state plans		1,574	1,235	961	859
- Wages, salaries and others		18,238	13,415	10,520	8,729
- Share based payments		1,815	2,351	1,815	2,351
IPO expenses		-	749	-	749
Realised foreign exchange (gain)/loss		(122)	185	161	124
Unrealised foreign exchange (gain)/loss		(97)	100	26	100
<b>Expenses arising from leases</b>					
Expenses relating to leases of low-value assets	5.1	48	37	35	31
<b>Net loss/(reversal) on impairment of financial instruments and contract assets</b>					
Financial assets at amortised cost		38	368	(10)	383

5.1 The Group and the Company lease office equipment with contract terms of 1 to 5 years. These leases are leases of low-value assets. The Group and the Company have elected not to recognise the right-of-use assets and lease liabilities for these leases.



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 6. TAX EXPENSE

Recognised in profit or loss

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Income tax</b>				
- Current year	23,675	19,261	13,338	11,085
- Under/(Over) provision in prior year	757	(667)	882	(461)
	24,432	18,594	14,220	10,624
<b>Deferred tax</b>				
- Origination of temporary differences	1,999	963	484	575
- Under/(Over) provision in prior year	269	(405)	-	(346)
	2,268	558	484	229
	26,700	19,152	14,704	10,853
<b>Reconciliation of tax expense</b>				
Profit before tax	107,207	82,348	60,526	48,435
Income tax calculated using Malaysian tax rate of 24% (2023: 24%)	25,730	19,764	14,526	11,624
Non-deductible expenses	1,154	460	506	36
Tax exempt income	(1,210)	-	(1,210)	-
Under/(Over) provision of current tax in prior years	757	(667)	882	(461)
Under/(Over) provision of deferred tax in prior years	269	(405)	-	(346)
	26,700	19,152	14,704	10,853

## 7. EARNINGS PER ORDINARY SHARE

### Basic earnings per ordinary share

The calculation of earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2024	2023
	RM'000	RM'000
Profit for the year attributable to owners of the Company	80,394	63,279
Weighted average number of ordinary shares at 31 December (including invested equity)	1,029,339	1,028,347
Basic earnings per share (Sen)	7.81	6.15



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 7. EARNINGS PER ORDINARY SHARE *cont'd*

### Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Group	
	2024	2023
	RM'000	RM'000
Weighted average number of ordinary shares at 31 December (basic)	1,029,339	1,028,347
Effect of share options on issue	28,653	24,047
Weighted average number of ordinary shares at 31 December (diluted)	1,057,992	1,052,394
Profit attributable to ordinary shareholders (diluted)	7.59	6.01

## 8. DIVIDENDS

Dividends recognised and to be recognised by the Group:

	Sen per share	Total amount RM'000	Date of payment
<b>2025</b>			
Interim 2024 ordinary dividend*	0.6	6,189	25 March 2025
<b>2024</b>			
Interim 2023 ordinary dividend <sup>#</sup>	1.2	12,349	25 March 2024
Interim 2024 ordinary dividend	1.4	14,418	24 December 2024
		26,767	
<b>2023</b>			
Interim 2022 ordinary dividend	0.8	8,225	24 March 2023

<sup>#</sup> was accounted for in the financial year ended 31 December 2024.

\* will be accounted for in the financial year ending 31 December 2025.

## 9. OPERATING SEGMENTS

Operating segments are components in which separate financial information is available that is evaluated by the Managing Director and Chief Executive Office in deciding how to allocate resources and in assessing performance of the Group. As the businesses within the Group are inter-related, the Group considers itself to be operating in a single segment.

All the Group's operations and its revenue are carried out and derived in Malaysia.

Performance is measured based on revenue derived from the various services sold and consolidated profit before income tax of the Group as included in the internal management reports that are reviewed by the Managing Director and Chief Executive Office. The Group's segment assets and liabilities, as disclosed in the Group's statement of financial position (as represented by total assets and liabilities), is also reviewed by the Managing Director and Chief Executive Office. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, intangible assets and right-of-use assets.



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 9. OPERATING SEGMENTS *cont'd*

### Segment profit

	2024 RM'000	2023 RM'000
<b>Revenue from contracts with customers</b>		
- Digital infrastructure solutions	99,934	91,133
- Supply, installation and maintenance services	116,926	54,665
- Trading revenue	473	918
<b>Lease revenue</b>		
- Telecommunication and network infrastructure services	2,899	2,965
	220,232	149,681
Included in the measurement of segment profit are:		
Finance income	6,086	7,325
Finance costs	(3,012)	(4,334)
Depreciation of property, plant and equipment	(14,800)	(12,447)
Depreciation of right-of-use assets	(1,073)	(971)
Amortisation of intangible assets	(2,075)	(1,267)
Income tax expense	(26,700)	(19,152)
Net loss on impairment of financial instruments and contract assets	(38)	(368)

### Major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue:

	Revenue	
	2024 RM'000	2023 RM'000
Customer A	130,527	110,661
Customer B	42,101	10,631

### Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, right-of-use assets and intangible assets.

	2024 RM'000	2023 RM'000
Total additions to property, plant and equipment	52,744	19,023
Total additions to right-of-use assets	825	2,804
Total additions to intangible assets	11,581	1,846
	65,150	23,673

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 10. PROPERTY, PLANT AND EQUIPMENT

Group	Land and building RM'000	Telecommu- nication towers RM'000	Network equipment RM'000	Plant and equipment RM'000	Furnitures, fixtures and fittings RM'000	Motor vehicles RM'000	Renovation RM'000	Asset under construction RM'000	Total RM'000
<b>Cost</b>									
At 1 January 2023	-	2,636	134,917	1,600	258	2,622	115	746	142,894
Additions	4,309	800	729	3,973	143	352	221	8,496	19,023
Additions from acquisition of subsidiary	-	-	-	6	-	-	-	-	6
Write-off	-	-	-	(5)	-	-	-	-	(5)
Reclassification	-	-	-	(428)	-	-	428	-	-
At 31 December 2023/1 January 2024	4,309	3,436	135,646	5,146	401	2,974	764	9,242	161,918
Additions	-	1,023	1,567	5,320	110	2,226	404	42,094	52,744
Disposal	-	-	-	-	-	(346)	-	-	(346)
Transfer	-	-	13,211	-	-	-	-	(13,211)	-
At 31 December 2024	4,309	4,459	150,424	10,466	511	4,854	1,168	38,125	214,316
<b>Accumulated depreciation</b>									
At 1 January 2023	-	215	12,873	573	81	1,762	75	-	15,579
Depreciation for the year	-	164	11,323	521	55	274	110	-	12,447
Write-off	-	-	-	(2)	-	-	-	-	(2)
Reclassification	-	-	-	(51)	-	-	51	-	-
At 31 December 2023/1 January 2024	-	379	24,196	1,041	136	2,036	236	-	28,024
Depreciation for the year	29	208	12,033	1,703	84	573	170	-	14,800
Disposal	-	-	-	-	-	(346)	-	-	(346)
At 31 December 2024	29	587	36,229	2,744	220	2,263	406	-	42,478
<b>Carrying amounts</b>									
At 1 January 2023	-	2,421	122,044	1,027	177	860	40	746	127,315
At 31 December 2023/1 January 2024	4,309	3,057	111,450	4,105	265	938	528	9,242	133,894
At 31 December 2024	4,280	3,872	114,195	7,722	291	2,591	762	38,125	171,838



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 10. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Company	Land and building RM'000	Telecommu- nication towers RM'000	Network equipment RM'000	Plant and equipment RM'000	Furniture, fixtures and fittings RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
<b>Cost</b>								
At 1 January 2023	-	2,635	54,022	1,025	194	1,524	-	59,400
Additions	4,309	800	-	636	78	5	-	5,828
Write-off	-	-	-	(5)	-	-	-	(5)
Reclassification	-	-	-	(556)	-	-	556	-
At 31 December 2023/1 January 2024	4,309	3,435	54,022	1,100	272	1,529	556	65,223
Additions	-	1,023	-	499	27	-	51	1,600
At 31 December 2024	4,309	4,458	54,022	1,599	299	1,529	607	66,823
<b>Accumulated depreciation</b>								
At 1 January 2023	-	214	2,945	232	43	663	-	4,097
Depreciation for the year	-	163	3,187	248	41	252	-	3,891
Write-off	-	-	-	(2)	-	-	-	(2)
Reclassification	-	-	-	(141)	-	-	141	-
At 31 December 2023/1 January 2024	-	377	6,132	337	84	915	141	7,986
Depreciation for the year	29	209	3,187	222	56	217	115	4,035
At 31 December 2024	29	586	9,319	559	140	1,132	256	12,021
<b>Carrying amounts</b>								
At 1 January 2023	-	2,421	51,077	793	151	861	-	55,303
At 31 December 2023/1 January 2024	4,309	3,058	47,890	763	188	614	415	57,237
At 31 December 2024	4,280	3,872	44,703	1,040	159	397	351	54,802

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 10. PROPERTY, PLANT AND EQUIPMENT *cont'd*

### 10.1 Telecommunication towers

At current and previous financial year end, the entire telecommunication towers are subject to operating lease.

The Group and Company lease their telecommunication towers to third parties. The leases are for a period of up to 10 years. Subsequent renewals are negotiated with the lessees.

