D & O GREEN TECHNOLOGIES BERHAD

Company No: 200401006867 (645371-V)

INTEGRATED REPORT 2025

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Registration No : 200401006867 (645371-V)

INTEGRATED REPORT 2025

What's Inside

BASIS OF THIS REPORT

D & O Green Technologies Berhad ("D&O") presents its Integrated Report for the financial year ended 31 December 2025. The report provides stakeholders with an overview of how the Group seeks to create sustainable, long-term value. It sets out D&O's business performance, progress against strategic priorities and the integration of sustainability considerations into operations.

SCOPE AND BOUNDARIES

The report covers the financial year 2025, from 1 January to 31 December. It includes the Group's domestic and international subsidiaries and covers financial and non-financial information across the following areas:

- Strategic direction
- Financial performance
- Operational initiatives
- Sustainability efforts
- Governance structures
- Challenges, risks and opportunities

ASSURANCE

To maintain transparency and credibility, this report has been approved by the Board of Directors and adheres to strict internal controls and governance standards. Furthermore, the financial statements disclosed in this Integrated Report 2025 have been audited by Crowe Malaysia PLT, the company's appointed auditor.

REPORTING FRAMEWORK

The report is prepared with reference to the following frameworks and guidelines:

- Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR")
- Malaysian Code on Corporate Governance ("MCCG") 2021
- Financial statements prepared in accordance with the Companies Act ("CA") 2016 and Malaysian Financial Reporting Standards ("MFRS")

MATERIALITY

Material matters inform D&O's decision-making and shape the Group's ability to create value over the short, medium and long term. D&O considers qualitative and quantitative inputs and engages stakeholders to identify and validate material matters. Feedback from this process supports improvements in corporate practices and helps maintain alignment with market expectations and regulatory requirements.

FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements on the Company's plans and strategies. Actual outcomes may differ due to factors and uncertainties beyond the Company's control. Forward-looking statements should not be treated as guarantees, whether express or implied, of future performance.

BASIS OF THIS REPORT

OUR APPROACH TO SUSTAINABILITY

Sustainability is integrated into D&O's values and guides how the Group operates. The Group aims to pursue growth while applying environmental and social considerations across its business activities.

Environmental Commitment

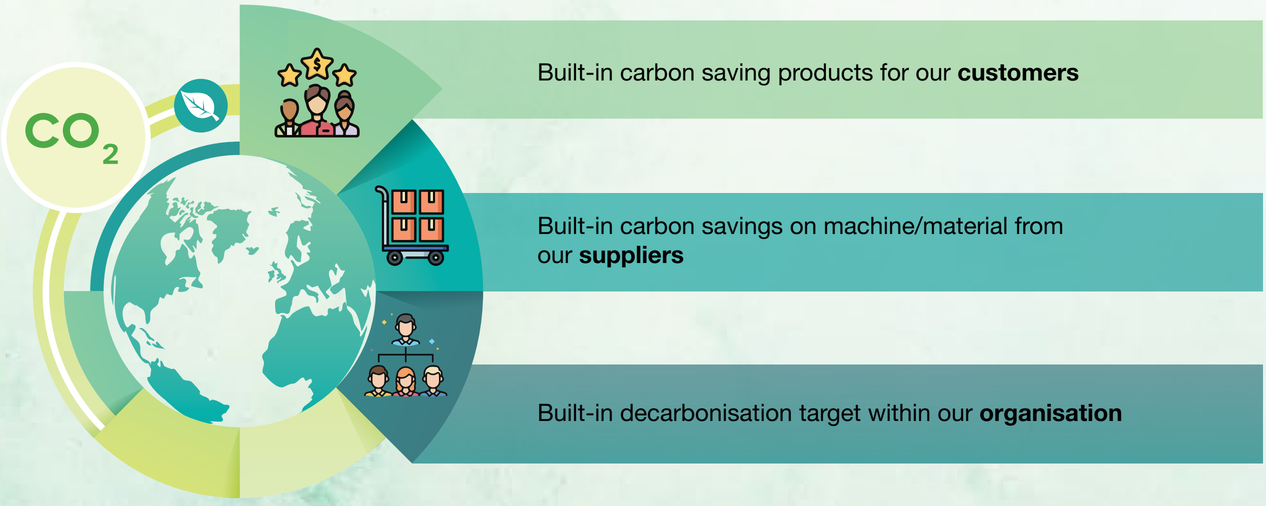
D&O seeks to reduce its environmental footprint through energy efficiency, water conservation, waste reduction and emissions management. The Group also supports customers' decarbonisation efforts through the development of energy efficient LED solutions that contribute to more sustainable automotive applications.

Governance & Social Responsibility

D&O applies corporate governance practices that support ethical conduct, transparency and accountability. The Group also prioritises employee well-being, diversity and inclusion and workplace practices that support professional development.

By integrating sustainability into core operations, D&O seeks to create long-term value for stakeholders while contributing to broader sustainability goals.

The built-in approach covers the following areas:



D&O applies sustainability considerations across the product development process. Before launching new products, the Group focuses on improving energy efficiency through manufacturing processes, equipment optimisation and responsible material use. Through the design of high performance, energy efficient LEDs, the Group aims to reduce environmental impact and support the transition toward more sustainable automotive solutions.

The approach aligns with D&O's long-term sustainability objectives and supports ongoing innovation. For details on **Environmental**, **Social** and **Governance** initiatives, refer to the 2025 Sustainability Report.

BASIS OF THIS REPORT

VISION

No. 1 solution provider for Opto Semiconductors Products.

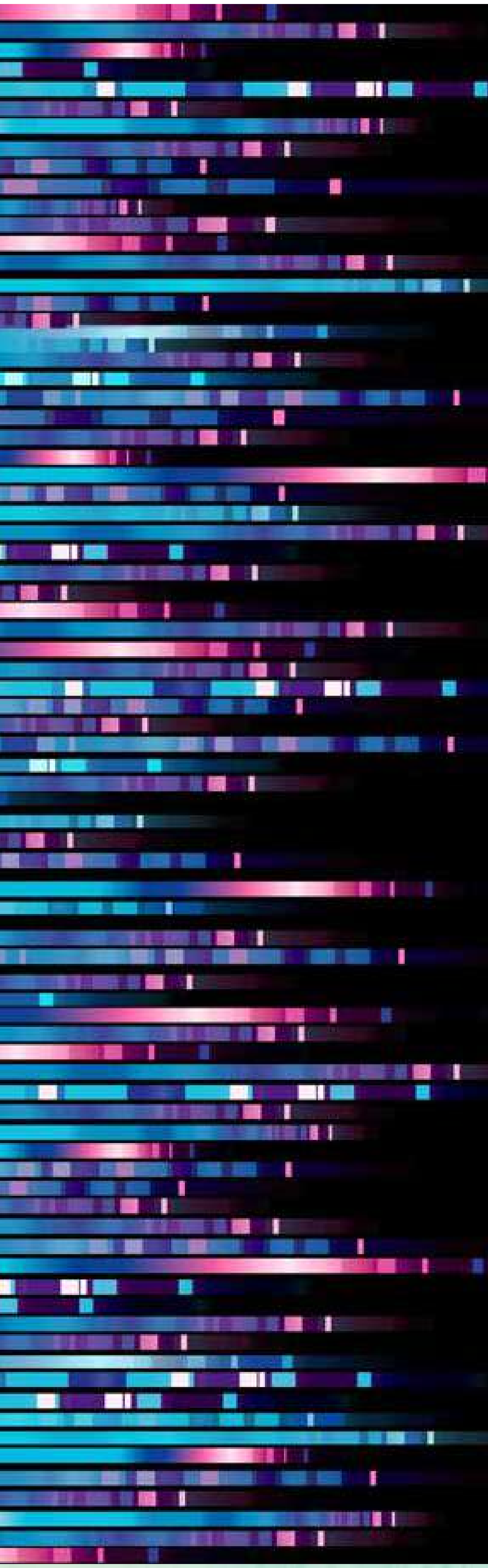
MISSION

To provide design innovation and high quality Opto Semiconductors Products, contributing towards a greener world.

VALUES

We uphold the highest standards of integrity, transparency and accountability in the conduct of the group's business and operations to ensure business sustainability. We are committed to conduct our affairs in an ethical, responsible and transparent manner.

INTRODUCTION TO THE GROUP



Dominant Opto Technologies Sdn Bhd ("Dominant Malaysia") is the principal operating subsidiary of D & O Green Technologies Berhad. The company operates as an automotive Surface Mount Technology ("SMT") Light Emitting Diode ("LED") manufacturer, supplying LED solutions to automotive customers across multiple markets. Dominant Malaysia focuses on product development, manufacturing capability and technical know-how to support automotive lighting applications that require performance, reliability and energy efficiency.

Established in 2000, Dominant Malaysia has expanded its presence across key automotive markets, including China, Europe, the United States, Japan, the Republic of Korea and India. Operations are supported by a workforce of more than 2,500 employees based at the Melaka plant. Product development activities are aligned with evolving automotive requirements and customer specifications.

Dominant Malaysia supplies LED solutions across three categories in automotive applications:

- Interior illumination, such as instrument clusters, infotainment systems, climate controls and switches
- Exterior illumination, including headlamps, tail lamps, rear combination lighting, brake lights, turn indicators and licence plate lamps
- Ambient lighting, which supports interior illumination design and passenger experience

We also introduced seddLED, an automotive Smart Digital LED that integrates an Integrated Circuit ("IC") and LED within a single package. We continue to expand the portfolio of products that utilise this technology which supports applications such as ambient lighting, projection lighting and smart illumination systems, enabling programmable lighting functions and energy efficiency within compact designs.

To support integrated solution delivery, we also established dedicated business units covering module design and manufacturing as well as IC design and development. These capabilities complement the Group's core automotive LED activities and support end-to-end smart lighting solution requirements.

Dominant Malaysia maintains certifications for IATF 16949:2016 and ISO 14001:2015. Manufacturing operations apply a high level of automation across production processes, with many automation systems developed internally to support process consistency, quality control and operational efficiency.

In addition to LED manufacturing, Dominant Electronics, a subsidiary of the Group, provides automotive Printed Circuit Board ("PCB") assembly services. The business is supported by personnel with extensive experience in Surface Mount Technology ("SMT") and operates SMT manufacturing facilities aligned with Industry 4.0 practices. Dominant Electronics holds IATF 16949:2016 certification and obtained ISO 14001:2015 certification in 2024.

Looking ahead, Dominant Malaysia and Dominant Electronics continue to develop manufacturing capacity and technical capabilities to meet demand for automotive lighting and PCB assembly solutions. As automotive technologies evolve, including electrification and automation, the Group remains focused on product development, manufacturing efficiency and the delivery of LED and multi-component solutions aligned with customer requirements.

CORPORATE OVERVIEW

2000
- Dominant Malaysia, currently a 90% owned subsidiary of D&O, was established in 2000.

2004
- D&O was listed on the Second Board of Bursa Malaysia on 29 Dec 2004.

2008
- Embarked into LED TFT back light for TV.

2012
- Embarked into LED lighting components and lighting solution.

2013
- Entered into patent license agreements with Osram
- Gradually exited from consumer segment and streamline/focus into automotive market segment

2016
- Dominant Malaysia is part of the founding members of the ISELED, an open industrial alliance formed in 2016 with the objective of building a comprehensive ecosystem for innovative automotive lighting based on ISELED technology

2018
- World's 6th largest automotive LED manufacturer

2021
- World's 5th largest automotive LED manufacturer

2022
- Inclusion Into FTSE4GOOD Index
- World's 4th largest automotive LED manufacturer
- Dominant Electronics obtained IATF 16949:2016

2023
- Achieved more than RM1 Billion revenue
- Dominant Electronics secured a major customer

2024
- Major automotive LED manufacturer serving more than 100 Tier-1 customers serving global tier end automakers
- Regional presence with 7 offices serving global markets
- Dominant Electronics obtained ISO14001:2015 certification and commencement of mass production

INTRODUCTION TO THE GROUP

ISELED ALLIANCE

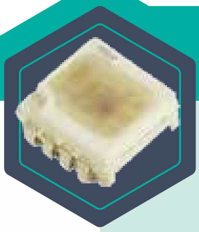
Dominant Opto Technologies Sdn Bhd ("Dominant Malaysia") is a founding member of the Intelligent Smart Embedded Alliance ("ISELED"), which was established in 2016 to support the development of next-generation automotive lighting technologies. The alliance was initiated by Bayerische Motoren Werke GmbH (BMW) to promote an ecosystem built around ISELED technology, which integrates intelligent, digitally addressable LEDs for dynamic in-vehicle lighting applications.

Since its formation, the ISELED Alliance has expanded into an international consortium comprising more than 50 members as at 2025. Members span semiconductor manufacturers, software developers and automotive suppliers, supporting collaboration across the automotive lighting value chain. Through its participation, Dominant Malaysia contributes to the development and adoption of smart lighting solutions for automotive applications, aligned with industry trends toward connectivity, automation and vehicle electrification.

DOMINANT™ Opto Technologies *Innovating Illumination*

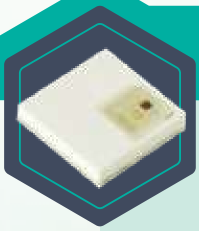
ISELED

OUR INNOVATIVE PRODUCTS



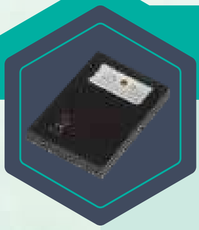
seddLED 3.0 (Smart Embedded Digital Driver LED) - *The World's First Smart Digital LED (Integration of LED and IC driver) for Automotive application.*

seddLED 3.0 is a smart digital LED developed for automotive applications that integrates the LED and Integrated Circuit ("IC") driver within a single package. The solution combines RGB LED functionality, LED driver capability and ISELED communication protocol to support digitally addressable lighting systems. The product allows control of intensity and wavelength within defined colour and brightness groupings, while addressing forward current and temperature dependencies. Key features include simplified control architecture, expanded RGB lighting functionality, calibrated maximum brightness and improved dimming resolution to support accurate white colour coordinates.



seddLED 3.5 - *The World's First High Power Smart Digital LED*

seddLED 3.5 is designed for large-scale in-cabin RGB projection applications. The product incorporates self-diagnostic features, on-chip temperature compensation and a compact package size relative to seddLED 3.0. The package design supports heat dissipation and manufacturing efficiency. In 2024, Plastic Omnium, a member of the ISELED Alliance, received a Consumer Electronics Show ("CES") innovation award in the In-Vehicle Entertainment category for a dynamic interior dashboard projection system powered by seddLED 3.5. The application demonstrated the use of the technology for interior lighting and projection functions.



seddLED3.6 - *First Intelligent RGB LED with ILaS® Communication.*

As vehicles transition to software-defined platforms, interior lighting pivots from a static design element towards a dynamic, programable user experience. Engineered to meet this transformation, DOMINANT's seddLED3.6 delivers intelligent, digitally controlled RGB lighting, optimised for the next generation automotive architectures. ILaS® communication overcomes Local Interconnect Network (LIN) communication limitations (20kbit/s) by providing high-speed 2Mbit/s, 12V supply, low-latency daisy-chain connectivity, enabling seamless interconnection of seddLED3.6 modules via simple unshielded twisted-pair (UTP) cabling. This high level of integration helps reduce PCB component count and overall system complexity.

seddLED3.6 delivers calibrated colour accuracy with temperature compensation through an embedded temperature sensor, ensuring excellent colour consistency across all LEDs under varying thermal conditions. It also reduces overall system complexity and allows a scalable lighting architecture resulting in exceptional design freedom. The seddLED3.6 is optimized for automotive interior applications and is ideally suited for single, precisely controlled light source designs in door panel ambient lighting, instrument panels, centre consoles, as well as footwell and storage compartment lighting.

INTRODUCTION TO THE GROUP

OUR INNOVATIVE PRODUCTS

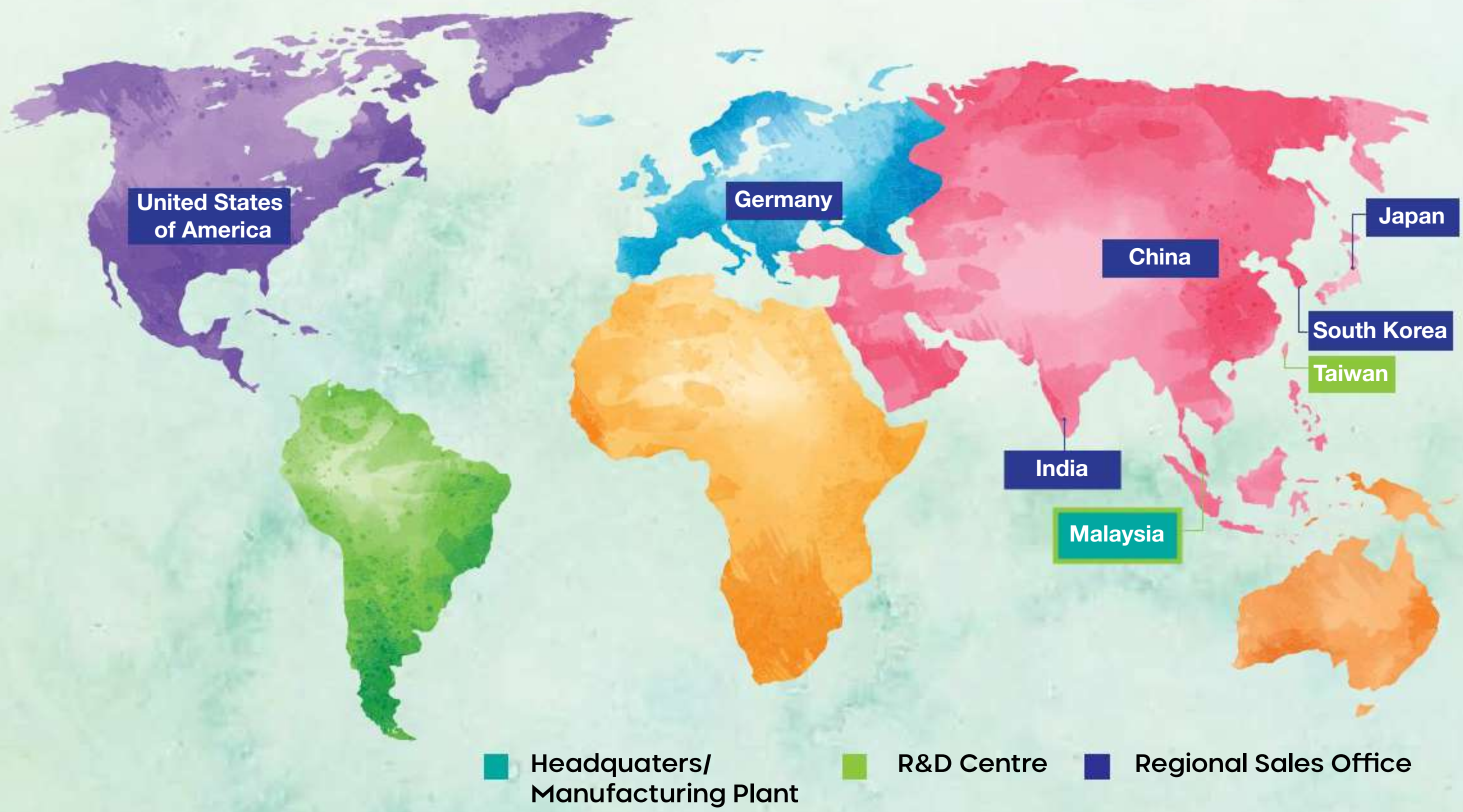
SpicePlus 2520

SpicePlus 2520 features a single footprint design across four power levels and five colour options. The standardised footprint supports a range of rear combination lamp applications. The One Package Fits All approach enables simplified circuit design, shared optical centre alignment and reuse of optical components, lens designs and modular patterns. The product is designed to support cost efficiency across lamp design and manufacturing processes. SpicePlus 2520 also offers low thermal resistance and heat dissipation characteristics, which support lower driving current and reduced overall power consumption.

NagaJo 1519

Nagalo 1519 is designed for headlamp main function applications. The product addresses current market requirements for performance and cost efficiency. Its compact package design supports durability and thermal performance. The product delivers light output performance with a typical luminous flux of 450 lumens and is designed to support efficient heat dissipation within automotive lighting systems.

