DKSH Holdings (Malaysia) Berhad

Annual Report 2025

DKSH

Delivering Growth – in Asia and Beyond.

Enriching People's Lives

We provide access to high quality products, services, and insights, creating sustainable value for our partners and generating jobs.

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Corporate Information

Board of Directors

Oh Sae Ung	Non-Independent Non-Executive Chairman
Richard Lai Tak Loi	Independent Non-Executive Director
Dr. Leong Yuen Yoong	Independent Non-Executive Director
Datin Suryani binti Ahmad Sarji	Independent Non-Executive Director
Senthilathiban A/L Thirunilakantan	Non-Independent Executive Director/ Senior Director, Country Finance Malaysia & Brunei
Sandeep Tewari	Non-Independent Executive Director/ Vice President, Healthcare and Head, Country Leadership, Malaysia & Brunei

Audit Committee

Richard Lai Tak Loi	Chairman of the Audit Committee
Dr. Leong Yuen Yoong	Member
Datin Suryani binti Ahmad Sarji	Member

Nomination and Remuneration Committee

Dr. Leong Yuen Yoong	Chairman of the Nomination and Remuneration Committee
Datin Suryani binti Ahmad Sarji	Member
Oh Sae Ung	Member

Registered Office

Address: B-11-01, The Ascent, Paradigm, No.1, Jalan SS 7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan	Phone +60 3 7882 8888 Fax +60 3 7882 8899 Email dksh.malaysia.country.communications@dksh.com

Auditors

Ernst & Young PLT, Chartered Accountants Address: Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur	Phone +60 3 7495 8000 Fax +60 3 2095 9076 / 2095 9078

Share Registrar

Tricor Investor & Issuing House Services Sdn Bhd Address: Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur	Phone +60 3 2783 9299 Email is.enquiry@vistra.com

Stock Exchange Listing

Listed on Bursa Malaysia Securities Berhad (Main Market) since December 13, 1994	Stock name: DKSH Stock code: 5908

Company Secretaries

Serene Lee Huey Fei, SSM Practising No. 202208000450, LS 0009912

Thin Pui Leng, SSM Practising No. 202208000271, LS 0009933

Principal Bankers

Deutsche Bank (Malaysia) Berhad

HSBC Bank Malaysia Berhad

Malayan Banking Berhad

OCBC Bank (Malaysia) Berhad

Management Discussion and Analysis

The management review of DKSH Holdings (Malaysia) Berhad and its subsidiaries ("the Group" or "DKSH") outlines an in-depth analysis of the financial year 2025 and provides an outlook into DKSH's further growth.

Management Discussion and Analysis

DKSH's Strong Delivery in 2025
In 2025, the Group delivered strong results, growing revenue by 8.5% year-on-year. This performance was across all three segments, Consumer Goods segment, Healthcare segment, and Famous Amos Chocolate Chip Cookie retail, both organically and via new business development activities. Our operating profit after tax grew 26.3% from MYR 123.1 million in 2024 to MYR 155.5 million in 2025. The growth in profit after tax, driven by revenue growth and stable margins, was bolstered by operating efficiencies in warehousing and logistics activities, as well as favorable foreign exchange movements.

Supported by strong macroeconomic momentum, the Group continues to benefit from a well- diversified portfolio and remains focused on strengthening capabilities and advancing digitalization.

On December 9, 2025, the Board of Directors of the Company received an offer from its immediate holding company, DKSH Resources (Malaysia) Sdn. Bhd, on behalf of the ultimate holding company, DKSH Holding Ltd. to take over the remaining outstanding 25.7% of shares currently held by minority shareholders and subsequently delist the Company from the Malaysian stock exchange. An Extraordinary General Meeting ("EGM") was held on April 2, 2026, of which the resolution in respect of the proposal was not passed.

Consumer Goods Segment
The Consumer Goods segment continued to strengthen its market position in FMCG by improving service levels and onboarding reputable new clients, such as Kellanova, Abbott, Nestle Nutren, and Heinz Baby among others. In addition, securing Etika as a client has enhanced distribution efficiency, via economies of scale, within the cold chain channel.

The segment recorded a strong performance in Q1 2025, supported by festive season demand. Sales momentum rebounded in Q4, driven by the MyKasih vouchers program and year-end festive demand.

These commercial initiatives drove revenue growth of 8.6%, increasing from MYR 4.3 billion in 2024 to MYR 4.7 billion in 2025. Segment profit grew by 20.8% year-on-year, rising from MYR 108.6 million in 2024 to MYR 131.2 million in 2025.

Segment profit outpaced topline growth, driven by operational efficiencies from go-to-market route optimization and warehouse streamlining.

Management Discussion and Analysis (continued)

Looking ahead, we will continue to focus on route-to-market optimization, sales force efficiency, expanding product categories for our own brands, and working capital management to support sustainable growth.

Healthcare Segment

The Healthcare segment delivered a strong performance during the financial year, reflecting the Group's strengthened market position and disciplined execution of its strategic priorities. Growth was driven by the continued expansion of the commercial outsourcing business (e.g. this business model where a company outsources part or all of its commercial activities, such as sales, marketing, market access, distribution, and customer management), further strengthening the eye care portfolio and sustained momentum in the cardiovascular, alimentary and metabolic segments. Revenue increased from MYR 3.6 billion in 2024 to MYR 3.9 billion in 2025, representing an 8.5% year-on-year growth, primarily supported by organic growth and new client wins in commercial outsourcing.

Segment profit recorded a substantial uplift, rising 33.1% from MYR 79.2 million in 2024 to MYR 105.5 million in 2025. The stronger profitability reflects the positive impact of organic expansion and new client acquisitions across commercial outsourcing, 4PL logistics, and distribution services. In addition, operational efficiencies from discontinuation of high cost to serve clients, automation of existing processes, and unrealized foreign exchange gains contributed to the improved result.

The Healthcare segment remains well-positioned for continued growth, supported by rising healthcare expenditure and structural shifts in the industry. Across the region, pharmaceutical companies are increasingly outsourcing mature and non-core product portfolios to specialised distributors to optimise costs, navigate regulatory complexity, and refocus resources on innovation and specialty medicines. Leveraging its strong market expansion capabilities, integrated supply chain platform, and long-standing partnerships, the Healthcare segment is well-placed to capture these opportunities.

With a strategic focus on expanding value-added services, and deepening client engagement, the segment is expected to continue delivering sustainable growth and improved profitability over the medium to long term.

Segment "Others"

The segment comprises one of our more well-known brands, Famous Amos. The segment continues its strong growth via outlets expansion from 99 outlets (including 2 outlets in Brunei and 2 business partners) in 2024 to 107 outlets (including 2 outlets in Brunei and 2 business partners) in 2025. We opened 12 new outlets and closed 4 outlets during the year. We continue to monitor the profitability of outlets to ensure that we maximize our performance, closing underperforming outlets where necessary. We are always on the lookout for new promising locations to help drive the brand availability. In addition to the retail sector, we have successfully closed a corporate partnership with MAS on selected flights. We have also continued our long-standing relationship with Firefly, which has been ongoing for 6 years.

This led to a revenue increase of 6.8%, from MYR 103.2 million in 2024 to MYR 110.3 million in 2025. The operating profit for the segment declined by MYR 1.3 million from MYR 0.4 million in 2024 to (MYR 1.7) million in 2025. The decline in segment profit is attributable to the increase in central overheads costs which are not allocated to the segments.

Logistic & Distribution Excellence

In 2025, the Group continued to strengthen its logistics and distribution capabilities, delivering measurable improvements in cost efficiency, operational productivity, and service quality.

The Group achieved a remarkable reduction in supply chain cost per unit and improved its supply chain cost-to-net sales ratio, driven by disciplined cost management, improved efficiency, and enhanced network optimization. Cost efficiencies were achieved through operational improvements across Consumer Goods and Healthcare segments. Consumer Goods segment benefited from the consolidation of warehouses with favourable rate driven by volume leverage and route consolidation while Healthcare drove savings through transport route optimization, handling productivity improvement, and automation.

Operational excellence was further supported by accelerated automation initiatives. The deployment of a Vertical Lift Module (VLM) maximized storage density, and significantly improved space utilization, picking efficiency and accuracy. The rollout of a Transport Management System (TMS) strengthened our end-to-end delivery capabilities, enabling better visibility of deliveries, optimized route planning, and allowed a more efficient load scheduling programme. This has led to improved delivery reliability and reduced transportation inefficiencies.

We continue our automation journey with the planned rollout of an automated packaging solution in the Healthcare warehouse in 2026 which will enhance throughput, reduce manual intervention, and improve consistency in packing quality.

Management Discussion and Analysis (continued)

Debt, Debt Structure, Working Capital, and Liquidity
As of December 31, 2025, the Group utilises revolving credits and bank overdrafts to support short-term working capital requirements. This flexible debt structure enabled us to borrow at optimum levels to fund working capital requirement, thereby minimising financing costs. At the end of 2025, the Group held MYR 365 million in debt, compared to MYR 538 million in 2024. During the same period, our working capital needs increased by MYR 122 million (inventories plus trade and other receivables, less trade and other payables). The Group was able to achieve a reduction in debt financing through generation of strong operating cash flow. Despite this, the need for increased working capital to support our revenue growth remains a challenge in managing our debt requirements.

In Q1 2025, we issued MYR 300 million of Medium-Term Note (MTN) under our newly established Commercial Paper and MTN programme totalling MYR 800 million with OCBC. The issuance was carried out to diversify our debt maturity profile through a combination of short-term and long-term financing options and strengthen our financial flexibility. The proceeds are intended to support investments, acquisitions, capital expenditures, working capital needs, and to refinance existing short-term debts. The programme launched contains sustainability-linked MTN elements, aligning with our Group's key sustainability objectives of enabling people to flourish, creating sustainable value chains, achieving net-zero emissions, and making a positive local impact. The sustainability-linked nature of the MTN issuance is tied to DKSH Group's social and environmental commitments. These include increasing gender equality in its senior leadership team positions and reducing Scope 1 and 2 greenhouse gas (GHG) emissions across its operations by 2030. This strategic move positions us for long-term, sustainable growth.

There was no dividend declared or recommended for the year ended December 31, 2025. Given that the current uncertain macroeconomic environment could potentially have an impact on operating costs and working capital needs, the Group's decision on dividends navigates around balancing working capital requirements in addition to managing ongoing debt reduction.

We intend to stay agile to reinforce our capital structure and further enhance our financial resilience to weather these uncertainties.

Well-Positioned to Manage Changes Impacting Consumer Demand
The outlook remains uncertain with global trade policy shifts and subsidy rationalization policies that could potentially affect consumer spending patterns. The Group is well-positioned, with its diversified portfolio, to navigate these challenges through our focus on enhancing the capabilities of our people and accelerating digitalization and automation.

The Group's strategy continues to centre on expanding existing businesses, securing new opportunities, driving cost and resource efficiencies, managing working capital, and closely monitoring short-term conditions to navigate the current environment effectively.

DKSH at a Glance

We help companies to grow their business in new and existing markets. We expand their access to knowledge, their sourcing base, their revenue opportunities, and their market shares. Providing business partners with a comprehensive package of services to reach their individual goals is what we call Market Expansion Services.

Financial Highlights

Consolidated Results of DKSH Holdings (Malaysia) Berhad Group (RM'000)

	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Net sales	6,738,388	7,162,687	7,524,314	7,943,356	8,620,044
Earnings before interest, tax, depreciation and amortisation	214,406	233,458	235,366	240,899	284,154
Profit before tax	126,883	145,262	147,203	162,630	206,851
Net profit attributable to owners of the parent	91,275	104,214	110,515	123,124	155,505
Exceptional items	-	-	-	-	-
Net profit excluding exceptional items	91,275	104,214	110,515	123,124	155,505
Total assets employed	2,680,128	2,931,010	3,070,922	3,480,725	3,738,414
Shareholders' equity	744,658	831,556	891,633	987,947	1,113,493

Corporate Profile

Headquartered in Switzerland, DKSH operates in 35 markets with 26,840 specialists.

DKSH is one of the oldest and largest Market Expansion Services providers in Malaysia. Having established its first branch office in 1923 in Penang, the Company has since grown from strength to strength. Today, it employs a workforce of about 3,700 specialists. Headquartered in Petaling Jaya, Selangor, with 19 other business locations nationwide, DKSH provides unparalleled market coverage, serving more than 190 clients and thousands of customers across Malaysia.

As the leader in the Market Expansion Services sector in Asia, Europe, and North America, DKSH helps other companies and brands to grow their business in new or existing markets. We do this by offering our business partners tailor-made solutions along the entire value chain to support them in successfully achieving their business objectives. As a company, our services give people access to important daily products, create sustainable value for our partners, and generate jobs across the regions.

DKSH Holdings (Malaysia) Berhad was incorporated on December 24, 1991. On December 13, 1994, the Company was publicly listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”).

In 2019, we strengthened our presence in the fast-moving consumer goods industry with the additional distribution service of chilled and frozen products. We also gained a strong foothold in the confectionery market segment with house brands SCS and Buttercup. At the same time, we expanded our business offering to include Food Services to serve new markets in the hotel, restaurant, and café industries.

DKSH Holdings (Malaysia) Berhad is majority-owned by the DKSH Holding Ltd. of Switzerland.

DKSH Holding Ltd.

In 1865, three Swiss entrepreneurs made their way to Asia and founded flourishing trading houses. Over the next more than 160 years, these companies grew, diversified, and merged; offering high-quality products and services to enrich people’s lives across the region. Our history has laid the foundations for the company we are today and feeds the entrepreneurial spirit that remains at the heart of DKSH.

Publicly listed on the SIX Swiss Exchange since March 2012, DKSH is a global company headquartered in Zurich, Switzerland, and operates in 35 markets with 26,840 specialists. In 2025, DKSH Holding Ltd. generated net sales of CHF 11.1 billion.

Corpo rate Profile (continued)

DKSH offers a tailor-made, integrated portfolio of sourcing, marketing, sales, distribution, and after-sales services. It provides business partners with expertise as well as on-the-ground logistics based on a comprehensive network of unique size and depth. Business activities are organized into four (4) specialized Business Units that mirror DKSH's fields of expertise: Consumer Goods, Healthcare, Performance Materials, and Technology.

Our Business Segments

In Malaysia, our business focuses on the fields of consumer goods and healthcare, offering a comprehensive range of Market Expansion Services to business partners in their respective areas.

Business Unit Consumer Goods focuses on fast moving consumer goods, food services, and luxury & lifestyle companies.

Business Unit Healthcare provides access to high-quality products ranging from pharmaceuticals, over-the-counter & consumer health, and medical devices.

Consumer Goods Segment

Under this business segment, DKSH provides a comprehensive portfolio of services ranging from marketing to providing sales force, distribution and logistics, invoicing and credit control, handling of inventory and returned goods as well as other value-added services. The businesses represented in this segment are Fast Moving Consumer Goods and Food Services.

The keystone to DKSH's full-service business model lies in its broad range of sales and marketing services, deep market-access insights and knowledge, long-established relationships in the market and unique distribution reach achieved through an extensive and experienced sales force network of 19 business offices covering key market locations in Peninsular and East Malaysia as well as Brunei.

Core to DKSH's Consumer Goods segment infrastructure is an ISO- and TAPA-certified 510,000-square foot distribution center at Jalan Sungai Jati in Klang which has a capacity of 55,000 pallets for ambient and temperature-controlled products catering for Consumer Goods.

DKSH's manufacturing plant in Shah Alam manufacturers its Own Brands of butter and mélange products, including Buttercup which is a leading brand of mélange products in Malaysia.

The strength of our sales force is reinforced by an extensive supply chain infrastructure that is unique in size and depth, while local distribution teams ensure products represented by DKSH are widely accessible in hypermarkets and supermarkets, shops, kiosks, medical halls, and pharmacies throughout Malaysia.

The majority of DKSH's sales team is equipped with hand-held devices using a powerful web-based IT application that is linked directly to DKSH's SAP system to access live inventory information and remotely process orders at any time. Alternatively, orders are also placed by customers directly through the centralized call center.

Healthcare Segment

Under the Healthcare segment, DKSH provides a wide range of integrated and customized solutions, including registration, market entry studies, marketing and sales, redressing, physical distribution, as well as invoicing and cash collection.

DKSH's 220,000-square foot healthcare distribution center in Shah Alam serves customers, including hospitals, clinics, dental centers, pharmacies, and retail outlets throughout Malaysia. The Shah Alam distribution center is a leading service provider for clinical trials in supply chain activities, addressing the increasingly complex clinical supply packaging, labeling and distribution requirements. Its technologically advanced cold chain and redressing facilities have industry-standard storage for vaccines and bio-tech products. In 2025, this healthcare distribution center has been recertified with "A" level certification by Transported Asset Protection Association (TAPA) Facility Security Requirements (FSR).

DKSH further expands its presence in East Malaysia with the establishment of a 207,000-square foot distribution center in Kota Kinabalu, which serves both Consumer Goods and Healthcare segments. This larger and more advanced distribution center represents a significant capacity upgrade in DKSH's infrastructure.

It is strategically located in Kota Kinabalu Industrial Park (KKIP) with easy access to Sepanggar Bay Container Port and the city center. This location enjoys high connectivity via various transportation networks, allowing DKSH to directly serve its customers in the regional consumer goods and healthcare industry, including modern and traditional retail outlets, hospitals, clinics, and pharmacies.

Corporate Profile (continued)

In line with DKSH's commitment to quality and compliance, both the Shah Alam and Kota Kinabalu facilities comply with Good Distribution Practice (GDP) and Good Distribution Practice for Medical Device (GDPMD) requirements and adhere to strict ISO 9001:2015 and ISO 13485:2016 international standards. Additionally, our distribution centers are globally certified with ISO14001 Environmental Management System and ISO45001 Occupational Health and Safety Management System.

DKSH's ISO-certified distribution centers in both Peninsular and East Malaysia serve as the "nerve centers" of our supply chain services.