The following are recognised in profit or loss:

Group and Company	2024 RM'000	2023 RM'000
Lease revenue	2,899	2,965

The operating lease payments to be received are as follows:

	2024 RM'000	2023 RM'000
Less than one year	2,899	2,965
One to two years	3,744	4,380
Two to three years	3,463	3,337
Four to five years	2,967	2,804
Five years and above	1,148	827
Total undiscounted lease payments	14,221	14,313

### 10.2 Asset under construction

As at the end of reporting period, included in the asset under construction of the Group were network equipment that is under construction and not available for use.

### 10.3 Material accounting policy information

#### Recognition and measurement

Asset under construction is stated at cost. Other items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

#### Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.



## NOTES TO THE FINANCIAL STATEMENTS

Cont'd

### 10. PROPERTY, PLANT AND EQUIPMENT *cont'd*

#### 10.3 Material accounting policy information *cont'd*

##### Depreciation *cont'd*

The estimated useful lives for the current and comparative periods are as follows:

- Land and building 50 years
- Telecommunication towers 20 years
- Network equipment 10 - 20 years
- Plant and equipment 5 years
- Furnitures, fixtures and fittings 5 years
- Motor vehicles 5 years
- Renovation 5 years

### 11. RIGHT-OF-USE ASSETS

Group	Land RM'000	Buildings RM'000	Network equipment RM'000	Total RM'000
At January 2023	1,411	1,243	-	2,654
Additions	754	2,050	-	2,804
Depreciation	(216)	(755)	-	(971)
Derecognition	(428)	(363)	-	(791)
At 31 December 2023/1 January 2024	1,521	2,175	-	3,696
Additions	194	631	-	825
Depreciation	(228)	(845)	-	(1,073)
Derecognition	(322)	-	-	(322)
At 31 December 2024	1,165	1,961	-	3,126
<b>Company</b>				
At January 2023	1,411	645	111,801	113,857
Additions	754	1,625	-	2,379
Depreciation	(217)	(463)	(22,021)	(22,701)
Derecognition	(428)	(363)	-	(791)
At 31 December 2023/1 January 2024	1,520	1,444	89,780	92,744
Additions	194	56	-	250
Depreciation	(227)	(529)	(22,021)	(22,777)
Derecognition	(322)	-	-	(322)
At 31 December 2024	1,165	971	67,759	69,895

The Group leases a number of leasehold land, office buildings and network equipment that run between 1 year and 7 years, with an option to renew the lease after that date.



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 11. RIGHT-OF-USE ASSETS *cont'd*

### 11.1 Extension options

Some leases of leasehold land, office buildings and network equipment contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include all extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. All extension options have been accounted in the recognition of lease liabilities. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

### 11.2 Significant judgements and assumptions in relation to lease

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities considers all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determined the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

## 12. INTANGIBLE ASSETS

Group	Licenses RM'000	Development cost RM'000	Total RM'000
<b>Cost</b>			
At 1 January 2023	144	7,881	8,025
Additions	4	1,842	1,846
At 31 December 2023/1 January 2024	148	9,723	9,871
Additions	-	11,581	11,581
At 31 December 2024	148	21,304	21,452
<b>Amortisation</b>			
At 1 January 2023	118	4,065	4,183
Amortisation for the year	15	1,252	1,267
At 31 December 2023/1 January 2024	133	5,317	5,450
Amortisation for the year	6	2,069	2,075
At 31 December 2024	139	7,386	7,525



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 12. INTANGIBLE ASSETS *cont'd*

Group	Licenses RM'000	Development cost RM'000	Total RM'000
<b>Carrying amounts</b>			
At 1 January 2023	26	3,816	3,842
At 31 December 2023/1 January 2024	15	4,406	4,421
At 31 December 2024	9	13,918	13,927
<b>Company</b>			
<b>Cost</b>			
At 1 January 2023	144	-	144
Additions	4	-	4
At 31 December 2023/1 January 2024	148	-	148
Additions	-	9,561	9,561
At 31 December 2024	148	9,561	9,709
<b>Amortisation</b>			
At 1 January 2023	119	-	119
Amortisation for the year	14	-	14
At 31 December 2023/1 January 2024	133	-	133
Amortisation for the year	6	-	6
At 31 December 2024	139	-	139
<b>Carrying amounts</b>			
At 1 January 2023	25	-	25
At 31 December 2023/1 January 2024	15	-	15
At 31 December 2024	9	9,561	9,570

### 12.1 Material accounting policy information

Intangible assets are amortised from the date that they are available for use. Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current and comparative periods are as below:

- Licenses 5 years
- Development costs 6 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

The amortisation is recognised as cost of sales in the profit or loss.

## 13. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Cost of investment	61,946	59,945

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 13. INVESTMENTS IN SUBSIDIARIES *cont'd*

Details of the subsidiary are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Sena Traffic Systems Sdn Bhd	Malaysia	The company is principally involved in R&D of systems and application software, design and assembly of controllers, supply and installation of networked traffic management system, and providing leased and managed services of video surveillance and analytics systems.	100	100
Southmax Sdn Bhd	Malaysia	The Company is principally involved in the business of supply and installation and provision of public space networked systems. During the year, the Company started its business in mechanical and electrical engineering contractor effective from 29 July 2024.	65	65
ITMAX Solutions Sdn Bhd	Malaysia	The company is principally involved in the business of supply and installation and provision of public space networked systems.	100	100
ITMAX Digital Sdn Bhd (formerly known as IT-MAX Green Sdn Bhd)	Malaysia	The company is principally involved in the business to provide green and sustainable technology solutions.	100	100
Epeteknik Sdn Bhd	Malaysia	The company is principally involved in the business of trading and fabrication of information technology products and services.	100	100
ITMAX Tech Solutions Sdn Bhd	Malaysia	The company is principally involved in the business of software development and software integration.	100	-
Enforcemax Sdn Bhd	Malaysia	The company is principally involved in the business of development and integration of parking and enforcement software, parking and enforcement applications, and parking and enforcement solutions.	70	-
EMAX Health Sdn Bhd	Malaysia	The company is principally involved in the business of development and integration of medical software, medical applications and medical solutions.	78	-



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 13. INVESTMENTS IN SUBSIDIARIES *cont'd*

### 13.1 Material accounting policy information

#### Basis of consolidation

#### Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

#### Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

## 14. CONTRACTS WITH CUSTOMERS

### 14.1 Contract assets/(liabilities)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
Contract assets	19	77	19	77
<b>Current</b>				
Contract assets	38,304	22,504	12,033	15,569
	38,323	22,581	12,052	15,646
Contract liabilities	(22)	(22)	(22)	(22)

The contract assets relate to the Group's rights to consideration which are estimated for work completed on service contract, pending approval from customers, and not yet billed at the reporting date. Typically, the amount will be billed within 30 days and up to 2 years (2023: 30 days to 3 years) and payment is expected within 30 days. Contract asset are subject to impairment in accordance to MFRS 9, *Financial Instruments*.

The contract liabilities primarily relate to the advance consideration received from a customer for service contract, which revenue is recognised over-time. The contract liabilities are expected to be recognised as revenue over a period of 30 days.

# NOTES TO THE FINANCIAL STATEMENTS

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## 14. CONTRACTS WITH CUSTOMERS *cont'd*

### 14.1 Contract assets/(liabilities) *cont'd*

Significant changes to contract assets and contract liabilities balances during the period are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Contract assets at beginning of the period transferred to trade receivables	22,504	12,778	15,569	8,311
Contract liabilities at beginning of the period recognised as revenue	22	22	22	22

### 14.2 Contract costs

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
Cost to fulfil a contract	660	-	-	-
<b>Current</b>				
Cost to fulfil a contract	3,850	1,087	3,507	960
	4,510	1,087	3,507	960

Cost to fulfil a contract comprises cost incurred on ongoing supply, installation and maintenance works which have yet to be fulfilled and claimed at the reporting date. Typically, the amounts will be claimed within 30 days to 90 days. Cost to fulfil a contract is amortised when the goods or services have been transferred to the customer according to contract terms and conditions.

### 14.3 Material accounting policy information

#### Contract assets

A contract asset is recognised when the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9.

#### Contract liabilities

A contract liability is stated at cost and represents the obligation of the Group or the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.



# NOTES TO THE FINANCIAL STATEMENTS

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## 15. INVENTORIES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Raw materials	17,523	10,642	4,742	2,278
Work-in-progress	1,357	5,700	-	-
Finished goods	959	1,621	-	-
	19,839	17,963	4,742	2,278
Less: Allowance for slow moving inventories	(152)	(152)	-	-
	19,687	17,811	4,742	2,278
Recognised in profit of loss:				
Inventories recognised as cost of sales	37,625	11,667	15,983	3,855

### 15.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## 16. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Trade</b>					
Trade receivables from contracts with customers	16.1	23,485	11,826	4,691	4,829
Less: Impairment loss		(1,403)	(1,365)	(854)	(864)
		22,082	10,461	3,837	3,965
Amounts due from related parties	16.2	21,224	6,936	-	34
Retention sum	16.3	9,550	8,196	7,383	7,383
		52,856	25,593	11,220	11,382
<b>Non-trade</b>					
Amounts due from related parties	16.4	-	-	65,899	7,988
Other receivables		2,673	166	2,413	100
Deposits		20,490	3,146	20,104	2,703
		23,163	3,312	88,416	10,791
		76,019	28,905	99,636	22,173

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 16. TRADE AND OTHER RECEIVABLES *cont'd*

16.1 The trade receivables from contracts with customers of the Group and the Company are given a credit term of 30 to 60 days (2023: 30 to 60 days).