WHERE WE OPERATE



CORPORATE INFORMATION AND STRUCTURE

BOARD OF DIRECTORS

Non-Independent
Non-Executive Chairman
Tan Sri Mohammed Azlan bin Hashim

Group Managing Director
Tay Kheng Chiong

Non-Executive Directors
Jesper Bjoern Madsen**
Yeow See Yuen
Jennifer Chong Gaik Lan*
Goh Chin Loong
Au Siew Loon*
Lui Soek Kuen*
Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah*

AUDIT COMMITTEE

Chairman
Au Siew Loon*

Member
Jesper Bjoern Madsen**
Jennifer Chong Gaik Lan*
Lui Soek Kuen*

REMUNERATION COMMITTEE

Chairman
Jesper Bjoern Madsen**

Member
Jennifer Chong Gaik Lan*
Yeow See Yuen

EMPLOYEES' SHARE OPTION SCHEME ("ESOS") COMMITTEE

Member
Tay Kheng Chiong
Goh Chin Loong
Yeow See Yuen

NOMINATION COMMITTEE

Chairman
Jesper Bjoern Madsen **

Member
Goh Chin Loong
Au Siew Loon*
Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah*

COMPANY SECRETARY

Tan Pei Choo
(MAICSA 7023284)
SSM PC NO: 202008001020

PRINCIPAL PLACE OF BUSINESS

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Free Trade Zone
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Tel No. : 06-283 3566
Fax No. : 06-284 7988
Email : corp@do.com.my
Website : http://www.do.com.my

REGISTERED OFFICE

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50480 Kuala Lumpur
Tel No. : 03-2094 3268
Fax No. : 03-2094 3188

REGISTRAR

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59200 Kuala Lumpur.
Tel No. : 03-2783 9299
Fax No. : 03-2783 9222

AUDITORS

Crowe Malaysia PLT
201906000005
(LLP0018817–LCA) & AF1018
Level 16, Tower C
Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel No. : 03-2788 9999

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad
Hong Leong Bank Berhad
OCBC Bank (Malaysia) Berhad
Citibank Berhad
Bank of China (Malaysia) Berhad
Public Bank Berhad
J.P. Morgan Chase Bank Berhad

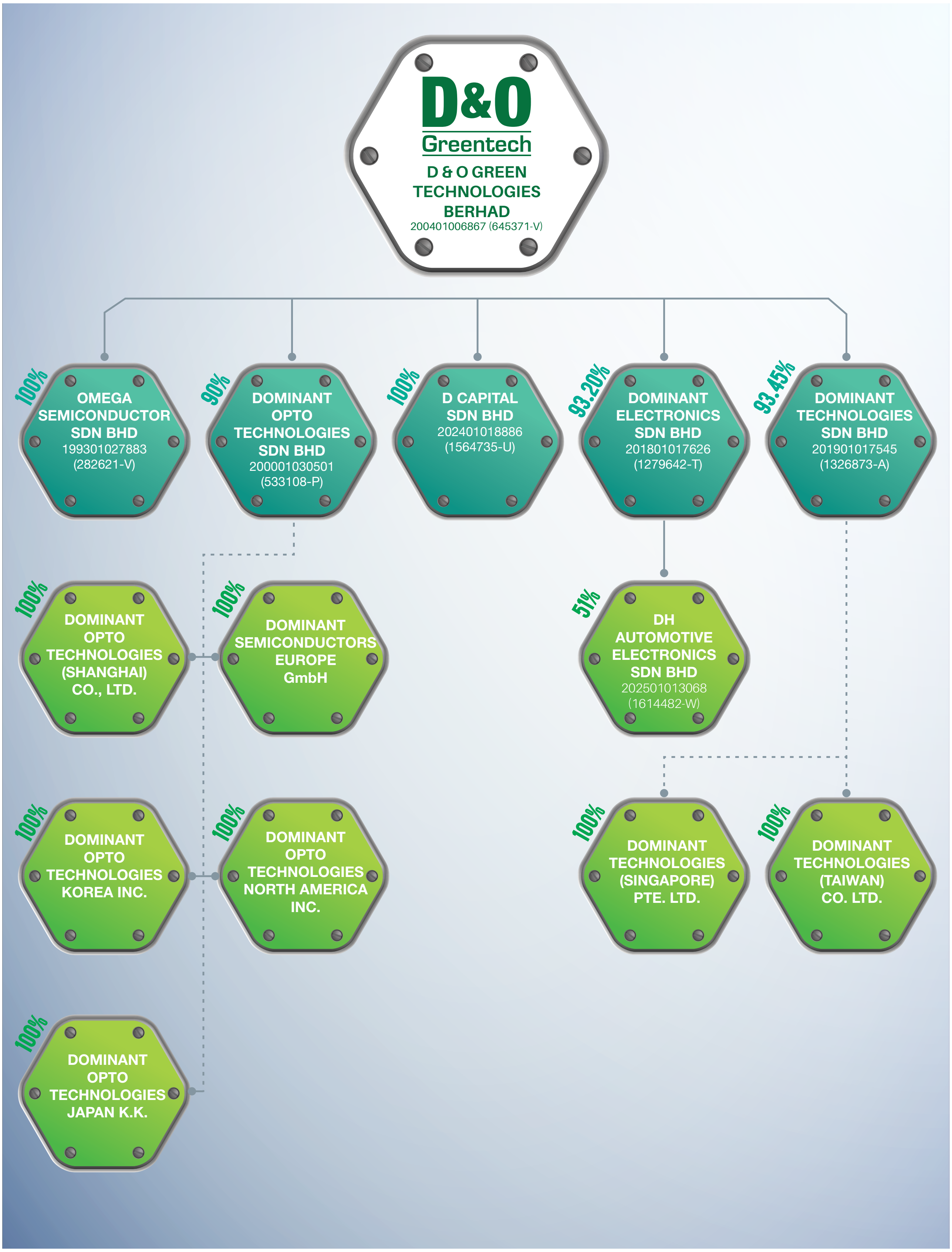
STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Board Sector : Technology
Stock code : 7204
Stock name : D&O

* Independent and Non-Executive Director
** Senior Independent and Non-Executive Director

INTRODUCTION TO THE GROUP

CORPORATE STRUCTURE

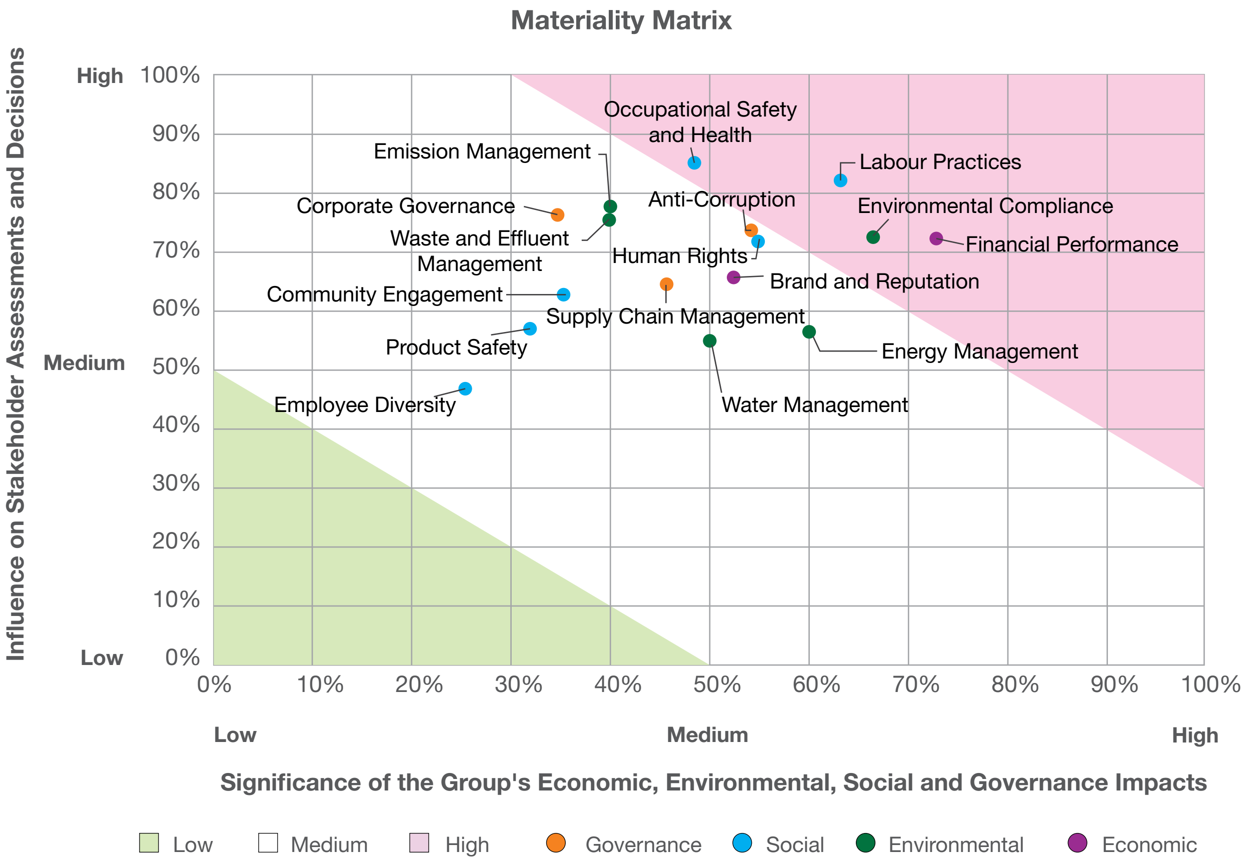


HOW WE CREATE VALUE

MATERIAL MATTERS

Each year, the Group undertakes a materiality assessment to identify and evaluate risks and opportunities that may affect business operations, sustainability priorities and long-term value creation. The process supports alignment between corporate strategy, market developments, stakeholder expectations and sustainability considerations. Engagements with Department Heads and selected stakeholders forms part of the assessment, supporting a broad-based understanding of factors influencing the Group's operating environment.

In 2025, the assessment confirmed the continued relevance of the Group's existing material matters, with no material changes in their relative importance. This outcome reflects consistency in strategic focus and the allocation of resources to manage identified priorities. The Group will continue to review emerging developments, maintain stakeholder engagement and adjust its approach where required to support ongoing business adaptability and responsible corporate practices.



STAKEHOLDER ENGAGEMENT

During the year, the Group engages with its stakeholder groups through a mix of formal and informal channels. These interactions support ongoing dialogue and help the Group understand stakeholder perspectives and expectations. Engagement activities place emphasis on key stakeholder groups, including customers, suppliers, financial institutions and employees, with a focus on Environmental, Social and Governance ("ESG") matters relevant to the Group's operations.

Stakeholder feedback informs decision making across strategy, sustainability priorities and operational practices. The Group gathers and reviews stakeholder inputs to support transparency, accountability and responsible business conduct. This engagement approach helps align business practices with recognised sustainability standards and stakeholder expectations. The Group will continue to review and enhance its stakeholder engagement processes to support long-term value creation.

Stakeholders	Engagement Methods	Frequency	Areas of Stakeholder Concern	Outcome of Engagement
Customers	• Regional sales offices and R&D Centre • Key account management • Participating in Worldwide Automotive Exhibitions • Customer ESG survey and assessment	• Annually • Ongoing	• Material and product quality/ compliance • Product pricing • Product innovation/ customisation • Sustainable business practices	• Ensure direct materials meet RoHS, REACH, Halogen-Free and Conflict Minerals requirements in line with applicable environmental standards • Productivity improvements, yield optimisation and consistent product quality • Apply a multi-sourcing strategy to reduce dependency on single suppliers and manage material cost competitiveness • Require principal material suppliers to hold IATF 16949 certification and align with the Group's Quality System Procedures • Developed and introduced products aligned with evolving customer needs and specifications • Undertook R&D initiatives to redesign products and materials to reduce material usage and environmental impact as well as improve cost efficiency

Stakeholders	Engagement Methods	Frequency	Areas of Stakeholder Concern	Outcome of Engagement
Employees	• Employees' dialogue • Annual appraisal • Interactive event and gathering	• Annually • Ongoing	• Employment benefits and career progression • Occupational safety and health • Human rights	• Enhanced employee benefits beyond statutory requirements to support well-being and retention • Maintained salary and wage structures aligned with market benchmarks • Provided targeted training initiatives to support skills development and career progression • Conducted regular EHS committee reviews to strengthen safety practices, contributing to a sustained low Lost Time Injury Frequency Rate (LTIFR) over the past three years
Government and Regulatory Bodies	• Official report submission • Public dialogue, public announcement • Meetings and e-mail • Government survey	• Annually • Ongoing	• Compliance to all rules and regulations	• Maintain compliance with applicable laws and regulatory requirements • Monitor regulatory updates and ensure timely implementation
Local Community	• Corporate social responsibility • Meeting and press release • Participate in exhibition	• Ongoing	• Contribution to local community	• Provided financial support to local communities, civil society organisations and non-governmental organisations • Prioritised local sourcing where feasible to support domestic supply chains • Collaborated with local suppliers on technology development, including dual-head laser marking solutions

HOW WE CREATE VALUE

Stakeholders	Engagement Methods	Frequency	Areas of Stakeholder Concern	Outcome of Engagement
Suppliers	• Supplier's assessment and appraisal • Sustainability survey and Assessment • Meetings, e-mails and quotations • Supply chain sustainability commitment	• Annually • Ongoing	• Business opportunities • Compliance with sustainable business practices	• Maintained consistent procurement of quality products and services at competitive pricing • Conducted ESG assessments on key direct material suppliers, representing a significant portion of the Group's total expenditure • Ensured supplier alignment with the Group's ESG requirements and standards
Shareholders & Investors	• Integrated report, general meetings, shareholders' dialogue meetings • Analyst briefings, analyst report, press release and public announcements	• Annually • Quarterly • Ongoing	• Financial performance and business direction • Sustainable business practices	• Provide periodic updates on the Group's financial performance and business outlook • Maintained engagement with investors and analysts through structured briefings • Strengthen corporate reporting practices through the publication of an integrated report and a standalone sustainability report • Achieved continued inclusion in the Bursa FTSE4Good Index for 2025
Financial Institutions	• Integrated report, press release, public announcements • Meeting, official submission and e-mail	• Ongoing	• Sustainable growth • Compliance to all laws and regulations	• Enhanced alignment between the Group's sustainability initiatives and financing expectations • Supports ongoing access to financial facilities based on compliance and performance considerations • Maintained engagement with financial institutions in relation to growth plans and sustainability performance

PROGRESSING OUR STRATEGY

During the year in review, the D&O Group has continued to advance the P1-5 strategy, a comprehensive strategic framework designed to drive sustainable value creation across all facets of our business. This approach has enabled us to strengthen our revenue streams, enhance operational efficiency and maintain our competitive edge in the industry.

Critical Success Factors	Initiatives	Outcomes
P1 – Market & Customer Excellence • Design-In Effectiveness • Key Account Management • Competitive Pricing Strategy • Customer Service & Responsiveness • Global Market Presence	• Participated in design-in invitations from existing and prospective customers. • Maintained sales offices across key automotive markets to strengthen market access. • Actively engaged global markets through sales network to remain price competitive. • Maintained close customer engagement to strengthen relationships and responsiveness.	• Dominant Malaysia is a prominent global automotive LED supplier, serving Tier-1 automotive lighting customers globally. • All sales offices are staffed locally, with dedicated customer service personnel addressing queries within 24 hours. • Increased revenue contribution over the years, reflecting sustained market participation.
P2 – Product Innovation & Portfolio Development • Comprehensive Product Portfolio • R&D Capability and Talent • New Applications Development • Time-to-Market	• Strengthened R&D capabilities through retention of experienced engineers and recruitment of new talent. • Expanded LED applications and enhanced existing product offerings. • Continued development of new lighting technologies and solutions.	• Maintained quality system certifications. • Stable R&D workforce with key personnel averaging 13 years of experience. • Introduced and expanded Smart Embedded Digital Driver LED (seddLED) for ambient lighting and projection lighting. • Introduced product range under SpicePlus 2520 covering multiple power levels and colours. • Established collaboration with customers to integrate Open System Protocol (OSP) into next-generation intelligent RGB LED solutions.
P3 – Operational & Manufacturing Excellence • Manufacturing Automation • Quality Control and Inspection • Cost Optimisation • Integrated IT Systems • High-Density Manufacturing Platform	• Enhanced automation across manufacturing lines and increased in-house production. • Strengthened process control through equipment upgrades and IT system integration. • Reduced design and process inefficiencies through continuous improvement initiatives. • Adopted high-density leadframe designs and common manufacturing platforms.	• Optimisation of tin concentration during plating process to reduce wastages and costs. • Reduced visual inspection headcount by approximately 90% through automation. • Enhanced internal reporting through increased IT utilisation. • Reduced operational footprint through high-density leadframe adoption. • Reduced CAPEX and headcount by 30% to 50% through common manufacturing platform implementation.

HOW WE CREATE VALUE

Critical Success Factors	Initiatives	Outcomes
P4 – People & Organisation Capability • Talent Development and Retention • R&D and Sales Capability • Training and Leadership Development • Workforce Localisation	• Employed local workforce to strengthen market understanding and responsiveness. • Implemented retention programmes including incentive plans and ESOS. • Advanced talent development through structured training and capability-building programmes. • Strengthened R&D and sales teams through targeted development initiatives. • Participated in job fairs and collaborations with universities to build talent pipeline.	• Long-serving senior Sales, Marketing and R&D personnel with an average tenure of 13 years. • Subsidised 44 employees under Sijil Kemahiran Malaysia Level 2 and 3 (expected completion in 2026). • Achieved 10,000 training hours in 2025. • Retention of 3 out of 7 students under the Work Based Learning programme in collaboration with Universiti Teknikal Malaysia Melaka (UTeM). • Founders continue to lead and guide organisational direction.
P5 – Brand, Partnerships & Market Positioning • Brand Visibility and Promotion • Strategic Alliances and Ecosystems • Industry Positioning	• Participated in international automotive lighting exhibitions. • Joined ISELED and established industry collaborations to build an integrated ecosystem. • Strengthened brand presence through consistent participation in global platforms.	• Participated in international automotive lighting exhibitions and conferences in Germany, China, and Japan. • Strengthened brand recognition through sustained global engagement since 2016. • Built strategic partnerships to promote technological compatibility within the automotive lighting ecosystem.

TRENDS & OPPORTUNITIES

Trend	Opportunity	Our Response
Growing Acceptance and wider application of LEDs	LEDs now sit at the centre of vehicle safety, styling and brand signature, with broader adoption across exterior and interior applications. The global automotive LED lighting market is projected to grow at a steady pace, reflecting continued OEM migration toward LED-based systems. Automakers are also expanding use cases beyond basic illumination, including adaptive driving beam capable headlamps, matrix or pixel lighting, animated light signatures and illuminated front design elements. Regulatory moves that permit adaptive driving beam systems in the US add further momentum to higher content headlamp solutions. This shift supports demand for integrated lighting modules with tighter requirements on electronics integration, optics performance and validation for new functions.	Backed by a strong R&D team, we are among the few automotive LED manufacturers globally capable of offering a full spectrum of products—ranging from low to high brightness intensity—for interior, exterior and ambient lighting illuminations. Our commitment to continuous innovation and customer-centric solutions, supported by an established distribution network, positions us well to meet evolving market demands and capture greater market share. Flagship products like seddLED and SpicePlus 2520, highlight the strength and versatility of D&O's portfolio, helping to set new benchmarks in LED lighting efficiency and integration for automotive and other applications.

HOW WE CREATE VALUE

Trend	Opportunity	Our Response
Growing Demand for Autonomous Vehicle, Automotive Electrification & Smart Mobility Solutions	Autonomous driving and smart mobility continue to lift demand for advanced automotive LED solutions and integrated electronic modules, as vehicles require higher levels of sensing, system integration and feature led differentiation. While electrification continues, EV momentum in 2025 was more uneven than earlier expectations in some major markets. As automakers focus on vehicle aesthetics, energy efficiency and user experience, technologies such as smart digital LEDs, ambient lighting and intelligent control systems are becoming more widely adopted. These advances improve visibility, safety and contribute to more immersive in-cabin experiences. With PCB assembly expertise across modules such as EV control units (EVCU), sunroof controllers and remote keyless entry systems (RKE), D&O can align its offering to this market shift.	D&O has maintained its strong presence in the autonomous vehicle, EV and smart mobility sector. The company's focus on next-generation vehicle design and user-centric innovations enables it to cater to the evolving demands of automakers worldwide. As the industry moves towards connected and autonomous vehicles, D&O aims to capitalise on this opportunity with its cutting-edge solutions in smart illumination, energy-efficient LEDs and electronic modules
Supply Chain Realignment & Regional Expansion Amid Geopolitical Tensions	Trade tensions, tariffs and broader industrial policy shifts continue to reshape automotive supply chains, with OEMs and Tier 1 suppliers reducing reliance on single-source manufacturing hubs and accelerating nearshoring and multi-sourcing strategies. This transition increases the importance of suppliers that can support regional production strategies in North America and Europe, meet localisation expectations and flexible capacity when sourcing requirements change. Recent OEM actions to reduce China-linked content in supply chains reinforce this shift in the market.	Amid this evolving landscape, D&O, through Dominant Electronics Sdn Bhd, is uniquely positioned to capitalise on these emerging opportunities. With an established presence in key automotive markets, the company is well-equipped to support automakers and Tier-1 suppliers in their supply chain diversification efforts. By offering high-quality, reliable and scalable manufacturing solutions, D&O is strengthening its position as a preferred partner, poised to secure long-term and sustainable business growth in the evolving global automotive ecosystem.
Acceleration of Industry 4.0 & Advanced Manufacturing Capabilities	Automotive manufacturers continue to accelerate Industry 4.0 adoption to improve productivity, quality consistency and supply chain responsiveness. AI-enabled quality control and predictive maintenance are now common focus areas, supported by connected production systems and real-time monitoring. As competition intensifies, suppliers that integrate automation, data-driven process control and tighter traceability can better meet customer expectations on defect prevention, delivery reliability and scalable output.	D&O's focus on in-house automation, AI-driven manufacturing and advanced SMT capabilities enables it to enhance production efficiency, improve product consistency and strengthen its competitive edge. By continuously investing in smart factory initiatives and digitalised operations, D&O can drive cost efficiency and faster time-to-market, reinforcing its leadership in automotive LED solutions.

HOW WE CREATE VALUE

OUR VALUE CREATION MODEL

Our Value Creation Model offers a holistic view of how the D&O Group creates, grows and preserves the value of its Six Capitals. In the year under review, we are pleased to report continued value enhancement across our Capitals through strategic investments and well-balanced trade-offs.