Segment "Others"

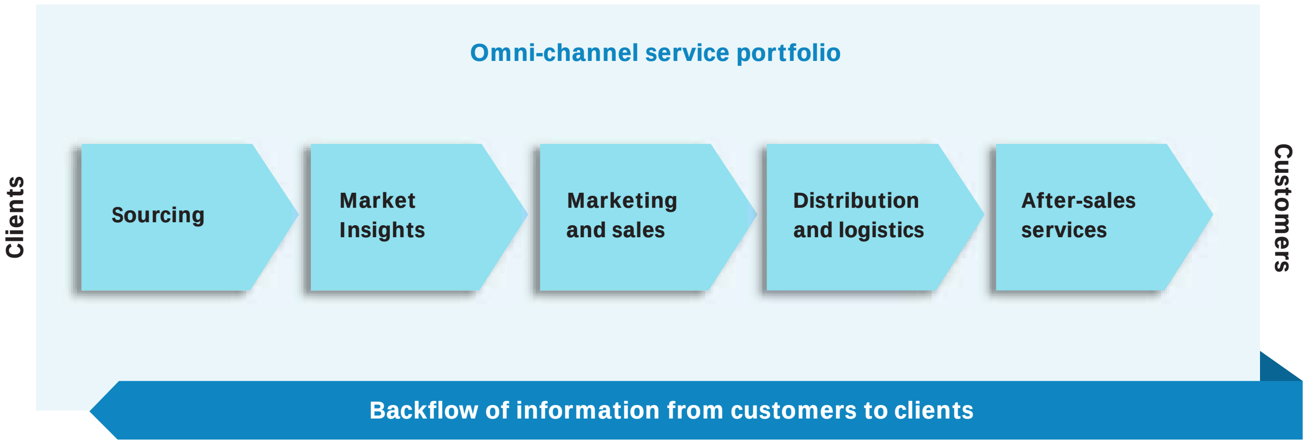
The primary business activity in this segment is the Famous Amos Chocolate Chip Cookie business. Famous Amos is a retailer of freshly baked cookies and confectionery items. In 2025, there were a total of 107 Famous Amos outlets located in Peninsular and East Malaysia, inclusive of two outlets in Brunei and two business partners. This segment also includes central overheads including rentals.

Famous Amos actively collaborates with various brands to create delightful treats for Malaysians and to amplify its brand presence.

Our Core Business: Market Expansion Services

DKSH helps companies grow in existing markets and expand into new ones by providing a complete range of specialized services along the entire value chain. From sourcing, market analysis and research, marketing and sales to distribution and logistics as well as after-sales services, our services are precisely tailored to the exact needs of our clients and customers.

We offer intelligently integrated and tailored services to deliver seamless end-to-end solutions, no matter how big or small the requirements. To do this, we draw on DKSH Holding Ltd.'s more than 160 years of experience, deep industry expertise, extensive on-the-ground logistics, and our vast network of business and personal relationships throughout Asia Pacific.



Corporate Profile (continued)

We Provide Access to a Global Sourcing Network
Our unique sourcing network and a deep industry experience enable us to provide any material and product our customers need. We offer the perfect mix of cost effectiveness, quality, and dependable supply. With DKSH, business partners can expand their sourcing base and focus on growing their business.

We Enable Business Partners to Innovate for Growth
In our application, formulation, and product development laboratories, we generate new product ideas and develop and customize them. We work on new ingredients and technology applications, provide hands-on training, and run acceptance tests. We turn our market insight into strategic advice for our business partners.

We Open Up New Revenue Opportunities for Business Partners
DKSH offers a complete array of marketing and sales services for consumer goods, healthcare products and performance materials. We have a long-standing track record in brand-building and service all relevant channels to market, customers, and outlets. In Malaysia, we offer comprehensive market coverage to help our business partners expand their business.

We Deliver What Our Business Partners Need, at the Right Time and Place
With our unmatched logistics infrastructure and state-of-the-art distribution centers, we transport, store, and distribute clients' products efficiently and professionally across the country. As part of our comprehensive package of Market Expansion Services, we provide many additional specialized services, including supply chain management, regulatory support, logistics, invoicing, and cash collection.

We Are at Our Business Partners' Service Throughout the Entire Lifespan of Their Products
DKSH provides a broad range of after-sales services and support that ensures top-quality standards, fast problem resolution, and the ability to establish a high-value image. We offer real added value to clients and customers.

How We Work with Our Partners
At DKSH, our business partners are either clients or customers, depending on their position in the value chain and the services we provide to them. Our business model is centered on DKSH's role as the key link between clients and customers. We help our partners in growing and adding value to their business and enable them to achieve lasting success.

As a result of our position as a leading company for partners looking to grow their business in Asia Pacific, Europe, and North America, we benefit from economies of scale, unique cross-regional and cross-industry synergies as well as significant bargaining power with the trade.

Leveraging on our strong market presence, clients can capitalize on the superior commercial terms and conditions made available by DKSH. On the other hand, our scope and scale allow us to provide our customers with a comprehensive portfolio of products and services.

Our Clients
Our clients are manufacturers of fast-moving consumer goods, pharmaceuticals, consumer health products, medical devices, and specialty chemicals who wish to sell their products in markets with high-entry barriers.

Strategically, our clients want to grow their business by increasing sales in existing markets, enhancing efficiency and margins, or launching into new markets.

We support our clients in marketing, selling, and distributing their products as well as providing after-sales services and market insight.

Our Customers
Our customers are manufacturers to whom we provide raw materials which are processed or used in their own production or retailers, such as supermarkets, department stores, bakery ingredient stores, mom-and-pop stores, hospitals, doctors, and pharmacists that resell the products we provide to end consumers. Our customers also include food services distribution channels such as hotels as well as food and beverage establishments.

Strategically, our customers want to increase their sourcing base, market shares, and revenue opportunities.

We support our customers in obtaining the best raw materials, products, and brands at the best price, while providing them with knowledge and market insight.

At DKSH, we have a service philosophy that takes profound responsibility for the goods and brands of our clients. It is about a proactive approach that provides strategic advice based on experience, know-how, and networks of specialists working for DKSH. In striving to be the leading Market Expansion Services provider with a focus on Asia, we stick to what we do best by doing more of the same, more efficiently.

Directors' Profiles

Directors' Profiles

Oh Sae Ung

Aged 59, Male, American
Non-Independent Non-Executive Chairman
Member of the Nomination & Remuneration Committee

Mr. Oh Sae Ung (also known as Sam Oh) was appointed to the Board of DKSH Holdings (Malaysia) Berhad ("the Company") on July 5, 2024, as a Non-Independent Non-Executive Director. On November 21, 2024, he was re-designated as the Non-Independent Non-Executive Chairman of DKSH Holdings (Malaysia) Berhad, and was appointed as a Member of the Nomination and Remuneration Committee of the Company.

He holds a bachelor's degree in mathematics and computer science from the University of California, San Diego, United States of America (USA).

He started his career in the USA in 1990 at Fujitsu Systems of America. From 1998 to 2004, he held various senior positions at Tesco Plc (Tesco Lotus), Thailand before returning to USA in 2004 to rejoin Fujitsu Systems of America as Vice President, Business Development. From 2006 to 2018, he held positions including Chief Information Officer and Vice President at Fresh and Easy Neighbourhood Market Inc. (Tesco Plc.), USA; Chief Information Officer at Fresh and Easy LLC (Yucaipa Private Equity Companies), USA; and Group Chief Information Officer and Member of the Executive Leadership at Dairy Farm International, Hong Kong.

Mr. Sam Oh brings to the Board extensive experience spanning 30 years in the areas of business development, e-commerce, and information technology/digital transformation across Asia and USA. He has been a member of the Board of Directors of aCommerce Group Public Company Limited in Thailand since August 2023.

Mr. Sam Oh is currently the Chief Information Officer, Head of eCommerce, and a member of the Executive Committee of DKSH Holding Ltd., Switzerland. Prior to this role, he was the Senior Vice President and Head of Global IT of Global Logistic Properties, Hong Kong from 2018 to 2021, where he led significant digital transformation and digital business. Mr. Sam Oh has been pivotal in the further development of DKSH Group-wide e-commerce, digital and IT strategy, and accelerated DKSH's digital transformation. He also oversees DKSH Corporate Shared Services Center Sdn. Bhd., a wholly-owned subsidiary of DKSH Holding Ltd., which comprises the global IT hub and Business Process Operations with around 500 employees.

He does not hold any directorship in other public companies. He does not have any family relationship with any Director and/or major shareholder of DKSH Holdings (Malaysia) Berhad and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has no convictions for offences within the past five years, nor any public sanction or penalty imposed by relevant regulatory bodies during the financial year.

Mr. Sam Oh attended all five Board meetings held during the financial year ended December 31, 2025.

Directors' Profiles (continued)

Sandeep Tewari

Aged 53, Male, Indian
Non-Independent Executive Director
Vice President, Healthcare and Head, Country Leadership, Malaysia & Brunei

Mr. Tewari was appointed to the Board of DKSH Holdings (Malaysia) Berhad on October 16, 2023, as a Non-Independent Executive Director.

He joined DKSH Holding Ltd. in July 2020 as Vice President, Healthcare for Cambodia and Laos, and subsequently assumed the role of Vice President, Healthcare, Malaysia on August 1, 2023. In his current capacity, he leads the Business Unit Healthcare and serves as Head of Country Leadership, DKSH Malaysia and Brunei.

Mr. Tewari brings more than three decades of experience in the healthcare industry, with deep expertise across the medical devices, vision care, and pharmaceutical sectors in India and Southeast Asia. He has a strong and proven track record in business growth, market expansion, and successful turnaround of organisations across complex and diverse markets in the region.

Mr. Tewari holds a Bachelor of Science degree in Zoology, Botany, and Chemistry from Kumaon University, Uttarakhand, India. Prior to joining DKSH, he has worked seven years with Allergan India Private Ltd. and 16 years with Alcon Laboratories. During his tenure at Alcon, he held various senior leadership positions with progressively increasing responsibilities across sales, marketing strategy, and business operations, and eventually rose to the role of Country General Manager, overseeing operations in India, Malaysia, Singapore, and Brunei.

He currently sits on the boards of several subsidiaries of DKSH Holdings (Malaysia) Berhad and does not hold any directorships in other public or listed companies.

Mr. Tewari has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including any interest in competing businesses involving the Company or its subsidiaries.

He has no convictions for any offences within the past five years, and no public sanctions or penalties imposed by regulatory authorities during the financial year.

Mr. Tewari attended all Board meetings held during the financial year ended December 31, 2025.

Directors' Profiles (continued)

Senthilathiban a/l Thirunilakantan

Aged 51, Male, Malaysian
Non-Independent Executive Director
Senior Director, Country Finance, Malaysia & Brunei

Mr. Senthilathiban was appointed to the Board of DKSH Holdings (Malaysia) Berhad on November 21, 2024, as a Non-Independent Executive Director.

Presently, Mr. Senthilathiban holds the position as the Senior Director, Country Finance, Malaysia and Brunei.

Mr. Senthilathiban has a Master's Degree in Accounting and Finance from the University of Southampton. He is also a fellow member of Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA). He started his career with PwC, moving on to Ernst & Young, and KPMG, which gave him a strong background in audit, accounting, and finance. He is a professional with 26 years of experience, of which 15 years was in finance business partnering having worked for multinationals such as Continental, Hilti Corporation, and British American Tobacco as well as local corporation, Digi. Mr. Senthilathiban has been involved in investment planning, strategic and commercial decision-making, leading finance teams, and overseeing shared services operations.

Currently, Mr. Senthilathiban leads the finance team, build capabilities, and is responsible for the execution of the Group-wide strategic finance initiatives in DKSH Malaysia.

Mr. Senthilathiban sits on the board of several subsidiaries of DKSH Holdings (Malaysia) Berhad and does not hold any directorship in other public companies and listed companies. He does not have any family relationship with any Director and/or major shareholder of DKSH Holdings (Malaysia) Berhad and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has no convictions for any offences within the past five years, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

Mr. Senthilathiban attended all five Board meetings held during the financial year ended December 31, 2025.

Directors' Profiles (continued)

Richard Lai Tak Loi

Aged 55, Male, Singaporean
Independent Non-Executive Director
Chairman of the Audit Committee

Mr. Richard Lai Tak Loi was appointed to the Board of DKSH Holdings (Malaysia) Berhad on November 4, 2022, as an Independent Non-Executive Director and Chairman of the Audit Committee.

Mr. Richard Lai is a seasoned corporate professional with strong entrepreneurial skills and a proven track record in developing strategy, driving business transformation, and establishing as well as growing financial value of businesses. He has served as a key advisor on various governance committees.

A graduate of University of Manchester, United Kingdom with a Bachelor of Arts in Economics majoring in Accounting and Finance, Mr. Richard Lai has more than 30 years of working experience in various industries from financial services, property development and investment to eCommerce, shipping, supply chain, and logistics. He started his career as a banker in Kuala Lumpur, Malaysia, before moving to Singapore to join the corporate sector.

For the past 20 years, Mr. Richard Lai held various C-suite positions at SGX-listed entities such as CEO at Mapletree Logistics Trust, and Group CFO at GuocoLand Limited and later, Singapore Post Limited. He was last the Group CFO at IMC Pan Asia Alliance Pte Ltd (now known as Tsao Pau Chee), a position he relinquished since June 2023. With effect from December 1, 2025, Mr. Richard Lai became the CEO, Real Estate of GO Capital Investments Pte Ltd, a family office in Singapore.

He does not hold any directorship in other public companies. He does not have any family relationship with any Director and/or major shareholder of DKSH Holdings (Malaysia) Berhad and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has no convictions for offences within the past five years, nor any public sanction or penalty imposed by relevant regulatory bodies during the financial year.

Mr. Richard Lai attended all five Board meetings held during the financial year ended December 31, 2025.

Directors' Profiles (continued)

Dr. Leong Yuen Yoong

Aged 48, Female, Malaysian
Independent Non-Executive Director
Chairman of the Nomination & Remuneration Committee
Member of the Audit Committee

Dr. Leong Yuen Yoong was appointed to the Board of DKSH Holdings (Malaysia) Berhad on June 16, 2021. She serves as an Independent Non-Executive Director, Chairman of the Nomination & Remuneration Committee (NRC), and a member of the Audit Committee.

Dr. Leong is an evidence-based policy leader, serving as Director of Sustainability Studies at the UN Sustainable Development Solutions Network, Asia Headquarters, and Professor of Practice at Sunway University. Her work focuses on leveraging philosophical principles, systems thinking, and advanced modelling to elevate the quality of discourse in decarbonisation and re-carbonisation. She co-leads landmark initiatives, including the ASEAN Green Future and Science Panel for Borneo, where she translates complex technical analysis into foundational frameworks that inform regional and national policy and strategy.

This strategic perspective extends to the private sector, where Dr. Leong provides fiduciary oversight for public-listed companies and serves on various advisory panels. She holds a Ph.D. in International Manufacturing Strategy and Network Systems from the Institute for Manufacturing at the University of Cambridge, and a MEng in Electrical and Electronic Engineering from Imperial College London.

She does not have any family relationship with any Director and/or major shareholder of DKSH Holdings (Malaysia) Berhad and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

She has no convictions for offences within the past five years, nor any public sanction or penalty imposed by relevant regulatory bodies during the financial year.

Dr. Leong attended all five Board meetings held during the financial year ended December 31, 2025.

Directors' Profiles (continued)

Datin Suryani binti Ahmad Sarji

Aged 58, Female, Malaysian
Independent Non-Executive Director
Member of the Audit Committee
Member of the Nomination & Remuneration Committee

Datin Suryani binti Ahmad Sarji was appointed as an Independent Non-Executive Director and a member of the Audit Committee and Nomination & Remuneration Committee of DKSH Holdings (Malaysia) Berhad on November 21, 2024.

She graduated with a Bachelor of Science (Hons) in Accounting from the University of Hull, United Kingdom in 1990. Datin Suryani started her career with Petronas Carigali Sdn. Bhd. in the Finance Department and later joined Seacorp Schroders Capital Management Bhd. (now MIDF Amanah Asset Management) as an Investment Analyst until 1998. Thereafter, she ventured into entrepreneurship with Digiray (M) Sdn. Bhd. as a retail partner to Caltex. As the owner, she led the business's operations, sales, branding, and financial management. In 2010, she explored further into retail and joined Chopard (Malaysia) Sdn. Bhd. where she eventually became the Customer Relationship Management (CRM) specialist under Chopard's global CRM system.

Datin Suryani currently serves as an Independent Non-Executive Director (INED) in MST Golf Group Bhd. and is on the Board of Projek Lintasan Kota Holdings Sdn. Bhd. and a few of its subsidiaries. In addition, she is also a current Fellow Member of Institute of Corporate Directors Malaysia.

She does not have any family relationship with any Director and/or major shareholder of DKSH Holdings (Malaysia) Berhad and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

She has no convictions for offences within the past five years, nor any public sanction or penalty imposed by relevant regulatory bodies during the financial year.

Datin Suryani attended all five Board meetings held during the financial year ended December 31, 2025.

Key Senior Management's Profiles

Key Senior Management's Profiles

Sandeep Tewari

Aged 53, Male, Indian
Non-Independent Executive Director
Vice President, Healthcare and Head, Country Leadership, Malaysia & Brunei

For details of Mr. Tewari, please refer to page 14 of this Annual Report.

Key Senior Management's Profiles (continued)

Senthilathiban a/l Thirunilakantan

Aged 51, Male, Malaysian
Non-Independent Executive Director
Senior Director, Country Finance Malaysia & Brunei

For details of Mr. Senthilathiban, please refer to page 15 of this Annual Report.

Key Senior Management's Profiles (continued)

Daniel Schwalb
(Also known as Mr. Daniel)

Aged 55, Male, German
Vice President, Fast Moving Consumer Goods ("FMCG")

Mr. Daniel was appointed as Vice President of the Business Unit Consumer Goods at DKSH Holdings (Malaysia) Berhad on February 21, 2024. In this role, he is responsible for leading the entire FMCG business across Malaysia and Brunei, driving strategic growth initiatives and strengthening market presence.