16.2 The trade amounts due from related parties, being companies in which certain Directors have substantial financial interest, are subject to normal trade terms.

### 16.3 Retention sums

Retention sums are due upon the expiry of the defect liability period stated in the respective construction contracts. The defect liability periods range from 12 to 24 months. Retention sums are expected to be collected as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Within one year	-	482	-	482
More than one year	9,550	7,714	7,383	6,901
	9,550	8,196	7,383	7,383

16.4 The non-trade amounts due from related parties, being companies in which certain Directors have substantial financial interest, are unsecured, interest free and repayable on demand.

## 17. PREPAYMENTS AND OTHER ASSETS

As at the end of reporting period, included in the prepayments and other assets of the Group and of the Company were advances paid to suppliers, amounting to RM11,343,000 (2023: RM1,461,000) and amounting to RM499,000 (2023: RM572,000) respectively.

## 18. FIXED DEPOSITS WITH LICENSED BANKS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Fixed deposits with licensed banks	11,896	11,315	4,914	4,514

The fixed deposits with licensed banks of the Group and the Company are secured for credit facility provided to the Group and the Company (Note 21), and earn interest at rates of 1.60% to 2.75% (2023: 1.60% to 2.75%) per annum.

## 19. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	10,017	17	10,017	17
Cash and bank balances	55,993	126,555	42,936	104,697
Investment in money market fund	88,849	85,918	88,849	85,918
	154,859	212,490	141,802	190,632





# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 20. CAPITAL AND RESERVES

### Share capital

	Group and Company			
	Number of shares	Amount	Number of shares	Amount
	2024 '000	2024 RM'000	2023 '000	2023 RM'000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At beginning of year	1,028,678	259,580	1,028,000	258,983
Share issuance expenses	-	-	-	(128)
Issued for cash under ESOS	1,630	1,910	678	725
At end of year	1,030,308	261,490	1,028,678	259,580

### Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

### Share option reserve

The share option reserve comprises the cumulative value of the ESOS expenses as disclosed in Note 24 for share options granted.

### Merger reserve

Business combinations arising from transfers of interests in Sena Traffic Systems Sdn Bhd that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of Sena Traffic Systems Sdn Bhd are added to the same components within Group's equity and any resulting gain or loss is recognised as merger reserve.

The merger reserve comprises the difference between cost of investment recorded by the Company and the share capital of Sena Traffic Systems Sdn Bhd arising from the acquisition exercise.

# NOTES TO THE FINANCIAL STATEMENTS

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## 21. LOANS AND BORROWINGS

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current</b>					
<b>Secured</b>					
- Term loan	21.1	19,580	36,948	2,937	-
- Hire purchase liabilities	21.1	1,352	603	216	401
		20,932	37,551	3,153	401
<b>Current</b>					
<b>Secured</b>					
- Term loan	21.1	20,572	19,295	163	-
- Hire purchase liabilities	21.1	506	290	185	194
		21,078	19,585	348	194
		42,010	57,136	3,501	595

21.1 The term loan and hire purchases liabilities are secured by:

- Guarantees executed by the Company.
- Fixed deposits with licensed banks (Note 18).

## 22. DEFERRED TAX ASSETS/(LIABILITIES)

### Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Property, plant and equipment	-	-	(11,852)	(10,085)	(11,852)	(10,085)
Right-of-use assets	-	-	(750)	(887)	(750)	(887)
Lease liabilities	791	916	-	-	791	916
Other items	637	826	-	-	637	826
Unutilised tax losses	-	308	-	-	-	308
Unabsorbed capital allowances	-	16	-	-	-	16
Tax assets/(liabilities)	1,428	2,066	(12,602)	(10,972)	(11,174)	(8,906)
Set-off of tax	(1,417)	(1,737)	1,417	1,737	-	-
Net tax assets/(liabilities)	11	329	(11,185)	(9,235)	(11,174)	(8,906)



# NOTES TO THE FINANCIAL STATEMENTS

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## 22. DEFERRED TAX ASSETS/(LIABILITIES) *cont'd*

### Recognised deferred tax assets/(liabilities) *cont'd*

Company	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	-	-	(4,878)	(4,312)	(4,878)	(4,312)
Right-of-use assets	-	-	(16,775)	(22,259)	(16,775)	(22,259)
Lease liabilities	17,908	23,232	-	-	17,908	23,232
Other items	287	365	-	-	287	365
Net tax assets/(liabilities)	18,195	23,597	(21,653)	(26,571)	(3,458)	(2,974)

### Movement in temporary differences during the year

	At 1 January 2023	Recognised in profit or loss (Note 6)	At 31 December 2023/1 January 2024	Recognised in profit or loss (Note 6)	At 31 December 2024
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>					
Property, plant and equipment	(9,084)	(1,001)	(10,085)	(1,767)	(11,852)
Right-of-use assets	(637)	(250)	(887)	137	(750)
Lease liabilities	663	253	916	(125)	791
Other items	710	116	826	(189)	637
Unutilised tax losses	-	308	308	(308)	-
Unabsorbed capital allowances	-	16	16	(16)	-
	(8,348)	(558)	(8,906)	(2,268)	(11,174)
<b>Company</b>					
Property, plant and equipment	(3,596)	(716)	(4,312)	(566)	(4,878)
Right-of-use assets	(27,326)	5,067	(22,259)	5,484	(16,775)
Lease liabilities	27,916	(4,684)	23,232	(5,324)	17,908
Other items	261	104	365	(78)	287
	(2,745)	(229)	(2,974)	(484)	(3,458)

# NOTES TO THE FINANCIAL STATEMENTS

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## 23. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Current</b>					
<b>Trade</b>					
Trade payables	23.1	41,526	18,145	15,522	5,634
Amounts due to related parties	23.2	41	-	6,516	4,363
		41,567	18,145	22,038	9,997
<b>Non-trade</b>					
Other payables		2,259	1,343	1,440	677
Amounts due to related parties	23.3	2	19	-	128
Accrued expenses		1,533	1,499	354	743
		3,794	2,861	1,794	1,548
		45,361	21,006	23,832	11,545

23.1 The trade payables of the Group and the Company have credit terms which range from 30 days to 90 days (2023: 30 days to 90 days).

23.2 The trade amounts due to related parties, being companies in which certain Directors have substantial financial interest, are subject to normal trade terms.

23.3 The non-trade amounts due to related parties are unsecured, interest free and repayable on demand.

## 24. EMPLOYEE BENEFITS

### Share-based payments arrangement

#### Share option programme (equity settled)

On 6 December 2022 and 3 November 2024, the Group granted share options to all employees to purchase shares in the Company under the Employees Share Option Scheme approved by the Board of Directors of the Company on 30 June 2022. In accordance with the scheme, holders of vested options are entitled to purchase shares at the market price of the shares at the date of grant.

All options are to be settled by physical delivery of shares; the terms and conditions related to the grants of the share option programme are as follows:

Grant date	Number of options ('000)	Exercise price	Vesting conditions	Contractual life of options
13 December 2022	25,000	RM1.07	Options are vested over 4 years on condition that the employee remains employed by the Company and its subsidiaries	5 years
3 November 2024	6,418	RM3.17	Options are vested over 2 years on condition that the employee remains employed by the Company and its subsidiaries	2 years



# NOTES TO THE FINANCIAL STATEMENTS

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## 24. EMPLOYEE BENEFITS *cont'd*

### Share-based payments arrangement *cont'd*

#### Share option programme (equity settled) *cont'd*

The number and exercise prices of share options are as follows:

	2024		2023	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	RM	('000)	RM	('000)
<u>Grant 1</u>				
Outstanding at 1 January	1.07	24,047	1.07	25,000
Forfeited during the year	1.07	(170)	1.07	(275)
Exercised during the year	1.07	(1,550)	1.07	(678)
Outstanding at 31 December	1.07	22,327	1.07	24,047
Exercisable at 31 December	1.07	8,577	1.07	4,047

The options outstanding at 31 December 2024 have a weighted average exercise price of RM1.07 (2023: RM1.07) and contractual life of 3 years (2023: 4 years).

The number and exercise prices of share options are as follows:

	2024	
	Weighted average exercise price	Number of options
	RM	('000)
<u>Grant 2</u>		
Outstanding at 1 January	-	-
Granted during the year	3.17	6,418
Forfeited during the year	3.17	(13)
Exercised during the year	3.17	(79)
Outstanding at 31 December	3.17	6,326
Exercisable at 31 December	3.17	3,117

The options outstanding at 31 December 2024 have a weighted average exercise price of RM3.17 and contractual life of 2 years.

# NOTES TO THE FINANCIAL STATEMENTS

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## 24. EMPLOYEE BENEFITS *cont'd*

### Share-based payments arrangement *cont'd*

#### Share option programme (equity settled) *cont'd*

The number and exercise prices of share options are as follows: *cont'd*

The fair value of services received in return for the options granted is based on the fair value of share options granted, measured using the black scholes model with the following inputs:

	Grant 2	Grant 1
<b>Fair value of share options and assumptions</b>		
Fair value at grant date (RM)	4,060,700	6,333,500
Weighted average share price	RM3.17	RM1.42
Exercise price/Share price at grant date	RM3.17	RM1.07
Expected weighted average volatility	30.34%	31.41%
Expected weighted average option life	2 years	5 years
Expected dividends	0.37%	0.90%
Risk-free interest rate (based on Malaysian government bonds)	3.90%	3.90%
	<b>Group and Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Recognised in profit of loss:		
Share options granted	1,815	2,351

### 24.1 Material accounting policy information

#### Share-based payment transaction

The grant date fair value of share-based payment granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the employee share options is measured using a black scholes model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.