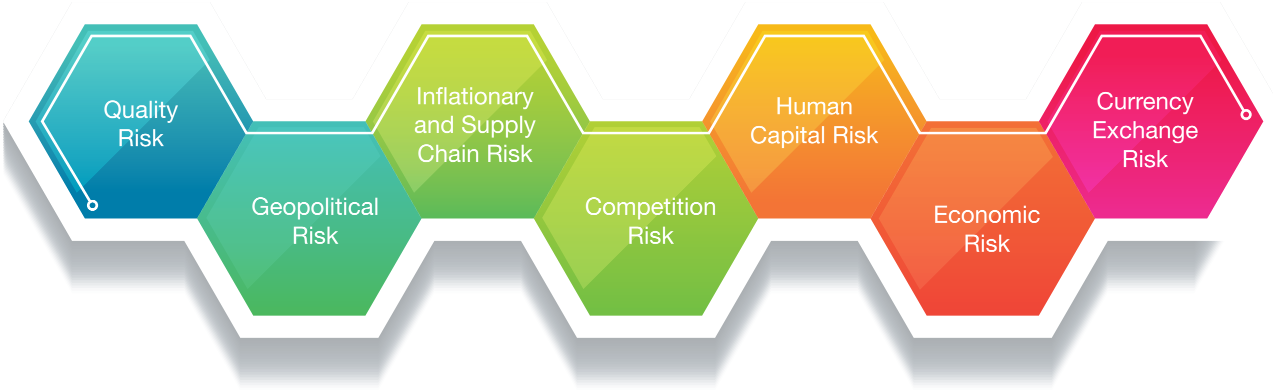
CAPITAL	INPUT	OUTPUTS & OUTCOME
Financial Financial capital is the pool of funds available to aid all aspects of the value creation process	Revenue : RM989.7 million Cash from Operations RM71.9 million Cash and bank balances: RM232.1 million Access to diversified regional banking facilities	Positive operating cash flow generation during the financial year Net gearing maintained at 32% Financial capacity to support ongoing operations and targeted investments
Intellectual Intellectual capital defines the innovations and processes unique to our organisation.	RM32 million invested in research and development in 2025 More than 180 R&D personnel Proprietary smart digital LED platforms	Continued expansion of the seddLED product range Enhanced capability in digitally controlled lighting solutions Sustained alignment of product development with customer requirements
Human Our human capital is the backbone of the business.	2,500 employees globally as at 31 December 2025 Structured training and development programmes Employee engagement and retention initiatives	10,000 total training hours achieved in 2025 Average training hours per employee of 4.0 hours Loss Time Injury Frequency Rate (LTIFR) of 0.44 Continued workforce diversity across operational levels
Social & Relationship Social & Relationship capital recognises the relationships we have with our stakeholders such as the authorities, suppliers, customers and communities	Long-standing relationships with automotive OEMs and Tier-1 suppliers Engagement with regulators, financial institutions and communities Supplier network including local vendors	Inclusion in the Bursa FTSE4Good Index for 2025 RM117 million procurement from local suppliers Ongoing customer engagement and programme collaboration
Natural Natural capital provides the raw materials required to produce our products.	44 million kWh of energy consumed 207,000 m³ of water withdrawn Raw materials utilised in manufacturing processes	Energy intensity of 27.6 GJ per 1 million production loading Water intensity of 36 m³ per 1 million production loading Reduction in copper usage through high-density leadframe adoption
Manufacturing Manufactured capital include the Group's physical assets and infrastructure such as machinery, equipment and factory plant that enables the Group to manufacture its products.	RM497 million invested in property, plant and equipment High-density common manufacturing platform In-house automation capabilities	30%-50% capital expenditure savings through common manufacturing platform adoption Reduction in manual inspection requirements through automation Revenue per employee of RM383,000 in 2025

STRATEGIC PRIORITIES

- Deepen Market Access and Customer Integration
- Advance Product Innovation and Application Development
- Strengthen R&D Capability and Technical Depth
- Enhance Manufacturing Efficiency and Automation
- Optimise Cost Structure and Asset Utilisation
- Build Workforce Capability and Retention
- Expand Brand Presence and Industry Partnerships

MANAGING OUR RISKS

The D&O Group recognises the risks that may affect its business. Risk management forms part of the Group's value creation process and supports the protection of operations and stakeholder interests. Each year, the Group reviews key risks and assesses whether controls and mitigation measures remain appropriate. The table below sets out the key risks for 2025, their potential impact and the Group's mitigation actions.



Risks	Impact	Mitigation
Economic Risk	A slowdown in global economic growth may affect component manufacturers such as D&O if demand for automotive vehicles weakens.	• Monitor local and global economic conditions through reports and news, including trend analysis and consumption statistics • Introduce product designs that align with market requirements • Implement initiatives to improve efficiency and productivity to manage cost impacts • Strengthen sales and marketing execution, supported by a product roadmap and strategy review every six months • Gather market intelligence through participation in automotive lighting exhibitions globally
Competition Risk	In a competitive market, new product technology or pricing actions by competitors may affect market share and future business prospects.	• Track market developments and competitor activity • Form strategic collaborations to support new product design and development • Improve product quality through ongoing enhancements • Maintain competitive pricing approaches where appropriate • Build on long-standing relationships with existing customers
Currency Exchange Risk	Given the global nature of the business, the Group is exposed to currency exchange movements.	• Manage currency exposure to reduce the impact of foreign exchange volatility on operations and the balance sheet • Explore banking facilities across different currencies and regions • Use forward foreign currency contracts where applicable

Risks	Impact	Mitigation
Quality Risk	Automotive components must meet international quality requirements. Failure to maintain required quality discipline may lead to loss of business.	• Maintain adherence to IATF 16949:2016 requirements and the Group's Quality System Procedures • Conduct product testing before marketing and delivery • Set quality KPIs targeted at reducing customer rejection rates • Hold monthly Proactive Six Sigma Quality Drive (PSQD) meetings with a target of zero defects • Drive continuous improvement and R&D solutions for product and process enhancement • Apply defined quality assurance processes
Human Capital Risk	The industry requires skilled and competent employees. Talent attrition may affect business continuity and operations.	• Implement talent management, succession planning and training programmes • Provide remuneration packages aligned with market practices, including employee share options where applicable • Maintain employee engagement initiatives that support a conducive working environment • Review employee benefits and provide enhancements where feasible • Partner with local education institutions to support the development of future engineers for the semiconductor industry
Geopolitical Risk	Automakers operate across multiple jurisdictions and require political stability. Geopolitical disruptions can affect customers and, in turn, component manufacturers such as D&O.	• Monitor geopolitical developments that may affect the Group • Maintain engagement with relevant local authorities • Diversify exposure to reduce reliance on any single customer or supplier in a specific region
Inflationary and Supply Chain Risk	Rising material costs and supply chain disruptions may reduce margins and contribute to operational delays.	• Improve product and material designs to reduce precious metal content through R&D initiatives, supporting cost management and environmental considerations • Maintain business recovery planning that covers key operational areas • Maintain a multi-source supply chain approach where feasible • Maintain regular communication with customers and suppliers to support continuity planning

OUR PERFORMANCE

MARKET LANDSCAPE

In 2025, the global automotive industry recorded modest growth, with global light vehicle sales estimated at about 91.7 million units. Higher financing costs, policy uncertainty and trade related disruptions continued to weigh on affordability and consumer confidence in several markets. Some automakers also withdrew or suspended guidance as tariff developments increased planning uncertainty for volumes and pricing.

Against this backdrop, demand patterns remained uneven across regions. China continued to show comparatively firmer momentum in the domestic market in early 2025, while Europe and North America saw slower progress in battery electric adoption as incentives and targets evolved Industry developments indicated a greater role for hybrid models in supporting production volumes as OEMs adjusted powertrain mix and capital deployment priorities. The automotive lighting segment continued to track underlying vehicle activity, while content per vehicle expanded as LEDs became the default technology for more applications and higher specification functions. Adoption continues to expand towards digitally enabled features such as adaptive driving beam capable headlamps, matrix or pixel lighting and advanced ambient lighting concepts.

Within this environment, D&O focused on cost optimisation and customer responsiveness, prioritising execution discipline and delivery reliability while staying close to customers on programme timing and ramp up requirements. This approach supported operational readiness as customers recalibrated volume expectations and product mix in response to market conditions.

MANAGEMENT DISCUSSION & ANALYSIS

Overview

In 2025, D&O continued to maintain its position in the automotive LED segment through ongoing programme deliveries and new product integration across key customer platforms. The Group recorded higher shipment volumes during the year, reflecting continued demand for advanced lighting solutions in applications such as rear combination lamps and interior ambient lighting.

During the year, the Group undertook a comprehensive review of its inventory costing and valuation methodologies to better align standard costs with prevailing operating conditions and evolving customer demand patterns. This exercise formed part of broader efforts to strengthen operational transparency, improve cost visibility and recalibrate manufacturing discipline following a period of uneven production utilisation across parts of the automotive supply chain.

In parallel, management prioritised operational efficiency and financial discipline, focusing on inventory management, cost optimisation and selective capital allocation. These initiatives were aimed at strengthening the Group's cost structure and supporting more efficient utilisation of manufacturing capacity as production cycles normalise.

While near-term operating conditions remained mixed during the year, structural demand for advanced automotive LED technologies continues to be underpinned by the increasing LED density in new car designs, whether EVs, PHEVs or traditional vehicles, driven by evolving safety requirements, vehicle differentiation strategies and enhanced user experience expectations.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Key Challenges & Mitigation

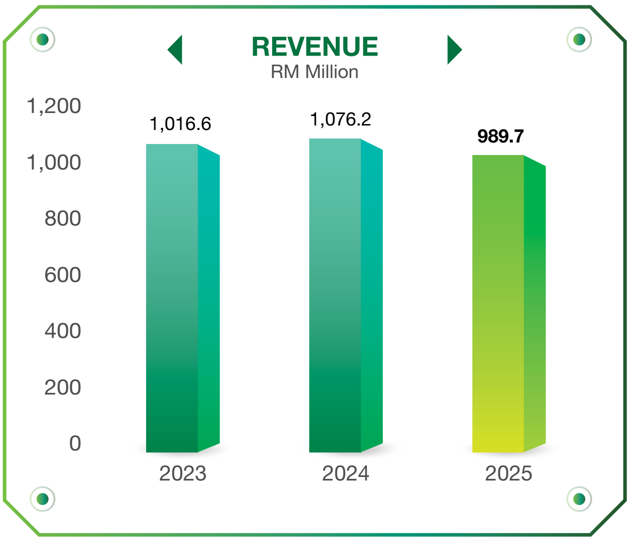
During the financial year, the Group operated in a more demanding cost and operating environment, characterised by margin pressure, wage adjustments and continued supply chain variability. In response, management implemented measures to strengthen cost discipline, preserve financial flexibility and maintain operational stability. To manage rising labour costs following the minimum wage revision in February 2025, the Group undertook a further review of headcount efficiency and rightsizing measures to support optimal workforce deployment. This was complemented by continued efforts to manage energy consumption and other overheads, including transportation and operating costs. Across the supply chain, management focused on procurement efficiency through contract renegotiations, broader supplier evaluation and initiatives to reduce material wastage.

The Group also prioritised financial resilience during the year. Management continued to apply targeted hedging strategies and draw on diversified regional banking facilities to reduce exposure to foreign exchange volatility. Capital expenditure controls were tightened, with investment priorities narrowed to critical requirements in order to preserve liquidity, contain financing needs and reinforce balance sheet discipline. In parallel, a one-off non-cash inventory realignment was completed in 2025 to better align inventory holdings with the Group's shift towards higher-functionality and higher-complexity solutions.

At the same time, the Group sustained investment in research and development to maintain market relevance and product differentiation. Approximately 3% of revenue continued to be allocated to R&D, supporting ongoing innovation and helping to keep the Group's product suite aligned with customer requirements and evolving market expectations. Management will continue to monitor operation conditions and adjust cost, capital allocation and production planning decision in line with market visibility.

Financial Performance Review

	2023 RM Million	2024 RM Million	2025 RM Million
Total Revenue	1,016.6	1,076.2	989.7
Gross Profit	210.9	214.9	160.2
Profit/(Loss) Before Tax	49.5	45.7	(287.4)
Profit/(Loss) After Tax	47.7	42.8	(254.3)
EBITDA	139.6	151.3	(174.1)



The Group recorded revenue of RM989.7 million for the financial year ended 31 December 2025, compared with RM1.08 billion in the previous financial year. While total shipment volume increased by 5.8% year-on-year, reported revenue declined mainly due to adverse foreign exchange translation movements during the year.

Gross profit decreased to RM160.2 million, with gross profit margin contracting to 16.2% from 20.0% in 2024. The margin contraction was primarily attributable to lower production utilisation during certain periods of the year.

Normalised earnings before interest and tax ("EBIT") amounted to RM31.3 million, compared with RM60.9 million in the previous financial year. Operating expenses remained controlled, with distribution, administrative and research and development expenses declining year-on-year as the Group maintained a disciplined approach to cost management.

OUR PERFORMANCE

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Financial Performance Review (Cont'd)

During the year, the Group undertook a comprehensive reassessment of its inventory valuation and standard costing framework to better align inventory carrying values with prevailing operating conditions and customer demand trends. This exercise resulted in inventory impairment and costing adjustments amounting to RM304.9 million, which were largely non-cash in nature.

As a result of these adjustments, the Group recorded a loss before tax of RM287.4 million, compared with a profit before tax of RM45.7 million in the preceding financial year. Net loss for the year amounted to RM254.3 million, compared with a net profit of RM42.8 million in 2024.

Notwithstanding the reported loss arising from largely non-cash inventory adjustments, the Group maintained positive cash from operations of RM71.9 million, reduced capital expenditure to RM30.6 million and ended the financial year with RM232.1 million in cash and cash equivalents. The Group's net gearing ratio remained manageable at 32%, supporting financial resilience and operational continuity.

Dividends

No dividend was recommended by the directors for the financial year.

Outlook

The global automotive market is expected to move into a phase of pragmatic stabilisation in 2026, after the volatility seen across 2024 and 2025. Market direction remains mixed, with outcomes influenced by interest rates, trade policy uncertainty and uneven battery electric vehicle demand across major regions. Recent industry commentary also indicates that global light vehicle production could soften in 2026, reflecting tariff related pressures and continuing policy uncertainty, alongside shifting regional competitive dynamics.

Regional divergence is likely to remain a defining feature. Europe continues to progress on electrification, although the pace is expected to moderate as incentive structures and regulatory signals evolve. In North America, production planning has also been adjusted in response to changing market conditions, reinforcing a more cautious industry posture for 2026. In this environment, OEMs and Tier 1 suppliers are expected to stay disciplined on programme timing, pricing actions and manufacturing footprints, with a stronger emphasis on execution certainty and cost competitiveness.

Within the automotive lighting segment, growth is expected to outpace underlying vehicle volumes, supported by rising content per vehicle and broader adoption of advanced functions. This supports continued demand for higher specification LED solutions, including digitally enabled lighting features that are becoming more common across wider vehicle segments. As OEMs balance cost and feature differentiation, lighting content is expected to remain a key area where design, safety and user experience objectives converge.

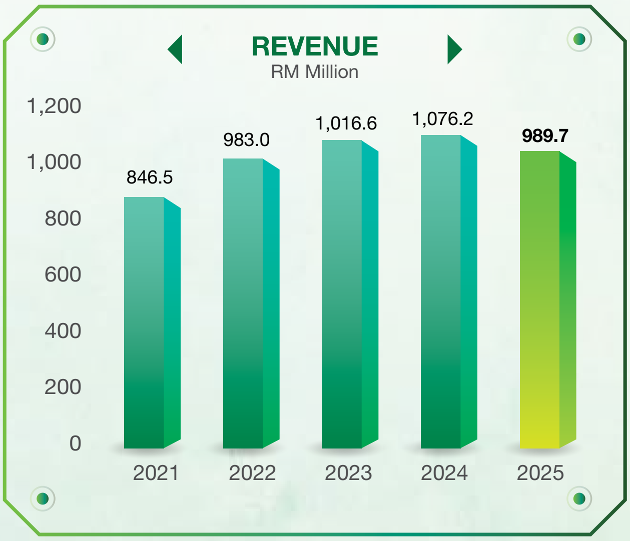
Against these conditions, D&O's priorities for 2026 remain anchored on operation discipline, cost management and delivery reliability. Management will continue to align production planning with customer program visibility while maintaining prudent capital allocation and liquidity management.

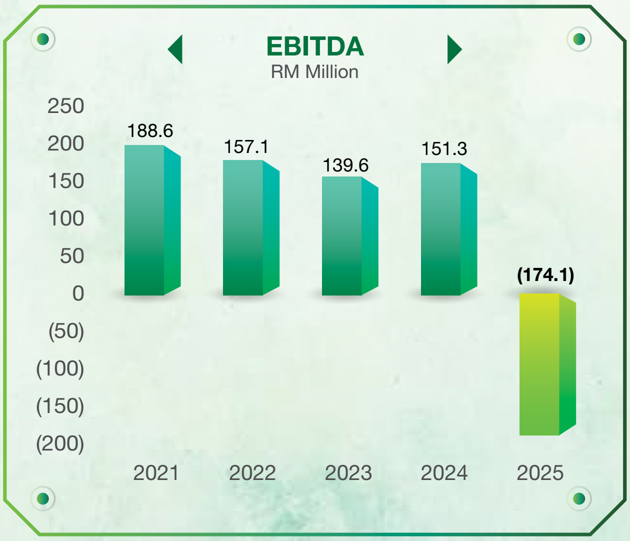
While near-term market conditions remain fluid, structural demand for automotive LEDs continues to be supported by rising LED content per vehicle across EV, hybrid and internal combustion platforms. Management remains focused on operational discipline, cost optimisation and customer alignment to support earnings normalisation over the medium term.

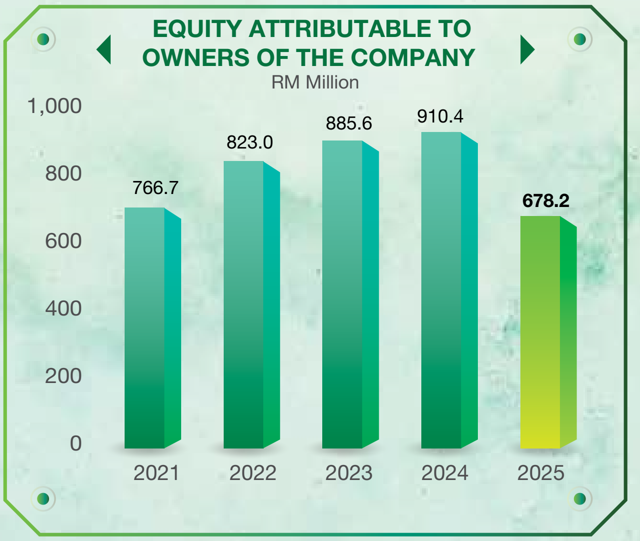
FIVE-YEAR FINANCIAL HIGHLIGHTS

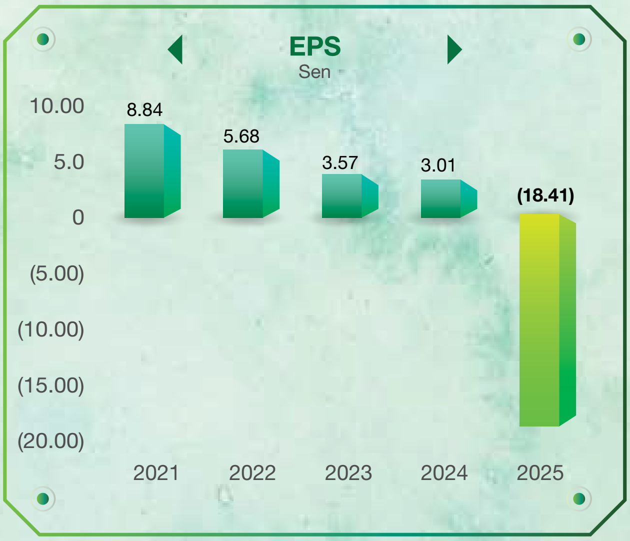
The financial results for the year 2021 to 2025 were based on the audited financial statements of the Group for the respective financial year under review.

	2021 RM Million	2022 RM Million	2023 RM Million	2024 RM Million	2025 RM Million
Total Revenue	846.5	983.0	1,016.6	1,076.2	989.7
Profit/(Loss) Before Tax	138.1	90.5	49.5	45.7	(287.4)
Profit/(Loss) After Tax	123.8	83.4	47.7	42.8	(254.3)
Profit/(Loss) Attributable to Owners of the Company	110.5	75.2	44.1	39.5	(228.2)
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	188.6	157.1	139.6	151.3	(174.1)
Equity Attributable to Owners of the Company	766.7	823.0	885.6	910.4	678.2
Weighted Average Number of Shares In Issue ('000)	1,186,022	1,237,142	1,237,261	1,238,290	1,239,483
Earnings Per Share (EPS) (Sen)	8.84	5.68	3.57	3.01	(18.41)









HOW WE GOVERN

PROFILE OF DIRECTORS

TAN SRI MOHAMMED AZLAN HASHIM
Non-Independent Non-Executive Chairman

Tan Sri Mohammed Azlan bin Hashim, aged 69, was appointed as the Non-Independent Non-Executive Chairman of D&O on 16 September 2004. Tan Sri Azlan is also the Chairman of Marine & General Berhad.

He has extensive experience in the corporate sector, including financial services and investment. Positions that he has held include, Chief Executive of Bumiputra Merchant Bankers Berhad, Group Managing Director of Amanah Capital Malaysia Berhad and Executive Chairman of Bursa Malaysia Group.

Tan Sri Azlan holds a Bachelor of Economics (Monash) and qualified as a Chartered Accountant (Australia). He is a Fellow Member of the Institute of Chartered Accountants, Australia, Member of The Malaysian Institute of Accountants, and Fellow Member of the Institute of Chartered Secretaries and Administrators.

Tan Sri Azlan has attended all six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for his securities holding.

TAY KHENG CHIONG
Group Managing Director

Tay Kheng Chiong, aged 62, was appointed as the Group Managing Director of D&O on 16 September 2004. Mr. Tay graduated from the University of Sunderland, United Kingdom with a Bachelor of Engineering (Honours) degree majoring in Electrical and Electronics in 1989. In 1999, he obtained a Masters of Business Administration from the University of Strathclyde, Scotland. He is a registered Chartered Engineer with The Institution of Engineering and Technology, United Kingdom. In April 2023, he was awarded a Doctorate in Engineering from European International University, Paris.

Upon graduation, he joined a multinational semiconductor company (Siemens) in 1989 as a Product Development Engineer and was promoted to Senior Director of Opto Business Unit in 1999. He is one of the main co-founders of Dominant Malaysia. He joined Dominant Malaysia on 1 March 2001.

He has more than 35 years of experience in the opto semiconductor industry. With his sound technical background and vast experience in the opto semiconductor industry, his forte lies in the management of the overall operations, business development and strategic direction of the D&O Group.

Mr. Tay is also a director and Non-Executive Deputy Chairman of Mega First Corporation Berhad, a company listed on Main Market of Bursa Malaysia.

Mr. Tay has attended all six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for his securities holding.

HOW WE GOVERN

YEOW SEE YUEN

Non-Independent Non-Executive Director

Yeow See Yuen, aged 58, was appointed as an Independent Non-Executive Director of D&O on 4 February 2009 and redesignated as Non-Independent Non-Executive Director on 29 May 2023. He is a member of the Employees' Share Option Scheme Committee and Remuneration Committee.