Mr. Daniel holds a Bachelor of Science in Economics from the University of Konstanz and a Master of Business Administration from the University of Zurich. Further enhancing his leadership capabilities, he completed the Program for Global Leadership at Harvard Business School and later pursued an Advanced Management Program in Business Administration and Management at IESE Business School.

With 28 years of extensive experience in the FMCG industry, Mr. Daniel has built a distinguished career marked by business transformations, accelerated growth, and brand building. Prior to joining DKSH, Mr. Daniel had spent over 18 years in the FMCG industry around the globe. In this process, his proudest career highlights include eight years with Red Bull, where he held key leadership positions in the UK, USA, and Singapore, solidifying his global business acumen and expanding his experience in the FMCG industry. Prior to joining DKSH, he headed Campari Group's Southeast Asia and India's business unit.

Renowned for his entrepreneurial spirit and global perspective, Mr. Daniel has successfully led teams of over 1,500 members, navigating through complex business landscapes. His strategic leadership style focuses on a strong results-driven mindset, consistently delivering outstanding performance. He has also built strong partnerships with distributors and co-packing partners, reinforcing his reputation as a dynamic and innovative leader.

Mr. Daniel sits on the board of several subsidiaries of DKSH Holdings (Malaysia) Berhad and does not hold any directorship in other public companies and listed companies. He does not have any family relationship with any Director and/or major shareholder of DKSH Holdings (Malaysia) Berhad and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has no convictions for offences within the past five years, nor any public sanction or penalty imposed by relevant regulatory bodies during the financial year.

Key Senior Management’s Profiles (continued)

Arminderpal Singh a/l Gurdial Singh

(also known as Mr. Arminder Gill)

Aged 45, Male, Malaysian
Senior Director, Regional IT, Singapore, Malaysia, Philippines, Indonesia, India

Mr. Arminder Gill was appointed as Senior Director, Regional IT, South East Asia, India, Australia & New Zealand of DKSH Corporate Shared Services Center Sdn. Bhd. (“CSSC”), a wholly owned subsidiary of DKSH Holding Ltd on June 2, 2022. He was subsequently appointed as Senior Director, Regional IT, Singapore, Malaysia, Philippines, Indonesia, India for DKSH in 2025.

He is a graduate of Bachelor of Science (BSc) Computer Science from the University of De Montfort, United Kingdom and holds a Master of Networked Administration, Network and System Administration/Administrator from Jetking College in Bangalore, India.

Mr. Arminder Gill comes with more than 23 years of international technology industry experience. Prior to DKSH, Mr. Arminder Gill held the Global Head of IT and Cybersecurity position at PureCircle Trading Sdn. Bhd. Before this, he had worked with Boston Consulting Group, Herbalife International, and Symphony BPO Solutions Sdn. Bhd. Mr. Arminder Gill has led multiple digital initiatives in his previous engagements. These include enhancing business processes through digital applications, enabling end-to-end track and trace of products and fleet management. In addition, Mr. Arminder Gill has implemented a crop monitoring system and multiple ERP systems, allowing the business to have real-time access to crop, financial, and other operational information.

Mr. Arminder Gill does not hold any directorship in any public companies and listed issuers. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has no convictions for any offences within the past five years, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

Key Senior Management's Profiles (continued)

Thamayenthi Narayanan

(also known as Ms. Thamayenthi)

Aged 48, Female, Malaysian
Senior Director, Group Cluster Human Resources, MY, BN, SG, VN, ID, PH (Ad interim)

Ms. Thamayenthi was appointed Director, Country Human Resources of DKSH Malaysia Sdn. Bhd., a wholly-owned subsidiary of DKSH Holdings (Malaysia) Berhad, on October 1, 2021. Building on her strong leadership and proven impact, she has recently assumed the ad interim role of Senior Director, Group Cluster Human Resources for Malaysia, Brunei, Singapore, Vietnam, Indonesia, and Philippines, further strengthening HR's strategic influence in advancing organizational excellence and business transformation across the region.

She holds a Degree in Computing (Hons) from the University of Staffordshire and brings with her more than 20 years of distinguished experience in human capital management. Her career spans diverse industries including broadcast, telecommunications, and facilities management, where she has consistently led impactful people strategies in complex and evolving environments.

This marks Ms. Thamayenthi's second tenure with DKSH Malaysia, having previously served as Associate Director, Talent Management and HR Business Partner to the Business Unit Healthcare from 2017 to 2020. Throughout her career, she has developed deep expertise in full-spectrum HR strategy, HR operations, mergers and acquisitions, organizational transformation, and restructuring. Her professional journey includes leadership roles with organizations such as Maxis, MEASAT Broadcast Network Systems (Astro), U Mobile, Atalian Global Services, and DKSH Malaysia.

Today, Ms. Thamayenthi plays a pivotal role in shaping the people and culture agenda across the cluster, delivering integrated HR solutions that enable high performance and sustainable growth. As a trusted strategic partner to the Malaysia Country Leadership Team and regional stakeholders, she champions meaningful transformation aligned to business priorities while fostering a dynamic, inclusive, and people-centric workplace. With clarity of purpose and agility in execution, she continues to position HR as a powerful enabler of innovation, growth, and long-term organizational success.

Ms. Thamayenthi does not hold any directorship in any public companies and listed issuers. She does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has no convictions for any offences within the past five years, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

Key Senior Management's Profiles (continued)

Serene Lee Huey Fei
(also known as Ms. Serene)

Aged 45, Female, Malaysian
Director, Legal, Malaysia, Singapore & Brunei

Ms. Serene was appointed as the Director, Legal, Malaysia & Singapore of DKSH Malaysia Sdn. Bhd., a wholly-owned subsidiary of DKSH Holdings (Malaysia) Berhad on February 14, 2022. She subsequently expanded her portfolio to include the Brunei market and assumed the role of Director, Legal, Malaysia, Singapore & Brunei on September 1, 2024.

She graduated with a Bachelor of Laws degree from the University of London, United Kingdom, in 2002 and was admitted as an Advocate and Solicitor of the High Court of Malaya in February 2006. She started her career as a practising lawyer, handling a wide range of corporate, commercial, banking, and conveyancing matters. She later advanced her career further by joining PETRONAS as a Legal Counsel where she held various legal portfolios for the listed entity, PETRONAS Dagangan Berhad and upstream divisions, providing legal advisory for operational, corporate, and commercial matters, as well as managing international oil and gas projects and dealings involving Liquefied Natural Gas (LNG).

Ms. Serene has over 22 years of solid experience in handling legal and corporate secretarial matters for various industries such as infrastructure, building materials, industrial, oil & gas, distribution, logistics and supply chain management. Ms. Serene specializes in leadership roles, personnel management, legal advisory, negotiating and administering legal, contractual, corporate, and commercial documents/agreements for both stakeholders' and clients' businesses. Prior to joining the Company, Ms. Serene held the position of Senior Manager, Legal & Joint Company Secretary at Malayan Cement Berhad (formerly known as Lafarge Malaysia Berhad).

In addition to her legal advisory and practising qualification, she is a licensed secretary under Section 20(G) of the Companies Commission of Malaysia Act 2001. She was appointed as Company Secretary of the Company on August 24, 2022.

Ms. Serene leads both the Legal and Company Secretarial teams of the Company. She is responsible for the legal functions in Malaysia, Singapore, and Brunei.

Ms. Serene does not hold any directorship in any public companies and listed issuers. She does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has no convictions for any offences within the past five years, nor any public sanction or penalty imposed by relevant regulatory bodies during the financial year.

Key Senior Management's Profiles (continued)

Joel Solomon

(also known as Mr. Joel)

Aged 51, Male, Malaysian
Head, Supply Chain Management, Malaysia & Brunei

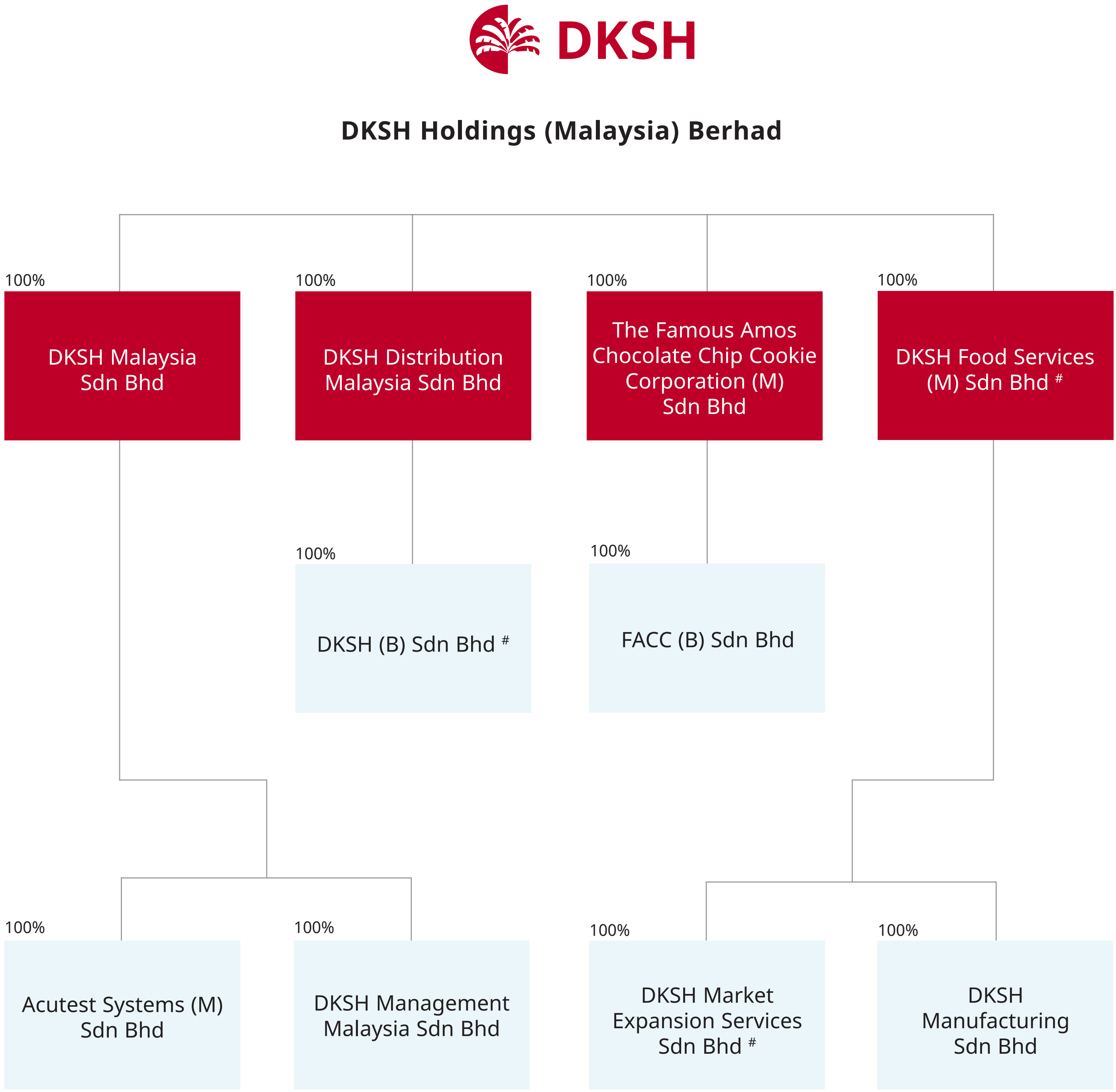
Mr. Joel was appointed as the Head, Supply Chain Management, Malaysia & Brunei of DKSH Malaysia Sdn. Bhd., a wholly-owned subsidiary of DKSH Holdings (Malaysia) Berhad on January 2, 2025.

Mr. Joel joined DKSH in 2025 to lead the Supply Chain Management for Malaysia & Brunei. The Function has benefited from Mr. Joel's over 26 years of leadership experience as he successfully led its transformation by increasing agility in the distribution network, re-organization to have a customer centric organization, and simplification of business processes. This major accomplishment would not have been possible without a focus on collaboration and partnership with the Business Units, Functions, clients, and customers.

Mr. Joel's record of accomplishment in successfully transforming Supply Chain across various industries injected necessary impetus for a significant improvement in cost and service metrics. Prior to DKSH, Mr. Joel led end to end supply chain and manufacturing operations in global consumer goods, animal nutrition, and medical devices industries. Mr. Joel has led both country, regional, and global organizations based in Malaysia and Singapore.

Mr. Joel does not hold any directorship in any public companies and listed issuers. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has no convictions for any offences within the past five years, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

Corporate Structure



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Sustainability Statement

Sustainability is integrated into our core operations, shaping how we conduct business on a day-to-day basis. We apply established practices across our operations to address how our activities affect the community, the environment, the marketplace, and the workplace. Our commitment to ethical business conduct governs these practices and ensures that sustainability is consistently applied across all operational areas.

Sustainability Statement

ABOUT THIS REPORT ▶ (GRI 2-1, 2-6)

This report provides stakeholders with an overview of how DKSH Holdings (Malaysia) Berhad ("DKSH Malaysia") incorporates sustainability into its operations during the reporting year. It sets out the sustainability-related risks, opportunities, and impacts that shape our approach to value creation.

Reporting Frameworks

The reporting framework is aligned with recognized international practices, using the Global Reporting Initiative ("GRI") Standards 2021, the United Nations Sustainable Development Goals ("UN SDGs"), and the Task Force on Climate-Related Financial Disclosures ("TCFD") Recommendations, to support transparency and accountability in sustainability reporting.

We are implementing the National Sustainability Reporting Framework (NSRF) on a phased basis, with an initial focus on climate-related risks. We are also progressing toward full alignment with the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards ("IFRS S1 and IFRS S2").

Scope and Boundary ▶ (GRI 2-2, 2-3)

This Sustainability Statement presents DKSH Malaysia's sustainability initiatives and performance for the financial year covering January 1 to December 31, 2025 ("FY2025"). The reporting boundary includes operations at the headquarters in Petaling Jaya, branch offices, distribution centers across Peninsular and East Malaysia, and the manufacturing plant in Shah Alam. Quantitative data includes three-year performance comparisons where applicable. The statement is issued annually as part of the DKSH Malaysia's Annual Report.

The content primarily addresses activities within the economic, environmental, and social pillars. Sustainability-related economic matters are discussed in the Management Discussion and Analysis, while governance-related matters are covered in the Corporate Governance Overview Statement, with both sections presented separately in this Annual Report.

Sustainability Statement (continued)

Materiality

In 2025, we continued to align our local material matters with the DKSH global double-materiality assessment. The double-materiality assessment adopts a dual perspective: impact materiality, assessing the environmental and social impacts of our activities across the value chain, and financial materiality, evaluating how sustainability issues affect our economic performance. This approach enables us to assess our impacts within Malaysia's business landscape and confirm their relevance. These matters were then mapped against the GRI Standards, and the UN SDGs to maintain consistency with international sustainability frameworks. There were no changes to our material matters in 2025.

DKSH Material Matters in 2025	
1	Health, Safety, and Well-being
2	Employee Attraction, Satisfaction, and Retention
3	Labor Practices
4	Climate Change Mitigation
5	Pollution Prevention
6	Resource Efficiency
7	TCFD Report
8	Responsible Procurement
9	Ethics and Integrity
10	Combatting Corruption
11	Responsible Marketing Practices
12	Data Privacy and Protection
13	Product Quality and Safety
14	Local Community Development

This Sustainability Statement is organized into three chapters, each addressing specific Material Matters:

Our People	**Our Business**	**Our Outcome**
centers on employees as the driving force behind value creation.	explains how value is generated through our business model, with a focus on supply chain sustainability.	reflects our commitment to delivering our purpose of enriching people's lives.

Integrating United Nations Sustainable Development Goals

We integrate the UN SDGs into our business operations by aligning with global sustainability priorities. The UN SDGs are incorporated into our strategies as part of how we conduct our activities and consider long-term value creation for stakeholders. Our material matters reflect several of the 17 SDGs, with a specific focus on SDGs 2, 3, 4, 5, 8, 9, and 13.

Assurance ► (GRI 2-5)

We prepared this Sustainability Statement in accordance with the relevant reporting guidelines to maintain its integrity and to present information that is balanced, accurate, and meaningful. At the global level, the DKSH Holding Ltd. Sustainability Report 2025 underwent limited assurance by SGS covering all text and 2025 data, with emphasis on greenhouse gas ("GHG") emissions and the share of women in senior leadership positions. DKSH Malaysia's methodologies and selected metrics are consistent with this approach.

As part of this process, the DKSH Malaysia Sustainability Committee reviewed the report content, disclosures, and performance indicators. The Sustainability Statement was then assessed and approved by the DKSH Holding Ltd's Group Investor Relations and Group Sustainability teams, followed by approval from DKSH Malaysia's Board of Directors.

Sustainability Statement (continued)

To strengthen the credibility of this report, we engaged Grant Thornton Consulting Sdn Bhd to provide limited assurance on selected material sustainability indicators. The assurance engagement was conducted in accordance with the applicable Malaysian standard for assurance engagements, namely International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits and Reviews of Historical Financial Information. Assurance over greenhouse gas emissions information included in this report was conducted in accordance with International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements.

For more details on the Assurance Statement, refer to pages 100 to 104 of this report.

Forward Looking Statement

This Sustainability Statement contains forward-looking statements relating to our financial and non-financial position, future priorities, strategies, and growth opportunities, based on reasonable assumptions. These statements do not represent guarantees of future outcomes, as actual results may differ due to risks, uncertainties, and external factors beyond our control.

Feedback ▸ (GRI 2-3)

We welcome feedback from stakeholders and invite comments and suggestions related to our sustainability initiatives and reporting. For inquiries, suggestions, or requests for additional information, please contact us at:

Christy Chow
Senior Manager, Marketing & Communications
Phone +60 3 7882 8888
Email: dksh.malaysia.country.communications@dksh.com

To understand this Sustainability Statement in context, we recommend reading it together with the Annual Report and other publicly available materials, including corporate policies published on our website at www.dksh.com.my.