# NOTES TO THE FINANCIAL STATEMENTS

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## 25. FINANCIAL INSTRUMENTS

### 25.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC") and fair value through profit or loss ("FVTPL") – designated upon initial recognition ("DUIR").

Group	Carrying amount RM'000	AC RM'000	FVTPL- DUIR RM'000
<b>2024</b>			
<b>Financial assets</b>			
Trade and other receivables	76,019	76,019	-
Fixed deposits with licensed banks	11,896	11,896	-
Cash and cash equivalents	154,859	66,010	88,849
	242,774	153,925	88,849
<b>Financial liabilities</b>			
Loans and borrowings	42,010	42,010	-
Trade and other payables	45,361	45,361	-
	87,371	87,371	-
<b>2023</b>			
<b>Financial assets</b>			
Trade and other receivables	28,905	28,905	-
Fixed deposits with licensed banks	11,315	11,315	-
Cash and cash equivalents	212,490	126,572	85,918
	252,710	166,792	85,918
<b>Financial liabilities</b>			
Loans and borrowings	57,136	57,136	-
Trade and other payables	21,006	21,006	-
	78,142	78,142	-



# NOTES TO THE FINANCIAL STATEMENTS

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## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.1 Categories of financial instruments *cont'd*

Company	Carrying amount RM'000	AC RM'000	FVTPL- DUIR RM'000
<b>2024</b>			
<b>Financial assets</b>			
Trade and other receivables	99,636	99,636	-
Fixed deposits with licensed banks	4,914	4,914	-
Cash and cash equivalents	141,802	52,953	88,849
	246,352	157,503	88,849
<b>Financial liabilities</b>			
Loans and borrowings	3,501	3,501	-
Trade and other payables	23,832	23,832	-
	27,333	27,333	-
<b>2023</b>			
<b>Financial assets</b>			
Trade and other receivables	22,173	22,173	-
Fixed deposits with licensed banks	4,514	4,514	-
Cash and cash equivalents	190,632	104,714	85,918
	217,319	131,401	85,918
<b>Financial liabilities</b>			
Loans and borrowings	595	595	-
Trade and other payables	11,545	11,545	-
	12,140	12,140	-

### 25.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gains/(losses) arising on:				
Financial assets measured at amortised cost	3,117	4,459	2,680	3,535
Financial assets measured at fair value	2,931	2,866	2,931	2,866
Financial liabilities measured at amortised cost	(2,575)	(4,988)	(251)	(1,016)
	3,473	2,337	5,360	5,385



# NOTES TO THE FINANCIAL STATEMENTS

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## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### 25.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer and amount due from related parties. The Company's exposure to credit risk arises principally from financial guarantee given to banks for credit facilities granted to subsidiary. There are no significant changes as compared to prior periods.

#### **Trade receivables and contract assets**

#### ***Risk management objectives, policies and processes for managing the risk***

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group or the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

#### ***Exposure to credit risk, credit quality and collateral***

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position.

#### ***Recognition and measurement of impairment losses***

In managing credit risk of trade receivables and contract assets, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30 days.

As there are only a few contract customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable.

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.4 Credit risk *cont'd*

#### Trade receivables and contract assets *cont'd*

#### Recognition and measurement of impairment losses *cont'd*

The following table provides information about the exposure to credit risk for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
<b>2024</b>			
Current (not past due)	56,534	-	56,534
1 - 30 days past due	1,242	-	1,242
31 - 60 days past due	1,060	-	1,060
61 - 90 days past due	84	-	84
91 - 120 days past due	17	-	17
More than 120 days past due	1,516	(48)	1,468
	60,453	(48)	60,405
<b>Credit impaired</b>			
Individually impaired	2,063	(2,063)	-
	62,516	(2,111)	60,405
Trade receivables	23,485	(1,403)	22,082
Contract assets	39,031	(708)	38,323
	62,516	(2,111)	60,405
<b>2023</b>			
Current (not past due)	26,906	-	26,906
1 - 30 days past due	3,880	-	3,880
31 - 60 days past due	191	-	191
61 - 90 days past due	352	-	352
91 - 120 days past due	42	-	42
More than 120 days past due	1,671	-	1,671
	33,042	-	33,042
<b>Credit impaired</b>			
Individually impaired	2,073	(2,073)	-
	35,115	(2,073)	33,042
Trade receivables	11,826	(1,365)	10,461
Contract assets	23,289	(708)	22,581
	35,115	(2,073)	33,042



# NOTES TO THE FINANCIAL STATEMENTS

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## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.4 Credit risk *cont'd*

#### Trade receivables and contract assets *cont'd*

#### Recognition and measurement of impairment losses *cont'd*

Company	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
<b>2024</b>			
Current (not past due)	15,475	-	15,475
1 - 30 days past due	42	-	42
31 - 60 days past due	44	-	44
61 - 90 days past due	20	-	20
91 - 120 days past due	17	-	17
More than 120 days past due	291	-	291
	15,889	-	15,889
<b>Credit impaired</b>			
Individually impaired	854	(854)	-
	16,743	(854)	15,889
Trade receivables	4,691	(854)	3,837
Contract assets	12,052	-	12,052
	16,743	(854)	15,889
<b>2023</b>			
Current (not past due)	18,561	-	18,561
1 - 30 days past due	39	-	39
31 - 60 days past due	-	-	-
61 - 90 days past due	4	-	4
91 - 120 days past due	-	-	-
More than 120 days past due	1,007	-	1,007
	19,611	-	19,611
<b>Credit impaired</b>			
Individually impaired	864	(864)	-
	20,475	(864)	19,611
Trade receivables	4,829	(864)	3,965
Contract assets	15,646	-	15,646
	20,475	(864)	19,611

# NOTES TO THE FINANCIAL STATEMENTS

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## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.4 Credit risk *cont'd*

#### Trade receivables and contract assets *cont'd*

#### Recognition and measurement of impairment losses *cont'd*

The movements in the allowances for impairment in respect of trade receivables and contract assets during the year are shown below.

	Trade receivables		Contract asset	Total
	Credit impaired	Loss allowances		
	RM'000	RM'000	RM'000	RM'000
<b>Group</b>				
<b>1 January 2023</b>	908	71	708	1,687
Net remeasurement of loss allowance	457	(71)	-	386
<b>31 December 2023/1 January 2024</b>	1,365	-	708	2,073
Net remeasurement of loss allowance	(10)	48	-	38
<b>31 December 2024</b>	1,355	48	708	2,111
<b>Company</b>				
<b>1 January 2023</b>	481	-	-	481
Net remeasurement of loss allowance	383	-	-	383
<b>31 December 2023/1 January 2024</b>	864	-	-	864
Net remeasurement of loss allowance	(10)	-	-	(10)
<b>31 December 2024</b>	854	-	-	854

#### Cash and cash equivalents and fixed deposits with licensed banks

The cash and cash equivalents and fixed deposits with licensed banks are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

#### Other receivables

Credit risk on other receivables mainly arises from advanced deposits paid to project suppliers and advanced deposits paid for a rental of a office building. These deposits will be refunded at the end of the project and each lease term.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses. These other receivables have low credit risks. Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.



## NOTES TO THE FINANCIAL STATEMENTS

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### 25. FINANCIAL INSTRUMENTS *cont'd*

#### 25.4 Credit risk *cont'd*

##### Financial guarantees

##### ***Risk management objectives, policies and processes for managing the risk*** *cont'd*

The Company provides unsecured financial guarantees to a bank in respect of banking facilities granted to a subsidiary. The Company monitors the ability of the subsidiary to service its loans on an individual basis.

##### ***Exposure to credit risk, credit quality and collateral***

The maximum exposure to credit risk amounts to RM37,051,679 (2023: RM56,243,268) representing the outstanding banking facilities of the subsidiary as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiary's secured loans.

##### ***Recognition and measurement of impairment loss***

The Company assumes that there is a significant increase in credit risk when the subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and has a deficit in shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

##### Related party balances

##### ***Risk management objectives, policies and processes for managing the risk***

The Group transacts with its related parties. The Group monitors the ability of the related parties to repay their debts on an individual basis.

##### ***Exposure to credit risk, credit quality and collateral***

As at the end of the reporting year, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Related party balances are not secured by any collateral or supported by any other credit enhancements.

##### ***Recognition and measurement of impairment loss***

Generally, the Group and the Company consider amounts due from related parties have low credit risk. The Group and the Company assume that there is a significant increase in credit risk when a related party's financial position deteriorates significantly. The Group and the Company consider the outstanding debts to be in default when the related parties are not able to pay when demanded. The Group and the Company consider a related party's balance to be credit impaired when:

- The related party is unlikely to repay its loan or advance to the Group or Company in full; or
- The related party is continuously loss making and has a deficit in shareholders' fund.

The Company determines the probability of default for these balances individually using internal information available.

# NOTES TO THE FINANCIAL STATEMENTS

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## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.4 Credit risk *cont'd*

#### Related party balances

#### *Recognition and measurement of impairment loss cont'd*

The following table provides information about the exposure to credit risk and loss impairment for related parties' balances.