Mr. Yeow holds a first class honours degree in Accountancy from the National University of Singapore. He started his career with Cooper & Lybrand in Singapore in the audit division. He left the firm in 1994 to join Deutsche Securities Asia Limited ("Deutsche Securities") where he spent 9 years working in the Equity Research Department. During the period, he progressed through a series of positions including Deputy Head of Indonesia Research, Head of Malaysian Research and Head of Consumer Research Asia. Since leaving Deutsche Securities in 2003, he has been actively involved in investment banking related work, including investor relations corporate advisory and research consultancy.

Mr. Yeow is presently a Non-Independent Non-Executive Director of MFCB and holds directorships in several private limited companies incorporated in Malaysia and overseas.

Mr. Yeow has attended all six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for his securities holding.

JESPER BJOERN MADSEN

Senior Independent Non-Executive Director

Jesper Bjoern Madsen, aged 72, was appointed as an Independent Non-Executive Director of D&O on 21 August 2014. He is the Chairman of Nomination Committee, Chairman of Remuneration Committee and a member of Audit Committee.

Mr. Madsen obtained a Master degree in Law from Copenhagen University, Denmark and later studied Scottish/English Law at the University of Edinburgh, Scotland.

Mr. Madsen has been working with the Carlsberg A/S Group for over 20 years. He was the senior vice president of Carlsberg Breweries A/S with responsibility for Asia, among other markets. Mr. Madsen was during his tenure as the said senior president also a non-executive chairman, non-executive vice chairman or non-executive director in a number of Carlsberg's subsidiaries in Asia. He has vast experience in overseas investments and markets.

Mr. Madsen has attended five out of six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for his securities holding.

HOW WE GOVERN

JENNIFER CHONG GAIK LAN
Independent Non-Executive Director

Jennifer Chong Gaik Lan, aged 62, was appointed as an Independent Non-Executive Director of D&O on 15 September 2021. She is a member of the Audit Committee and Remuneration Committee.

Madam Chong graduated from University Kebangsaan Malaysia with a Bachelor of Science (Honours) degree in Statistics. She has a Masters of Business Administration from the University of Strathclyde UK, majoring in General and Strategic Management.

Madam Chong has more than 30 years of experience in procurement, internal audit and supply chain management. She started her career at General Electric, Muar in 1987 as a supply chain planner. She later joined Denso Malaysia in Bangi as head of procurement, responsible for setting up the department to support the localisation strategy. Her last position before her retirement in 2018 was with Infineon Technologies (Malaysia) Sdn Bhd as Director, head of the logistics department. Prior to logistics she was Internal Audit Manager for Infineon Corporate Audit Asia Pacific.

Madam Chong has attended all six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for her securities holding.

GOH CHIN LOONG
Non-Independent Non-Executive Director

Goh Chin Loong, aged 32, was appointed as a Non-Independent Non-Executive Director of D&O on 1 September 2022. He is a member of Nomination Committee and Employees' Share Option Scheme Committee.

Mr. Goh started his career in 2016 as a software engineer at SAP in USA before moving on to Google in 2019. In 2022, he joined Mega First Corporation Berhad ("MFCB") as the Head of Technology division and currently is the General Manager of Innovation and Technology division of MFCB and subsequently move on to Business Development Manager role. He holds directorship in a private limited company in Malaysia.

Mr. Goh is the brother of Mr. Goh Chin San (resigned from the Board on 20 June 2025), son of Mr. Goh Nan Kioh and Madam Lim Yam Chiew. Mr. Goh Nan Kioh and Madam Lim Yam Chiew are both substantial shareholders of the Company.

Mr. Goh has attended five out of six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for his securities holding.

AU SIEW LOON

Independent Non-Executive Director

Au Siew Loon, aged 65, was appointed as an Independent Non-Executive Director of D&O on 20 December 2022. Mr. Au is the Chairman of Audit Committee and a member of the Nomination Committee.

Mr. Au commenced his articleship with Ernst and Young, Malaysia in 1981 and qualified as a Certified Public Accountant in 1985. He is a member of The Malaysian Institute of Certified Public Accountants and a member of The Malaysian Institute of Accountants. He was seconded to Ernst and Young, London in 1986 for a period of 18 months. He left the profession in 1989. He was the Chief Financial Officer of Hap Seng Consolidated Berhad (HSCB) since 3 September 2012 before his retirement from the position on 31 May 2022.

Prior to him joining the HSCB group of companies, he had held various senior management positions in companies involved in the financial services, insurance and food and beverage industries. He spent more than two decades in QSR Brands Sdn Bhd, a large fast food operator and food processor/manufacturer, and had held various senior positions in the areas of internal audit, finance, upstream and downstream operations of the group.

Mr. Au is presently an Independent Director of MFCB. He has attended all six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for his securities holding.

LUI SOEK KUEN

Independent Non-Executive Director

Lui Soek Kuen, aged 53, was appointed as an Independent Non-Executive Director of D&O on 1 December 2023. She is a member of the Audit Committee.

Madam Lui specialised in accounting and possesses professional qualification from both the Malaysia Institute of Accountants and Institute of Chartered Accountants in England and Wales. She commenced her articleship with Simmons Gainford (London) in 1995 before joining PricewaterhouseCoopers in 1999. She was the Financial Controller/Chief Financial Officer of Cambrew Limited, the first and one the largest brewers in the Kingdom of Cambodia, from 2002 till 2018. Prior to joining Cambrew Limited, she was attached to Astro Malaysia Holdings as Internal Auditor and Colgate Palmolive Malaysia as Brand Analyst.

Madam Lui is presently an Independent Director of MFCB. She has attended all six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for her securities holding

HOW WE GOVERN

RAJA AHMAD NAZIM AZLAN SHAH BIN RAJA ASHMAN SHAH

Independent Non-Executive Director

Raja Ahmad Nazim, aged 31, was appointed as an Independent Non-Executive Director of D&O on 1 December 2023. He is a member of the Nomination Committee.

Raja Ahmad Nazim graduated from University of Cambridge with a Masters in Engineering. He started with an internship as VC analyst in United Kingdom and then transitioned into a career in data science in Malaysia. He has experience working in various startups in the Malaysia tech ecosystem with roles in Data Science and Machine Learning Engineering. Currently, he is working at One Credit as a Data Lead.

Raja Ahmad Nazim has attended all six Board of Directors meetings of the Company held during the financial year ended 31 December 2025.

Please refer to pages 170 to 171 of this Integrated Report for his securities holding

Notes:

- *Save as disclosed above, none of the Directors holds directorship in public companies and other listed issuers.*
- *Save as disclosed above, none of the Directors have any family relationship with any Director and/or major shareholder of the Company.*
- *None of the Directors of the Company has been convicted of any offence within the past five (5) years other than traffic offence, if any.*
- *The Group has entered into recurrent related party transactions and/or related party transactions with parties in which the Directors of the Company, namely Tay Kheng Chiong and Goh Chin Loong have direct or indirect interest in the transactions presented in Note 37 in the accompanying Financial Statements. Save as disclosed above, none of the other Directors have any conflict of interest within the Group.*

PROFILE OF KEY SENIOR MANAGEMENT

CHEAM DAU PENG

Executive Deputy Chairman of Dominant Malaysia

Cheam Dau Peng, aged 73, was appointed as an Executive Director of D&O on 16 September 2004 and ceased to be Executive Director of D&O on 24 March 2023 in order to concentrate on his new role as Executive Deputy Chairman of Dominant Malaysia.

Mr Cheam started his career as a Production Supervisor with a multinational semiconductor company immediately after he completed his secondary school education. Backed by more than thirty (30) years of experience in the semiconductor industry, he has vast hands-on experience in plant operations. Mr Cheam has been playing an active role in the growth and expansion of the D&O Group since 2001.

LOW TEK BENG

Chief Operating Officer of Dominant Malaysia

Low Tek Beng, aged 55, graduated from the University of Leeds, United Kingdom with a first-class honours Bachelor of Mechatronic degree in 1994. He began his career in that same year with a multinational semiconductor company as a Product Development Engineer and was subsequently promoted to Product Development Manager before he left the company in 2000.

Mr. Low joined Dominant Malaysia on 1 April 2001 as the director of Research and Development with the responsibility of overseeing the entire research and development of Dominant Malaysia. He is also one of the co-founders of Dominant Malaysia.

Mr. Low currently is the Chief Operating Officer in Dominant Malaysia, responsible for all manufacturing operations, engineering, global sales, marketing and product development activities. In addition, Mr. Low is also the Managing Director for Dominant Electronics Sdn Bhd and Dominant Technologies Sdn Bhd.

SIAY SAY FEI

Quality Assurance Senior Director of Dominant Malaysia

Siay Say Fei, aged 57, was appointed as Vice President Quality Assurance of Dominant Opto Technologies Sdn. Bhd. on 1 July 2015 and subsequently appointed as Quality Assurance Senior Director on 1 July 2024. Mr. Siay graduated from the Queen's University of Belfast, United Kingdom with Master of Science in Manufacturing Systems Engineering in 1994.

Mr. Siay began his career with SIEMENS Component Sdn Bhd in 1994 as Process Engineer. In 1997 - March 2001, he joined ON Semiconductor Corporation (formerly a division of Motorola) as Project Management and Total Productive Maintenance Manager, he was involved in phase in New Product Introduction to production. Subsequently, he joined Dominant Opto Technologies Sdn. Bhd. on 1st April 2001 as Senior QA & Purchasing Manager, he has more than 30 years of experience in the semiconductor industry.

HOW WE GOVERN

WONG KEONG FATT
Group Financial Controller

Wong Keong Fatt, aged 50, was appointed as the Group Financial Officer of D&O on 16 December 2024. Mr. Wong graduated with Computing degree from Oxford Brookes University and holds a Master's degree in Business Administration from University of Western Sydney. Mr. Wong is a fellow member of both the Institute of Financial Accountants and the Chartered Institute of Management Accountants (CIMA). He is also a Chartered Accountant, holding a Professional Qualification in Accountancy from the Malaysian Institute of Accountants.

Prior to joining D&O, Mr. Wong worked for PwC China/HK, Johnson Control, Freescale Semiconductor and Infineon Technologies in Finance department and also served as Director in Deloitte China, based in Beijing. With this background, he brings extensive expertise in accounting and finance, investment and treasury management, risk management, corporate planning, and policy formulation, gained from both corporate and consultancy environments.

VISHALINI SANKARAN
Human Resource Director

Vishalini Sankaran, aged 49, was appointed as the Senior Human Resource Manager with a sub division of responsibility over the plant's security department on 1 December 2015 and subsequently appointed as Human Resource Director on 1 July 2024. Ms. Vishalini graduated with a Bachelors of Science Honors Degree majoring in Psychology from Upper Iowa University, United States of America. She further pursued her Masters in Managerial Psychology from HELP University and is a member of the American Psychology Association (APA). She is currently pursuing a PhD in the area of Human Resources Development.

Vishalini Sankaran was the outgoing Vice President of Malaysian Employer's Federation (MEF) Negeri Sembilan branch before relocating to Melaka. Her 20 years career spans from being the HR and Training Manager at the Shangri-La Hotels & Resorts, Senior HR Manager at Johnson Matthey Sdn Bhd and finally with Dominant Opto Technologies Sdn. Bhd. People Development being her forte, she is a certified master trainer for all the Development Dimension International (DDI) programs as well as honored the Blue Sapphire Trainer under the Certified Hospitality Trainer establishment. She is the outgoing Chairman of Malaysian Employer's Federation (MEF) Melaka.

HOW WE GOVERN

GOH KENG SENG
Operation Director of Dominant Electronics

Goh Keng Seng, aged 55, was appointed as Operation General Manager of Dominant Electronics Sdn. Bhd. on 1 March 2018 and subsequently appointed as Operation Director on 1 July 2024. He graduated from the University Technology Malaysia with a Bachelor of Electrical Engineering (Honours) in 1995. He is responsible for all manufacturing operation in DESB including new business development, project management, procurement, production, engineering, quality assurance and customer service.

Mr. Goh began his career with Samsung Electron Device Sdn Bhd in 1995 as Quality Engineer. He works as PCBA Factory manager in Cubic Electronics Sdn Bhd, Operation General Manager in Pioneer Technology Sdn Bhd prior joining DESB. He has more than 20 years of experience in the SMT and Final Assembly industry.

Notes:

- *None of the Key Senior Management of the Group holds any directorship in public companies and other listed issuers, have any family relationship with any Director and/or major shareholder of the company.*
- *None of the Key Senior Management of the Group has been convicted of any offence within the past five (5) years other than traffic offence, if any.*
- *The Group has entered into recurrent related party transactions and/or related party transactions with parties in which the Key Senior Management of the Group, namely Cheam Dau Peng have direct or indirect interest in the transactions presented in Note 37 in the accompanying Financial Statements. Save as disclosed above, none of the other Key Senior Management have any conflict of interest within the Group.*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of D & O Green Technologies Berhad ("D&O" or "the Company") is committed to apply good corporate governance practices throughout the Company and its subsidiaries ("the Group") and form the fundamental basis of the corporate sustainability pursued by the Group for long term shareholders' value creation. Hence, the Board fully supports the principles of good corporate governance practices (including the Intended Outcomes) as promulgated by the Malaysian Code on Corporate Governance 2021 ("MCCG") to direct and manage the business and affairs of the Group towards promoting business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value while taking into account the interest of other stakeholders.

This statement sets out the overview of the manner in which the Company had applied the principles set out in the MCCG and the extent of compliance with the principles of MCCG advocated therein in accordance with paragraph 15.25 and Practice Note 9 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). Further, this statement stated other additional compliance statement as required under MMLR.

Furthermore, the application of each practice set out in the MCCG during the financial year is disclosed in the Corporate Governance Report prescribed by Bursa Securities ("CG Report") and published together with the announcement of this Integrated Report in accordance with paragraph 15.25 and Practice Note 9 of MMLR. The CG Report for the financial year under review and previous financial years are available for download from the "Corporate Governance" section of the Company's website at www.do.com.my.

The Corporate Governance Overview Statement ("CG Overview Statement") should be read in tandem with the CG Report to provide comprehensive disclosure of the application of each principle and practice set out in the MCCG during the financial year.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

- ***Board Responsibilities***

  The Board is responsible for the overall performance of the Group and exercises effective oversight over Management. It focuses mainly on strategic management, performance measurement and monitoring, risk management and internal control, standards of conduct, sustainability management and the approval of critical business decisions.

  The Board comprises Directors who are entrepreneurs and experienced professionals with diverse expertise in business management, legal, economics, accountancy, engineering, information technology, internal audit and supply chain management across various industries. These different skills, experience and perspectives are put together to enable the Board to effectively lead and govern the Group.

  Guided by the *Board Charter*, the Board is led by a Non-Independent Non-Executive Chairman. Together with the other Directors, the Non-Independent Non-Executive Chairman provides leadership to the Board by promoting effective communication with stakeholders and fostering good corporate governance practices, leadership and effectiveness across the Board.

  A summary of the Board Chairman's responsibilities is disclosed in Practice 1.2 of the CG Report.

  The Board is responsible for steering the Group towards achievement of its vision and mission and ensuring its long-term sustainability through entrepreneurial leadership, strategic oversight and effective governance. On the other hand, the Group Managing Director is delegated with the authority and responsibility for the execution of the Group's strategies and day-to-day management of operations across the Group. The authorisation limits and procedures for key operational and decision-making processes are clearly stated in the Group's policies and procedures.

  The Board reviews and approves the Group's charter and corporate policies (including any subsequent updates), while each subsidiary's Board is responsible for ensuring its operating policies and procedures are aligned and implemented in accordance with, the Group's charter and corporate policies.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Board Responsibilities (Cont'd)***

The Board assumes, amongst others, the following roles and responsibilities: -

1) Establishing and reviewing the strategic direction of the Group.
2) Promoting a good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour.
3) Reviewing and deciding on proposals by the Directors and Key Senior Management and monitoring its implementation.
4) Overseeing the conduct of the business of the Group and to evaluate whether the business is being properly managed.
5) Understanding and identifying principal risks faced by the Group and ensuring the implementation of appropriate controls and systems to monitor and manage these risks.
6) Overseeing the development and implementation of the Group's Policy.
7) Overseeing the implementation of internal and external stakeholders' engagement by the Group.
8) Reviewing the adequacy and the integrity of internal control systems and management information systems, including systems for ensuring compliance with applicable laws, regulations, rules, directives and guidelines.
9) Evaluating economic, environmental, social and governance issues of the Group, to ensure that the strategic plan of the Group supports long term sustainability and to stay abreast with the sustainability issues relevant to the Group, including climate-related risks and opportunities.
10) Reviewing the policy and procedures for appointment and re-appointment of Directors and appointment of members of Key Senior Management.
11) Ensuring succession planning of the Directors and Key Senior Management are in place.
12) Reviewing the Group's Code of Ethics and Conduct and implementing appropriate internal control systems to support, promote and ensure its compliance.
13) Reviewing and approving formal and transparent remuneration policy and procedure to attract and retain Directors and members of Key Senior Management.
14) Reviewing the adequacy and effectiveness of the Group's Anti-Bribery and Corruption Management system.

The roles and responsibilities of the Board, as well as the Group's application of the MCCG's practices, are disclosed in Practice 1.1 of the CG Report.

Aside from the core roles and responsibilities listed above, significant matters requiring deliberation and approval by the Board are clearly defined in the *Board Charter*.

The Board has delegated specific duties and responsibilities to the Board Committees, which operate within clearly defined Terms of Reference approved by the Board.

To ensure that there is a balance of power and authority within the Board, the positions of the Chairman of the Board and the Group Managing Director are separated with a clear division of responsibilities. The Chairman of the Board is responsible for leading the Board, overseeing governance matters, and ensuring the orderly conduct and effectiveness of the Board, while the Group Managing Director is responsible for managing the Group's business operations and implementing the policies and strategies approved by the Board.

A summary of the roles and responsibilities of the Chairman of the Board, as well as the separation of roles between the Chairman of the Board and the Group Managing Director, is disclosed in Practice 1.2 and 1.3 of the CG Report, respectively.

In compliance with MCCG, the Chairman of the Board is not a member of the Audit Committee, Nomination Committee, Remuneration Committee or Employee Share Option Committee. He did not attend the meetings of these Board Committees by way of invitation during the financial year under review. This practice reinforces his objectivity in leading the Board's oversight function.

Further details are available in Practice 1.4 of the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Board Responsibilities (Cont'd)***

  The Independent Non-Executive Directors ("INEDs") play an important role in ensuring that strategies proposed by Management are fully deliberated and examined, with due consideration given to the interests of all stakeholders during decision-making process.

  In addition, a Senior Independent Director is identified by the Board to whom stakeholders may convey any of their concerns or matters requiring independent attention.

  All Directors are required to notify the Chairman of the Board before accepting any new directorship or significant commitments outside the Company, including indicating the time expected to be allocated to such new appointment. Likewise, the Chairman of the Board is also required to notify the Board of any new significant commitments undertaken outside the Company.

  All Directors have confirmed that their directorship in listed companies do not exceed five (5), thereby ensuring that they are able to devote sufficient time and attention to discharge their duties and responsibilities effectively.

  In discharging its duties and responsibilities efficiently and effectively, the Board is assisted by a licensed Company Secretary, whose profile and qualifications are disclosed in Practice 1.5 of the CG Report.

- ***Board Charter***

  The Board is guided by a formal *Board Charter* approved by the Board, which outlines its composition, roles, functions, responsibilities and authorities, including those of the Board Committees, the Chairman of the Board, the Group Managing Director, the Senior Independent Director and the Company Secretary.

  The Board Charter further defines the specific responsibilities and matters reserved for the Board's deliberation and approval, provisions relating to appointment and re-appointment of Directors, acceptance of new directorships, independence and tenure of Independent Director, governance structure of the Board and Board Committee, qualification, vacation of office and removal of Directors, Board proceedings, financial reporting responsibilities, Director's rights of unrestricted rights to access to information and independent professional advice, Board evaluation and performance assessment, Board remuneration, Directors' training and continuous professional development, general meetings and attendance, stakeholder engagement, conflict of interest, code of ethics and conduct of Directors and Group's governance responsibility.

  Further details of the *Board Charter* are disclosed in Practice 2.1 of the CG Report.

  The *Board Charter* is available for download from the Company's website at www.do.com.my under the "Corporate Governance" section.

- ***Code of Ethics and Conduct and Whistle-blowing Policy***

  The Board is fully committed to upholding the highest standards of integrity, transparency and accountability in the conduct of the Group's business and operations, with the objective of ensuring long-term business sustainability. In carrying out their duties, individually and collectively, the Board emphasises key principles including serving with integrity and competence, avoiding conflict of interest, preserving confidentiality and privacy, ensuring a safe and healthy working environment, treating workers with respect and dignity, and conducting business ethically.

  The Board incorporated the above key principles of expected conduct into the Company's *Code of Ethics and Conduct* ("the Code"), which sets out the ethical and professional standards expected of all employees of the Group and its stakeholders worldwide. The Code forms the foundation of integrity and ethical values within the Group and is embedded in the *Policy and Procedure for Employees*.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Code of Ethics and Conduct and Whistle-blowing Policy (Cont'd)***

  To further enhance ethical governance across the Group, a formal *Anti-Bribery and Corruption Policy* and a *Fair Competition Policy* has been put in place by the Board to mitigate the risks relating to bribery and conflict of interest, and to promote fair competition practices.

  Further details of the *Code of Ethics and Conduct, Anti-Bribery and Corruption Policy and Fair Competition Policy* are disclosed in Practice 3.1 of the CG Report.

  To foster an environment that encourages integrity and ethical behaviour, the Board has also put in place a formal *Whistle-blowing Policy*. This policy provides employees and stakeholders with a structured avenue to report concerns relating to illegal, unethical or improper business conduct within the Group without fear of retaliation.

  Further details of the Whistle-blowing Policy are disclosed in Practice 3.2 of the CG Report.

  During the financial year under review, the Board reviewed the *Code of Ethics and Conduct and Whistle-blowing Policy*.

  The *Code of Ethics and Conduct, Anti-Bribery and Corruption Policy* and *Whistle-Blowing Policy* are available for download from the "Corporate Governance" section of the Company's website at www.do.com.my.

- ***Board Meetings and Supply of Information***

  The Chairman of the Board, on the advice of the Company Secretary, determined the agenda of the Board meetings and ensured that sufficient time was allocated during the meeting proceedings so that each agenda items or issues brought up were discussed or deliberated in depth before decisions were made.