Memberships and Associations ▸ (GRI 2-28)

DKSH Malaysia participates in a range of industry associations and chambers of commerce relevant to its areas of operation. These engagements are concentrated mainly within the chemical, pharmaceutical, and food sectors. The memberships held by DKSH Malaysia include the following:

- Federation of Malaysian Manufacturers ("FMM")
- GS1 Malaysia
- Malaysia International Chamber of Commerce and Industry ("MICCI")
- Malaysia Medical Device Association
- Malaysian Animal Health and Nutrition Industries Association
- Malaysian Electrical Appliances Distributors Association ("MEADA")
- Malaysian Employers Federation ("MEF")
- Malaysia Retail Chain Association ("MRCA")
- Pharmaceutical Association of Malaysia
- Swiss Malaysian Chamber of Commerce ("SMCC")
- Transported Asset Protection Association ("TAPA") Asia Pacific

Our Sustainability Approach

Sustainability forms one of DKSH's five core values and guides how we manage the economic and sustainability impacts of our operations. Our approach to responsible, long-term growth is demonstrated through the way we create value while providing market and product access and supporting employment opportunities.

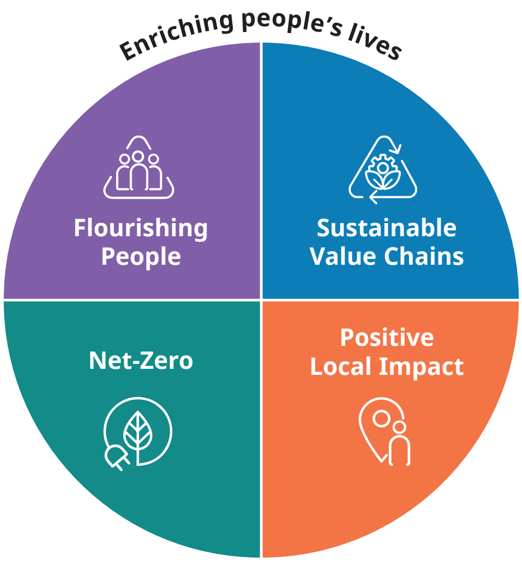
Our sustainability efforts are directed by a defined Sustainability Strategy that sets out how we address business resilience, livelihoods, and environmental protection across our operations. These efforts include stakeholder engagement and the assessment of key areas of impact, with sustainability managed through established governance practices and risk management processes.

Sustainability Statement (continued)

Sustainability Strategy

We act in line with our purpose of Enriching People's Lives across the markets and communities we serve, and we contribute to sustainable development as part of that commitment. In addition, we reinforce this commitment by creating a positive impact through our Sustainability Strategy, introduced in 2022, which places sustainability as a central element of our corporate strategy.

The Sustainability Strategy is structured around four objectives:



Enable Our People to Flourish
We aim to enable all our employees to maximize their talents, engagement, and potential. We create various opportunities for our employees' personal and professional development , such as providing training and cultivating an open feedback culture. We also respect human rights and promote diversity and inclusion to foster a supportive environment for all our employees.

Make Our Value Chains More Sustainable
We collaborate with partners across our value chain to advance sustainable practices. This includes procuring products and services responsibly in ways that respect human rights and minimize environmental impact. We are reinforcing our commitment to human rights and environmental stewardship by pursuing global certifications in ISO 45001 and ISO 14001, which relate to occupational health and safety and environmental management.

Achieve Net-Zero Emissions
In 2024, we revised our emissions targets with a focus on improving our emissions transparency for Scopes 1, 2, and 3, developing and implementing a science-based target, and achieving net-zero operations by improving efficiency and optimizing transport routes and truck loads. We continued these efforts in 2025, along with advancing plans to install additional energy-saving equipment, increase the share of electric and hybrid vehicles in our fleets, and minimize refrigerant leakages.

During the year, DKSH Holding Ltd.'s science-based climate targets, aimed at achieving net-zero greenhouse gas emissions across the value chain by 2050, were validated by the Science Based Targets initiative ("SBTi"). We adhere to these targets through locally implemented initiatives.

Make a Positive Local Impact
Our Social Impact Strategy provides clear guidance on how we enhance our positive local impact. Our social impact projects focus on contributing to the development of the communities where we operate by providing access to food, healthcare, and education, and by promoting healthy nutrition and life skills among children and families.

Sustainability Scorecard
We introduced the Sustainability Scorecard in 2024 to support the implementation of our Sustainability Strategy. Each scorecard contains key performance indicators ("KPIs") aligned with our four strategic objectives to measure progress against our sustainability priorities. The scorecards are reviewed by members of the Sustainability Committee and monitored by the Board of Directors ("BoD") to track performance and identify areas requiring further action.

In 2025, we formalized organizational targets to strengthen strategic planning, including investment-related areas, to guide operational priorities and decision-making across the Group. These targets were incorporated into the Sustainability Scorecards, which we continued to use to track progress across key sustainability areas, including workforce development, waste management, health and safety, supply chain oversight, anti-corruption, emissions management, and water stewardship. Performance was reviewed against defined annual targets and forward-looking benchmarks to assess alignment with our 2025 and 2026 objectives.

Sustainability Statement (continued)

Enable Our People to Flourish

Measurement	ACT 23	ACT 24	ACT 25	TGT 25	TGT 26
Female representation in top leadership (%)	50	33	33	33	33
Training hours/employee (h)	16	20.2	18.7	17	19
Voluntary attrition rate (%)	14.8	12.2	11.9	<19	<19
Human Rights					
Incidents relating to discrimination	0	0	0	0	0
Employee Engagement score (0-100)	73	72	75	75	77

Make Our Value Chains More Sustainable

Measurement	ACT 23	ACT 24	ACT 25	TGT 25	TGT 26
Waste Management					
Total waste intensity (tons/MYR million)	509	449	389.3	<400	<344
Health & Safety					
Work-related fatalities	0	0	0	0	0
Lost time incident rate (employees)	0.15	1.1	0.3	<2.4	<2.4
Supply Chain Management					
Proportion of spending on local suppliers	>99%	>94%	>99%	>90%	>90%
Human Rights (supplier case)	0	0	0	0	0
Anti-Corruption					
% of employees trained on corruption	100%	100%	100%	100%	100%
% of operations assessed for corruption risks	100%	100%	100%	100%	100%
Reported case	0	0	0	0	0
Data privacy and security (Case)	0	0	0	0	0

Sustainability Statement (continued)

Achieve Net-Zero Emissions

Measurement	ACT 23	ACT 24	ACT 25	TGT 25	TGT 26
Emissions reduced/compensated					
Scope 1+2 emissions (tCO_2e) - Location-based[1]	11,148	13,577	9,713	10,611	10,611
Scope 1+2 emissions (tCO_2e) - Market-based[2]	3,659	5,208	1,330	6,135	6,135
Scope 1+2 emission intensity (tCO_2e/MYR million) - Location-based[1]	1,486	1,710	1,129	1,473	1,473
Scope 1+2 emission intensity (tCO_2e/MYR million) - Market-based[2]	488	656	155[2]	852	852
Scope 3 emissions (tCO_2e)	24,232	23,439	27,538	20,673	20,673
Scope 3 emission intensity (tCO_2e/MYR million)[3]	3,231	2,952	3,202	-	-
Water					
Total volume of water used (m^3)	64,356	67,027	57,755	58,513	58,513
Water consumption intensity (Total Water in m^3/ Total Revenue in MYR billion)	8,581	8,442	6,716	8,127	8,127

1 Scope 2 location-based emissions are calculated by applying location-based emission factors to our electricity consumption data. For location-based emission factors, we have used the most recent figures available from the International Energy Agency (IEA) since 2021. These figures show the carbon intensity of the national electricity mix in all necessary markets.
2 Scope 2 market-based emissions are calculated by applying market-based emission factors to our electricity consumption data. For market-based emission factors, we use the emission factors from the specific energy provider if available. If not available, we use emission factors published on government websites. If neither are available, we use the same values as location-based factors. The usage of energy attribute certificates (EACs) is also considered when calculating our Scope 2 market-based emissions.
3 The Scope 3 emissions target is currently unavailable, as enhancements to our Scope 3 reporting framework are still in progress.

Make a Positive Local Impact

Measurement	ACT 23	ACT 24	ACT 25	TGT 25	TGT 26
Community engagement/CSR					
Contributions for local community projects (MYR/m)[1]	0.20	0.31	0.34	0.34	0.41[2]
Number of beneficiaries (no of students)[3]	116	155	139	>100	>100

1 Excludes the amount invested/spent on Business Unit Social Impact Activities
2 Target number will include Business Unit Social Impact Activities
3 Preschool students benefitted from ARISE. Number of beneficiaries may change depending on enrollment fluctuations

Sustainability Statement (continued)

Sustainability Highlights in 2025

Enable Our People to Flourish

Human Rights | Developing Our Talent | Embracing Diversity | Employee Engagement

2025 Highlights

- Received accreditation as a Great Place to Work®, demonstrating a strong and positive work environment
- Held a company-wide Purpose Fiesta event to help our employees connect the work they do with their personal sense of purpose. These activities inspired and unified employees around a shared commitment to enriching people's lives
- Launched the inaugural Learning Week, delivering diverse upskilling sessions and curated digital learning resources to enhance employee learning agility

Flourishing People

Make Our Value Chains More Sustainable

Human Rights | Responsible Procurement | Environmental Stewardship

2025 Highlights

- Achieved certification for our distribution centers under Supply Chain Management operations in accordance with the following global DKSH frameworks:
  - ISO 14001 Environmental Management System
  - ISO 45001 Health and Safety Management System

Sustainable Value Chains

Achieve Net-Zero Emissions

Net-Zero

Emissions Transparency | Science-Based Target | Net-Zero Operations

2025 Highlights

- Obtained validation of our emission reduction targets from the Science Based Targets initiative (SBTi)
- Transitioned our fleet progressively to electric vehicles (EV)
- Leveraged an audit grant to perform energy audits and identify efficiency improvements at CGL Klang Distribution Center
- Implemented comprehensive energy efficiency upgrades across lighting, sensors, and cooling systems
- Replaced diesel-powered material handling units with lithium battery alternatives to optimize operations

Make a Positive Local Impact

Positive Local Impact

Community Engagement | Social Impact

2025 Highlights

- Sponsored eight community learning centers ("CLC"), benefiting approximately 139 preschoolers from various Indigenous communities across Malaysia
- Continued to collaborate Malaysian Federation of the Deaf since 2016 to create employment opportunities for nine hearing-impaired individuals within our subsidiary company, Famous Amos
- Organized the Patient Purpose Day Run 2025, engaging over 1,000 participants to promote women's health equity through early cancer detection and screening awareness
- Continued the Product Waste Reduction initiative through NGO partnerships, successfully minimizing waste and increasing product donations

Sustainability Statement (continued)

Sustainability Governance ▸ (GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14)

The Board of Directors oversees sustainability governance and integrates sustainability into DKSH's long-term strategy to ensure alignment between sustainability performance, initiatives, and business priorities. The Board recognizes sustainability as a component of corporate strategy and ensures that sustainability considerations remain linked to long-term value creation and business resilience through direct oversight.

As part of this oversight, the Board reviews sustainability matters on a quarterly basis to ensure they remain relevant to our operations. The Head, Country Leadership, Malaysia, leads the execution of sustainability initiatives with support from a Sustainability Committee comprising representatives from various Business Units and Functions. The Sustainability Committee meets at least four times each year or as required.

Additionally, the Board and Senior Management regularly address climate-related matters as part of governance discussions. Business Units and Functions conduct climate-related evaluations covering carbon emissions, energy consumption, and supply chain risks. The findings and recommendations from these evaluations are reported to Senior Management and the Board to ensure that climate-related considerations form part of senior-level decision-making.

Sustainability Statement (continued)

Management of Material Risks and Opportunities Risk Management

We manage risks across all levels of the organization so that strategic planning, decision-making, and daily operations align with our commitment to long-term stability and value creation. To support this approach, risk considerations form part of our business processes to strengthen resilience and enable informed decision-making. Our Enterprise Risk Management ("ERM") Policy and Framework defines the process used to identify, assess, and monitor risks, allowing us to anticipate challenges and address potential disruptions.

Risk Category	Mitigating Actions	Opportunities
Energy Source	a. Installing energy-efficient LED lighting at production facilities and offices b. Replacing existing air-conditioning systems with 5-star rated energy-saving air conditioners c. Installing solar panels at The Hub ("FACC") and Shah Alam Distribution Center ("SADC")	• Integrating renewable energy sources and implementing defined energy efficiency measures
Resources Efficiency	a. Aligning vehicle size with product capacity for delivery operations b. Installing water meters at each facility to monitor wastewater usage and support controlled reductions in overall water consumption	• Increasing efficiency across production and distribution processes • Reducing total water usage and consumption
Information Security	a. Mandating Information Technology ("IT") security training for all employees b. Conduct recurring phishing campaigns as part of ongoing security awareness activities c. Apply multi-factor authentication requirements to strengthen security controls	• Reducing the risk of security breaches, data compromise, and unauthorized access

For more information on physical and transition risks and opportunities, refer to TCFD Report on pages 68 to 76 of this report.

Stakeholder Engagement ▶ (GRI 2-29)

We engage in regular dialogue with stakeholders to understand their perspectives on key developments and the impacts they identify. These perspectives inform our business direction and sustainability approach and help ensure that our actions remain aligned with evolving priorities.

Key Stakeholder Group	Why They Are Important to Us	How We Engage with Stakeholders	Key Areas of Interest	Our Response
Clients	Clients contribute directly to our revenue through long-term contractual relationships that support financial stability and sustainability. Their role supports business growth, market expansion, distribution improvement, and the execution of strategic plans	• Periodic meetings • Regular business reviews	Project delivery within agreed timelines and budgets	• Providing reliable logistics infrastructure and distribution centers • Delivering additional specialized services where required • Developing long-term business strategies based on local expertise and market intelligence

Sustainability Statement (continued)

Key Stakeholder Group	Why They Are Important to Us	How We Engage with Stakeholders	Key Areas of Interest	Our Response
Customers	Customers represent the primary source of revenue and provide the capital foundation that supports the financial stability and continuity of our business	• Periodic meetings • Regular business reviews	Customer responsiveness and customer satisfaction	• Offering competitive product pricing • Delivering sustainable products and services • Providing knowledge sharing and market insights
Employees	Employees contribute operational knowledge and technical expertise that support business performance and daily operations. They represent DKSH in interactions with customers and suppliers and maintain operational efficiency and effectiveness across the organization	• Employee surveys • Engagement sessions • Recreational events	Employee engagement, high-performing teams, cross-functional and cross-business-unit collaboration	• Conducting employee engagement surveys to strengthen workplace involvement • Delivering upskilling and reskilling through learning and development programs • Developing leadership roles and succession planning
Government agencies, local councils, and regulatory authorities	Government and regulatory bodies define the requirements that govern business operations and sustainability compliance, with direct implications for licensing and financial risk management	• On-site inspections • Formal correspondence • Social activities	Compliance with regulations	• Conducting on-site governance inspections and audits by regulatory authorities for factory production • Conducting on-site inspections for Good Distribution Practice (GDP) and cold chain compliance • Undergoing external audits for ISO 9001, ISO 13485, ISO 14001, ISO 45001 and other certifications

Sustainability Statement (continued)

Key Stakeholder Group	Why They Are Important to Us	How We Engage with Stakeholders	Key Areas of Interest	Our Response
Local communities	Local communities are affected by business operations, and engagement supports operational continuity, reputation, and responsiveness to local needs	• Company website • Social media • Community engagement activities	Community support	• Supporting Orang Asli children's education through the All-Round Improvement in School Education ("ARISE") program in collaboration with SUKA Society • Engaging directly with Orang Asli children through school visits to assess and address needs • Developing sustainable economic opportunities through job training programs • Expanding employment opportunities for individuals with hearing impairments • Implementing digital solutions in the supply chain to reduce environmental footprint
Shareholders and investors	Shareholders and investors provide capital that supports market valuation, access to capital markets, financial health, and long-term business continuity	• Company website • Quarterly announcements • Annual General Meeting ("AGM") • Extraordinary General Meetings ("EGM") • Analyst and investor meetings	Timely disclosure of corporate and financial information	• Providing transparent communication on financial performance, strategy, risks, and outlook • Maintaining active communication with shareholders and investors • Engaging regularly with financial analysts
Suppliers and Vendors	Suppliers and vendors provide the resources and services required to support operations, product quality, and supply chain continuity	• Periodic meetings • Regular business reviews	Performance monitoring across the supply chain	• Holding regular discussions with vendors on sustainability goals • Encouraging vendor-led sustainability initiatives, including electric vehicles, solar panels, and energy-efficient practices
Consumers	Consumers purchase and use our products, influencing sales performance, brand reputation, and market presence	• Marketing and advertising activities • Feedback channels	Quality and relevance of products	• Ensuring the consistent availability of high-quality products in the market

Sustainability Statement (continued)

Our People

At DKSH, our people are at the heart of how we create value. As a service driven organization, the skills, safety, and wellbeing of our workforce underpin our ability to deliver reliable, high-quality services to clients and customers across Malaysia. We are committed to fostering a workplace where employees feel supported, included, and empowered to grow through a strong focus on health and safety, continuous capability development, meaningful engagement, fair labor practices, and a culture grounded in integrity and respect.

1. Health, Safety and Well-being

Our activities involve elevated risks arising from warehousing, transportation, and field-based operations, including the use of machinery, handling of heavy loads, and management of hazardous materials. Routine administrative and logistical tasks may also result in work-related or non-work-related incidents affecting employees and, in some cases, other stakeholders.

Uncontrolled risks may lead to injuries, regulatory penalties, operational disruption, reputational damage, and loss of stakeholder trust. Because injuries can have lasting effects on an individual's ability to work, we prioritize maintaining a safe, equitable, and supportive work environment. We also provide regular health and safety training and ensure access to healthcare services so that employees are equipped with the support required to perform their duties safely.

Ensuring Occupational Health and Safety ▸ (GRI 403)

Our Occupational Health and Safety ("OHS") program applies across all operations and covers safe work procedures, risk assessments, compliance monitoring, training, emergency preparedness, and workplace safety communication. These measures are particularly relevant in distribution center operations, where safety risks are higher and require closer management.

