KJTS GROUP BERHAD ("KJTS" OR THE "COMPANY")

COLLABORATION AGREEMENT BETWEEN KJ TECHNICAL SERVICES SDN. BHD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY AND CHINA CONSTRUCTION YANGTZE RIVER (MALAYSIA) SDN. BHD.

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1. INTRODUCTION

The Board of Directors of KJTS ("**Board**") is pleased to announce that KJ Technical Services Sdn. Bhd. ("**KJTS SB**"), a wholly-owned subsidiary of the Company, had on 26 January 2026 entered into a collaboration agreement ("**Agreement**") with China Construction Yangtze River (Malaysia) Sdn. Bhd. ("**CCYRM**") (collectively referred to as "**Parties**" and individually as "**Party**") to collaborate on the identification, development, bidding, and execution of data centre projects and other infrastructure or building-related projects in Malaysia and other jurisdictions as may be mutually agreed between the Parties in writing, including but not limited to Cambodia, Thailand, Singapore and Turkey.

Further details of the Agreement are set out in the ensuing sections of this announcement.

2. INFORMATION OF THE PARTIES

2.1 Information on KJTS SB

KJTS SB was incorporated in Malaysia on 1 April 2005 as a private limited company by shares under the Companies Act 1965 and is deemed registered under the Companies Act 2016.

KJTS SB, a wholly-owned subsidiary of the Company, is principally involved in the provision of cooling energy management services, engineering, procurement, construction, and commissioning of cooling energy systems and facilities management services and an investment holding company. KJTS SB oversees projects comprehensively, which comprises conducting energy audits, performing operation and maintenance tasks, monitoring and reporting, and ensuring optimal efficiency of all systems. KJTS SB also operates a central command center that remotely monitors cooling energy systems to support on-site personnel and data analytics.

As of 20 January 2026, being the latest practicable date prior to the date of this announcement ("**LPD**"), the issued share capital of KJTS SB is RM6,889,880 comprising 808,000 ordinary shares.

As at the LPD, the directors of KJTS SB are Lee Kok Choon and Sheldon Wee Tah Poh.

2.2 Information on CCYRM

CCYRM was incorporated in Malaysia on 30 December 2013 as a private limited company by shares under the Companies Act 1965 and is deemed registered under the Companies Act 2016.

CCYRM, a wholly-owned subsidiary of China Construction Third Engineering Bureau Co., Ltd, is an international construction and building corporation incorporated in Malaysia with its headquarters in China, and is known for urban planning and real estate development. Further, CCYRM has undertaken numerous projects in China and other jurisdictions over the years.

As at the LPD, the issued share capital of CCYRM is RM1,000,000.00 comprising 1,000,000 ordinary shares.

As at the LPD, the directors of CCYRM are Peng, Li and Ma, Yikui.

3. SALIENT TERMS OF THE AGREEMENT

3.1 Scope of Collaboration and Responsibilities

Parties agree to collaborate within the following indicative roles:

3.1.1 KJTS SB

KJTS SB indicative scope of collaboration and responsibilities shall include:

(a) cooling and heating system design, engineering, supply, installation, and commissioning;

(b) energy management and optimisation systems;

(c) facilities management, operations, and maintenance services; and

(d) optional capital expenditure funding participation.

3.1.2 CCYRM

CCYRM indicative scope of collaboration and responsibilities shall include:

(a) civil and structural works directly related to cooling and building services systems and related systems;

(b) core architectural and construction works;

(c) integration and all other works of the non-cooling and heating systems; and

(d) overall project coordination, where applicable.

3.2 Exclusivity

The Parties agree to work exclusively with the other on any proposed projects contemplated under this Agreement.

3.3 Validity

This Agreement shall be valid and in full force and effect for a term of two (2) years, unless terminated earlier or extended in accordance with this Agreement.

3.4 Confidentiality

The Parties agree to maintain strict confidentiality of all shared information under this Agreement and not disclose any such information to third parties without prior written approval of the other Party.

4. RATIONALE FOR THE AGREEMENT

The Agreement provides a structured framework for KJTS SB and CCYRM to jointly pursue data centre projects and other infrastructure or building related projects in Malaysia and selected regional and international markets. Demand for data centres continues to grow, driven by cloud computing, digitalisation, artificial intelligence and increased data consumption. These projects require integrated delivery capabilities that combine advanced cooling and energy systems with strong civil, structural and construction expertise.

Through this Agreement, KJTS SB and CCYRM are able to leverage their respective core strengths in a complementary manner. KJTS SB contributes its specialist capabilities in cooling energy management, energy optimisation, facilities management and lifecycle operations, which are critical to the performance and efficiency of data centre and mission critical facilities. CCYRM contributes its proven track record in large scale construction, architectural works, civil and structural engineering, as well as project coordination. This regional and cross border collaboration enables a more holistic and coordinated project delivery approach, plus this also supports the Company's strategy to expand its presence beyond its core markets while managing execution risks through partnership with an established international construction group.

Overall, the Agreement is expected to strengthen the Company's positioning in the data centre and infrastructure segment by broadening its access to large scale projects, enhancing its value proposition to clients, and supporting sustainable long-term growth through strategic collaboration, without creating immediate binding financial commitments.

5. EFFECTS

The Agreement is not expected to have any material effect on the issued share capital, substantial shareholders' shareholdings of KJTS and its subsidiaries ("**KJTS Group**"), net asset, gearing and earnings of the Company.

6. RISK FACTORS

KJTS does not foresee any exceptional risk other than the normal operational risks associated with the Agreement, which are within the ordinary course of business of KJTS Group, as the Agreement does not create any binding contractual obligations. In the event KJTS SB enters into a definitive agreement with CCYRM, the Company will exercise due care in considering the risks and benefits associated with the Agreement.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

None of the directors, major shareholders and chief executive of the Company and/or persons connected with them have any interest, direct or indirect, in the Agreement.

8. APPROVALS REQUIRED

The Agreement is not subject to the approval of the shareholders of KJTS and/or any other relevant authorities.

9. DIRECTORS' STATEMENT

The Board, having considered all relevant aspects of the Agreement, is of the opinion that the Agreement is in the best interest of the Company.

10. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Agreement will be made available for inspection at the registered office of the Company at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No 8, Jalan Kerinchi, Kuala Lumpur 59200, Wilayah Persekutuan, Malaysia during normal business hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 26 January 2026.