	Gross carrying amount RM'000	Impairment loss allowances RM'000	Net balance RM'000
<b>Group</b>			
<b>2024</b>			
Low credit risk	21,224	-	21,224
<b>2023</b>			
Low credit risk	6,936	-	6,936
<b>Company</b>			
<b>2024</b>			
Low credit risk	65,899	-	65,899
<b>2023</b>			
Low credit risk	8,022	-	8,022

### 25.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings and lease liabilities.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.





# NOTES TO THE FINANCIAL STATEMENTS

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## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.5 Liquidity risk *cont'd*

#### *Maturity analysis*

The table below summarises the maturity profile of the Group's and the Company's financial liabilities and lease liabilities as at the end of the reporting period based on undiscounted contractual payments.

Group	Carrying amount RM'000	Contractual interest rate/ Incremental borrowing rate	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2024</b>							
Trade and other payables	45,361	-	45,361	45,361	-	-	-
Term loan	40,152	4.65% - 5.40%	42,134	22,167	11,017	6,504	2,446
Hire purchase liabilities	1,858	2.07% - 4.88%	2,021	591	519	911	-
Lease liabilities	3,297	4.40% - 6.64%	3,325	1,247	960	993	125
	<b>90,668</b>		<b>92,841</b>	<b>69,366</b>	<b>12,496</b>	<b>8,408</b>	<b>2,571</b>
<b>2023</b>							
Trade and other payables	21,006	-	21,006	21,006	-	-	-
Term loan	56,243	4.65% - 5.40%	57,690	21,876	20,706	15,108	-
Hire purchase liabilities	893	2.07% - 4.88%	953	324	267	362	-
Lease liabilities	3,818	4.40% - 6.64%	3,956	1,193	908	1,496	359
	<b>81,960</b>		<b>83,605</b>	<b>44,399</b>	<b>21,881</b>	<b>16,966</b>	<b>359</b>

Company	Carrying amount RM'000	Contractual interest rate/ Incremental borrowing rate	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2024</b>							
Trade and other payables	23,832	-	23,832	23,832	-	-	-
Term loan	3,100	4.15%	4,190	291	291	1,162	2,446
Hire purchase liabilities	401	2.34% - 4.41%	423	199	135	89	-
Lease liabilities	74,616	5.56% - 6.64%	80,511	26,131	25,907	28,348	125
Financial guarantee	-	-	37,052	37,052	-	-	-
	<b>101,949</b>		<b>146,008</b>	<b>87,505</b>	<b>26,333</b>	<b>29,599</b>	<b>2,571</b>
<b>2023</b>							
Trade and other payables	11,545	-	11,545	11,545	-	-	-
Hire purchase liabilities	595	2.34% - 4.41%	640	217	199	224	-
Lease liabilities	96,798	5.56% - 6.64%	99,384	26,206	24,935	47,890	353
Financial guarantee	-	-	56,243	56,243	-	-	-
	<b>108,938</b>		<b>167,812</b>	<b>94,211</b>	<b>25,134</b>	<b>48,114</b>	<b>353</b>

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's financial position or cash flows.

#### 25.6.1 Currency risk

The Group is exposed to foreign currency risk on purchases that are denominated in a currency other than the respective functional currencies of the Group entities. The currency giving rise to this risk is primarily the USD.

#### *Risk management objectives, policies and processes for managing the risk*

The Group does not hedge its foreign currency risk as the foreign currency exposure is monitored and kept within acceptable levels.

#### *Exposure to foreign currency risk*

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period are as follows:

	Denominated in USD			
	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Balances recognised in the statement of financial position</b>				
Trade payables	10,387	4,564	8,618	3,194

#### *Currency risk sensitivity analysis*

A 10% (2023: 10%) weakening of RM against the following currency at the end of the reporting period would have decreased post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant.

	Profit or loss			
	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
USD	789	347	655	243

A 10% (2023: 10%) strengthening of RM against the above currency at the end of the reporting period would have had equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remained constant.



# NOTES TO THE FINANCIAL STATEMENTS

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## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.6 Market risk *cont'd*

#### 25.6.2 Interest rate risk

The Group's investments in its fixed rate financial assets are exposed to a risk of change in their fair value due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

#### *Risk management objectives, policies and processes for managing the risk*

The Group monitors interest rates on an ongoing basis. The Group does not use derivative financial instruments to hedge its debt obligations.

#### *Exposure to interest rate risk*

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Fixed rate instruments</b>				
<b>Financial assets</b>				
Fixed deposits with licensed banks	11,896	11,315	4,914	4,514
Deposits with licensed banks	10,017	17	10,017	17
	21,913	11,332	14,931	4,531
<b>Financial liabilities</b>				
Hire purchase liabilities	1,858	893	401	595
Lease liabilities	3,297	3,818	74,616	96,798
	5,155	4,711	75,017	97,393
	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Floating rate instruments</b>				
Investment in money market fund	88,849	85,918	88,849	85,918
Term loan	(40,152)	(56,243)	(3,100)	-
	48,697	29,675	85,749	85,918

#### *Interest rate risk sensitivity analysis*

#### *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.6 Market risk *cont'd*

#### 25.6.2 Interest rate risk *cont'd*

##### *Interest rate risk sensitivity analysis cont'd*

##### *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss			
	2024		2023	
	100 bp increase RM'000	100 bp decrease RM'000	100 bp increase RM'000	100 bp decrease RM'000
<b>Group</b>				
Floating rate instruments	370	(370)	225	(225)
<b>Company</b>				
Floating rate instruments	651	(651)	653	(653)

### 25.7 Fair value information

The carrying amounts of fixed deposits with licensed banks, cash and cash equivalents, short term receivables and payables and loans and borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

Group	Fair value of financial instruments not carried at fair value				Carrying amount RM'000
	Level 1	Level 2	Level 3	Total fair value	
	RM'000	RM'000	RM'000	RM'000	
<b>2024</b>					
<b>Financial liabilities</b>					
Hire purchase liabilities	-	-	1,796	1,796	1,858
<b>2023</b>					
<b>Financial liabilities</b>					
Hire purchase liabilities	-	-	850	850	893



# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 25. FINANCIAL INSTRUMENTS *cont'd*

### 25.7 Fair value information *cont'd*

Company	Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000		
2024					
Financial liabilities					
Hire purchase liabilities	-	-	395	395	401
2023					
Financial liabilities					
Hire purchase liabilities	-	-	580	580	595

#### Level 3 fair value

Level 3 fair value is estimated using inputs for the financial assets or liabilities that are not based on observable market data (unobservable inputs). The fair value within Level 3 of the hire purchase liabilities is determined by using estimated future cash flows discounted using market related rate for a similar instrument at the reporting date. The interest rate used to discount the estimated cash flows for the hire purchase liabilities is 2.07% – 4.88% (2023: 2.07% – 4.88%) per annum.

## 26. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base of share capital and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

There were no changes in the Group's approach to capital management during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

Cont'd

## 27. RELATED PARTIES

### Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Notes 16 and 23.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>A. Subsidiary</b>				
Lease of project equipment	-	-	(25,330)	(25,330)
Purchases	-	-	(783)	-
Sales	-	-	-	-
Rental income	-	-	144	-
<b>B. Related parties, being companies in which certain Directors have substantial financial interest</b>				
Rental income	324	300	324	300
Purchases	(487)	(131)	-	-
Revenue from supply, installation and maintenance services	42,168	10,631	-	-
Sales	-	90	-	67
Lease expenses	(487)	(459)	(313)	(293)
<b>C. Key management personnel</b>				
<b>Directors</b>				
- Fees	(648)	(578)	(648)	(538)
- Remuneration	(1,994)	(1,936)	(1,678)	(1,645)
	(2,642)	(2,514)	(2,326)	(2,183)

## 28. SIGNIFICANT EVENTS

On 20 May 2024, the Company incorporated a new wholly-owned subsidiary, ITMAX Tech Solutions Sdn Bhd.

On 1 November 2024, the Company incorporated another new subsidiary, Enforcemax Sdn Bhd, in which the Company holds 70% of the shares.

On 26 December 2024, the Company incorporated further new subsidiary, EMAX Health Sdn Bhd, which the Company holds 78% of the shares.

## 29. SUBSEQUENT EVENT

On 13 March 2025, the Company incorporated a new wholly-owned subsidiary, Selmax Sdn Bhd.



## STATEMENT BY DIRECTORS

### PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 90 to 136 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

**Tan Wei Lun**  
Director

**Tan Sing Chia**  
Director

Kuala Lumpur,

Date: 14 April 2025

## STATUTORY DECLARATION

### PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, **Shaun Tee Wen Han**, the Officer primarily responsible for the financial management of ITMAX System Berhad, do solemnly and sincerely declare that the financial statements set out on pages 90 to 136 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named Shaun Tee Wen Han, NRIC: 870430-14-5031, MIA:47925, at Kuala Lumpur in the Federal Territory on 14 April 2025.

**Shaun Tee Wen Han**

Before me:

**Sabrina Binti Syd Mohammed Sebir**  
Commissioner Oaths  
W748



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF ITMAX SYSTEM BERHAD

(Company No. 200101008580 (544336-M)) (Incorporated In Malaysia)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of ITMAX System Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 90 to 136.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *Revenue recognition*

Refer to Note 2: Revenue from contracts with customers.

#### *The key audit matter*

The Group and the Company recorded RM100 million and RM81 million of revenue for digital infrastructure solutions and RM117 million and RM43 million of revenue for supply, installation and maintenance services respectively for the current financial year.