Due to the nature of our marketing, sales, service, and delivery activities, employees regularly travel for work, making safe driving practices a priority in accident prevention. We also manage risks associated with the transportation, storage, and handling of hazardous materials to protect employees' safety and prevent environmental harm.

Sustainability Statement (continued)

Governance for health and safety is defined through our Health, Safety, and Environment Policy, which outlines responsibilities, Standard Operating Procedures ("SOPs"), and the operational requirements of the HSE Management System ("HSE-MS"). This system aligns with ISO 14001:2015/Amd 1:2024 and ISO 45001:2018/Amd 1:2024, as well as requirements issued by the Department of Occupational Safety and Health ("DOSH").

A cross-functional HSE Committee supports implementation of the HSE-MS. Business Units and Functions works with Country HSE Manager to provide quarterly compliance updates to DKSH's global supervisory committee to ensure alignment with DKSH's global standards.

- Control of Smoking Products for Public Health Act 2024
- Electricity Supply Act 1990 & Regulation
- Fire Services Act 1988, Regulations and Order
- Guidelines on First Aid in the Workplace 2004
- Occupational Safety and Health Act 1994 – Osha (Amendment) 2022
- Occupational Safety and Health (Classification, Labelling and Safety Data Sheet of Hazardous Chemicals) Regulations 2013 (Class Regulations 2013)
- Occupational Safety and Health (Noise Exposure) Regulations 2019
- Occupational Safety and Health (Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease) Regulations 2004
- Occupational Safety and Health (Plant Requiring Certificate of Fitness) Regulation 2024
- Occupational Safety and Health (Safety and Health Committee) Regulations 1996
- Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health) Regulations 2000.
- Poison Acts1952
- Uniform Building By-Laws 1984

A Standard Operating Procedure for Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") is implemented across operational activities to identify, assess, and manage work-related risks. Process owners in each Business Unit and Function complete HIRARC Inspection Forms, which are reviewed annually or when operational changes occur, and safety audits are conducted to identify gaps and implement corrective actions.

Furthermore, we also conducted systematic HSE monitoring and assessment activities to identify and mitigate potential hazards in a timely manner, including Ergonomic Risk Assessments, Chemical Health Risk Assessments ("CHRA"), noise boundary monitoring and noise risk assessments, audiometric testing and monitoring of drinking water quality.

Our employees are also encouraged to report concerns directly to their supervisor, a Risk Assessment ("RA") team member or through the Health, Safety and Environment ("HSE") Committee. Each concern is formally recorded in the HIRARC register, where it is tracked until appropriate action is taken. Employees who report hazards or unsafe practices are not subject to penalty or disciplinary measures, and anonymity is safeguarded where appropriate under the HSE policy and any form of retaliation constitutes a breach of company HSE policy.

Where an employee considers that continuing a task may cause injury or ill health, the Stop Work Order process authorizes employees and contractors to suspend the activity upon identifying a health or safety risk. The exercise of this right does not result in reprisals and is protected under company policy.

At DKSH, our employees participate in the development, implementation, and evaluation of the occupational health and safety management system through hazard reporting, involvement in risk assessments, participation in safety inspections and by providing input during safety meetings and toolbox talks. Occupational health and safety information, including policies, procedures, incident reports, and risk control measures, is communicated through noticeboards, emails, e-learning platforms, and team briefings to provide employees with access to relevant information. Input received from employees is reviewed and incorporated into the continuous improvement of safety procedures to maintain their relevance and effectiveness.

To this end, we maintain a formal joint management-employee HSE Committee at sites with more than 40 employees in accordance with the DOSH regulations. The committee comprises management representatives and elected employee representatives and is chaired by the Head, Country Leadership, Malaysia. Its responsibilities include reviewing occupational health and safety policies and risk controls, investigating incidents and near-misses, recommending corrective actions and safety improvements, and promoting safety awareness and training. The committee meets quarterly, meeting minutes are documented and shared and agreed actions are tracked. At sites with fewer than 40 employees, consultation on health and safety matters is conducted directly through the Country HSE officers.

Sustainability Statement (continued)

In addition, we extend these monitoring and risk management efforts through occupational health services that support early detection and medical evaluation of work-related health risks. Baseline noise monitoring is conducted for employees working in high-noise areas to identify potential hearing hazards. Employees who present work-related health concerns are referred to licensed external occupational health providers for assessment and recommendations. The outcomes of these monitoring activities and medical referrals are incorporated into risk assessments and used to determine and implement appropriate control measures to eliminate or reduce identified risks.

To maintain service quality and accessibility within this framework, only licensed external occupational health providers are engaged to deliver assessments and professional advice. Monitoring, referral, and follow-up processes are documented and periodically reviewed. Employees are informed of monitoring requirements and referral procedures, and all health concerns are managed confidentially to support timely reporting and appropriate intervention.

In 2025, we achieved Health and Safety Management System certification under the global DKSH ISO 45001 framework for all distribution centers within our Supply Chain Management operations.

Workers covered by an occupational health and safety management system ▸ (GRI 403-8)

	2023		2024		2025	
	Number	Percentage (%)	Number	Percentage (%)	Number	Percentage (%)
Employee	3,387	79.2	3,735	85	3,600	83
Non-Employee	892	20.8	642	15	718	17
Total	4,279	100	4,377	100	4,318	100

We conduct health and safety training to ensure our employees and contractors understand and comply with health and safety requirements and take responsibility for their own safety and the safety of others. All new employees and contractors must complete health and safety training before commencing work, with mandatory sign-off upon completion. Refresher sessions are also conducted, with attendance closely monitored to ensure compliance with established health and safety requirements. In 2025, 3,072 employees participated in health and safety initiatives, which include:

Baseline Safety Training

Conducted baseline safety training covering workplace safety policies, emergency procedures, safe work practices, and general hazard awareness to ensure employees understood their responsibilities and the measures required to maintain a safe work environment at all operational sites.

Hazard-Specific Training

Provided training to employees exposed to specific risks, including correct lifting techniques for manual handling, safe chemical handling and storage with spill response and appropriate PPE, controls for high-noise environments with hearing protection, and safe operation and inspection of tools, equipment, and machinery.

Activity-Based Training

Held training for employees performing high-risk activities, such as working at height, load handling, and forklift operation, and required competency assessment before work commenced.

HSSE Awareness Campaigns

Organized HSSE campaigns to reinforce safe, healthy, and sustainable workplace practices, including Disaster Preparedness Awareness sessions delivered by the National Disaster Management Agency (''NADMA'') on flood risks and emergency response at work and at home.

Sustainability Statement (continued)

Workplace Safety and Environmental Awareness Campaigns

Carried out campaigns promoting segregation, recycling, and responsible waste disposal. We conducted First Aid Awareness sessions by the Red Crescent Malaysia to improve emergency readiness, held a Forklift Operation session based on lessons learned from an incident to emphasize safe handling and hazard identification, and implemented the 7S Program to promote workplace organization through Sort, Set in Order, Shine, Standardize, Sustain, Safety, and Security.

HSE Management and Emergency Preparedness Training

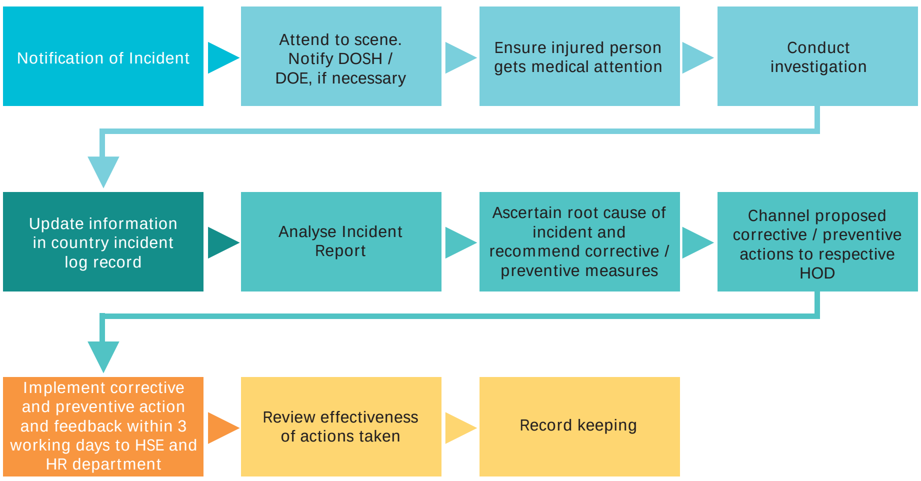
We conducted training to strengthen employees' capability in managing health, safety, and environmental risks. It covers:

- Hearing conservation, chemical handling, fire safety, ergonomic awareness
- Hazard Identification, Risk Assessment and Risk Control ("HIRARC")
- Environmental aspects and impacts and sustainable practices
- ISO 45001 and ISO 14001 awareness
- Internal auditor training
- Operational control standard operating procedures
- Emergency response, first aid training, and fire drill exercises

Incident Investigation and Resolution

We strengthen our occupational health and safety practices by focusing on incident reporting and investigation. Findings are used to determine causes and implement corrective actions to prevent recurrence. All incidents are reported and investigated in line with the Accident Incident Reporting and Investigation ("RG3") procedure.

Our HSE Manager works with relevant risk owners to review the implementation of the health and safety management system and assess whether it meets its stated objectives. This review includes checking compliance with DKSH policies, internal standards, and regulatory requirements.



Sustainability Statement (continued)

2025 Safety Performance

In 2025, we reviewed our workplace safety practices via audits conducted by relevant internal teams and external parties. The audits identified workplace safety issues, which were addressed through the implementation of preventive measures, the conduct of training, and the provision of appropriate personal protective equipment.

	Number			Rate (per 1,000,000 hours worked)		
Employees	**2023**	**2024**	**2025**	**2023**	**2024**	**2025**
Fatalities from work-related injuries	0	0	0	0	0	0
High-consequence work-related injuries	0	0	0	0	0	0
Number of hours worked (million)	6.70	6.90	6.40	-	-	-
Lost time incident rate	-	-	-	0.15	0.29	0.31

	Number			Rate (per 1,000,000 hours worked)		
Workers (excluding employees or contractors not hired by DKSH)	**2023**	**2024**	**2025**	**2023**	**2024**	**2025**
Fatalities from work-related injuries	0	0	0	0	0	0
High-consequence work-related injuries	0	0	0	0	0	0
Number of hours worked (million)	2.20	1.80	1.80	-	-	-
Lost time incident rate	-	-	-	1.37	0	1.1

* The health and safety performance data presented above were collected through an internal reporting system that aligns with Occupational Safety and Health Administration (OSHA) guidelines.

In response to the increase in employee Lost Time Injury (LTI) cases, we have implemented the following measures:

Strengthened Skills and Knowledge

Conducted training to improve awareness of machinery-related hazards, reinforce safe handling practices and ensure understanding of emergency response procedures

Enhanced Equipment and Tool Safety Controls

Reviewed machineries to identify potential hazards, equipment guarding was reinforced, correct tools were verified for use and inspection frequency was increased to reduce operational risks

Increased On-Site Supervision

Intensified supervision during machinery handling and maintenance activities to ensure adherence to safety protocols, reinforce proper work practices and provide immediate oversight for high-risk tasks

Sustainability Statement (continued)

2. Employee Attraction, Satisfaction, and Retention

As a service provider with around 3,700 employees as of the end of 2025, our success depends on skilled professionals who reflect our values of trust, integrity, and reliability. Retaining talent remains important to sustaining strong relationships with business associates, while our commitment to human rights is supported by a strong focus on diversity, equity, and inclusion ("DEI"). Furthermore, we invest in employee development to support client performance and reinforce our position as an employer that provides opportunities for employees to learn, develop, and progress within the organization.

Our purpose of enriching people's lives extends to our workforce and is guided by our core values of integrity, empowerment, collaboration, entrepreneurship, and sustainability, which shape our culture and decision-making. These values are applied consistently through the People DNA framework across all people processes, including recruitment, performance management, personal development, talent recognition, and rewards.

We also implement the Belonging@DKSH initiative to advance DEI across the company. This initiative supports our commitment to a workplace where employees are valued, treated with respect, and supported in expressing their authentic selves.

Recruitment

We ensure fair, inclusive recruitment, adapting to evolving skills and promoting diversity across all levels

- Gender Diversity Policy
- Recruitment Guideline
- Code of Conduct

Compensation and Benefits

We provide competitive benefits to full-time employees, ensuring well-being, and support for those with families

- Gender Diversity Policy
- Fringe Benefits Policy

Work Conditions

We maintain a safe, productive workplace that fosters collaboration and employee satisfaction

- Gender Diversity Policy
- Code of Conduct
- Flexible Work Arrangements Guidelines

Performance Management

Our system encourages excellence, supporting personal and professional growth in alignment with our goals

- Pay-for-Performance Framework
- General Employment Policy

We follow industry practices by providing benefits to full-time employees and subsidizing healthcare for temporary and part-time employees, including coverage for clinic visits as part of their contractual arrangements.

Workforce Diversity

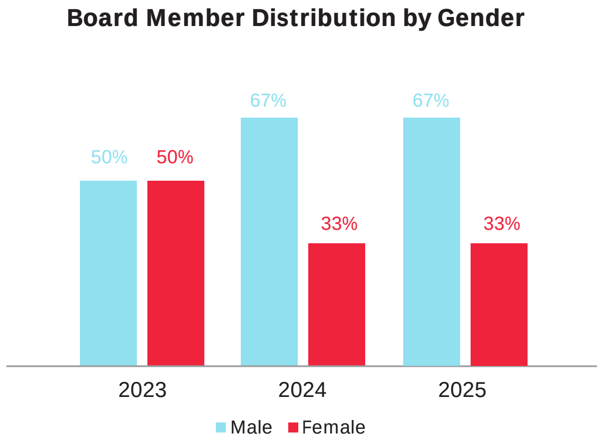
At DKSH, we believe a diverse workforce strengthens our operations by bringing together employees with different experiences, perspectives, and skills, which supports how we deliver services across our business. Our approach to inclusion is guided by our Code of Conduct, the Belonging – Diversity, Equity, and Inclusion Policy, and the Gender Diversity Policy, which set clear expectations for fair and respectful treatment across the organization.

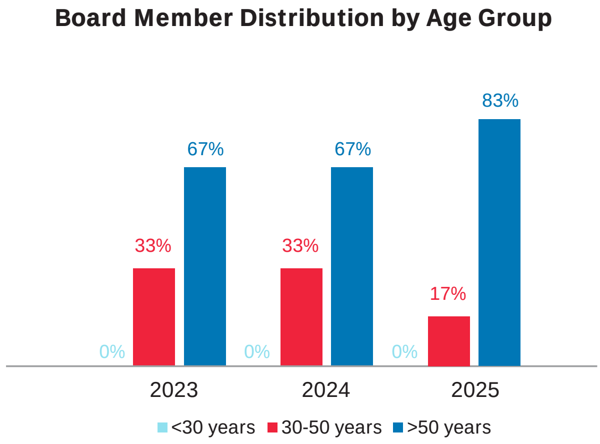
We apply equal employment practices throughout the employee lifecycle and do not tolerate discrimination based on nationality, religion, race, gender, age, disability, sexual orientation, or other personal characteristics. Our Human Resource Business Partners work with hiring managers to support recruitment decisions that reflect these principles and ensure their consistent application across roles and functions.

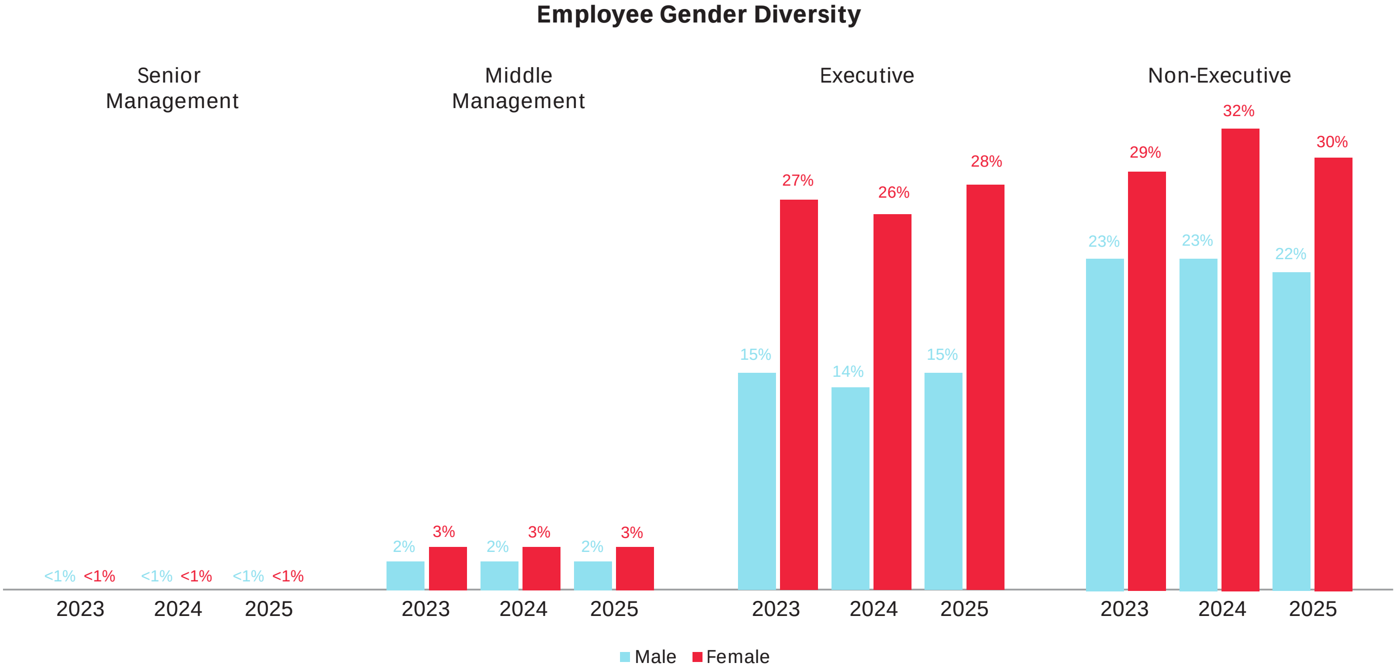
We also place importance on representation at leadership levels, with our Board supporting diversity within Senior Management. As of 2025, women accounted for 33% of DKSH's Board of Directors.