  During the financial year under review, Audit Committee meetings were held separately and were not combined with Board meetings. Attendance at Audit Committee meetings by Directors and employees was strictly by invitation of Audit Committee and limited to matters relevant to the meeting agenda in order to enable the Audit Committee to discharge its oversight duties independently and effectively.

  Board members, in their individual capacities, have unrestricted access to complete, timely and quality information necessary for the effective discharge of their duties and responsibilities. All Directors are furnished with board materials, including minutes of previous Board meetings, committee reports, as well as board papers, no less than five (5) business days before each meeting. This enables them to have sufficient time for review and obtaining a comprehensive understanding of the issues to be deliberated upon in order to arrive at an informed decision.

  In addition to having direct access to management staff, external independent professional advisers are also made available to render their independent views and advice to the Board, whenever necessary and in appropriate circumstances, at the Company's expense, to assist in decision-making.

  The Directors also have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board procedures are adhered to.

  Further details on Board meetings and the supply of information are disclosed in Practice 1.6 of the CG Report.

  The Board meets regularly to perform its main function, including approving and monitoring strategic plans, formulating policies, overseeing the conduct and operations of the Group's business, sustainability oversight, reviewing succession planning and ensuring the adequacy of internal controls and effectiveness of risk management systems, while remaining mindful of long-term business sustainability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

• ***Board Meetings and Supply of Information (Cont'd)***

During the financial year ended 31 December 2025, the Board met six (6) times. The attendance of each Director at the Board Meetings is as follows: -

Director	No. of Meetings Eligible to Attend	No. of Attendance
Tan Sri Mohammed Azlan bin Hashim	6	6
Tay Kheng Chiong	6	6
Yeow See Yuen	6	6
Jesper Bjoern Madsen	6	5
Goh Chin San*	3	3
Jennifer Chong Gaik Lan	6	6
Goh Chin Loong	6	5
Au Siew Loon	6	6
Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah	6	6
Lui Soek Kuen	6	6

* *Resigned with effect from 20 June 2025*

The Board meets at least four (4) times a year at quarterly intervals, with additional meetings convened as and when needed to review Integrated Report disclosures and to address urgent or significant matters between scheduled meetings. All meetings of the Board are duly recorded in the minutes by the Company Secretary. The Company Secretary ensures that all Board meetings are properly convened in accordance with the Company's Constitution and applicable regulatory requirements, and that accurate and comprehensive records of the deliberations, proceedings and resolutions passed are properly maintained in the statutory registers at the registered office of the Company.

• ***Composition of the Board***

The appointment and re-appointment of Directors of the Company and its subsidiaries are governed by the *Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director* and the *Fit and Proper Policy*, both of which have been approved by the Board.

It is the duty of the Nomination Committee to periodically review and assess the composition of the Board, taking into consideration the Group's strategies, the results of the Board evaluation and performance assessment, as well as the tenure of each Director. The tenure of the Directors was evaluated internally by the Board, and the assessment results were reviewed by the Nomination Committee and subsequently recommended to the Board in March 2025.

The recommendations for the re-appointment of Directors at the Annual General Meeting ("AGM") were made after the Nomination Committee and the Board had satisfied themselves that the current Board composition and the tenure of each director align with the present and future needs of the Group. Furthermore, the performance and contribution of the Directors seeking re-appointment were assessed to be satisfactory in fulfilling the Board's governance and oversight responsibilities.

Please refer to Practice 5.1 of the CG report for detailed disclosure on the review of Board composition, tenure of individual Directors and the evaluation criteria applied for re-appointment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Composition of the Board (Cont'd)***

  As at the date of this Statement, the Board comprises nine (9) members, consisting of one (1) Group Managing Director, five (5) INEDs (representing 55.0%) and three (3) Non-Independent Non-Executive Directors ("NINEDs"). The profile of each Director is set out on pages 28 to 32 of this Integrated Report. The composition of Independent Non-Executive Directors complies with the Practice 5.2 of the MCCG as well as the minimum requirement prescribed under the MMLR, ensuring that there is sufficient independent element on the Board to provide the necessary checks and balances.

  It is the responsibility of the Board to ensure that all its members possess the requisite leadership experience, skill and diverse background, integrity and professionalism to effectively and diligently discharge their duties and responsibilities.

  The current composition complies with Practice 5.2 of the MCCG, which recommends that the majority of the Board of a large company should comprise Independent Directors. With more than 50.0% of the Board consisting of Independent Directors, the Board is satisfied that an adequate degree of independence is maintained, as supported by the outcomes of formal assessments conducted on the Board, the Board Committees and the independence of the Independent Directors.

  Besides that, the Board notes that the Independent Directors are professionals with diverse skills, knowledge and experience in relevant fields. They have demonstrated independence, objectivity and active participation in Board and Board Committee deliberations. Accordingly, there is no disproportionate imbalance of power and authority between the Non-Independent and Independent Directors.

  Please refer to Practice 5.2 of the CG Report for further details.

- ***Board Diversity***

  It is the Board's responsibility to ensure that diversity within the Board is preserved so that an appropriate mix of knowledge, skills, expertise, experience, age, ethnicity and gender is maintained to support effective decision-making and oversight.

  The appointment of new Directors and members of Key Senior Management as well as the re-appointment of Directors, is governed by the *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director*. The criteria for appointment and re-appointment include fitness and propriety (as governed by the *Fit and Proper Policy*), covering aspects such as probity, personal integrity, reputation, financial integrity, experience and competency. Additional considerations include time commitment, diversity of skill sets, Boardroom and Key Senior Management diversity, knowledge and competency in sustainability oversight and management, as well as independence (for Independent Director).

  The recommendations for the re-appointment of Directors, including the proposal to shareholders for the retention of an Independent Director who has served more than nine (9) years but less than twelve (12) years, put forth by the Board at the 21st AGM held during the financial year under review, were subject to the policies and procedures described above.

  It is the policy of the Board that active politicians shall not be appointed as members of the Board of the Company or its subsidiaries. As at the date of this Statement, there are no active politicians serving on the Board of the Company or its subsidiaries.

  Please refer to Practice 5.5 of the CG Report for details on the procedure and criteria for the appointment of Directors and members of Key Senior Management as well as the re-appointment of Director. Further details on the Board diversity policy are disclosed in Practice 5.10 of the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Board Diversity (Cont'd)***

  Pursuant to the *Board Charter*, the Board targets at least 30% women representation on the Board and female representation at the Group's senior management level, in accordance with the *Policy and Procedures on Nomination and Appointment of Directors and Key Senior Management and Re-Appointment of Directors*. As at the date of this Statement, two (2) members of the Board are women, and one (1) member of the Group's Key Senior Management is a woman.

  Please refer to Practice 5.9 of the CG Report for the detailed disclosure on the proportion of women directors on the Board and the representation of women at the Group's Key Senior Management level.

- ***Independent Directors***

  The independence of candidates for appointment as Independent Directors is assessed by the Nomination Committee prior to their appointment based on the formal nomination and appointment process established by the Board, with the results of the assessment reported to the Board for consideration and decision.

  On an annual basis, all INEDs are subject to an independence assessment conducted by the Nomination Committee based on prescribed criteria, with the results of the assessment, together with the recommendations, reported to the Board to enable it to form an opinion on the independence and objectivity of the INEDs. Based on the assessment performed during the financial year under review, the Board is satisfied with the level of independence and objectivity demonstrated by all INEDs and their ability to exercise independent and objective judgement in Board deliberations.

  As stipulated in the Board Charter, the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, the Independent Director may continue to serve on the Board subject to re-designation as a Non-Independent Director. If the Board intends to retain the Independent Director beyond the ninth (9^{th}) year, up to a maximum cumulative period of twelve (12) years, annual shareholders' approval must be sought through a two-tier voting process. Thereafter, the Director must either resign or be re-designated as a Non-Independent Director.

  Please refer to Practice 5.3 of the CG Report for further details.

- ***Appointment of Directors and Key Senior Management and Re-Appointment of Directors***

  The Nomination Committee recommends the appointment of new Directors and Key Senior Management to the Board, which approves such appointment in accordance with the *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and the Fit and Proper Policy*.

  The processes and criteria (including conflict of interest check) for the nomination and appointment of Director and Key Senior Management are specified in the *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and the Fit and Proper Policy*. It is the policy of the Board that recommendations from independent sources shall be sought (in addition to the recommendations from existing Directors and major shareholders) in relation to candidates for new directorship.

  The Nomination Committee may also seek independent professional advice, at the Company's expense, to assist in fulfilling its responsibilities under the nomination and appointment process.

  All newly appointed Directors are subject to retirement at the subsequent annual general meeting. All Directors, including the Group Managing Director, retire by rotation at least once every three (3) years and are eligible for re-election. The process and criteria for re-appointment of Directors are also included in the *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and the Fit and Proper Policy*.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Appointment of Directors and Key Senior Management and Re-Appointment of Directors (Cont'd)***

  During the financial year under review, the Nomination Committee made recommendations to the Board for the re-appointment of retiring Directors, which were subsequently recommended by the Board to shareholders. Re-appointment recommendations were made upon satisfactory results of fit and proper evaluations, conflict of interest reviews, independence assessments (for Independent Directors) and performance evaluations. To facilitate shareholders in making informed decisions, disclosures regarding any conflict-of-interest situations of Directors seeking re-election were made in the director profiles in the Integrated Report. Based on the outcomes of these assessments, the Board recommended the re-appointment of such Directors at the 21st AGM.

  Please refer to Practice 5.6 and 5.7 of the CG Report for the details on the nomination, appointment and re-appointment process of the Director.

- ***Performance Assessment and Evaluation of the Board and Group Financial Controller***

  The objectives of Board's performance assessment and evaluation is to assess the effectiveness of the Board as a whole and its Committee, the Chairman of the Board, individual Directors and the Group Financial Controller.

  On an annual basis, the Company Secretary circulates the relevant assessment forms and questionnaires to all Directors with sufficient time for completion prior to the Nomination Committee and Board meetings. The Company Secretary collates the assessments/evaluations results to enable the Nomination Committee to review the outcomes and provide recommendations to the Board.

  The following assessments and evaluations were performed internally by the Board during the financial year under review:

  1. Board performance evaluation with recommended evaluation criteria per Corporate Governance Guide issued by Bursa Malaysia Berhad, with necessary adaptation;
  2. Peer review of the performance, knowledge, competency and skills of fellow Directors based on recommended evaluation criteria per Corporate Governance Guide issued by Bursa Malaysia Berhad with necessary adaptation;
  3. Performance evaluation of the Chairman of the Board by using *Chairman Evaluation Form* in relation to his discharge of duties and responsibilities as the Chairman of the Board of the Company;
  4. Performance evaluation of board committees, i.e. the Audit Committee, Nomination Committee, Remuneration Committee and Employees' Share Option Scheme ("ESOS") Committee based on the recommended evaluation criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad, with necessary adaptation;
  5. Self-financial literacy evaluation by Audit Committee members with evaluation criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad, with necessary adaptation;
  6. Independence assessment of individual Independent Non-Executive Directors based on the criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad, with necessary adaptation;
  7. Self and peer evaluation of the individual members of the Audit Committee based on the criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad, with necessary adaptation;
  8. Evaluation of Audit Committee by Directors who are not a member of Audit Committee based on the criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad, with necessary adaptation; and
  9. Performance evaluation of the Group Financial Controller via *Group Financial Controller's Evaluation Form*.

  Through the evaluation and review processes described above, the Board, via the Nomination Committee, assessed the mix of skills, competencies, experience and other qualities, including core competencies of individual Directors, the Group Financial Controller, and the Board as a whole to ensure their effectiveness in leading the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Performance Assessment and Evaluation of the Board and Group Financial Controller (Cont'd)***

  Based on the evaluations conducted, the Board, supported by the Nomination Committee's reports, was satisfied with the composition, performance and effectiveness of the Board, the Chairman of the Board, the Board Committees, the Directors and the Group Financial Controller. In particular, the assessments of the Audit Committee and its members concluded that they had carried out their duties in accordance with their terms of reference and relevant requirements under the MMLR.

  Please refer to Practice 6.1 of the CG Report for further details.

- ***Directors and Key Senior Management's Remuneration***

  The Board assumes overall responsibility for establishing and implementing an effective remuneration policy that attracts, retains and motivates the Directors and Key Senior Management in pursuing the Group's medium to long-term objectives. A *Board and Key Senior Management Remuneration Policy* has been adopted by the Board and guides the Remuneration Committee in reviewing the proposed remuneration package. Major components of the remuneration package for Group Managing Directors, members of Key Senior Management and Non-Executive Directors are specified in the Policy.

  The Remuneration Committee is responsible for recommending to the Board the remuneration packages of the Board members and Key Senior Management members. The Board determines the final remuneration of the Directors and Key Senior Management, while individual Directors abstain from deliberating and approving their own remuneration. Similarly, Directors who are shareholders or controlling shareholders, or who have a nominee or connected Director on the Board, shall abstain from voting at general meetings on the approval of remuneration to be paid to the interested Director.

  Please refer to Practice 7.1 and 7.2 of the CG Report for details of the *Board and Key Senior Management Remuneration Policy* and a summary of Remuneration Committee's terms of reference.

  For the financial year ended 31 December 2025, a breakdown of remuneration of individual Directors (including fees, salary, bonus, benefits in-kind and other emoluments) is disclosed on named basis. Please refer to Practice 8.1 of the CG Report.

  The Board has opted not to disclose Key Senior Management's remuneration on a named basis in bands of RM50,000, as it believes such disclosure could compromise personal security and increase the risk of losing key personnel. Further explanation on this departure is provided in Practice 8.2 of the CG Report.

- ***Directors' Training***

  As stipulated in the *Board Charter*, the Board is responsible for assessing the training needs of individual Directors (including the knowledge and skill required to perform its oversight role in relation to sustainability management) and recommending relevant training programs to ensure the Directors have access to continuing education necessary for the effective discharge of their fiduciary duties.

  Newly appointed Directors receive briefings and orientation from the Chairman of the Nomination Committee on the business activities of the Group and its strategic directions, as well as their duties and responsibilities as Directors.

  As at the date of this report, all Directors have completed the Mandatory Accreditation Program I and Program II prescribed by Bursa Securities. They remain committed to continuous training and actively attend seminars and briefings to broaden their perspective and to keep abreast with new developments relevant to their duties.

  All Directors received regular briefings and updates on the Group's business and operations, along with updates on new regulations and statutory requirements. The Board identified the training needs of its members through the formal peer assessment, where individual Directors submit self-assessments of their skills, which are then reviewed by Nomination Committee to identify knowledge and skills gaps that require further training.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Directors' Training (Cont'd)***

During the financial year under review, all members of the Board attended training program(s) organised by regulatory bodies or professional organisations. The training attended by individual Board members is summarised in the following table:-

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Tan Sri Mohammed Azlan bin Hashim	Transfer Pricing for Intragroup Financing	Chartered Accountants Malaysia
	The Future of Platform Lending: Opportunities, Risks and Innovations	Chartered Accountants Malaysia
	Khazanah Megatrends Forum 2025	Khazanah Nasional
	Leadership Masterclass with Professor Richard Hall	Monash University
	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd
Tay Kheng Chiong	Integrated Reporting (IIRC) Training	Nova Fusion Sdn Bhd
	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd
Yeow See Yuen	Integrated Reporting (IIRC) Training	Nova Fusion Sdn Bhd
	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd
Jesper Bjoern Madsen	Integrated Reporting (IIRC) Training	Nova Fusion Sdn Bhd
Goh Chin San	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd
Jennifer Chong Gaik Lan	Common Offences Committed by Directors Under the Companies Act 2016 & Effective Fee Collection Strategy	The Malaysian Institute of Certified Public Accountants (MICPA)
	Audit Committee Conference 2025	Malaysian Institute of Accountants
	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd
Goh Chin Loong	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Directors' Training (Cont'd)***

During the financial year under review, all members of the Board attended training program(s) organised by regulatory bodies or professional organisations. The training attended by individual Board members is summarised in the following table:- (Cont'd)

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Au Siew Loon	Related Party Transaction Simplified	CKM Advisory Sdn Bhd
	Audit Committee Conference 2025	Malaysian Institute of Accountants
	Integrated Reporting (IIRC) Training	Nova Fusion Sdn Bhd
	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd
	Everything About Dividend	Malaysian Institute of Accountants
	Webinar on Tariffs, Contracts & Risk: What Every Malaysian Exporter & Supplier Must Know Now	Malaysian Institute of Corporate Governance
Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd
Lui Soek Kuen	Audit Committee Conference 2025	Malaysian Institute of Accountants
	Integrated Reporting (IIRC) Training	Nova Fusion Sdn Bhd
	Update on Main Market Listing Requirement (MMLR), New Issues of Securities, Sustainability Reporting, and Equity Guidelines	NeedsBridge Advisory Sdn Bhd

- ***Board Committees***

In discharging its fiduciary duties, the Board has delegated specific duties to four (4) subcommittees (Audit, Remuneration, Nomination and ESOS), each operating within clearly defined terms of reference approved by the Board. The Chairman of each Committee reports to the Board on the deliberations and outcomes of the respective Committee meeting.

- ***Audit Committee***

Details of the Audit Committee's terms of reference, the number of meetings held during the financial year under review, the activities carried out and the attendance of each member are set out on pages 58 to 64 of the Audit Committee Report.

Please refer to Practice 9.1, 9.2, 9.3, 9.4 and 9.5 of the CG Report on disclosure in relation to the Audit Committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Nomination Committee***

The Nomination Committee comprises exclusively Non-Executive Directors, with the majority being INED, in compliance with the requirements of the MMLR. The Nomination Committee operates under written terms of reference approved by the Board, which clearly define its functions, authorities and responsibilities. The Nomination Committee is chaired by the Senior Independent Director.

The Nomination Committee's *Terms of Reference* are published in the "Corporate Governance" section of the Company's website at www.do.com.my.

The composition of the Nomination Committee and the attendance of its members at meetings held during the financial year ended 31 December 2025 are as follows: -

Nomination Committee	Position	No. of Meetings Eligible to Attend	Attendance
Jesper Bjoern Madsen	Chairman/INED	2	2
Au Siew Loon	Member/INED	2	2
Goh Chin Loong	Member/NINED	2	2
Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah	Member/INED	2	2

During the financial year under review, the Nomination Committee convened two (2) meetings. At these meetings, the Nomination Committee reviewed and assessed the performance and effectiveness of the Board and its Board Committees (including Audit Committee and its members), the knowledge and skills possessed by each Director (including knowledge and skill required to perform its oversight role in relation to sustainability matters), the independence and tenure of Independent Directors, the re-appointment of Directors, as well as the training needs of individual Directors. The results of all reviews and assessments conducted were reported to the Board for review and deliberation.

Please refer to Practice 5.1, 5.2, 5.3, 5.5, 5.6, 5.7, 5.8 and 6.1 of the CG Report for details on the Nomination Committee and its activities.

- ***Remuneration Committee***

The Remuneration Committee was formed to assist the Board in determining, developing and recommending an appropriate remuneration policy and remuneration packages that attract, retain and motivate Directors and Key Senior Management in achieving the Group's objectives. The Remuneration Committee operates under formal terms of reference approved by the Board. Further details on the Remuneration Committee, its activities and the remuneration policies and procedures are set out in Practice 7.1 and 7.2 of the CG Report.

The Remuneration Committee comprises exclusively Non-Executive Directors, with the majority being INED. The composition of the Remuneration Committee and the attendance of its members during the financial year under review are as follows: -

Remuneration Committee	Position	No. of Meetings Eligible to Attend	Attendance
Jesper Bjoern Madsen	Chairman/INED	4	4
Goh Chin San*	Member/NINED	1	1
Jennifer Chong Gaik Lan	Member/INED	4	4
Yeow See Yuen**	Member/NINED	1	1

* *Resigned with effect from 20 June 2025*
** *Appointed with effect from 4 September 2025*

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Remuneration Committee (Cont'd)***

  The Remuneration Committee's *Terms of Reference* is published in the "Corporate Governance" section of the Company's website at www.do.com.my.

  During the financial year ended 31 December 2025, the Remuneration Committee convened four (4) meetings. At these meetings, the Remuneration Committee reviewed and deliberated the proposed Directors' fees for Non-Executive Directors, the proposed bonus framework for the financial year 2025, and the proposed remuneration package for Executive Directors and Key Senior Management.

  The Remuneration Committee aimed to ensure that the proposed remuneration package was competitive within industry standards and aligned with the company's objective of attracting and retaining top talent.

- ***ESOS Committee***

  The primary responsibilities of the ESOS Committee are to undertake all acts and execute documents necessary to implement and administer the Group's ESOS Schemes in accordance with the ESOS Bylaws. The ESOS Committee may, at its discretion, delegate any of its authorities and duties as it considers necessary or desirable to give effect to the ESOS Schemes.

  The ESOS Committee comprise of three (3) members, in compliance with its Terms of Reference.

  The ESOS committee is allowed to obtain advice from internal and external experts and advisers, and has full and unrestricted access to information to enable it to discharge its responsibilities effectively.

  The key functions of the ESOS Committee are:

  1. To implement and administer the ESOS Schemes in such manner as it shall at its discretion deem fit in accordance with the ESOS Bylaws, including to deal with the issue and allotment of new shares arising from the exercise of option by grantees;
  2. To decide on the number of shares to be offered to eligible participants and to make offers to eligible participants in accordance with the ESOS Bylaws;
  3. To recommend the subscription price of the ESOS to the Board;
  4. To recommend to the Board where it deems necessary, any amendment, modification, addition or deletion of the ESOS Bylaws;
  5. To enter any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions or delegate its authorities relating to the ESOS Schemes subject to the provisions of the ESOS Bylaws; and
  6. To take all other actions within the purview of the Committee pursuant to the ESOS Bylaws, for the necessary and effective implementation and administration of the ESOS Schemes.

  During the financial year under review, no formal ESOS Committee meetings were held, and there were no grants of new options or allotment of shares pursuant to the ESOS Schemes.