We have identified revenue recognition as a key audit matter because:

- The Group and the Company contracted in a variety of ways. Each contract was based on individual contractual and delivery characteristics.
- Uncertified revenue involved judgement and estimates made by the Group and the Company.



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF ITMAX SYSTEM BERHAD

(Company No. 200101008580 (544336-M)) (Incorporated In Malaysia)  
Cont'd

### Key Audit Matters *cont'd*

#### *How the matter was addressed in our audit*

- We evaluated the design and implementation of the identified controls, including anti-fraud controls, over revenue recognition.
- For samples of contracts selected, we read the contract terms and conditions to determine that the revenue recognised was in accordance with MFRS 15, Revenue from Contracts with Customers.
- We vouched to approved payment certificates, certified progress claims and sales invoices for samples of revenue.
- For uncertified contract revenue (accrued revenue), on a sample basis, we checked to subsequent approved payment certificates or progress claims submitted and the original contracts.

### Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

### Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF ITMAX SYSTEM BERHAD

(Company No. 200101008580 (544336-M)) (Incorporated In Malaysia)  
Cont'd

### Auditors' Responsibilities for the Audit of the Financial Statements *cont'd*

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF ITMAX SYSTEM BERHAD

(Company No. 200101008580 (544336-M)) (Incorporated In Malaysia)

Cont'd

### Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

### KPMG PLT

(LLP0010081-LCA & AF 0758)  
Chartered Accountants

Petaling Jaya, Selangor

Date: 14 April 2025

### Tai Yoon Foo

Approval Number: 02948/05/2026 J  
Chartered Accountant

## LIST OF PROPERTY

Title Number	Description	Net Book Value as at 31 December 2024 (RM)
Geran No. 587191 Lot 177262, Mukim Terau Daerah Johor Bahru, Negeri Johor.	Postal address: No.1, Jalan Kempas Utama 3/11, Taman Kempas Utama, 81200 Johor Bahru, Johor Tenure: Freehold Description of property: A corner unit one-and-a-half storey semi-detached factory Land area/Built-up aea (approximate): 17,265 square feet / 7,360 square feet Approximate age of building: 5 years	RM4.28 million



# ANALYSIS OF SHAREHOLDINGS

## AS AT 2 APRIL 2025

Number of Issued Shares	:	1,031,505,556 Ordinary Shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) vote per ordinary share

### DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	No. of Shares	%
Less than 100	38	1.54	470	0.00
100 to 1,000	693	28.06	391,020	0.04
1,001 to 10,000	966	39.11	4,119,293	0.40
10,001 to 100,000	434	17.57	16,125,706	1.56
100,001 to 51,575,277*	335	13.56	463,269,067	44.91
51,575,278 and above**	4	0.16	547,600,000	53.09
<b>Total</b>	<b>2,470</b>	<b>100.00</b>	<b>1,031,505,556</b>	<b>100.00</b>

\* Less than 5% of issued shares

\*\* 5% and above of issued shares

### SUBSTANTIAL SHAREHOLDERS

(as per Register of Substantial Shareholders)

No.	Name	Direct Interest		Indirect Interest	
		No. of shares held	%	No. of shares held	%
1.	Sena Holdings Sdn. Bhd. ("SHSB")	547,600,000	53.09	-	-
3.	Tan Sri Dato' (Dr.) Tan Boon Hock	-	-	547,600,000 <sup>(1)</sup>	53.09
4.	Tan Wei Lun	-	-	547,600,000 <sup>(1)</sup>	53.09

#### Notes:

- (1) Deemed interested by virtue of his indirect interest in the Company held via SHSB pursuant to Section 8 of the Companies Act 2016 ("the Act").

# ANALYSIS OF SHAREHOLDINGS

AS AT 2 APRIL 2025

Cont'd

## DIRECTORS' SHAREHOLDINGS

(as per Register of Directors' Shareholdings)

No.	Name	Direct Interest		Indirect Interest	
		No. of shares held	%	No. of shares held	%
1.	Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali	455,000	0.04	-	-
2.	Tan Sri Dato' (Dr.) Tan Boon Hock	-	-	547,600,000 <sup>(1)</sup>	53.09
3.	Tan Wei Lun	-	-	547,600,000 <sup>(1)</sup>	53.09
4.	Datin Afinaliza Binti Zainal Abidin	-	-	-	-
5.	Tan Sing Chia	-	-	-	-
6.	Mok Juan Chek	162,200	0.02	-	-
7.	Ng Nen Sin	100,000	0.01	-	-
8.	Heng Ai Shan	-	-	-	-

### Notes:

<sup>(1)</sup> Deemed interested by virtue of his indirect interest in the Company held via SHSB pursuant to Section 8 of the Act.

## KEY SENIOR MANAGERMENTS' SHAREHOLDINGS

No.	Name	Direct Interest		Indirect Interest	
		No. of shares held	%	No. of shares held	%
1.	Shaun Tee Wen Han	210,000	0.02	-	-
2.	Fun Mun Sek	5,000	0.00	-	-
3.	Then Chee Guey	70,000	0.01	-	-

## LIST OF THIRTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of shares held	%
1.	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>Maybank Private Wealth Management for Sena Holdings Sdn. Bhd.</i> (12022639) (444576)	360,375,000	34.94
2.	HSBC NOMINEES (TEMPATAN) SDN BHD <i>Exempt AN for Bank Julius Baer &amp; Co. Ltd. (Singapore Bch)</i>	70,225,000	6.81
3.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>UBS AG Singapore for Sena Holdings Sdn Bhd</i>	65,000,000	6.30
4.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>CBHK PBGSG for Sena Holdings Sdn. Bhd</i>	52,000,000	5.04
5.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Exempt AN for AIA Bhd.</i>	38,658,300	3.75
6.	HSBC NOMINEES (TEMPATAN) SDN BHD <i>HSBC (M) Trustee Bhd for AHAM Select Opportunity Fund</i>	12,638,900	1.22





## ANALYSIS OF SHAREHOLDINGS

AS AT 2 APRIL 2025

Cont'd

LIST OF THIRTY LARGEST SHAREHOLDERS *cont'd*

No.	Name of Shareholders	No. of shares held	%
7.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>CIMB Commerce Trustee Berhad for Kenanga Shariah Growth Opportunities Fund (50156 TR01)</i>	12,560,200	1.22
8.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Employees Provident Fund Board (AHAM AM)</i>	11,160,000	1.08
9.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Employees Provident Fund Board (NOMURA)</i>	10,523,200	1.02
10.	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD <i>CIMB Islamic Trustee Berhad - Kenanga Syariah Growth Fund</i>	9,225,700	0.89
11.	HSBC NOMINEES (TEMPATAN) SDN BHD <i>HSBC (M) Trustee Bhd for Principal Dali Equity Growth Fund</i>	9,000,000	0.87
12.	AMSEC NOMINEES (TEMPATAN) SDN BHD <i>AmBank (M) Berhad</i>	8,102,200	0.79
13.	HSBC NOMINEES (TEMPATAN) SDN BHD <i>BNPP SIN/2S for Pertubuhan Keselamatan Sosial (AHAM EQ)</i>	7,627,000	0.74
14.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Great Eastern Life Assurance (Malaysia) Berhad (LSF)</i>	7,580,100	0.73
15.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>CIMB Commerce Trustee Berhad - Kenanga Growth Fund</i>	7,405,500	0.72
16.	HSBC NOMINEES (TEMPATAN) SDN BHD <i>HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (MEF)</i>	7,034,500	0.68
17.	HSBC NOMINEES (TEMPATAN) SDN BHD <i>HSBC (M) Trustee Bhd for Manulife Investment Shariah Progress Fund</i>	6,864,700	0.67
18.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>Exempt AN for Petroliaam Nasional Berhad (ACF-KENANGA-EQ)</i>	6,767,700	0.66
19.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Employees Provident Fund Board (CIMB PRIN)</i>	6,650,000	0.64
20.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Exempt AN for AIA Public Takaful Bhd.</i>	6,341,100	0.61
21.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Kumpulan Wang Persaraan (Diperbadankan) (Kenanga)</i>	5,654,500	0.55
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>Maybank Trustees Berhad for Manulife Investment - HW Flexi Fund (270519)</i>	5,619,900	0.54
23.	CARTABAN NOMINEES (ASING) SDN BHD <i>The Bank of New York Mellon for GreatLink Asean Growth Fund</i>	5,419,000	0.53
24.	AMANAH RAYA BERHAD <i>Kumpulan Wang Bersama Syariah</i>	4,742,100	0.46
25.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD <i>Exempt AN for AHAM Asset Management Berhad (TSTAC/CLNTT)</i>	4,687,700	0.45
26.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>Exempt AN for Petroliaam Nasional Berhad (ACF-AFFIN-EQ)</i>	4,550,700	0.44

# ANALYSIS OF SHAREHOLDINGS

AS AT 2 APRIL 2025

Cont'd

## LIST OF THIRTY LARGEST SHAREHOLDERS *cont'd*

No.	Name of Shareholders	No. of shares held	%
27.	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD <i>AS Beneficial Owner (TMEF)</i>	4,500,000	0.44
28.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>Kumpulan Wang Persaraan (Diperbadankan) (NOMURA)</i>	4,492,300	0.44
29.	CARTABAN NOMINEES (TEMPATAN) SDN BHD <i>CN CIMB Commerce Trustee Berhad for Kenanga Growth Fund Series 2</i>	4,245,200	0.41
30.	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD <i>As Beneficial Owner (PF)</i>	4,127,000	0.40
<b>Total</b>		<b>763,777,500</b>	<b>74.04</b>

## EMPLOYEE SHARE OPTION SCHEME

In conjunction with the listing of and quotation for the entire enlarged issued shares of the Company on the Main Market of Bursa Malaysia Securities Berhad, the Company has established a Long Term Incentive Place ("LTIP") of up to 10% of the total number of issued shares (excluding treasury shares) of the Company ("Awards"), which entails the granting of Executives Share Grant Scheme shares ("ESGS Shares") and Employee Share Option Scheme options ("ESOS Options") to the eligible directors (excluding Independent Directors) and eligible executives of the Company and its subsidiaries ("Group") ("LTIP Eligible Person(s)") (collectively, "Scheme"). The LTIP shall be in force for a duration of five (5) years.