Sustainability Statement (continued)

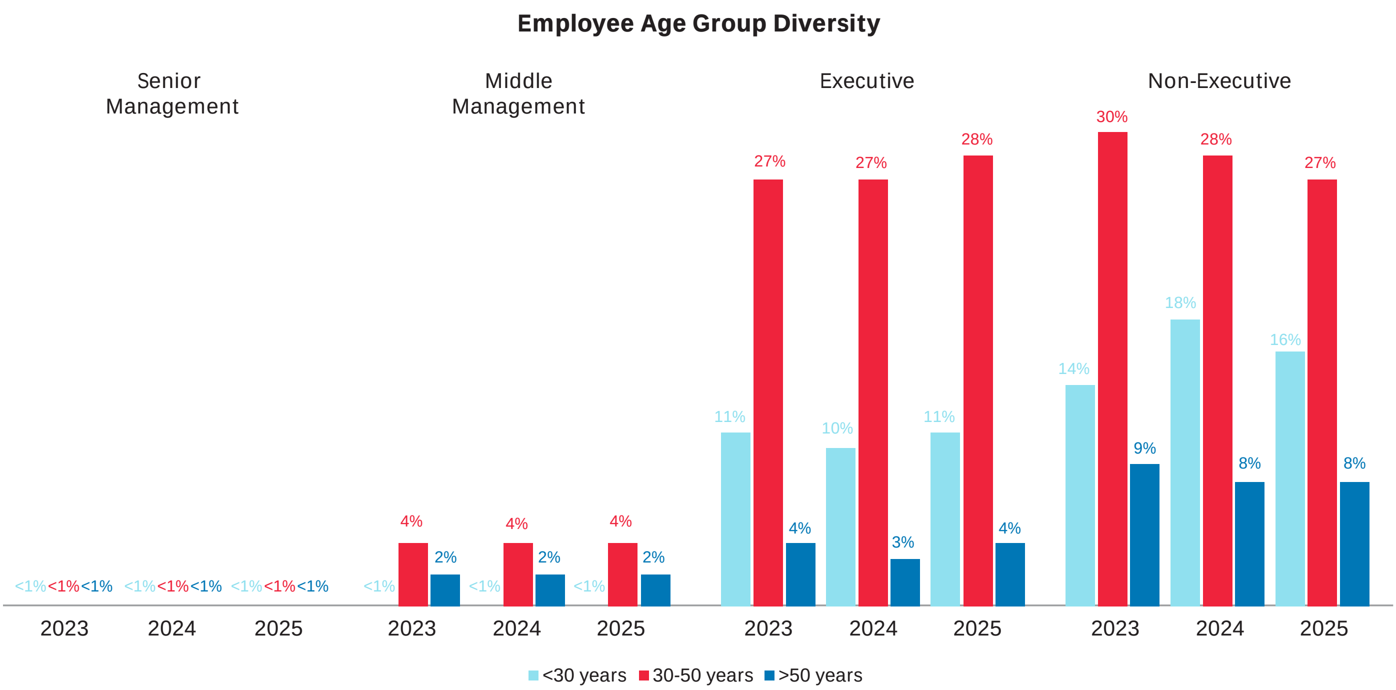
▸ (GRI 405-1)

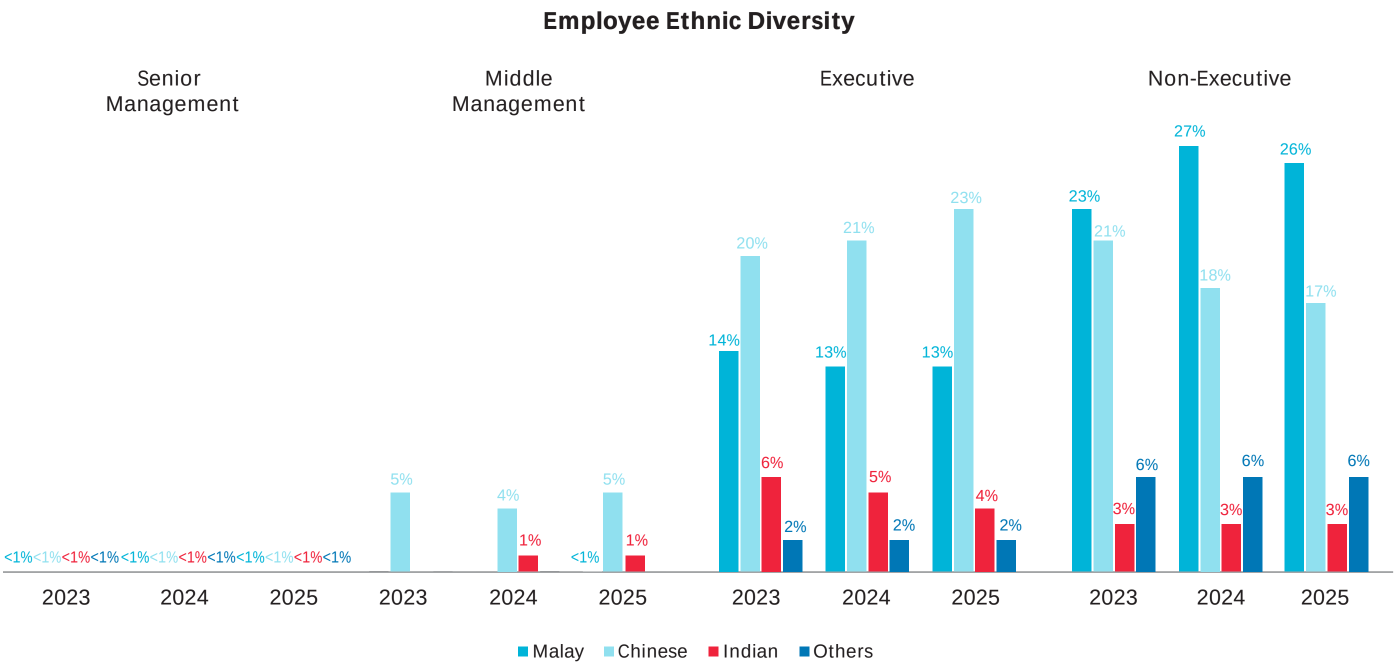






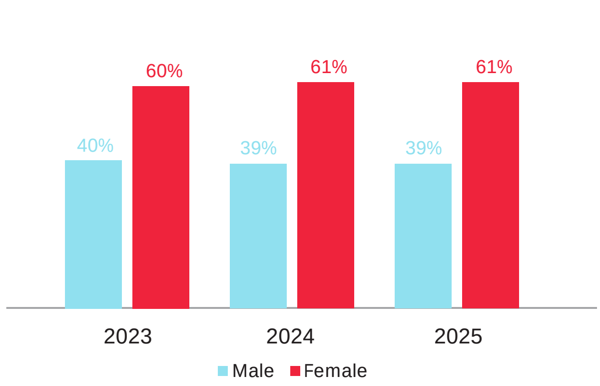
Sustainability Statement (continued)



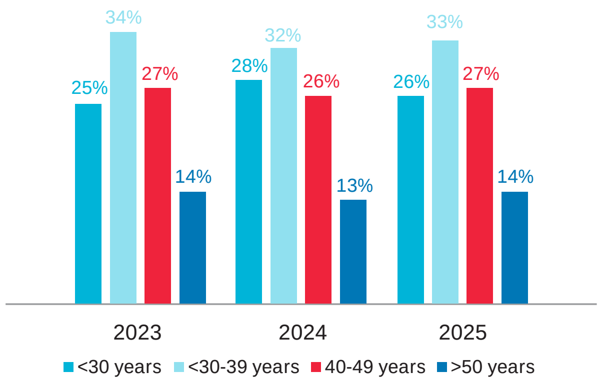


Sustainability Statement (continued)

Employee Distribution by Gender



Employee Distribution by Age Group



In 2025, the ratio of women's to men's basic salary is as follows (GRI 405-2):

Employee Category	Ratio
Senior Management	0.6:1.0
Middle Management	1:1
Executive	1:1
Non-Executive	1:1

We revised our Health and Welfare Policy and Vacation and Leave Policy to reflect recent amendments to Malaysia's Employment Act 2022. These updates support compliance with current labor requirements while improving employee benefits and providing greater flexibility to support employee well-being and work-life balance.

In Malaysia, all employees are covered by nationwide minimum wage regulations, and wage adjustments are determined based on individual skills, performance, and job value. Compliance is supported through quarterly audits for foreign workers. For local workers, wage offers are reviewed at the point of hiring to ensure they meet the applicable minimum wage requirements. The ratio of entry-level management roles to the minimum wage is 1.5:1, applied consistently across locations and regardless of gender. The entry-level wage corresponds to MYR 1,700 per month or MYR 8.72 per hour. In Brunei, employees are compensated based on prevailing market rates.

Other workers performing the organization's activities in Malaysia are also subject to minimum wage requirements, with compensation reflecting individual skills, performance, and job value.

Employee Engagement

We believe an engaged workforce is fundamental to building a strong team, and we have introduced initiatives to support employee engagement and retention in recognition of their importance to long-term performance. To support this effort, we implemented quarterly branch engagement sessions that provide employees with updates, a forum to raise concerns, visibility into new initiatives, and opportunities to reinforce their sense of belonging within the organization.

We also annually recognize individuals who demonstrate our corporate values through the DKSH Fantree Awards. In addition, we continued the quarterly SPOT awards to recognize employee contributions, following the principles of being Specific, Personal, Outstanding, and Timely. These awards acknowledge employees who go beyond their roles and contribute positively to morale and motivation.

Sustainability Statement (continued)

Employee Recognition Program	2023	2024	2025
DKSH Fantree Awards Malaysia recipients	4	20	18
Long Service Award recipients	236	283	230
SPOT Recognition Award recipients	105	178	208

We continue to invest in team development and workplace collaboration by focusing on how employees build skills, progress in their roles, and remain engaged within the organization. Employees develop practical capabilities to improve teamwork and effectiveness through the High-Performance Teams training, which supports day-to-day collaboration. Career progression is supported through job rotations and promotions that provide structured opportunities for professional development, and contributions are recognized through off-cycle salary adjustments for selected employees.

We also focus on strengthening communication and connection across the organization to support a positive workplace culture. Skip-level check-ins provide employees with a direct channel to share feedback and concerns with senior management, supporting transparency and accountability. This approach is reinforced through team-building activities, shared meals, personal milestone celebrations, cultural events, and town halls, which together create opportunities for engagement and connection across teams.

Employee Engagement Survey

We conduct an annual employee engagement survey, YourVoice@DKSH, to evaluate how employees connect with our organizational purpose. The survey contains 38 questions covering topics such as overall satisfaction, feeling valued as an individual, and perceptions of DKSH as an equitable employer. In 2025, 95% of 2,711 employees participated in the survey, both online and offline. Their feedback provided valuable insights that helped us measure our progress in building a culture that supports people and performance.

We also benchmark our survey results against industry standards. Since launching the survey in 2021, our engagement score has steadily increased, reaching 75 out of 100 in 2025, as compared to 71 in 2021. Our goal is to achieve a score of 82 by 2030. Notably, DKSH scored above the global benchmark in 13 of the questions, including those relating to accountability, action taking, collaboration, decision making, manager effectiveness, and well-being. To drive further progress, managers collaborated with their teams to interpret the results and implement the necessary improvements for greater engagement with our employees.

Recruitment, Retention, and Recognition

Our recruitment process follows an open, transparent, and merit-based approach and is governed by the Global Recruitment Policy and conducted through SuccessFactors. The process applies consistent hiring guidelines across all employee levels and supports a clear and structured recruitment approach. In 2025, we hired 790 new employees, representing 21.61% of our workforce.

Career Comeback Program

In 2025, we hired 17 women through the Career Comeback Program. The program supports women returning to professional roles after a career break and provides flexible working arrangements, including part-time roles, reduced working hours, and adaptable schedules, particularly for those in the later stages of pregnancy.

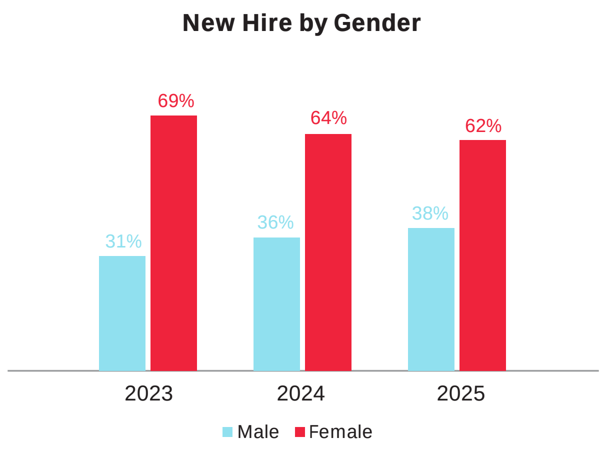
Building a Strong Talent Pipeline

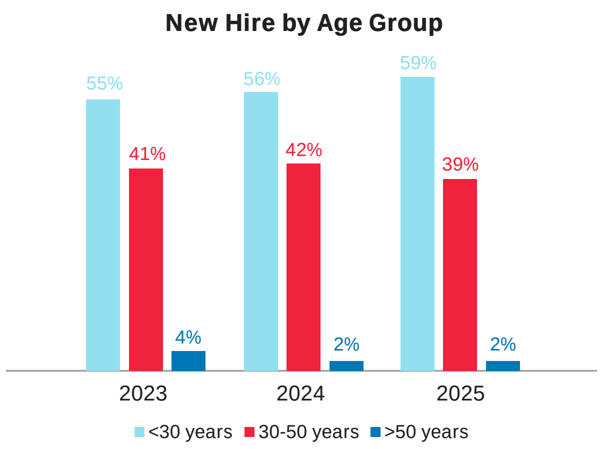
We attract and hire talent through initiatives that support workforce development and long-term capability building. Our Referral Program encourages employees to recommend qualified candidates and support internal hiring networks. We also participate in job fairs at convention centers and university campuses to connect directly with potential candidates and conduct career talks at universities and colleges to provide clarity on career opportunities within the organization.

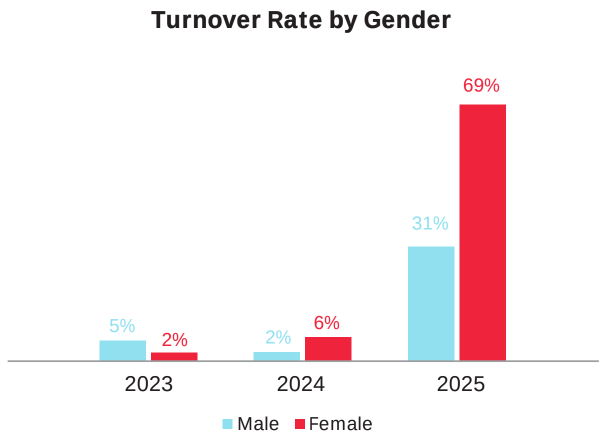
We also introduced the Management Associate Program as a management trainee pathway to develop future industry leaders. Entry into the program is selective and based on defined criteria to ensure suitable candidates are chosen. In 2025, 19 Management Associates were accepted into the program and completed rotational assignments across key functions and divisions. Over the 12-month period, participants worked on strategic projects that developed problem-solving skills and adaptability and prepared them for future leadership roles within DKSH.