- ***Sustainability Oversight and Management***

  To promote long-term sustainability of the Group's businesses, the Board has adopted strategies to ensure that sustainability considerations are effectively integrated into the Group's operations. The Group upholds the principle of maintaining effective and continuous sustainability management in order to contribute positively to socio-economic development of the communities, promote environmentally friendly business practices and uphold sound social and governance standards.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

- ***Sustainability Oversight and Management (Cont'd)***

  The Board assumes ultimate responsibility for overseeing the Group's economic, environmental, social and governance ("EESG") matters. The sustainability management of the Group is governed by the *Sustainability Policy*, which outlines the formal governance structure, stakeholders' engagement mechanism and processes for identifying, assessing, formulating and monitoring responses to material sustainability matters. The assessment results and responses are incorporated into the Group's risk management process for continuous monitoring. As an important communication tool with stakeholders of the Group, the Sustainability Report is issued together with the Integrated Report for the financial year under review.

  The Board also evaluates sustainability risks and opportunities regularly, taking into consideration changes in the external business environment and the interests of stakeholders. The review process is led by the Group Managing Director. Corresponding strategies and responses are formulated with an escalation mechanism in place to ensure timely reporting of sustainability matters, related responses and performances (including established targets) to the Audit Committee and the Board for oversight.

  Please refer to Practice 4.1, 4.2, 4.3, 4.4 and 4.5 of the CG Report and the Sustainability Report for further details on the governance structure and process employed, including the identification, assessment, management and reporting of sustainability matter during the financial year under review.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

The Audit Committee is tasked with the oversight role on the effectiveness of the Group's audit and risk management effectiveness. Details of the Audit Committee's composition and terms of reference, the number of meetings held, members' attendance, and activities carried out during the financial year are available in the Audit Committee Report on pages 58 to 64 of this Integrated Report and in Practice 9.1 to 9.5 of the CG Report.

- ***Relationship with External Auditors***

  The Group maintains a professional and transparent relationship with its external auditors in seeking independent assurance and professional advice, and to ensure compliance with the Group's policies and procedures, approved accounting standards and applicable laws and regulations in Malaysia and the jurisdictions in which the Group operates. The roles and responsibilities of the Audit Committee in relation to the external auditors are prescribed in the Audit Committee's *Terms of Reference*.

  The appointment and engagement of the external auditors are governed by a formal engagement letter with terms of engagement (which includes, amongst others, the scope of coverage, the responsibilities of the external auditors and management, confidentiality requirements, independence and proposed fees). The terms of engagement are reviewed by the Audit Committee prior to its recommendation to the Board for approval.

  During the financial year under review, the Audit Committee met with the external auditors thrice (including one (1) private session without management's presence) to discuss audit plans, audit findings, financial statements and other special matters that require the Audit Committee's attention. The Audit Committee also encourages free flow of information and views between the Audit Committee and external auditors to allow external auditor to freely express their opinions without undue pressure.

  The Audit Committee further enhanced its oversight through an annual performance evaluation of the external auditors, including a review of their Transparency Report, with the results reported to the Board.

  In line with good corporate governance practices, the Company requires all former partners of the external audit firm (including its affiliate firm) to observe a cooling-off period of at least three (3) years before being considered for appointment as a member of the Audit Committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

- ***Relationship with External Auditors (Cont'd)***

  The Audit Committee also reviewed the nature and extent of non-audit services provided by the external auditors during the financial year, and was satisfied that the provision of such services did not impair the external auditors' independence or objectivity.

  The audit and non-audit fees incurred for services rendered by the external auditors and their affiliated firms to the Company and its subsidiaries for the financial year are set out in the table below:

	Company	Group	Description
Audit Fees (RM)	73,000	521,621	Financial Statement Audit Fees
Non-Audit Fees (RM)	11,500	106,407	The non-audit fees were mainly tax agents fees, other tax services and transfer pricing documentation

- ***Risk Management***

  The Board recognises the importance of Risk Management in pursuing its Company's objective and long-term sustainability. Accordingly, the Group has put in place a formal Risk and Opportunity Management Policy and Procedure to provide a structured and systematic approach to identifying, assessing, managing, and monitoring key risks and opportunities. Further details on the Risk and Opportunity Management Policy and Procedure and risk management processes are disclosed in Practice 10.1 and 10.2 of the CG Report and in the Statement on Risk Management and Internal Control on pages 65 to 73 of this Integrated Report.

- ***Internal Control & Internal Audit Function***

  The Board recognises the importance of having a sound internal control system as part of good corporate governance practices. As such, the internal audit function is established to provide independent assurance on the adequacy and effectiveness of the Group's internal control systems in managing its principal risks. The Group has outsourced its internal audit function to a professional firm, which assists the Audit Committee in evaluating the effectiveness of the Group's internal controls and identifying areas for improvement in management and operational processes.

  Further details on the Group's internal control systems and internal audit function are set out in the Statement on Risk Management and Internal Control on pages 65 to 73 of this Integrated Report and in Practice 11.1 and 11.2 of the CG Report.

- ***Uphold Integrity in Financial Reporting***

  The Board is committed to ensure that all disclosures present a balanced, clear and meaningful assessment of the Group's financial positions and prospects to shareholders, investors and the regulatory authorities.

  All financial statements, including the annual audited financial statements and quarterly unaudited financial results, are reviewed by the Audit Committee prior to approval by the Board. This review ensures that the financial information is accurate, complete, and prepared in compliance with applicable accounting standards and regulatory requirements before public release or submission to the relevant authorities.

  Through the review by the Audit Committee and ongoing consultation with Management and the external auditors, the Board undertakes a fair and meaningful assessment of the Group's financial performance and position.

  A summary of the works of the Audit Committee in the discharge of its functions and duties in relation to financial reporting during the financial year is set out in the Audit Committee Report on pages 58 to 64 of this Integrated Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

- ***Corporate Disclosure and Stakeholders Communication***

The Company's core communication channel with stakeholders is via announcements made on Bursa Securities, all of which are approved by the Board prior to release. The Board ensures full compliance with the disclosure requirements as laid down by the MMLR and the Capital Markets and Services Act 2007, ensuring that all material information and events are disseminated publicly, transparently and in a timely manner, thereby providing fair and equitable access to all stakeholders.

The Board has adopted a *Corporate Disclosure Policy* which sets out the Group's policies and procedures for disclosure of material information.

The Integrated Report serves as the key communication tool between the Company and its stakeholders, providing comprehensive insights into the Group's financial performance, operations and strategic initiatives. The Integrated Report for the financial year ended 31 December 2025 has been prepared in accordance with the International Integrated Reporting Framework issued by the International Integrated Reporting Council. As a listed issuer, the contents and disclosures in the Integrated Report are governed by the MMLR.

To facilitate ongoing stakeholder engagement, the Company's website incorporates a "Contact" sections, which provide details of designated personnel for investor and sales inquiries. The website is accessible to the public via www.do.com.my.

The "Corporate Governance" section of the Company's website publishes key governance documents, including the Board Charter, the Terms of Reference of the Board Committees, and relevant corporate policies. In addition, the "Investor Relations" section provides access to quarterly reports and annual reports, sustainability reports, announcements, notices and minutes of annual general meetings and extraordinary meetings, stock information and press releases.

The Management identifies and prioritises key stakeholder groups and develops appropriate engagement methods to seek feedback and maintain dialogue. The "Contact" section of the website allows stakeholders to communicate their feedback directly to the Company.

For further details, please refer to Practice 12.1 of the CG Report on corporate disclosure and stakeholders' communication and Practice 12.2 on the preparation of the Integrated Report.

- ***Encourage Shareholders' Participation at General Meetings***

General meetings serve as the principal forum for dialogue between the Company and its shareholders. Shareholders are encouraged to participate actively in general meetings and to engage directly with the Board and Management. The *Board Charter* stipulates that notice of the Annual General Meeting ("AGM") must be given to shareholders at least twenty-eight (28) clear days prior to the meeting. In compliance with this requirement, notice for the twenty-first (21st) AGM was given to shareholders 28 clear days in advance, exceeding the minimum twenty-one (21) days' notice period prescribed under the MMLR.

To further promote shareholder participation, shareholders are permitted to appoint a proxy who need not be a member of the Company, and no additional qualification requirements are imposed on proxies.

Adequate time is given during general meetings for shareholders to seek clarification or raise questions on pertinent matters relevant to the agendas of the general meeting. All Directors attended the 21st AGM, except the Chairman of the Board, who was unable to attend due to medical reason. Further details of the Directors' attendance at the 21st AGM are disclosed under Practice 13.2 of the CG Report. The external auditors were also present at the 21st AGM to provide professional and independent clarification on issues and concerns raised by the shareholders during the meeting.

In addition, the Company welcomes requests for meetings and interviews with professionals from the investment community and is always willing to meet up with institutional investors when required.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

- ***Poll Voting***

  Pursuant to Paragraph 8.29A(1) of the MMLR, the Company is required to ensure that all resolutions set out in the notice of general meeting are voted by way of poll. Accordingly, all resolutions tabled for shareholders' approval at the forthcoming twenty-second (22nd) AGM will be conducted by way of poll voting, in compliance with the MMLR.

- ***Leverage on Information Technology for General Meetings***

  The Company's 21st AGM, held on 28 May 2025, was conducted physically in compliance with the updated requirements of the MMLR governing the conduct of general meetings. Although the AGM was held in a physical format, shareholders were given the option to appoint proxies to attend and vote on their behalf. The physical AGM provided shareholders with the opportunity for direct, two-way, face-to-face engagement with the Directors and Management, including the ability to exercise their rights to participate and raise questions during the meeting. Detailed information on pre-meeting arrangements and procedures during the meeting was set out in the Administrative Guide, which accompanied the Notice of the 21st AGM and was made available on the Company's corporate website.

  Adequate time was allocated for shareholders to raise questions, and all relevant queries were addressed by the Board and Management prior to the commencement of poll voting. Voting at the 21st AGM was conducted via electronic voting ("e-voting"), which enhanced efficiency, eliminated the use of physical ballot papers, and expedited the verification and announcement of polling results.

  The minutes of the 21st AGM, including key matters discussed (attached as Appendix A to the meeting minutes), were uploaded to the "Annual General Meeting/Extraordinary General Meeting" section under "Investor Relations" on the Company's website at www.do.com.my within thirty (30) days from the conclusion of the AGM.

  Further details on the conduct of the 21st AGM are disclosed under Practice 13.3 and 13.4 of the CG Report, while the publication of the AGM minutes is disclosed under Practice 13.6 of the CG Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for ensuring that:-

i. the annual financial statements of the Group and the Company are prepared in accordance with the provisions of the Companies Act 2016 and applicable approved accounting standards of Malaysia so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2025, and of the results of their operations and cash flows for the year ended on that date;

ii. proper accounting and other records are kept by the Group which enable the preparation of the financial statements of the Group and the Company with reasonable accuracy and comply with the Companies Act 2016; and

iii. reasonable steps are taken to ensure that appropriate systems are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT"D)

DIRECTORS' RESPONSIBILITY STATEMENT (CONT'D)

In preparing the annual audited financial statements, the Directors have:

- applied the appropriate and relevant accounting policies on a consistent basis;
- made judgments and estimates that are reasonable and prudent;
- prepared the annual audited financial statements on a going concern basis; and
- obtained representation from the Group Financial Controller on matters on financial reporting through self-assessment by the Group Financial Controller.

Key Focus Areas and Future Priorities

The Board remains committed to continuously strengthen the Company's corporate governance practices and progressively enhancing its alignment with the MCCG.

The Board recognises the importance of diversity, including gender diversity, in enhancing board effectiveness, decision-making quality, and long-term sustainability. Although the Company has yet to achieve the target of at least 30% women representation on the Board under Practice 5.9, the Board remains committed to improving gender diversity. The Board aims to progressively work towards meeting the 30% target, taking into consideration board size, skills matrix requirements, and timing of board vacancies.

The Board views corporate governance as an evolving journey rather than a static compliance exercise. Moving forward, the Company will continue to strengthen its governance framework, benchmark against emerging best practices, and enhance transparency where appropriate to safeguard stakeholders' interests and support sustainable long-term value creation.

ADDITIONAL COMPLIANCE STATEMENT

- **Material Contracts with Related Parties**

  Apart from recurrent related party transactions as disclosed on page 167 of this Integrated Report, the following are the material contracts subsisting as at 31 December 2025 or if not then subsisting, entered into since the end of the previous financial year by the Company and its subsidiaries, which involve the interests of Directors and major shareholders:

  - **Share Option Agreement for Grant of Options to Directors and Senior Management to Subscribe for New Ordinary Shares in Dominant Opto Technologies Sdn Bhd ("Dominant Malaysia")**

    On 8 August 2018, the Company and its subsidiary, Dominant Malaysia, entered into a share option agreement which gave the right for the Board of Dominant Malaysia to grant the following Directors and Senior Management ("Grantees") options to subscribe for new ordinary share in Dominant Malaysia ("Dominant Options") at an exercise price of RM5.95 per share:

Grantee	Maximum Options
Tay Kheng Chiong	1,320,000
Low Tek Beng	1,100,000
Siay Say Fei	880,000

    The share option agreement shall be in force for a period of 10 years from 8 August 2018. Under the terms of share option agreement, the Dominant Options shall vest from the date of grant. Dominant Option was approved by Dominant Malaysia's shareholder and the Company's shareholder on 21 February 2018.

    As at the date of this Statement, the Board of Dominant Malaysia has yet to grant any Dominant Options to the Grantees.

- **Employee Share Option Scheme ("ESOS")**

  During the financial year under review, there were three (3) subsisting ESOS.

  - **ESOS of the Company - D&O Employees' Share Option Scheme 2022 ("D&O ESOS")**

    D&O ESOS was approved by the Company's shareholders on 8 June 2022 and the effective date for the implementation of the D&O ESOS was 15 June 2022, being the date on which the Company fully complied with the requirements under Paragraph 6.43(1) of MMLR. D&O ESOS are expiring on 14 June 2032.

    During the financial year ended 31 December 2025, there was no option granted to eligible Directors and employees under D&O ESOS. Options granted and accepted are exercisable pursuant to the terms and conditions imposed by the ESOS Committee from the date of grant, subject to the employee remaining in service with the Group.

    With regards to the options granted to the Directors and Key Senior Management, the aggregate allocation to them since the commencement of the scheme amounted to 1,200,000 options, representing 4.84% of the total new ordinary shares of the Company available under the scheme.

	Number of Options Since the Commencement			
	Granted	Forfeited	Exercised	Outstanding at 31.12.2025
Total	8,002,000	(3,424,400)	(2,341,600)	2,236,000

ADDITIONAL COMPLIANCE STATEMENT (CONT'D)

- **Employee Share Option Scheme ("ESOS") (Cont'd)**

  - **ESOS of the Company - D&O Employees' Share Option Scheme 2022 ("D&O ESOS") (Cont'd)**

	Number of Options										
	Financial Year Ended 31.12.2025										
	Date of Grant	Exercise Price (RM)	As At 1.1.2025	No. of Person Granted	Granted	%	Forfeited	No. of Person Exercised	Exercised	%	As At 31.12.2025
Directors	20.06.22	3.49	-	-	-	-	-	-	-	-	-
	06.06.23	3.27	109,400	-	-	-	(109,400)	-	-	-	-
	02.07.24	3.32	65,000	-	-	-	-	-	-	-	65,000
Subtotal			**174,400**	**-**	**-**	**-**	**(109,400)**	**-**	**-**	**-**	**65,000**
Senior Management	20.06.22	3.49	-	-	-	-	-	-	-	-	-
	06.06.23	3.27	225,000	-	-	-	(225,000)	-	-	-	-
	02.07.24	3.32	165,000	-	-	-	-	-	-	-	165,000
Subtotal			**390,000**	**-**	**-**	**-**	**(225,000)**	**-**	**-**	**-**	**165,000**
Others	20.06.22	3.49	-	-	-	-	-	-	-	-	-
	06.06.23	3.27	1,681,900	-	-	-	(1,681,900)	-	-	-	-
	02.07.24	3.32	2,136,000	-	-	-	(130,000)	-	-	-	2,006,000
Subtotal			**3,817,900**	**-**	**-**	**-**	**(1,811,900)**	**-**	**-**	**-**	**2,006,000**
Grand Total			**4,382,300**	**-**	**-**	**-**	**(2,146,300)**	**-**	**-**	**-**	**2,236,000**

Please refer to pages 121 to 123 of the audited financial statement of the Company for the year ended 31 December 2025 for the additional details of the D&O ESOS.

  - **ESOS of Dominant Electronics Sdn Bhd ("DESB") established on 26 February 2020 and expiring on 25 February 2030 for eligible directors and employees of DESB ("DESB ESOS")**

The maximum number of ESOS Shares to be offered and allotted to eligible directors and employees under DESB ESOS shall not exceed in aggregate 10% of the total number of issued shares of DESB (excluding treasury shares), at any point of time throughout the duration of the DESB ESOS.

The maximum number of new DESB Shares that may be offered and allotted to an eligible participant shall be determined at the discretion of the ESOS Committee after taking into consideration, the performance, seniority and number of years in service of the eligible participant and/or such other factors that ESOS committee may deem relevant, subject always the aggregate allocation to the directors and senior management of the DESB shall not exceed 50% of the new DESB Shares available under the DESB ESOS. The Subscription Price shall be determined by the Board of the Company upon the recommendation of the ESOS Committee but shall not be lower than the higher of DESB's net assets per share at the relevant time and RM1.00 per DESB Share.

During the financial year ended 31 December 2025, there was no option granted to eligible Directors and employees of DESB. Since the commencement of the DESB ESOS, the cumulative number of options granted under DESB ESOS as at 31 December 2025 to the Directors and Senior Management of DESB was 429,185 options, representing 5% (Maximum allocation: 5%) of the issued share capital in DESB.

	Number of Options			
	Since the Commencement			
	Granted	Forfeited	Exercised	Outstanding at 31.12.2025
Total	429,185	-	-	429,185

ADDITIONAL COMPLIANCE STATEMENT (CONT'D)

- **Employee Share Option Scheme ("ESOS") (Cont'd)**

  - **ESOS of Dominant Electronics Sdn Bhd ("DESB") established on 26 February 2020 and expiring on 25 February 2030 for eligible directors and employees of DESB ("DESB ESOS") (Cont'd)**

	Number of Options										
	Financial Year Ended 31.12.2025										
	Date of Grant	Exercise Price (RM)	As At 1.1.2025	No. of Person Granted	Granted	%	Forfeited	No. of Person Exercised	Exercised	%	As At 31.12.2025
Directors	06.10.20	1.00	380,000	-	-	-	-	-	-	-	380,000
	20.10.22	1.00	27,726	-	-	-	-	-	-	-	27,726
Subtotal			**407,726**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**407,726**
Senior Management	06.10.20	1.00	20,000	-	-	-	-	-	-	-	20,000
	20.10.22	1.00	1,459	-	-	-	-	-	-	-	1,459
Subtotal			**21,459**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**21,459**
Grand Total			**429,185**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**429,185**

There was no option offered to and exercised by Non-Executive Directors of the Company under DESB ESOS since the commencement of the DESB ESOS and up to the date of this Integrated Report.

  - **ESOS of Dominant Technologies Sdn Bhd ("DTSB") established on 26 February 2020 and expiring on 25 February 2030 for eligible directors and employees of DTSB ("DTSB ESOS")**

The maximum number of ESOS Shares to be offered and allotted to eligible directors and employees under DTSB ESOS shall not exceed in aggregate 10% of the total number of issued shares of DTSB (excluding treasury shares), at any point of time throughout the duration of the DTSB ESOS.

The maximum number of new DTSB Shares that may be offered and allotted to an eligible participant shall be determined by the ESOS committee after taking into consideration, the performance, seniority and number of years in service of the eligible participant and/or such other factors that ESOS committee may deem relevant, subject always the aggregate allocation to the directors and senior management of the DTSB shall not exceed 50% of the new DTSB Shares available under the DTSB ESOS. The Subscription Price shall be determined by the Board of the Company upon the recommendation of the ESOS Committee but shall not be less than the higher of DTSB's net assets per share at the relevant time and RM1.00 per DTSB Share.

During the financial year ended 31 December 2025, there was no option granted to eligible Directors and employees of DTSB. Since the commencement of the DTSB ESOS, the cumulative number of options granted under DTSB ESOS as at 31 December 2025 to the Directors and Senior Management of DTSB was 642,055 options, representing 5% (Maximum allocation: 5%) of the issued share capital in DTSB.

Number of Options				
Since the Commencement				
	Granted	Forfeited	Exercised	Outstanding at 31.12.2025
Total	642,055	-	-	642,055

	Number of Options										
	Financial Year Ended 31.12.2025										
	Date of Grant	Exercise Price (RM)	As At 1.1.2025	No. of Person Granted	Granted	%	Forfeited	No. of Person Exercised	Exercised	%	As At 31.12.2025
Directors	06.10.20	1.00	210,000	-	-	-	-	-	-	-	210,000
	04.01.21	1.00	190,000	-	-	-	-	-	-	-	190,000
	27.05.21	1.00	200,000	-	-	-	-	-	-	-	200,000
	20.10.22	1.00	42,055	-	-	-	-	-	-	-	42,055
Grand Total			**642,055**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**642,055**

ADDITIONAL COMPLIANCE STATEMENT (CONT'D)

- **Employee Share Option Scheme ("ESOS") (Cont'd)**

  - **ESOS of Dominant Technologies Sdn Bhd ("DTSB") established on 26 February 2020 and expiring on 25 February 2030 for eligible directors and employees of DTSB ("DTSB ESOS") (Cont'd)**

    There was no option offered to and exercised by Non-Executive Directors of the Company under DTSB ESOS since the commencement of the DTSB ESOS and up to the date of this Integrated Report.

- **Utilisation of proceeds**

  - The net proceeds received during the financial year under review from the exercise of options by eligible Directors and employees granted in accordance with the Bylaws of subsisting D&O ESOS (after deducting expenses incurred in the issuance of new shares, if any) were utilised for the purpose of funding the continuing growth and expansion and working capital requirement of the Group.

  - On 1 December 2021, the Company completed a private placement exercise, issuing 38,500,000 new ordinary shares ("Placement Shares"), representing approximately 3.2% of the Company's total issued ordinary Shares as at 29 October 2021, at issue price of RM5.62 per Placement Share. The exercise raised gross proceeds of RM216,370,000 from third party investors falling within Schedule 6 and Schedule 7 of the Capital Markets and Services Act, 2007 ("the Private Placement").