The salient features of the ESOS Grant 1 Options are as follows:-

- (i) The exercise price of the Options is RM1.07 per Ordinary Share ("OS").
- (ii) The grantee must remain an employee of the Group throughout the duration of the ESOS.
- (iii) The Options are personal of the grantee and is non-transferable.
- (iv) The vesting period of the Options is four (4) years commencing 6 December 2022.

Granted on 06.12.2022	Number of ESOS Grant 1 Options (OS)			Balance as at 31.12.2024
	Balance as at 01.01.2024	Exercised	Forfeited	
25,000,000	24,047,000	(1,550,100)	(170,000)	22,326,900



## ANALYSIS OF SHAREHOLDINGS

AS AT 2 APRIL 2025

Cont'd

EMPLOYEE SHARE OPTION SCHEME *cont'd*

## ESOS Grant 1 Options granted to the Directors and Key Senior Management

	Number of ESOS Options (OS)			
	Granted on 06.12.2022	Balance as at 01.01.2024	Exercised/ Forfeited	Balance as at 31.12.2024
<b>Directors</b>				
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali	-	-	-	-
Tan Sri Dato' (Dr.) Tan Boon Hock	2,500,000	2,500,000	-	2,500,000
Tan Wei Lun	5,000,000	5,000,000	-	5,000,000
Datin Afinaliza Binti Zainal Abidin	3,000,000	3,000,000	-	3,000,000
Tan Sing Chia	2,860,000	2,860,000	-	2,860,000
Ng Nen Sin	-	-	-	-
Heng Ai Shan	-	-	-	-
Mok Juan Chek	-	-	-	-
<b>Key Senior Management</b>				
Shaun Tee Wen Han	650,000	585,000	(65,000) <sup>(1)</sup>	520,000
Fun Mun Sek	650,000	650,000	-	650,000
Then Chee Guey	1,000,000	950,000	(150,000) <sup>(1)</sup>	800,000

**Notes:**

<sup>(1)</sup> Number of ESOS Options exercised during the financial year ended 31 December 2024.

The salient features of the ESOS Grant 2 Options are as follows:-

- (i) The exercise price of the Options is RM3.17 per OS.
- (ii) The grantee must remain an employee of the Group throughout the duration of the ESOS.
- (iii) The Options are personal of the grantee and is non-transferable.
- (iv) The vesting period of the Options is two (2) years commencing 3 November 2024.

Granted on 03.10.2024	Number of ESOS Grant 2 Options (OS)			Balance as at 31.12.2024
	Balance as at 01.01.2024	Exercised	Forfeited	
6,418,000	-	(79,400)	(13,000)	6,325,600

# ANALYSIS OF SHAREHOLDINGS

AS AT 2 APRIL 2025

Cont'd

## EMPLOYEE SHARE OPTION SCHEME *cont'd*

### ESOS Grant 2 Options granted to the Directors and Key Senior Management

	Number of ESOS Options (OS)			
	Granted on 03.10.2024	Balance as at 01.01.2024	Exercised/ Forfeited	Balance as at 31.12.2024
<b>Directors</b>				
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali	-	-	-	-
Tan Sri Dato' (Dr.) Tan Boon Hock	-	-	-	-
Tan Wei Lun	838,000	-	-	838,000
Datin Afinaliza Binti Zainal Abidin	98,000	-	-	98,000
Tan Sing Chia	314,000	-	-	314,000
Ng Nen Sin	-	-	-	-
Heng Ai Shan	-	-	-	-
Mok Juan Chek	-	-	-	-
<b>Key Senior Management</b>				
Shaun Tee Wen Han	133,000	-	-	133,000
Fun Mun Sek	183,000	-	-	183,000
Then Chee Guey	192,000	-	-	192,000

As of the financial year ended 31 December 2024 ("FYE 2024"), the Company had not granted any ESGS Shares to LTIP Eligible Person(s).

In accordance with the Company's ESOS By-Laws, not more than 80% of the Awards shall be allocated, in aggregate, to the Directors and senior management of the Group. Since the commencement of the Scheme up to the FYE 2024, the Company has granted 55% of the Options to the Directors and senior management, of which 10% were granted during the FYE 2024.

During the financial year, the Company increased its total issued OS capital from RM264,975,720.00 to RM266,886,025.00 by way of Issuance of 1,629,500 OS pursuant to the Company's ESOS at exercise prices of RM1.07 or RM3.17 per OS, details of which as follows:-

No. of Issued OS as at 01.01.2024	No. of Ordinary Shares Allotted	Exercise Price of ESOS Options	Total No. of Issued OS as at 31.12.2024
1,028,678,000	1,550,100	RM1.07 per share	1,030,307,500
	79,400	RM3.17 per share	



# NOTICE OF TWENTY-THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING

NOTICE IS GIVEN THAT the 23rd Annual General Meeting (“AGM”) of the Company will be held at Seminar 1 & 2, Level 3, Courtyard by Marriott Kuala Lumpur South, 137, Jalan Puchong, 58200 Kuala Lumpur on Tuesday, 10 June 2025 at 2.00 p.m. to transact the following businesses:-

## AGENDA

### Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors’ and the Auditors’ Reports thereon. **(Please refer to Note 1 of the Explanatory Notes on Ordinary Business)**
2. To re-elect the following Directors who retire pursuant to Clause 76(3) of the Company’s Constitution and who being eligible, as Directors of the Company:-
  - (i) Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali **(Resolution 1)**
  - (ii) Datin Afnaliza Binti Zainal Abidin **(Resolution 2)**
  - (iii) Heng Ai Shan **(Resolution 3)**
3. To approve the payment of Directors’ fees and benefits up to an amount of RM884,000 to Directors for the period from the 23rd AGM until the next AGM of the Company. **(Resolution 4)**
4. To re-appoint KPMG PLT as Auditors of the Company and to authorise the Board of Directors to fix their remuneration. **(Resolution 5)**

### Special Business

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

5. **ORDINARY RESOLUTION** **(Resolution 6)**  
**PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR THE COMPANY AND/OR ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES**

“THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiaries (“the Group”) be and are hereby authorised to enter into and give effect to all recurrent related party transactions of a revenue or trading nature as set out in Section 2.5 of Part A of the Circular/Statement to Shareholders of the Company dated 25 April 2025 with the related parties mentioned therein, provided that such transactions are:-

- (i) necessary for the Group’s day-to-day operations;
- (ii) undertaken in the ordinary course of business on an arm’s length basis and on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to and/or from the public; and
- (iii) not detrimental to the minority shareholders of the Company,

(“Proposed RRPT Mandate”).

# NOTICE OF TWENTY-THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING

Cont'd

THAT such approval shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at such general meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may deemed fit and expedient or necessary to give full effect to the Proposed RRPT Mandate and the transactions contemplated and/or authorised under the Proposed RRPT Mandate."

## 6. ORDINARY RESOLUTION

(Resolution 7)

### PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PER CENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES

"THAT subject to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- (i) the aggregate number of issued shares in the Company ("Shares") purchased ("Purchased Shares") and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per cent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

("Proposed Share Buy-Back").

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such resolution was passed, at which time it will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,



# NOTICE OF TWENTY-THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING

Cont'd

whichever occurs first but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:-

- (i) To cancel all or part of the Purchased Shares;
- (ii) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (iv) To resell all or part of the treasury shares;
- (v) To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) To transfer all or part of the treasury shares as purchase consideration;
- (vii) To sell, transfer or otherwise use the treasury shares for such other purposes as the Minister charged with responsibility for companies may by order prescribe; and/or
- (viii) To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities."

## 7. ORDINARY RESOLUTION

### AUTHORITY TO ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

(Resolution 8)

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company ("New Shares") (including rights or options over subscription of such New Shares) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed General Mandate").



# NOTICE OF TWENTY-THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING

Cont'd

THAT such approval on the Proposed General Mandate shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company held after the approval was given;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate."

8. To consider any other business of which due notice shall be given in accordance with the Companies Act 2016.

By Order of the Board

**REBECCA KONG SAY TSUI (SSM PC NO. 202008001003) (MAICSA 7039304)**

**YENG SHI MEI (SSM PC NO. 202008001282) (MAICSA 7059759)**

Company Secretaries

Selangor Darul Ehsan

25 April 2025

**Notes:-**

1. For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 30 May 2025**. Only a member whose name appears on this Record of Depositors shall be entitled to attend this AGM or appoint a proxy to attend, speak and vote (collectively, "participate") on his/her/its behalf.
2. A member who is entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.