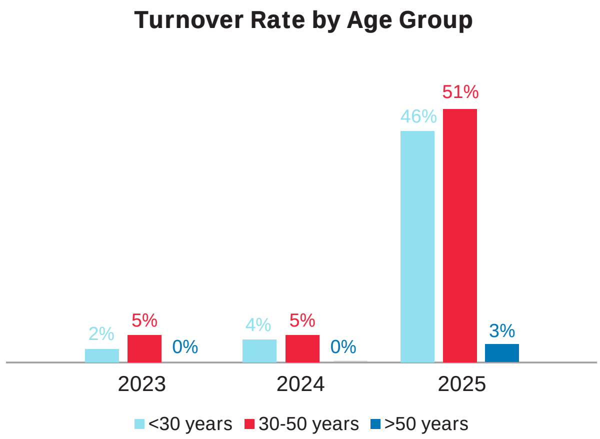
Sustainability Statement (continued)

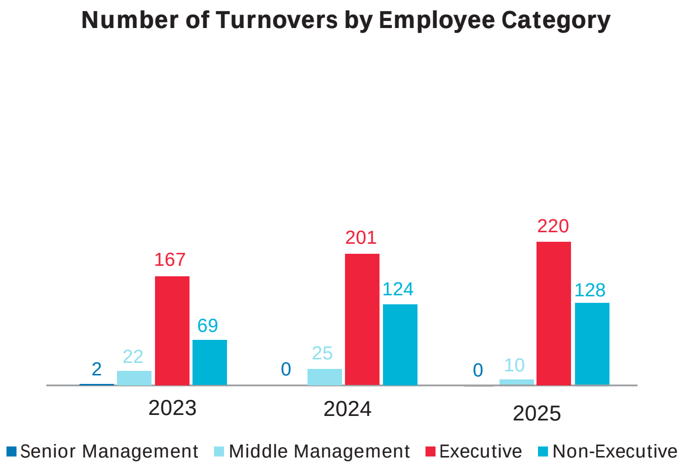
► (GRI 401-1)

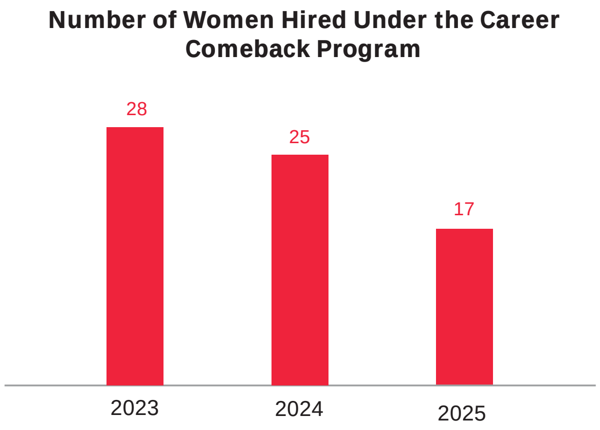












Sustainability Statement (continued)

▶ (GRI 2-7)

Employees by gender	2023 Female	2023 Male	2023 Total	2024 Female	2024 Male	2024 Total	2025 Female	2025 Male	2025 Total
Number of employees (headcount/FTE)	2,017	1,370	3,387	2,231	1,446	3,677	2,221	1,435	3,656
Number of permanent employees (headcount/FTE)	1,961	1,326	3,287	1,994	1,319	3,313	2,051	1,318	3,369
Number of temporary employees (headcount/FTE) (Employees on Renewable Contract)	56	44	100	65	82	147	39	73	112
Number of non-guaranteed hours employees (headcount/FTE)	0	0	0	172	45	217	131	44	175
Number of full-time employees (headcount/FTE) Must fulfil 8 hours a day or according to labour law	1,994	1,370	3,364	2,030	1,401	3,431	2,056	1,391	3,447
Number of part time employees (headcount/FTE) Employees with fewer working hours compared to full-time employees	23	0	23	201	45	246	165	44	209

Employee by region	Peninsular Malaysia Female	Peninsular Malaysia Male	Peninsular Malaysia Total	East Malaysia Female	East Malaysia Male	East Malaysia Total
2023						
Number of employees (headcount/FTE)	1,766	1,063	2,829	251	307	558
Number of permanent employees (headcount/FTE)	1,716	1,026	2,742	245	300	545
Number of temporary employees (headcount/FTE)	50	37	87	6	7	13
Number of non-guaranteed hours employees (headcount/FTE)	0	0	0	0	0	0
Number of full-time employees (headcount/FTE)	1,748	1,063	2,811	246	307	553
Number of part time employees (headcount/FTE)	18	0	18	5	0	5
2024						
Number of employees (headcount/FTE)	1,965	1,140	3,105	266	306	572
Number of permanent employees (headcount/FTE)	1,739	1,024	2,763	255	295	550
Number of temporary employees (headcount/FTE)	57	71	128	8	11	19
Number of non-guaranteed hours employees (headcount/FTE)	169	45	214	3	0	3
Number of full-time employees (headcount/FTE)	1,775	1,095	2,870	255	306	561
Number of part-time employees (headcount/FTE)	190	45	235	11	0	11

Sustainability Statement (continued)

Employee by region	Peninsular Malaysia Female	Peninsular Malaysia Male	Peninsular Malaysia Total	East Malaysia Female	East Malaysia Male	East Malaysia Total
2025						
Number of employees (headcount/FTE)	1,952	1,139	3,091	269	296	565
Number of permanent employees (headcount/FTE)	1,790	1,030	2,820	261	288	549
Number of temporary employees (headcount/FTE)	33	65	96	6	8	14
Number of non-guaranteed hours employees (headcount/FTE)	129	44	173	2	0	2
Number of full-time employees (headcount/FTE)	1,823	1,095	2,918	259	296	555
Number of part time employees (headcount/FTE)	129	44	173	10	0	10

Percentage (%) of employees that are contractors or temporary staff	3
Total workers who are not employees but whose work and/or workplace are controlled by the organization	478
Total employees	3,656

Performance Review and Career Progression
We are committed to long-term employee growth, with career progression and skill development treated as ongoing priorities across the organization. Employees are supported through clear advancement pathways and a defined development framework that outlines the expectations and capabilities required for progression. Performance development plans also allow employees to set personalized goals that align their career objectives with the company's direction.

We encourage employees to take responsibility for managing their careers, supported by a structured annual performance review process that enables employees and managers to discuss progress, review objectives, and agree on development actions. In line with the Employment Policy, all employees undergo a formal annual evaluation managed through the DKSH Talent Portal, which serves as the platform for performance and talent management, with ongoing discussions and feedback supporting skill development and career progression.

Our focus on internal career development reflects our belief in supporting employees with strong potential. We identify talent early and provide training to prepare employees for leadership roles. We also expand roles and adjust team structures to enable employees to move into higher-level positions and to ensure continuity in leadership across the organization.

► (GRI 404-3)

Employees who received performance and career development review by gender	Male	Female
Total no. of employees	1,435	2,221
No. of employees who received performance and career development reviews	1,337	2,018
Percentage (%) of employees who received performance and career development review	93	91

Sustainability Statement (continued)

Employees who received performance and career development review by gender	Total no. of employees	No. of employees who received performance and career development reviews
Senior Management	6	6 (100%)
Middle Management	575	566 (98%)
Executive	1,096	991 (90%)
Non-Executive	1,993	1,843 (92%)

Succession Planning and Job Rotation

Our approach to employee retention centers on succession planning and job rotation to build leadership capability and support long-term career development. These programs equip employees with the skills and experience required for leadership roles and diverse career paths, and they strengthen the talent pipeline by supporting internal progression and retention.

We recognize and reward talent by promoting internal mobility across markets and departments to broaden experience and expertise. Job openings are shared internally first, allowing employees to pursue advancement before external recruitment is considered. This approach is applied consistently across management roles and monitored through internal promotion reporting. Our Mobility Guidelines, integrated within Group Compensation and Benefits, support employee transitions within DKSH and include financial assistance and cultural training for expatriate employees and their families to support role changes and international assignments.

Enabling Growth and Development

We apply the 70-20-10 learning model, with development derived from hands-on experience, mentorship and collaboration, and formal learning. To support this approach, we provide learning opportunities and guidance through our Fantree Academy, with courses focused on leadership development and functional skills. Training is delivered through classroom sessions, online learning, and practical on-the-job experiences.

Snapshot of Learning and Development Programs in 2025

- Recruitment Excellence for Hiring Managers
- Constructive Conflict
- Giving Difficult Feedback
- High Performing Teams
- Authentic Presentation
- Effective Communication
- Problem-Solving Program
- MS Power Point Basics 101
- Self-Awareness Program
- Growth Mindset Program
- Leading Oneself Program
- Emotional Intelligence Program
- Delegation Program
- Time Management Program
- Situational Leadership Program
- Effective Communication & Strengthening Relationships Program
- Recruitment Excellence for Hiring Managers Program
- High-Performing Team
- Financial Acumen (CG)
- Persuasive Influencing (CG)

Sustainability Statement (continued)

The following programs were conducted as part of our strategic capability investments in employee development:

▶ (GRI 404-2)

Name of program	Objective	No. of Participants
High Performing Teams	Learn the five elements of high-performing teams including the importance of creating psychological safety.	207
Recruitment Excellence for Hiring Managers ("REHM")	Equipping hiring managers with the skills to select the best-fitting candidates, as well as providing the tools to successfully integrate new employees into team and the company.	27
Leading Oneself	Learn the tools that allow us to lead ourselves effectively - focusing on the learning zone, response-ability and circle of influence.	25

Investing in Our People

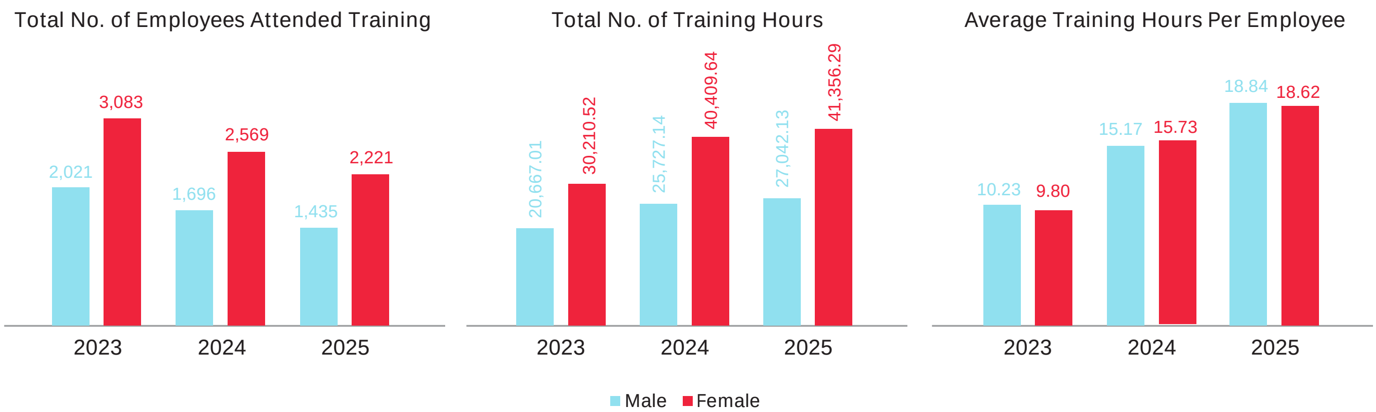
In 2025, DKSH invested MYR 3.5 million in employee development. A total of 68,398.42 training hours were recorded during the year, compared with 66,136.78 hours in 2024, averaging 18.7 hours per employee. During the year, several initiatives were introduced to support learning and capability development across the organization.

These initiatives included Learning Week, held from June 16, 2025, to June 20, 2025, which was organized for the first time and offered employees a range of learning sessions covering practical life skills and digital upskilling. Selected key talents were also given access to curated digital learning resources as part of DKSH's ongoing efforts to strengthen learning agility within the organization.

In addition to technical and managerial training, these programs also cover areas such as personal financial management and wellness to equip employees with practical skills that support both professional development and overall well-being.

▶ (GRI 404-1)

Total Training Hours by Gender



Sustainability Statement (continued)

Training Hours by Employee Category	2023 Total no. of training hours	2023 Average training hours per employee	2024 Total no. of training hours	2024 Average training hours per employee	2025 Total no. of training hours	2025 Average training hours per employee
Senior Management	102.25	17.04	236.00	47.20	335.81	55.97
Middle Management	6,268.15	23.83	7,857.10	35.23	9,454.74	45.46
Executive	28,927.68	15.18	36,805.37	22.66	41,556.43	26.62
Non-Executive	15,579.45	7.33	21,238.31	12.37	17,051.44	9.07

Employee Well-Being ▸ (GRI 401-2, 401-3, 403-6)

DKSH values employee health and well-being and recognizes the impact on workforce productivity. We maintain a work environment that supports inclusion and provides opportunities for professional growth and personal well-being.

Employee Benefits and Welfare

We align employee benefits and welfare practices with industry standards to ensure full-time employees receive competitive salaries and a broad range of benefits. These benefits include life insurance, healthcare, disability and invalidity coverage, dental and optical benefits, staff discounts, and enhanced statutory retirement provisions. We also provide compassionate and congratulatory leave to support employees during significant life events, and we grant half-day leave on festive eves for recognized national celebrations.

We comply with Malaysia's updated Employment Act (Amendment) 2022, which includes mandatory paternity leave alongside maternity leave. In line with this requirement, we increased paternity leave from five days to seven days. In 2025, 62 of our female employees took maternity leave, while 42 of our male employees took paternity leave.

▸ (GRI 401-3)

	Men	Women	Total
Number of employees entitled to parental leave	768	2,221	2,989
Number of employees who took parental leave	42	62	104
Number of employees who returned to work after parental leave ended	37	58	95
Number of employees who returned to work after parental leave ended and were still employees 12 months after their return to work	35	58	93
Return to work rate (%)	88.10	93.55	91.35
Retention rate (%)	94.59	100	97.89

Prioritizing Mental Well-Being

We recognize that mental health is an essential part of overall well-being and continue to expand our wellness programs to address physical, mental, and social health. These initiatives help create a work environment where employees feel engaged and supported in their roles.

We also provide direct support through the Employee Assistance Program ("EAP"), which offers confidential, no-cost access to therapy and counseling services for employees and their immediate family members. Licensed professionals deliver these services, which are available 24/7 by phone, online, or in person to ensure access to support when needed.

Sustainability Statement (continued)

3. Labor Practices

We apply ethical labor practices and human rights standards across our operations and supply chains as part of how we manage employment and workplace conduct. Our corporate values guide this approach and inform the policies and actions we use to maintain fair treatment, safe working conditions, and respect for employee rights across the organization.

Adhering to Laws, Policies, and Best Practices
Compliance with laws, internal policies, and recognized best practices forms the foundation of our employment framework. We implemented the Human Rights Policy in 2023 in alignment with the DKSH Code of Conduct to formalize standards for fair and respectful treatment of employees and job seekers. In 2024, we expanded this framework by introducing the Employee Relations Guideline, General Employment Policy, and Recruitment Guideline to reinforce ethical employment practices and workplace integrity.

We address labor risks by upholding freedom of association and enforcing a zero-tolerance stance on forced labor. Quarterly human rights audits are conducted at foreign workers' residences, alongside pay slip reviews, to verify compliance by DKSH and its manpower providers with ethical labor requirements. These audits ensure adherence to labor standards and employment conditions required under regulatory and company policies.

We comply with the following laws, policies, and guidelines across all our operations in Malaysia:

- Employment Act 1955
- Employment (Part-time Employees) Regulations 2010
- Employment (Termination and Layoff Benefits) Regulations 1980
- Employees' Provident Fund Act 1991 (Act 452)
- Employees' Social Security Act 1969 (Act 4)
- Employment Insurance System Act 2017 (Act 800)
- Human Rights Risk Assessment Standard
- Immigration Act 1959/63
- Indicators of Forced Labor and SEDEX
- Industrial Relations Act 1967 (Revised 1976) (Act 177)
- International Labor Organization ("ILO")
- Malaysia Labor Ordinance
- Minimum Retirement Age Act 2012 (Act 753)
- Minimum Wages Order 2024
- National Registration Act 1959
- Passports Act 1966
- Personal Data Protection Act 2010 (Act 709)
- Sabah Labor Ordinance
- Sarawak Labor Ordinance
- The Children and Young Persons (Employment) Act 1966

Safeguarding Human Rights

We protect human rights across our operations by prohibiting discrimination, forced labor, and child labor and by setting clear requirements through our Code of Conduct, Supplier Code of Conduct, and Human Rights Policy. These requirements define expectations for employees, suppliers, and stakeholders, and violations may result in contract termination. Our recruitment policies follow legal requirements to prevent child labor and ensure ethical employment practices.

We manage labor risks through management programs and recruitment processes that comply with local labor laws and regulations. These processes ensure workers are legally employed, work under safe conditions, receive fair wages, and are provided with appropriate rest periods.

In addition, we address and remediate any negative human rights impacts we have caused or contributed to in accordance with our Human Rights Policy and Code of Conduct. These documents set clear standards on fair treatment, non-discrimination, and freedom of association, and they govern how we manage reports indicating breaches of these standards and implement corrective actions.

Employees can report alleged misconduct or potential human rights violations through established channels, including site managers, Human Resources, Legal, Compliance, Internal Audit, and the third-party Integrity Line. All reports are handled confidentially. When a report is received, we investigate the matter, implement corrective measures, engage relevant stakeholders, and follow the incident reporting and follow-up procedures set out in the Code of Conduct and Compliance Program.

We promote awareness and accessibility of these reporting channels through compliance communications, training sessions, awareness initiatives such as Compliance Day, and periodic newsletters. We also review the effectiveness of the reporting framework through training interactions and periodic surveys, and we use feedback to improve clarity, accessibility, and overall effectiveness of the reporting process.

Improving Foreign Labor Welfare
We prevent forced or compulsory labor by requiring written employment contracts for all employees and workers, with agreements signed before employment begins. We have strengthened agreements with manpower providers to reinforce human rights requirements and ensure the fair and respectful treatment of foreign workers engaged in our operations.

Sustainability Statement (continued)

We address labor-related concerns through direct engagement with employees, including mass town hall meetings that provide a platform for discussion and grievance reporting. We also enable reporting through QR codes displayed in the workplace and work with union representatives to implement changes that support employee well-being.

Cultivating Awareness of Labor Standards and Human Rights

We provide training to all employees on labor standards and human rights, covering workplace conduct, diversity, inclusion, and respect. The training clearly states that discrimination, harassment, and bullying are not acceptable and uses practical examples, such as restricting religious practices, discouraging feedback, or limiting participation in workplace discussions on benefits.

To address language barriers, we conduct town hall sessions for specific employee groups to ensure they understand the Human Rights Policy and how it applies to them. These messages are reinforced through existing communication channels, including town halls and emails.

We also inform employees about the Integrity Line as a confidential reporting channel for misconduct. The Integrity Line is managed by the Governance, Risk, and Compliance ("GRC") department, and reports are handled confidentially. Matters are referred to Human Resources only when a Local Compliance Officer determines that escalation is required.

In 2025, DKSH recorded ZERO incidents or grievances of discrimination, child labor, forced labor, and human rights violations

Freedom of Association and Collective Bargaining

We respect employees' rights to freedom of association and collective bargaining and place no restrictions on the exercise of these rights. Since 2023, we have held quarterly discussions and meetings with unions, focusing on employee engagement initiatives and the well-being of union members.

We have established three collective bargaining agreements covering West Malaysia, Sabah, and Sarawak, each renewed on a three-year cycle.

Employees not covered by these agreements have their working conditions and terms of employment determined in accordance with the Employment Act 1955 and prevailing market data. Employment terms are set out in the General Employment Policy and individual employment contracts to ensure alignment with industry standards and regulatory requirements.

Furthermore, we ensure employees and their representatives receive appropriate notice before operational changes that may materially affect them. Notice periods for initiating negotiations on collective agreement renewals are set no earlier than three months before expiry. Decisions related to operational changes are assessed on a case-by-case basis, while consultation and negotiation provisions are formally defined in collective agreements to ensure transparency and compliance with established labor practices.

► (GRI 2-30)

In 2025, 23% of DKSH's employees are covered by collective bargaining agreements (2024: 25%)

Sustainability Statement (continued)

Our Business

We manage our operations to deliver positive outcomes for individuals across the country while meeting established social and environmental standards. As part of this responsibility, we manage our environmental footprint by addressing climate change, preventing pollution, and improving resource efficiency to support long-term sustainability. We apply the same standards across our supply chain operations to help ensure compliance with environmental and social regulations.