    On 27 May 2024, the Board of the Company resolved to extend the timeframe for the utilisation of the balance proceeds of RM 213.12 million from within four (4) years to within seven (7) years.

  - On 23 February 2026, the Company obtained shareholders' approval for the proposed variation in the utilisation of the balance proceeds from the Private Placement at an Extraordinary General Meeting. Details of the proposed variation are set out in the Circular to Shareholders dated 30 January 2026.

    The status of the utilisation of proceeds raised from the Private Placement as of 31 December 2025, together with the approved variation, is as follows:

Details	Proposed Utilisations (RM'000)	Actual Utilisations (RM '000)	Unutilised Proceeds (RM '000)	Intended Timeframe of Proposed Utilisation from the Completion of the Placement	Revised Timeframe for Utilisation of Balance Proceeds from the Completion of the Placement	Proposed Variation (RM '000)	Revised Utilisation After the Proposed Variation (RM '000)	Revised Timeframe for Utilisation of Proposed Variation
1. Capital Expenditure (Plant 3)^	214,008	1,036	212,972	Within 4 years (by 1 December 2025)	Within 7 years (by 1 December 2028)	(212,972)	-	-
2. Estimated expenses relating to the Private Placement	2,362	2,362	-	Within 2 months	-	-	-	Fully utilised
3. Capital expenditure (machineries and equipment) ^^	-	-	-	-	-	85,972	85,972	By 1 December 2028
4. Repayment of Borrowings ^^^	-	-	-	-	-	127,000	127,000	Within 12 months
Total	**216,370**	**3,398**	**212,972**			**-**	**212,972**	

^ To part-finance the construction of the Group's third manufacturing plant to cater for the production of LEDs.

^^ To purchase new machinery and/or equipment to improve product quality, production efficiency, and operational reliability.

^^^ To repay borrowings amounting to RM127.0 million.

AUDIT COMMITTEE REPORT

The Board of Directors is pleased to present below the report of Audit Committee.

Composition

The members of the Audit Committee are as follows:-

Name	Position
Au Siew Loon (Independent Non-Executive Director)	Chairman
Jesper Bjoern Madsen (Senior Independent Non-Executive Director)	Member
Jennifer Chong Gaik Lan (Independent Non-Executive Director)	Member
Lui Soek Kuen (Independent Non-Executive Director)	Member

The composition of the Audit Committee complies with paragraph 15.09 of the Main Market Listing Requirements ("MMLR"). The Audit Committee comprises four (4) Independent Non-Executive Directors, with the Audit Committee Chairman fulfilling the requirements set out in paragraph 15.09 (1)(c)(iii) and paragraph 7.1 of Practice Note 13 of MMLR. The Audit Committee is chaired by an Independent Director and comprises solely Independent Non-Executive Directors, in accordance with paragraph 15.10 of MMLR and Step Up Practice 9.4 of the Malaysian Code on Corporate Governance ("MCCG") 2021.

The Audit Committee Chairman is not the Chairman of the Board, and the Chairman of the Board is also not a member of the Audit Committee, in compliance with Practice 9.1 and 1.4 of MCCG 2021. No alternate director has been appointed as a member of the Audit Committee, in line with paragraph 15.09 (2) of MMLR.

The Audit Committee's Terms of Reference is published on the Company's corporate website (www.do.com.my) under "Corporate Governance" section.

The profile of the members can be found on pages 28 to 32 of this Integrated Report.

1. Attendance of Meetings

There were six (6) meetings held by the Audit Committee members during the financial year ended 31 December 2025 and details of their attendance are as follows:-

Name	Attendance of Audit Committee meetings
Au Siew Loon	6/6
Jesper Bjoern Madsen	5/6
Jennifer Chong Gaik Lan	6/6
Lui Soek Kuen	6/6

The meetings were conducted with a quorum of a minimum of two (2) members.

The meetings were appropriately structured, with notices of meetings and agendas circulated together with the minutes of the previous meeting and relevant papers and reports at least five (5) business days before each meeting. This allowed the members to have sufficient time to review the information and to discharge their duties and responsibilities diligently and effectively, in compliance with the MMLR and the Audit Committee's Terms of Reference.

The Group Financial Controller, Finance Manager, as well as representatives from the external and internal auditors, were invited to attend the meetings, to present their findings and provide relevant information and explanations to facilitate informed deliberation on matters tabled at the meetings.

The Company Secretary serves as the Secretary to the Audit Committee and, together with the Chairman, is responsible for preparing the agenda and circulating it prior to each meeting. The Company Secretary attended all Audit Committee meetings held during the financial year.

AUDIT COMMITTEE REPORT (CONT'D)

1. Attendance of Meetings (Cont'd)

The Audit Committee reported to and updated the Board on significant issues and matters discussed at the Committee's meetings and, where appropriate, made the necessary recommendations to the Board. The minutes of the Audit Committee meetings were made available to all Board Members for review, and Board Members may seek clarification and confirmation from the Chairman where necessary.

2. Summary of the works of the Audit Committee

The following activities were performed by the Audit Committee and reported to the Board for its attention, deliberation and approval during the financial year ended 31 December 2025:-

a) Review of internal audit plan and results of the internal audit reviews

During the financial year, the outsourced internal audit function reported to the Audit Committee the findings, recommendations and management action plans arising from the internal audit cycles conducted in accordance with the approved internal audit plan. The internal audit function also provided periodic updates to the Audit Committee, through its Action Plan Progress Follow Up Report, on the status and progress of the internal audit plan, as well as information on the internal audit function's resources, experience, competency and continuous professional development of the internal audit personnel, to enable the Audit Committee to assess the effectiveness and adequacy of the internal audit function.

Please refer to the Statement on Risk Management and Internal Control from pages 65 to 73 for the oversights of the Audit Committee on the outsourced internal audit function.

b) Review of quarterly financial reports

During the scheduled quarterly meetings, draft quarterly financial statements (including statement of financial position, statement of profit or loss and comprehensive income, statement of cash flow, statement of changes in equity and notes to the account) were presented to the Audit Committee for review. The key focuses during the review were on accounting policies used, analysis of major changes in components of statement of financial position, statement of profit or loss and comprehensive income and statement of cash flow, major judgmental and risk areas, significant adjustments resulting from the audit, the going concern assumption, compliance with accounting standards, compliance with MMLR and other regulatory requirements.

The quarterly financial reports reviewed by the Audit Committee include analysis of the financial performance of the key operating subsidiaries, inventories ageing and debtors ageing as well as comparison of actual financial results against budget. Furthermore, the Audit Committee assessed the reasonableness of the assumptions and estimates made in the draft quarterly financial statements based on the Operational and Financial Performance Report by the Group Managing Director, which include financial performance, cost optimisation plan, updates on the business operations, sales forecast and performance, business strategies, comparison of actual financial performance against budget (or revised budget, where applicable), key performance indicators, utilisation of bank facilities and headcount distribution.

c) Review of external auditors' audit plan

During the financial year, the external auditors presented the Audit Plan to the Audit Committee for review prior to the commencement of the audit to assess the adequacy and appropriateness of the proposed audit scope, audit approach and timeline to ensure sufficient time and resources were allocated for the audit to be carried out effectively and without time pressure.

AUDIT COMMITTEE REPORT (CONT'D)

2. Summary of the works of the Audit Committee (Cont'd)

c) Review of external auditors' audit plan (Cont'd)

The Audit Plan presented by the external auditors covered the audit approach, areas of audit emphasis, group audit, assessment of information technology controls reliance and data integrity testing, considerations of works performed by internal auditor, reporting and deliverables, management communication channels, engagement team, proposed audit and non-audit fees, fraud risk assessment, transparency report, responsibilities of the directors and management as well as the external auditors, declaration of independence in accordance with the Malaysia Institute of Accountants' By-Laws (On Professional Ethics, Conduct and Practice) ("MIA By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)("IESBA Code"), and development in applicable accounting standards for the financial year.

The Audit Plan for the financial year was discussed at the meeting and clarifications were sought from the external auditors prior to its approval by the Audit Committee. At the same meeting, the proposed audit and non-audit fees were reviewed by the Audit Committee and subsequently recommended to the Board for approval.

d) Review of audited statutory financial statements

Prior to the announcement of the final quarterly unaudited financial statements, the external auditors presented their Audit Review Memorandum to the Audit Committee (which includes key audit findings, summary of uncorrected misstatements, internal control observations, status of group audits, expected audit opinion, related party transactions, proposed audit fees, outstanding confirmation and information) for discussion and consideration.

For the review of the audited statutory financial statements, the external auditors presented the Closing Report for the financial year, which covers status update of the audit activities, key audit findings, summary of uncorrected differences, internal control observations, reconciliation and comparison of profit after taxation between audited statutory financial statements and final quarterly unaudited financial statements, expected audit opinion, going concern assessment, key audit matters, as well as review of the Statement on Risk Management and Internal Control and the draft Integrated Report.

Upon being satisfied with the audit review, the Audit Committee recommended the audited statutory financial statements of the Company and the Group to the Board for approval and adoption, after having satisfied itself that:

1. the internal audit coverage was adequate to provide reasonable assurance on the effectiveness and reliability of the supporting internal controls;
2. the external audit had been adequately planned and carried out in accordance with the approved auditing standards;
3. the audited statutory financial statements had been prepared in accordance with generally accepted accounting principles, consistently applied and in compliance with applicable accounting standards and statutory requirements; and
4. the presentation and disclosures of the audited statutory financial statements were in full compliance with statutory requirements and applicable approved accounting standards, after reviews performed with the external auditors and Management.

e) Performance evaluation and independent assessment of external auditors

During the financial year under review, the Audit Committee conducted performance evaluation and independent assessment of the external auditors based on the recommended evaluation criteria set out in the Corporate Governance Guide issued by Bursa Malaysia Berhad. The evaluation criteria include the calibre of the audit firm, audit quality and performance, knowledge and skill sets of the engagement team, independence and objectivity, audit scope and planning, audit fees and audit communication. As part of the evaluation process, the Audit Committee reviewed the Transparency Report prepared by the external auditors, which was presented together with the Audit Plan.

AUDIT COMMITTEE REPORT (CONT'D)

2. Summary of the works of the Audit Committee (Cont'd)

e) Performance evaluation and independent assessment of external auditors (Cont'd)

In addition, at the same meeting, the external auditors confirmed to the Audit Committee their independence in relation to the audit work performed and their commitment to keep the Audit Committee informed of their independence status on an ongoing basis. During the financial year, the Audit Committee also obtained confirmation from the external auditors that the non-audit services provided to the Group were in accordance with the external auditors' independence requirements and that no non-audit services had been rendered that would compromise their independence as external auditors of the Group and the Company.

Such evaluation and assessment are conducted annually, typically in March, following the completion of the statutory audit for the preceding financial year, for the purpose of considering the appointment of the external auditors for the ensuing financial year. Based on the satisfactory results of the annual evaluation of the performance and independence of the external auditors, the Audit Committee recommended to the Board the reappointment of the external auditors as auditors of the Company, subject to approval of shareholders at the forthcoming Annual General Meeting.

f) Meeting with external auditors without the presence of the Executive Directors and Management

The Audit Committee met with the external auditors on 21 February 2025 without the presence of the Executive Directors and Management, whereby they were given the opportunity to raise any concern or difference in professional opinion so that they are able to conduct their functions independently with full cooperation rendered by management.

g) Review of related party transactions and conflict-of-interest

During the scheduled quarterly meetings, the Audit Committee was presented with reports on the actual value of the Recurrent Related Party Transactions ("RRPT") from the date of shareholders' mandate to the end of the financial period, compared against the approved value of transactions under the shareholders' mandate obtained at the previous general meeting. This enabled the Audit Committee to identify any RRPT that had exceeded or were approaching the approved limits, so that prompt action could be taken to rectify the matter. In addition, the Audit Committee reviewed RRPTs for which no shareholders' mandate or announcement was required in accordance with the MMLR, as well as any other Related Party Transaction ("RPT"), to ensure appropriate oversight and compliance.

Members of the Board declared their interests at each scheduled quarterly Board meeting during the financial year. Based on such declarations, the Audit Committee reviewed and monitored any actual or potential conflicts of interest involving members of the Board in transactions that were not RPTs or RRPTs. No actual or potential conflicts of interest situations were noted during the financial year under review. Where potential conflicts are identified, the Audit Committee evaluates the circumstances and recommends appropriate measures to the Board to resolve, eliminate, or mitigate the conflicts.

h) Review of the latest changes of pronouncements issued by the accountancy, statutory and regulatory bodies

While presenting the Audit Plan for the financial year under review, the external auditors also updated the Audit Committee on the latest developments in accounting standards applicable to the Company and the Group. The Audit Committee sought clarifications from the external auditors on the application, implications and potential impact of new and revised accounting standards on the financial statements of the Company and the Group, where applicable.

AUDIT COMMITTEE REPORT (CONT'D)

2. Summary of the works of the Audit Committee (Cont'd)

i) Review of statements and reports in the Integrated Report

The Audit Committee reviewed key sections of the Integrated Report to ensure compliance with the MMLR, MCCG and other relevant guidelines. These reviews included the Corporate Governance Report, Corporate Governance Overview Statement, Audit Committee Report, Statement on Risk Management and Internal Control, Sustainability Report, and other compliance statements required under the MMLR. The Audit Committee also reviewed the Board's responsibility statement for the preparation of the annual audited financial statements, disclosures relating to profiles of Directors and Key Management, RRPTs and other key disclosures in the Integrated Report, including the value creation model, business strategy, opportunities and risks, and management discussion and analysis.

The review process involved meeting with Management to seek confirmations and clarifications, while the internal audit function presented the results of its compliance review on the Corporate Governance Report, Corporate Governance Overview Statement, Audit Committee Report and Statement on Risk Management and Internal Control during the same meeting.

j) Review of draft circulars to shareholders – renewal of Shareholders' Mandate for RRPTs of a revenue or trading nature

The Audit Committee reviewed draft circulars together with the Company Secretary and Management (as the case may be) to ensure that the contents, presentation and disclosures were in compliance with MMLR.

k) Review of high-risk areas and Management responses

For matters identified as high-risk potential, the Audit Committee, through its review of the internal audit reports, financial performance, operational performance and business strategy of key operating subsidiaries, sought clarifications from Management and requested mitigation plans to address and manage the identified risks, ensuring that the risks were appropriately monitored and controlled.

l) Review of Key Risk and Opportunity Profile Update Report

During the financial year under review, the Audit Committee reviewed and deliberated on the Key Risk and Opportunity Profile Update Report, which include the Risk and Control Score Sheet covering strategic risks and key operational risks and opportunities, existing control activities for risks mitigation and opportunities optimisation, likelihood and impact rating and the risk management process employed by the Management for the risk assessment exercise. Based on the review, the Audit Committee was satisfied with the adequacy and effectiveness of the risk assessment process and Management's responses. The results of the review were subsequently reported to the Board for their attention and oversight.

m) Review of sustainability activities of the Group

During the scheduled quarterly meetings, the Audit Committee reviewed the Sustainability Management Report presented by Management, which outlined the key sustainability initiatives undertaken by the Group. These initiatives included solar installations at Plant 2 and the staff hostel, energy optimisation activities, compliance with industrial effluent and scrubber emission standards, monitoring of human rights and labour incidents, and reporting of substantiated anti-bribery and corruption cases. The Audit Committee also assessed the effectiveness of the ongoing environmental, social and governance initiatives to ensure continuous improvement and alignment with the Group's sustainability goals. The results of these reviews were reported to the Board for its oversight and deliberation.

AUDIT COMMITTEE REPORT (CONT'D)

2. Summary of the works of the Audit Committee (Cont'd)

n) Review of Anti-Bribery and Corruption Report

During the financial year under review, the Audit Committee reviewed the Anti-Bribery and Corruption report presented by the Anti-Bribery & Corruption Committee. The report provided updates on compliance with the Group's Anti-Bribery and Corruption Policy, whistleblowing incidents and the outcomes of related investigations, as well as the progress of management action plans to enhance adequate procedures. The Audit Committee also reviewed proposed improvements to the Anti-Bribery and Corruption Policy as recommended by Anti-Bribery & Corruption Committee. The findings and recommendations arising from the review were subsequently reported to the Board for its attention, deliberation and oversight.

o) Review of tax matters

During the quarterly meetings, the Audit Committee was briefed on any outstanding or persistent tax matters affecting the Group. These matters were reviewed and deliberated to ensure that appropriate actions were taken, potential risks were identified and managed, and compliance with applicable tax laws and regulations. The outcomes of these reviews were reported to the Board for oversight and any necessary guidance.

p) Review of changes and updates to corporate governance-related policies and procedures

During the financial year under review, changes and updates to the Whistle-blowing Policy, Code of Ethics and Conduct and Policies and Procedures to Assess the Suitability and Independence of and the Provision of Non-Audit Service by External Auditor, were tabled to the Audit Committee for review. Following its assessment, the Audit Committee recommended the revised policies and procedures to the Board for approval.

3. The Internal Audit Function and Activities

The Group's internal audit function is outsourced to a professional firm. The outsourced internal audit function assists the Board and the Audit Committee in providing an independent and objective assessment of the adequacy and effectiveness of the Group's system of internal control and risk management. The outsourced internal audit function reports directly to the Audit Committee. The appointment and resignation of the internal audit function, as well as the proposed audit fees, are subject to review by the Audit Committee for recommendation to the Board for approval.

The audit engagement of the outsourced internal audit function is governed by an engagement letter and Internal Audit Charter. The key terms of the engagement include purpose and scope of works, accountability, independence, roles and responsibilities of the outsourced internal audit function, Management's responsibilities, authority of the outsourced internal audit function, limitation of scope of works, confidentiality, proposed fees and composition of the engagement team.

The internal audit plan, which defines the scope and areas of review, was reviewed and approved by the Audit Committee. During the financial year under review, the Audit Committee enhanced its oversight by reviewing the adequacy of the resources of the outsourced internal audit function, including qualification, experience/exposure and continuous professional development of the internal audit personnel. The performance of the internal audit function was formally evaluated by the Audit Committee using a prescribed evaluation form adapted from the Corporate Governance Guide issued by Bursa Malaysia Berhad. In addition, a private session between the Audit Committee and the outsourced internal audit function was held on 19 November 2025 to facilitate open communication and exchange of views.

AUDIT COMMITTEE REPORT (CONT'D)

3. The Internal Audit Function and Activities (Cont'd)

To preserve independence and objectivity, the outsourced internal audit function does not assume any Management responsibilities, including acting on behalf of Management, deciding and implementing management action plan, performing on-going internal control monitoring activities (except for follow up on progress of action plan implementation), authorising and executing transactions, preparing source documents on transactions, having custody of assets or acting in any capacity equivalent to a member of the Management or the employee.

The outsourced internal audit function is accorded unrestricted access to all functions, records, properties, personnel, the Audit Committee and other specialised services within or outside the Group, as well as the necessary assistance of personnel in units of the Group where audit was conducted.

During the financial year under review, the outsourced internal audit function conducted scheduled internal audits in accordance with the approved internal audit plan (and any amendments thereof). Findings and areas of improvement in internal controls were formally reported to the Audit Committee at the quarterly meetings. Follow-up reviews were also carried out to ascertain the status of implementation of agreed management action plans, and the results of such follow-up reviews were reported to the Audit Committee at the same scheduled quarterly meetings.

Further details on the outsourced internal audit function and internal audit activities are disclosed in the Statement on Risk Management and Internal Control available on pages 65 to 73 of this Integrated Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to paragraph 15.26(b) and Practice Note 9 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Listing Requirements") in relation to the requirement to prepare statement about the state of risk management and internal control of the listed issuer as a group, and as guided by the Statement on Risk Management and Internal Control : Guidelines for Directors of Listed Companies ("the SORMIC Guide 2025") issued by the Institute of Internal Auditors Malaysia and the Malaysian Code on Corporate Governance 2021, the Board of D & O Green Technologies Berhad ("D&O" or "the Company") (collectively with its subsidiaries, "the Group") is pleased to present the statement on the state of the risk management and internal control of the Group for the financial year ended 31 December 2025. The scope of this Statement includes the Company and its operating subsidiaries. In respect of the joint venture, during the period under review prior to its dissolution on 27 May 2025, where the Group did not have full control, oversight was exercised through Board representation.

BOARD RESPONSIBILITIES

The Board affirms its overall responsibility for maintaining a sound governance, risk management and internal control system and for reviewing their adequacy and effectiveness so as to provide assurance on the achievement of the Group's mission, vision, core values, strategies and business objectives as well as to safeguard all its stakeholders' interests and protecting the Group's assets. The Board established risk appetite of the Group is based on the risk capacity, strategies, internal and external business context, business nature and corporate lifecycle. The Board is committed to the establishment and maintenance of an appropriate control environment that is embedded into the corporate culture, strategies and processes of the Group as well as to articulate the importance of adequate and effective risk management and internal control system. The Board delegates the duty of identification, assessment and management of key business risks and opportunities to the Group Managing Director. Sustainability risks are incorporated to ensure that environmental, social, and governance ("ESG") factors are considered in strategic and operational decision-making. The Audit Committee, through its terms of reference approved by the Board, is delegated the duty to review the adequacy and effectiveness of risk management and internal control system of the Group and to provide assurance to the Board on the adequacy and effectiveness of such risk management and internal control system. Through the Audit Committee, the Board is kept informed on all significant risk and control issues brought to the attention of the Audit Committee by the Management, the internal audit function and the external auditors.

The system of internal control covers inter-alia, control environment, risk assessment, control activities, information and communication and monitoring activities. However, in view of the limitations that are inherent in any system of internal control, the system of internal control is designed to manage, rather than to eliminate the risk of failure to achieve the Group's business objectives. Accordingly, the system of internal control can only provide reasonable and not absolute assurance against material misstatement of losses and fraud.

RISK MANAGEMENT

The Board recognises risk management as an integral part of the internal control system and good management practice in the pursuit of its strategies and business objectives. The Board maintains an ongoing commitment to identifying, evaluating and managing significant risks and opportunities faced by the Group systematically during the financial year under review. The Board had put in place a formal Risk and Opportunity Management Policy and Procedure ("ROMP") as the governance structure and processes for Group-wide risk management, in order to embed the risk management practices throughout the Group, manage key business risks and optimise key business opportunities in an adequate and effective manner. The ROMP is reviewed at least once every three (3) years, or earlier when deemed necessary, to ensure its continued relevance and effectiveness, and was last reviewed and approved by the Board on 23 February 2024.