# NOTICE OF TWENTY-THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING

Cont'd

6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited at the Registered Office of the Company situated at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
  - (ii) By electronic means

The proxy form can be electronically lodged with the Share Registrar of the Company via **Dvote Online** website at <https://www.dvote.my>.
9. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging the proxy form is **Sunday, 8 June 2025 at 2.00 p.m.**
11. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the Poll Administrator and/ or Scrutineers for verification upon request:
  - (i) Identity card (NRIC) (Malaysian); or
  - (ii) Police report (for loss of NRIC) / Temporary NRIC (Malaysian); or
  - (iii) Passport (Foreigner).
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Registered Office of the Company situated at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative at the Registered Office of the Company situated at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Alternatively, please bring the **ORIGINAL** certificate of appointment of authorised representative if it has not been deposited at the Company's Registered Office earlier. The certificate of appointment of authorised representative should be executed in the following manner:
  - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
  - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
    - (a) at least two (2) authorised officers, of whom one shall be a director; or
    - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

# NOTICE OF TWENTY-THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING

Cont'd

## **EXPLANATORY NOTES ON ORDINARY BUSINESS**

### **1. Audited Financial Statements for the Financial Year Ended 31 December 2024**

*This agenda item is meant for discussion only as the provisions of Sections 248(2) and 340(1) of the Companies Act 2016 ("the Act") do not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item on the agenda is not put forward for voting by shareholders.*

### **2. Resolutions 1 to 3 – Re-election of Directors**

*Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali, Datin Afinaliza Binti Zainal Abidin and Heng Ai Shan (collectively, the "Retiring Directors") are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 23rd AGM.*

*The Retiring Directors have no conflict of interest or potential conflict of interest with the Company or its subsidiaries and have no family relationship with any Director and/or major shareholder of the Company.*

*The Board had through the Nomination and Remuneration Committee ("NRC") carried out the assessment on the Retiring Directors and are satisfied that they have met the criteria as prescribed by Paragraph 2.20A of the MMLR of Bursa Securities and Directors' Fit and Proper Policy on character, experience, integrity, competence and time to effectively discharge their role as Directors.*

*The Board had also through the NRC assessed the independence of Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali and Heng Ai Shan and is satisfied that they have met the criteria of independence as prescribed in the MMLR of Bursa Securities.*

*The Board (save for the Retiring Directors who have abstained from deliberation on discussions relating to their own re-election) believes that the contribution, commitment, and performance of the Retiring Directors continue to be invaluable and relevant to the long-term sustainable goals and success of the Company and supports their re-election as Directors.*

### **3. Resolution 4 – Directors' Fees and Benefits**

*Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by shareholders at a general meeting.*

*The proposed Directors' fees and benefits for the period from the 23rd AGM until the date of next AGM under Resolution 4, which comprises of Directors' fees, meeting attendance allowance and other claimable benefits are calculated based on the current Board composition and the number of scheduled Board and Committee meetings from the 23rd AGM until the date of next AGM, with a provision allocated for the potential appointment of an additional Independent Director. The said Resolution is to facilitate the payment of the Directors' fees and benefits to the Directors from the 23rd AGM up till the next AGM of the Company.*

*In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.*

### **4. Resolution 5 – Re-appointment of Auditors**

*The Board had on 25 February 2025 through the Audit and Risk Management Committee ("ARMC") assessed the suitability, objectivity and independence of the External Auditors, KPMG PLT and considered the re-appointment of KPMG PLT as Auditors of the Company. The ARMC and the Board collectively agreed and are satisfied that KPMG PLT has the relevant criteria prescribed by Paragraph 15.21 of the MMLR of Bursa Securities.*



# NOTICE OF TWENTY-THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING

Cont'd

## **EXPLANATORY NOTES ON SPECIAL BUSINESS**

### **1. Resolution 6 – Proposed Renewal of Shareholders' Mandate for the Company and/or its Subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties**

The proposed Resolution 6, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations of the Company, subject to the transactions being in the ordinary course of business and are made on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to and/or from the public and are in the Company's opinion, not detrimental to the interest of the minority shareholders of the Company. Please refer to the Circular/Statement to Shareholders dated 25 April 2025 for further information.

### **2. Resolution 7 – Proposed Authority for the Company to Purchase its own Shares of up to Ten Per Cent (10%) of the Total Number of Issued Shares**

The proposed Resolution 7, if passed, will give the Company the authority to purchase its own ordinary shares of up to ten per cent (10%) of the total number of issued shares of the Company. Please refer to the Circular/Statement to Shareholders dated 25 April 2025 for further information.

### **3. Resolution 8 – Authority to Allot Shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016**

The proposed Resolution 8 is for the purpose of granting a general mandate to the Directors ("General Mandate") and if passed, will empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company.

This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

This General Mandate is to provide flexibility for the Company to issue new securities without the need to convene separate general meetings to obtain its shareholders' approval so as to avoid incurring additional costs and time.

The purpose of this General Mandate is to enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for any possible fund raising activities including, but not limited to, further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or issuance of shares as settlement of purchase consideration, or other circumstances which may arise which involves grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company.

As at the date of this notice, there is no decision to issue new shares. Should there be a decision to issue new shares after the General Mandate is sought or approved, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of new shares.

## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD

Authority for Directors to allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

Kindly refer to item (2) of Explanatory Notes on Special Business on page 155.



# PROXY FORM

## ITMAX SYSTEM BERHAD

Registration No.: 200101008580 (544336-M)  
(Incorporated in Malaysia)

CDS Account No.	
No. of shares held	

I/We \_\_\_\_\_ Tel No. \_\_\_\_\_  
[Full name in block, NRIC/Passport/Registration No.]

of \_\_\_\_\_  
[Address]

being member(s) of **ITMAX SYSTEM BERHAD**, hereby appoint:

Full Name (in block capitals and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

^and / or

Full Name (in block capitals and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

or failing him/her, the Chairperson of the Meeting, as ^my/our proxy/proxies to vote for ^me/us and on ^my/our behalf at the Twenty-Third (23rd) Annual General Meeting of the Company, which will be held at Seminar 1 & 2, Level 3, Courtyard by Marriott Kuala Lumpur South, 137, Jalan Puchong, 58200 Kuala Lumpur on **Tuesday, 10 June 2025 at 2.00 p.m.** or any adjournment thereof, and to vote as indicated below:

Resolution No.	Description of Resolution	For	Against
1	Re-election of Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Bin Ali as Director of the Company.		
2	Re-election of Datin Afinaliza Binti Zainal Abidin as Director of the Company.		
3	Re-election of Heng Ai Shan as Director of the Company.		
4	Approval on payment of Directors' fees and benefits up to an amount of RM884,000 to Directors for the period from the 23rd Annual General Meeting until the next Annual General Meeting of the Company.		
5	Re-appointment of KPMG PLT as Auditors of the Company.		
6	Proposed Renewal of Shareholders' Mandate for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties.		
7	Proposed Authority for the Company to purchase its own shares of up to ten per cent (10%) of the total number of issued shares.		
8	Authority to allot shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fits.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2025

Signature\*  
Member

^ Delete whichever is inapplicable

\* Manner of execution:

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
  - at least two (2) authorised officers, of whom one shall be a director; or
  - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated..



Fold this flap for sealing

**NOTES:**

1. For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 30 May 2025**. Only a member whose name appears on this Record of Depositors shall be entitled to attend this AGM or appoint a proxy to attend, speak and vote (collectively, "participate") on his/her/its behalf.
2. A member who is entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (i) In hard copy form  
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Registered Office of the Company situated at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
  - (ii) By electronic means  
The proxy form can be electronically lodged with the Share Registrar of the Company via **Dvote Online** website at <https://www.dvote.my>.

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AFFIX  
STAMP

The Company Secretary

**ITMAX SYSTEM BERHAD**

Registration No.: 200101008580 (544336-M)

c/o AscendServ Corporate Services Sdn Bhd  
(Formerly known as AxcelServ Corporate Services Sdn Bhd)  
Registration No.: 202401002515 (1548365-H)

Office Suite No. 603 Block C,  
Pusat Dagangan Phileo Damansara 1,  
No. 9, Jalan 16/11, Off Jalan Damansara,  
46350 Petaling Jaya,  
Selangor Darul Ehsan, Malaysia.

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9. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging the proxy form is **Sunday, 8 June 2025 at 2.00 p.m.**
11. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the Poll Administrator and/or Scrutineers for verification upon request:
  - (i) Identity card (NRIC) (Malaysian); or
  - (ii) Police report (for loss of NRIC) / Temporary NRIC (Malaysian); or
  - (iii) Passport (Foreigner).
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Registered Office of the Company situated at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative at the Registered Office of the Company situated at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Alternatively, please bring the **ORIGINAL** certificate of appointment of authorised representative if it has not been deposited at the Company's Registered Office earlier. The certificate of appointment of authorised representative should be executed in the following manner:
  - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
  - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
    - (a) at least two (2) authorised officers, of whom one shall be a director; or
    - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.



[www.itmax.com.my](http://www.itmax.com.my)

**ITMAX SYSTEM BERHAD**

(Registration No. 200101008580 (544336-M))

30-G & 30-3, Jalan Radin Bagus 3, Seri Petaling, 57000 Kuala Lumpur.



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