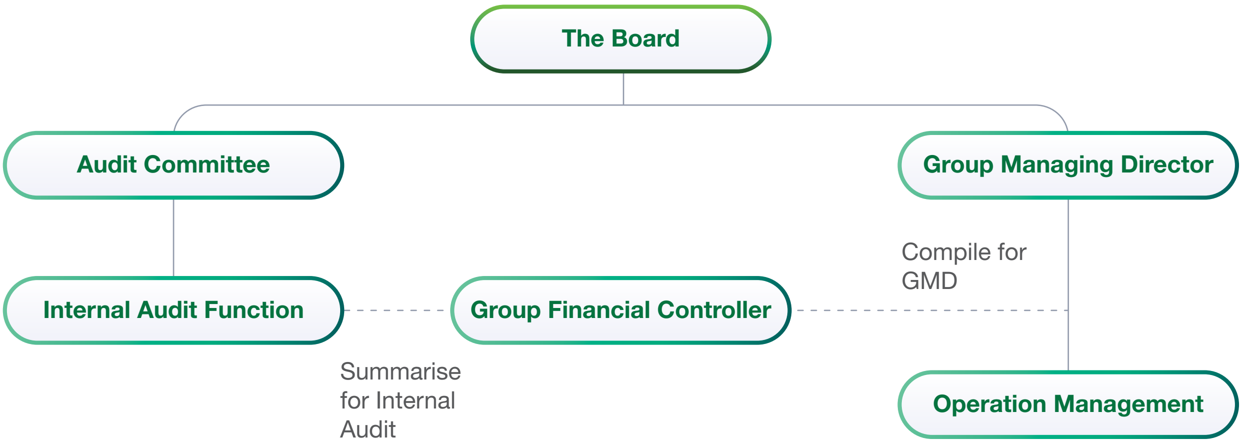
The duties and responsibilities for the identification, evaluation and management of the key business risks and opportunities are delegated to the Group Managing Director.

The principles, practices and process of ROMP established by the Board are, in all material aspects, guided by the IATF 16949:2016 Standard by The International Automotive Task Force.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT (CONT'D)

The governance structure for risk and opportunity management is designed in line with the Institute of Internal Auditors' ("IIA") Three Lines Model, whereby the established ROMP defines the respective roles and responsibilities of the Board, the Audit Committee, the Group Managing Director, Operation Management (as risk and opportunity owners), the Group Financial Controller (as the key risk and opportunity coordination function) and the Internal Audit Function.



The First Line comprises the Group Managing Director and Operation Management, who are directly responsible for owning and managing risks and opportunities within their respective areas of responsibility. In particular, the roles and responsibilities of the Group Managing Director include:-

(a) implement the risk and opportunity management framework as approved by the Board;
(b) develop and oversee the implementation of the risk and opportunity management process which includes the identification of key risks and opportunities, as well as devising appropriate action plans in cases where existing controls are ineffective, inadequate or non-existent and communicate the methodology to the Heads of Department;
(c) ensure that risk and opportunities strategies adopted are aligned with the Group's strategies (e.g. vision/mission, corporate strategies/goals, etc) and ROMP;
(d) periodic review and update (at least annually) or when required of the Risk and Control Score Sheets of the Group and determination of corrective management action plans, if required; and
(e) periodic update the Board on significant risks and opportunities via Risk Report or when appropriate (due to significant fluctuations to the register), and the course of action to be taken by Management in managing the changes.

Meanwhile, the Operation Management team, i.e. heads of departments, act as risk and opportunity owners within their area of expertise, and are delegated with operational responsibilities for reviewing and updating, annually or when required, changes in the Risk and Control Score Sheets based on existing controls and submitting the updated Risk and Control Score Sheets to the Group Financial Controller for compilation.

The Second Line comprises functions that provide oversight, coordination and guidance to support the First Line in the effective management of risks and opportunities. Under the ROMP, the Group Financial Controller plays a key role in coordinating the Group-wide risk and opportunity management process, including to support Group Managing Director in coordinating all risk and opportunity management activities (i.e., update of Risk and Control Score Sheets, etc) across the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT (CONT'D)

A systematic risk and opportunity management process is stipulated in the ROMP, which sets out structured steps for risk and opportunity identification, evaluation, control identification, treatment and monitoring for application across the Group. Risks identified include sustainability-related matters identified through the sustainability assessment process. Risk and opportunity assessments are performed at both gross and residual levels and are guided by the likelihood and impact rating criteria established and approved by the Board, based on the Group's acceptable risk appetite.

As part of the process, Risk and Control Score Sheets are maintained and updated by the respective Head of Department to document key risks and opportunities identified, together with their ratings, existing controls, action plans and residual risk exposure based on the risk and opportunity assessment methodology. As an important risk and opportunity monitoring mechanism, Management reviews the Risk and Control Score Sheets of key operating subsidiaries and assesses emerging risks and opportunities identified at both strategic and operational levels on an annual basis or more frequently, where necessary. The Risk and Control Score Sheets are compiled by the Group Financial Controller, submitted to the Group Managing Director for review before forwarded to the Internal Audit Function. The Internal Audit Function consolidates and summarises the key risk information and reports to the Audit Committee via the Key Risk and Opportunity Profile Update Report.

The Risk and Control Score Sheets are primarily used for the identification of high residual risks that are above the risk appetite of the Group and therefore require immediate Management and Board attention, including the formulation of appropriate risk treatment plans and future risk monitoring. Key opportunities identified are also registered in the relevant Risk and Control Score Sheets to monitor the implementation of action plans and to ensure the effective realisation of such opportunities.

During the financial year under review, Management conducted a review and assessment exercise on the existing strategic, governance, fraud, sustainability, and key operational risks as well as opportunities of D&O and its operating subsidiaries, after taking into consideration the findings from the internal audit reviews. A consolidated Key Risk and Opportunity Profile Update Report was prepared, comprising the Risk and Control Score Sheets covering strategic, fraud, sustainability and key operational risks and opportunities, together with the related control activities, likelihood and impact rating criteria applied, and the risk management processes employed by the Operation Management in performing the review and assessment. The Key Risk and Opportunity Profile Update Report was tabled to the Audit Committee for review and deliberation on its adequacy and effectiveness, and thereafter reported the results to the Board, which assumes the primary responsibility of the Group's risk management. All discussions, deliberations and decisions arising from the review were properly minuted to ensure accountability, transparency and effective oversight.

At the strategic level, business plans, business strategies and investment proposals with risks and opportunities as well as sustainability considerations are formulated by Key Senior Management and presented to the Group Managing Director and the Board for review and approval. This is to ensure proposed plans and strategies are aligned with the Group's objective and are consistent with the Group's risk appetite approved by the Board. In optimising performance, both risks and opportunities are evaluated to support informed decision-making. In addition, specific strategic and key operational risks and opportunities are highlighted and deliberated by the Audit Committee and/or the Board during the financial performance review meetings of the Group, enabling timely decisions and strategic adjustments where necessary.

Respective heads of departments/divisions (i.e. risk and opportunity owners) are responsible for managing the risks and opportunities within their respective areas through the implementation of appropriate internal controls and day-to-day risk management practices. Changes in key risks or opportunities, including the emergence of new risks, are identified through ongoing operational activities and periodic reviews of financial and operational reports.

Risk and opportunity owners assess changes in existing risks and evaluate emerging risks and are responsible for formulating and implementing appropriate control measures, as well as action plans to optimise identified opportunities. Material risks and opportunities are escalated to the Group Managing Director for review and decision on the appropriate response. Significant matters are then reported to the Board by the Group Managing Director to enable Board-level oversight and direction.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT (CONT'D)

The monitoring processes of risk and opportunity management by the Group are further enhanced by the internal audit reviews carried out by the internal audit function, with specific audit objectives and business risks identified for each internal audit cycle based on the internal audit plan approved by the Audit Committee.

The above risk and opportunity management processes have been consistently practised by the Group throughout the financial year under review and up to the approval date of this statement. Key risks identified and the corresponding control activities implemented or to be implemented by the management are disclosed in pages 22 to 23 of this Integrated Report.

INTERNAL CONTROL SYSTEM

The key features of the Group's internal control system are made up of five core components, i.e. Control Environment, Information and Communication, Control Activities, Risk Assessment and Monitoring Activities with principles representing the fundamental concepts associated with each component as follows:-

- **Board of Directors/Board Committees**

  The role, functions, composition, operation and processes of the Board are guided by a formal board charter whereby roles and responsibilities of the Board, the Non-Independent Non-Executive Chairman and the Executive Directors (including the Group Managing Director) are specified to maintain the independence of the Board from the Management and to enhance oversight roles of the Board.

  Board Committees (i.e. Audit Committee, Remuneration Committee, Nomination Committee and Employees' Share Option Scheme ("ESOS") Committee) are established to carry out duties and responsibilities delegated by the Board, governed by written terms of reference.

  The Board of Directors and Audit Committee carried out meetings on quarterly basis to review the performance of the Group, from financial and operational perspectives. Besides, additional Board of Directors or Audit Committee meeting shall be arranged should the need arise while meetings for the Remuneration Committee, Nomination Committee and ESOS Committee are carried out at least once annually or whenever required. Business plans and business strategies are proposed by the Group Managing Director for the Board's review and approval, after taking into consideration risks and management feedback.

- **Integrity and Ethical Value**

  The tone from the top on integrity and ethical values is enshrined in a formal Code of Ethics and Conduct. This formal code forms the foundation of integrity and ethical value for the Group.

  Integrity and ethical values are incorporated in the Policy and Procedure for Employees whereby the ethical practices of the employees with the customers, suppliers, society and environment are stated. The code of conduct of the employees in carrying out their duties and responsibilities assigned is also established and formalised in Policy and Procedure for Employees.

  To further strengthen the ethical principles throughout the Group, Management has established a comprehensive Anti-Bribery and Corruption Policy, which serves as a preventive measure against bribery. In addition, a Whistle-Blowing Policy has been implemented and published on the corporate website, providing a platform for stakeholders and employees to report, in good faith, any suspected financial reporting irregularities, compliance violations, or unethical practices at the earliest opportunity.

  Compliance with the Code of Ethics and Conduct and Anti-Bribery and Corruption Policy is actively monitored. Non-compliances are timely detected, investigated and addressed with appropriate corrective action, including but not limited to disciplinary actions.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL CONTROL SYSTEM (CONT'D)

- **Organisation Structure, Accountability and Authorisation**

  The Group has a well-defined organisation structure in place with clear lines of reporting and accountability with the Board assuming the oversight roles. The Group is committed to employing suitable and qualified staff so that the appropriate level of authority and responsibilities can be delegated while accountability of performance and controls are assigned accordingly to competent staff to ensure operational efficiency. The establishment and communication of job responsibilities and accountability of performance and controls for key positions are further enhanced via the job descriptions established by the Management.

  The key internal control points of crucial business processes are stated in the respective operation department's policies and procedures.

- **Performance Measurement**

  Key performance indicators are established by the Management for the monitoring of operational performance at scheduled intervals.

  Annual budget for the Group is presented to and approved by the Board on an annual basis. The actual performances are closely monitored against budgets to identify significant variances for prompt actions to be taken to mitigate unfavourable impact.

- **Succession Planning and Human Resource**

  It is the Management's commitment to identify and satisfy the needs of employees to continuously develop their knowledge, skills and competency for personal development and corporate excellence. Functional Replacement and Succession Plan is put in place to ensure key roles within the Group are supported by competent second-in-line to minimise the impact of abrupt departure of key personnel.

  Comprehensive guidelines on human resource management are in place to ensure the Group's ability to operate in an effective and efficient manner by employing and retaining adequate competent employees with necessary knowledge, skill and experience (which are enhanced by continuous trainings thereafter) to carry out their duties and responsibilities effectively and efficiently.

  Performance evaluation which forms the basis of incentives and promotions is carried out for all levels of staff to identify performance gaps, training needs and to assist in talent development.

- **Risk Assessment and Control Activities**

  Risk assessment is performed by risk owners on an annual basis or when there is a change in internal and/or business context in accordance with ROMP. Internal controls, as risk responses, are formulated and put in place to mitigate identified risks to a level acceptable by the Board. A Business Continuity Plan is in place to ensure the continuity and resilience of critical business operations in the event of significant disruptions.

  The Group's policies and procedures are regularly reviewed and updated to ensure it continues to support the Group's business activities in achieving the Group's business objectives.

- **Information and Communication**

  At the operational level, clear reporting lines are established across the Group and operation reports are prepared for the dissemination of critical information to relevant personnel for effective communication throughout the Group and for timely decision-making and execution in pursuit of the business objectives. Matters that require the Board and the Key Senior Management's attention are highlighted for review, deliberation and decision on a timely basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL CONTROL SYSTEM (CONT'D)

- **Information and Communication (Cont'd)**

  The Group puts in place effective and efficient information and communication infrastructures, communication channels (i.e. computerised systems, secured intranet, electronic mail system and modern telecommunication) and processing systems, so that operation data and external data can be collected and processed into relevant and adequate information and communicated timely, reliably and securely to dedicated personnel within the Group for decision making and for communication with relevant external stakeholders. Apart from that, relevant financial and management reports are generated for different levels of management and employees for their review and decision-making. The management and board meetings are held for effective two-way communication of information among different levels of management and management with the Board.

  Communication of information within the Group is often conducted via written format, information boards, electronic mail system and in-house trainings by respective risk or control owners.

- **Monitoring and Review**

  At the operational level, monitoring activities are embedded into the policies, procedures and day-to day processes established by the Management with incidents of non-compliance, control deficiencies and exceptions noted and escalated to the appropriate level of management. Key performance indicators are formulated to monitor the performance of key divisions/departments against targets established for prompt management action to address unsatisfactory performance. Periodic management meetings are held to discuss and review budgets, financial and operational performance of key divisions/departments of the Group. These meetings facilitate ongoing assessment of operational effectiveness, resource utilisation, and emerging risks and opportunities. The monitoring of compliance with relevant laws and regulations is further enhanced where specific areas of safety, health and environment are tested by independent party engaged by the Group and enforcement bodies.

  At the Board level, the quarterly financial statement which contains key financial results is presented to the Board for their review and deliberation. Operational and financial performance reports are also presented by the Group Managing Director at Board meetings to enable the Board to assess the operational performance (including comparison against budgets), cash flow planning and monitoring, business strategies and updates, future prospects, external business conditions, investment performance, capacity expansion initiatives, emerging key risks and opportunities, as well as sustainability activities undertaken or planned, including progress and performance.

  The Anti-Bribery and Corruption Committee tables the results of its review on compliance with the Anti-Bribery and Corruption Policy to the Audit Committee at each quarterly meeting for review and deliberation, following which the outcomes are reported to the Board to enable oversight of the effectiveness and level of compliance with the policy.

  In addition to the internal audit function, significant control issues, if any will be highlighted by the external auditors as part of their statutory audits, as well as by internal ISO auditors and independent consultants engaged by the Group to conduct surveillance audits in relation to ISO certification. The results of these reviews are reported to Management and the relevant Board Committees for appropriate follow-up and remedial actions.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTION

The review of the adequacy and effectiveness of the Group's risk management and internal control system is outsourced to an independent professional firm, NeedsBridge Advisory Sdn Bhd, which, through the Audit Committee, provides the Board with much of the assurance it requires in respect of the adequacy and effectiveness of the Group's system on risk management and internal control. To uphold the professional firm's independence and objectivity, the outsourced internal audit function reports directly to the Audit Committee. At least once annually, the Audit Committee meets with the outsourced internal audit function without the presence of the Management to promote an open and transparent flow of information.

The internal audits are carried out, in material aspects, in accordance with the International Professional Practices Framework ("IPPF"), including the Global Internal Audit Standards and Topical Requirements, established by the Institute of Internal Auditors Global ("IIA Global"). The engagement senior director, Mr. Pang Nam Ming, is a Certified Internal Auditor ("CIA") and Certification in Risk Management Assurance ("CRMA") accredited by the IIA Global and a professional member of the Institute of Internal Auditors Malaysia ("IIA Malaysia"). As a CIA, the engagement senior director is required to declare his conformance to the Standards of the Institute of Internal Auditors during his renewal as CIA. During the financial year under review, the resources allocated to the fieldwork of the internal audit by the outsourced internal audit function comprised one (1) assistant manager and at least two (2) consultants for each engagement, with planning, supervision and execution oversight performed by the director and senior director.

Based on the formal evaluation of internal audit function and review of the works performed and deliverables by the outsourced internal audit function during the financial year, the Audit Committee and the Board are satisfied:

- that the outsourced internal audit function is free from any relationships or conflicts of interest which could impair their objectivity and independence;
- with the scope of the outsourced internal audit function;
- that the outsourced internal audit function possesses relevant experience, knowledge, competency and authority to discharge its functions effectively, possesses sufficient resources and has unrestricted access to employees and information for the internal audit activities; and
- with the internal audit plan, processes, the results of the internal audit and/or investigation undertaken (if any).

Risk-based internal audit plan in respect of the financial year ended 31 December 2025 was drafted by the outsourced internal audit function, after taking into consideration the existing and emerging key business risks identified in the Key Risk and Opportunity Profile, the Key Senior Management's opinion and the previous internal audits performed, subject to review and approval by the Audit Committee prior to execution. Each internal audit cycle within the internal audit plan is specific with regard to audit objective, key risks to be assessed and scopes of the internal control review.

As part of the Third-Line role, the internal control review procedures performed by the outsourced internal audit function are designed to understand, document and evaluate risks and related controls in order to assess the adequacy and effectiveness of the Group's governance, risk management structures, control structures and control processes. Based on the internal audit observations, the outsourced internal audit function provides recommendations that addresses the root causes of control deficiencies identified. The internal audit procedures principally consist of process evaluations through interviews with relevant personnel involved in the process under review, review of the applicable standard operating procedures and/or process flows, and observations of the actual operation of processes to assess consistency with the results of interviews and documented standard operating procedures and/or process flows. Thereafter, testing of key controls for the respective audit areas through sample-based reviews, with sample sizes determined in accordance with a predefined methodology that takes into consideration the nature, scope and objectives of the audit, as well as the extent of verification required.

During the financial year ended 31 December 2025, based on the internal audit plan reviewed and approved by the Audit Committee, the outsourced internal audit function conducted reviews covering, inter alia, the management information system and inventory management for a key manufacturing subsidiary in Malaysia. In addition, reviews were carried out on the Corporate Governance Report, Corporate Governance Overview Statement and Audit Committee Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTION (CONT'D)

Upon completion of each internal audit engagement during the financial year under review, the internal audit reports were presented to the Audit Committee at its scheduled meetings. The presentation covered, inter alia, the internal audit findings, priority rating, risk/potential implications, recommended corrective actions, management responses/action plans, the designated person-in-charge and the proposed timelines for implementation. These matters were deliberated with the members of the Audit Committee to enable the Audit Committee to form an opinion on the adequacy and/or effectiveness of the governance, risk and control of the business process under review. Follow-up reviews were performed by the outsourced internal audit function on management action plans that had not been fully implemented from the previous internal audit engagements. Such follow-up reviews were conducted by verification procedures, including physical observations and/or sample-based verification of evidence provided by the relevant person-in-charge to substantiate the implementation of the agreed management action plan. Updates on the status of these action plans were compiled and presented via the Action Plan Progress Report, which was tabled at subsequent Audit Committee meetings for review and deliberation.

In addition, during the Audit Committee meetings, the outsourced internal audit function reported on its staff strength, qualifications, experience and continuous professional education programmes for the Audit Committee's review, in line with its oversight responsibilities.

The total cost incurred in maintaining the outsourced internal audit function for the financial year ended 31 December 2025 amounted to RM92,000.

ASSURANCE PROVIDED BY THE GROUP MANAGING DIRECTOR AND THE GROUP FINANCIAL CONTROLLER AND CONTROLS AND REGULATION ASSESSMENT BY THE KEY SENIOR MANAGEMENT

In line with the SORMIC Guide 2025, the Group Managing Director, being the highest ranking executive of the Company and the Group Financial Controller, being the person primarily responsible for the management of the financial affairs of the Company, have provided assurance to the Board that the Group's risk management and internal control systems have operated adequately and effectively, in all material aspects, to meet the Group's business objectives during the financial year under review.

In addition, during the financial year, the Key Senior Management conducted an assessment of controls and regulatory compliance based on criteria adopted from the Corporate Governance Guide issued by Bursa Malaysia Berhad. The criteria assessed include the overall control environment (i.e. identification and evaluation of business risks, internal controls, information systems and cybersecurity, insurance, corporate communication and corporate code of conduct), other regulatory areas (i.e. taxation and duties on sustainability), legal and secretarial matters and stakeholders engagement. The results of the assessment carried out by the Key Senior Management were tabled to the Board for review and consideration.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

OPINION AND CONCLUSION

Based on the review of the Group's risk management activities and results, the results of the internal audit activities, the monitoring and review mechanism stipulated above, the assurance provided by the Group Managing Director and the Group Financial Controller, and the Board's review of the results of the controls and regulatory assessment completed by the Key Senior Management, the Board is of the opinion that the Group's risk management and internal control systems were adequate and effective during the financial year under review.

Arising from the Group's comprehensive exercise on review of inventory undertaken during the financial year, a non-cash adjustment of RM304.9 million was recognised. This exercise is in line with the Group's objective of continuously monitoring technological developments and aligning its product and process capabilities with evolving customer requirements. The Board is of the view that these adjustments, being non-cash in nature, strengthen the alignment between inventory valuation, actual operating conditions and customer demand trends.

The Board continues to take pertinent measures to sustain and, where necessary, further enhance the Group's risk management and internal control systems to support the achievement of meeting the Group's business objectives.

The Board remains committed towards maintaining effective risk management and internal control systems throughout the Group and, where necessary, to implementing appropriate plans to further strengthen and enhance the Group's risk management and internal control system, as well as enhance its overall risk maturity. In this regard, the Board will continue to identify, evaluate and manage the significant business risks faced by the Group in pursuit of its mission, vision, core values, strategies and business objectives.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report ("AAPG 3 (Revised March 2026)"), issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe this Statement has not been prepared, in all material aspects, in accordance with the disclosures required by Section 7 of the SORMIC Guide 2025, nor is the Statement factually inaccurate.