Environmental Stewardship

At DKSH, we take responsibility for managing the environmental impact of our operations by reducing the effects of our business activities. Our focus is on reducing emissions at the source, particularly those linked to logistics activities such as warehousing and transportation. We also manage environmental and human rights considerations related to our operations, including water consumption, effluent management, waste management, and GHG emissions, and we work to improve efficiency and reduce impacts across these areas.

We comply with the following regulations:

- Electricity Supply Act 1990 (Act 447)
- Energy Commission Act 2001 (Act 610)
- Enactment LUAS 1999 (Discharge of Return of Water, and Entry or Discharge of Waste and Pollutants (State of Selangor) Licensing Regulations 2024)
- Environmental Quality Act 1974 (Act 127) and Regulations
    - o Environmental Quality (Clean Air) Regulations 2014
    - o Environmental Quality (Industrial Effluent) Regulations 2009
    - o Environmental Quality (Scheduled Wastes) Regulations 2005
- Environmental Quality (Control of Emissions from Refrigeration and Air Conditioning Equipment) Regulations 2023
- Montreal Protocol (1987)
- Solid Waste and Public Cleansing Management Act 2007 (Act 672)

Sustainability Statement (continued)

In 2025, all our distribution centers under Supply Chain Management were certified under the global DKSH ISO 14001 Environmental Management System framework.

Climate-Related Targets

We set clear targets for climate action, energy efficiency, water conservation, and waste management to reduce environmental impact, improve operational performance, and support a sustainability-focused operating approach. We began tracking progress against these targets in 2020 and continue monitoring performance beyond 2025 to ensure results remain measurable and relevant.

We designated 2022 as the baseline year to reflect a normalized post-pandemic operating environment, allowing for consistent and accurate performance measurement. Current assessments show progress toward most targets, supported by ongoing monitoring of key performance indicators.

As we strengthen data collection and tracking processes, we will review our targets to maintain data consistency and comparability. This review helps ensure continued alignment between performance measurement and our long-term sustainability objectives.

	CLIMATE ACTION	ENERGY EFFICIENCY	WATER EFFICIENCY	WASTE MANAGEMENT
Climate-related Targets	Reduce total Scope 1 and 2 emissions by 5% from FY2022	Energy consumption intensity **(Total Electricity in kWh/ Total Revenue in MYR billion)** reduction by 5% from FY2022	Track and decrease water intensity **(Total Water in m³/ Total Revenue in MYR billion)** by 5% from FY2022	Achieve a minimum of 30% recycling of non-hazardous waste from FY2022
Snapshot Initiatives in 2025	• Transitioning MHEs from diesel to lithium battery forklifts • EV van (trial) for inhouse fleet • Refrigerant leakage monitoring	• Energy audit • Conversion to LED lighting and motion sensors • Chiller system optimization (heat exchange improvements) • Cold room air-conditioning optimization	• Daily inspections to detect and rectify leaks promptly • Routine water usage monitoring to prevent abnormal consumption	• Paperless transition (invoices, GRIR and internal forms digitalization) • Waste segregation and recycling enhancement (bins, food waste, audits) • Reuse & donation program (packaging reuse, near-expiry donations) • Sustainable packaging optimization (eco-materials & E-Cube system

Sustainability Statement (continued)

Meeting Challenges and Opportunities

We manage environmental challenges by addressing constraints that arise from how our operations are structured and delivered. The involvement of third-party vendors requires coordination across differing priorities, which can affect the consistent application of shared environmental commitments. These constraints influence how waste reduction activities are implemented at our facilities, as data collection depends on local waste management systems. They also affect the pace at which environmentally friendly technologies can be adopted, due to the need for financial investment and reliable environmental reporting.

These same operational conditions also create opportunities for our business. Increasing investor focus on environmentally responsible companies places greater emphasis on how we manage environmental risks and actions. In response, we invest in renewable energy to reduce our carbon footprint, and we improve energy efficiency and waste reduction practices to manage costs and support financial performance.

4. Climate Change Mitigation

At DKSH, we recognize that climate change and energy management are critical to our operations due to the significant energy demand associated with warehouse activities, fleet operations, and business travel. Failure to address this may lead to increased operating costs due to energy inefficiency, increased greenhouse gas emissions that contribute to global climate change, and reputational risks with customers, partners, and stakeholders who value sustainability. Aligning our operations with climate mitigation efforts supports stakeholder expectations and contributes to broader sustainability commitments. Therefore, we align our operations with climate mitigation efforts to meet stakeholder expectations and support broader sustainability commitments.

Our approach is centered around reducing greenhouse gas emissions and managing energy use as part of our Sustainability Framework and commitment to achieve net-zero emissions. We translate this commitment into action through transparent emissions reporting, targeted renewable energy investments, and structured efficiency improvements that reduce environmental impact. These measures are implemented across our operations, including the installation of solar panels, optimization of transport routes, improved truck load management, and upgrades to energy-saving technologies, such as LED lighting in our distribution centers to lower energy consumption and carbon dioxide emissions.

In 2025, DKSH Holding Ltd.'s climate goals were validated by the Science Based Targets initiative ("SBTi"). These targets include near-term commitments to reduce absolute Scope 1 and Scope 2 emissions by 71.2% by 2030 (from a 2020 base year) and reduce Scope 3 emissions from purchased goods and services by 61.1% per CHF value added by 2033 (from a 2024 base year). The long-term targets further aim to reduce absolute Scope 1 and Scope 2 emissions by 90% by 2050 and Scope 3 emissions by 97% per CHF value added by 2050. DKSH Malaysia contributes toward these goals through renewable electricity consumption (including Energy Attribute Certificates), onsite photovoltaic generation, logistics optimization, and improved refrigerant management.

Our climate mitigation efforts align with the work of the Group Sustainability team, which leads to the identification of climate risks and the execution of mitigation initiatives across the organization. These initiatives focus on reducing greenhouse gas emissions and are supported by a dedicated budget for sustainability investments. In Malaysia, oversight is provided through the Sustainability Committee chaired by the Head, Country Leadership, Malaysia.

For more information, refer to TCFD Report on pages 68 to 76 of this report.

We recognize that stakeholder expectations influence how climate actions are applied across our operations and supply chain. As part of global and local supply chains, we acknowledge the responsibility to take action that contributes to long-term sustainability.

Our Health, Safety, and Environment ("HSE") Policy further defines our approach to climate change mitigation. It underlines our commitment to conducting business in an environmentally responsible manner. In keeping with the precautionary principle, our HSE Policy stipulates that we take early action to identify, prevent, and mitigate potential negative impacts if there is sufficient reason to expect severe or irreversible environmental damage. Our HSE Management System Guidelines also detail the scope of our HSE Policy and specifies the processes and standards for its effective implementation.

In addition, our HSE Manager is tasked with maintaining a register of applicable national environmental laws and regulations and ensuring our compliance across all operations. At the same time, we are taking a proactive approach to environmental responsibility by significantly reducing our reliance on fossil fuels and investing in renewable electricity and sustainable buildings.

Sustainability Statement (continued)

Sustainability KPI Implementation

DKSH SCM Sustainability Performance Scorecard continued to serve as a key tool for tracking our progress in waste management, energy reduction, and CO_2 reduction	Introduced measurable environmental KPIs to track emissions, energy efficiency, renewable energy adoption, and waste management performance	Implemented energy efficiency measures, including conversion to LED lighting at 90 percent coverage, installation of 88 motion sensors, optimization of chiller systems through heat exchange improvements, and optimization of cold room air-conditioning systems
Trialed electric vehicle vans to improve fleet sustainability	Transitioned material handling equipment from diesel-powered units to lithium battery forklifts to reduce fuel dependency	Utilized a RM45,000 audit grant to conduct energy audits at CGL Klang Distribution Center to identify energy efficiency improvement opportunities
Encouraged flexible work arrangements to reduce employee commuting	Implemented a digital platform for centralized tracking of sustainability KPIs and regulatory compliance and enabled transparent data collection and reporting to support continuous improvement	Optimized delivery routes and scheduling to minimize fuel consumption

Phase	Key Actions
Phase 1: Energy Audit and Baseline Assessment	• Conduct comprehensive energy audits at warehouses • Identify high-energy-consuming areas such as Lighting, Heating, Ventilation, and Air Conditioning ("HVAC"), material handling equipment • Set energy efficiency and renewable energy adoption targets
Phase 2: Energy Efficiency Enhancements and Initial Renewable Integration	• Implemented energy efficiency optimization for air-conditioning and exhaust systems by temporarily shutting down unused units while maintaining regular monitoring of temperature and environmental conditions to meet operational and safety requirements • Transitioning forklifts from relying on diesel to lithium battery • Tested the use of an EV van for the inhouse fleet
Phase 3: Renewable Energy Expansion and Operations Optimization	• Expand solar panel installations across other warehouses • Pilot green logistics solutions, including electric vehicles ("EVs") for in-house fleets
Phase 4: Low-Carbon Warehousing	• Focus on renewable electricity procurement through the purchase of energy attribute certificates (EACs) • Transition warehouses to 100% renewable electricity through solar expansion • Achieve net zero warehousing backed by energy efficiency improvements

Sustainability Statement (continued)

Energy Management

Our environmental footprint is largely influenced by activities across our distribution centers, fleet operations, and business travel. Energy consumption is concentrated within these areas, with distribution centers contributing significantly through electricity use associated with lighting, cooling, and forklift operations.

Energy efficiency measures focus on how temperature-controlled facilities are designed, operated, and maintained. We insulate facilities to reduce cooling demand and operate air-conditioning systems within defined performance parameters. For temperature-sensitive products, we use air-conditioned transport and specialized transportation boxes to maintain required conditions.

▶ (GRI 302-1)

Electricity Consumption (kWh)	2023	2024	2025
East Malaysia	2,106,367	2,452,672	2,390,118
Peninsular Malaysia	11,680,308	12,117,248	10,045,708
Total electricity consumption	13,786,675	14,569,920	12,435,826
Total electricity consumption after considering Renewable Energy Certificates ("RECs")	3,447,208	3,285,900	0*
Solar energy generated on site for FY2025			778,850

* In 2025, 100% of our electricity consumption was offset through the purchase of unbundled international Renewable Energy Certificates (RECs).

▶ (GRI 302-3)

Electricity Intensity (Total Electricity in kWh/Total Revenue in MYR billion)	2023	2024	2025
Total electricity intensity	1,838,223	1,835,003	1,446,026
Total electricity intensity after considering Renewable Energy Certificates ("RECs")	459,628	413,844	0

Fuel Management and Emissions

Fuel consumption from transportation is a significant source of our carbon footprint, and we focus on improving energy efficiency while assessing lower-carbon energy alternatives. Within our distribution centers, most material handling equipment operates on battery power, with a smaller portion running on diesel. Of the 28 units across our facilities, four operate on diesel.

Our capillary distribution network serves a large customer base through outsourced delivery providers. These providers primarily use diesel-powered vehicles, and while we oversee delivery performance, the volume and frequency of deliveries in the FMCG and Healthcare sectors directly influence fuel consumption. We manage this impact by optimizing delivery routes to improve efficiency and reduce fuel use across operations.

Sustainability Statement (continued)

▶ (GRI 302-1)

Fuel Consumption	2023	2024	2025
Diesel (Litre)			
East Malaysia	1,293,690	1,224,735	1,256,532
Peninsular Malaysia	7,763,947	6,581,667	7,814,931
Total fuel consumption	9,057,637	7,806,402	9,071,463
Light Fuel Oil (LFO)/Gasoline (Litre)			
East Malaysia	0	0	0
Peninsular Malaysia	5,324	3,140	2,370
Total fuel consumption	5,324	3,140	2,370

▶ (GRI 302-3)

Fuel Intensity (Total Litres/Total Revenue in MYR billion)	2023	2024	2025
Total fuel intensity	1,208,395	983,570	1,055,096

Higher fuel intensity in Peninsular Malaysia was due to a broader operational scope, including own fleet, gensets, boilers, and external fleets, while East Malaysia's consumption is limited to gensets and external fleets.

Travel remains necessary for service delivery and company operations despite the availability of communication technologies. Most travel involves activities that are not directly under our control, including business flights and trips undertaken by sales and service teams using personal vehicles or public transportation.

We manage travel-related impacts by applying internal approval processes to limit travel to essential trips only. We also use IT communication tools, including video conferencing and virtual meetings, to replace in-person travel where possible and reduce unnecessary travel across our operations.

Managing Greenhouse Gas Emissions

We focus on reducing GHG emissions as part of our commitment to achieving net-zero emissions and lowering our overall carbon footprint. We support this focus by investing in technologies and initiatives that reduce emissions across our operations.

Employee commuting contributes to carbon emissions, and we address this through Flexible Work Arrangements, including remote work options. These arrangements reduce commuting-related emissions while supporting operational efficiency.

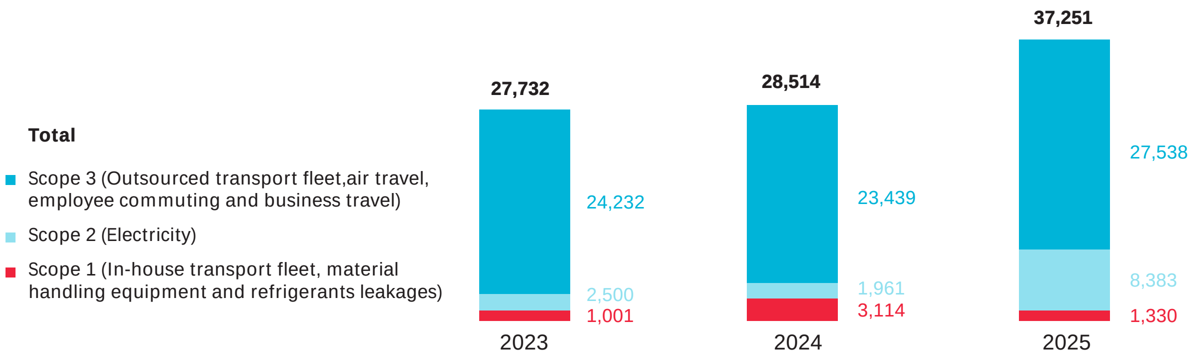
We also reduce emissions associated with travel and paper use by shifting meetings, training, webinars, and operational processes to digital platforms, including e-invoicing and mCollection.

For our 2025 GHG reporting, we accounted for Scope 1, Scope 2, and Scope 3 emissions across all Malaysian operations in accordance with the GHG Protocol Guidance. This report includes emissions from employee commuting and business travel by automobile.

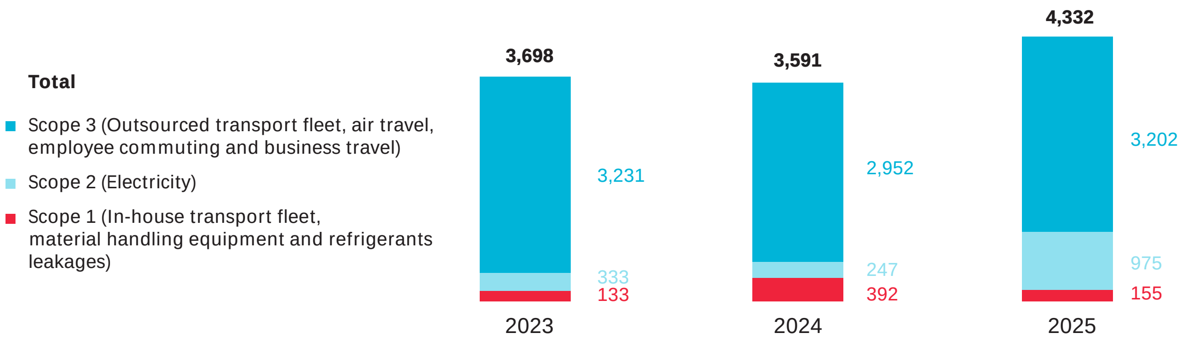
Sustainability Statement (continued)

▶ (GRI 305-1)

GHG Emissions (Market-Based Accounting) in Metric Tons CO_2 Equivalent



GHG Emissions Intensity (Market-Based Accounting) in Metric Tons CO_2 Equivalent/MYR billion



Reduction of GHG Emissions (MT) (CO_2e)	2023	2024	2025
Scope 1 (In-house transport fleet, material handling equipment and refrigerants leakages)	474	(2,113)	(1,783.5)
Scope 2 (Electricity)	2,400	539	1,122.8
Scope 3 (Outsourced transport fleet, air travel, employee commuting and business travel)	(2,380)	793	(4,035.2)

In 2025, the emissions for Scope 3 were reported as follows:

- Scope 3, Category 6: Business Land Travel contributed 2,544 tons CO_2e
- Scope 3, Category 6: Business Air Travel contributed 612 tons CO_2e
- Scope 3, Category 7: Employee Commute contributed 395 tons CO_2e

In the same reporting period, our solar energy system generated 7,788,504 kWh of renewable electricity and avoided an estimated 576.35 tons of CO2e emissions.

Moving forward, we will work with business partners, suppliers, and contractors to strengthen the adoption of environmentally responsible practices across our value chain and reduce indirect air emissions associated with these activities.

Sustainability Statement (continued)

5. Pollution Prevention

Operations in logistics, manufacturing, and distribution inherently produce solid waste, greenhouse gas emissions, and wastewater discharges. Without effective controls, these outputs can create environmental harm, trigger regulatory scrutiny, and increase operating expenditure through penalties, remediation costs, and corrective measures.

For DKSH, pollution control is directly linked to licenses to operate, cost stability, and operational continuity. Managing waste streams, emissions, and effluents in line with regulatory requirements reduces exposure to enforcement action and prevents disruptions to distribution and supply chain activities. Weak controls in this area would not only result in financial and legal consequences but could also undermine business relationships and negatively affect employees, customers, and communities located near our facilities.

We manage effluent discharge and waste generated from our manufacturing processes and domestic activities to remain within the regulatory limits set by local authorities. Hazardous waste from expired healthcare and consumer goods products, as well as food manufacturing processes, is managed in compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005 and handled by licensed vendors approved by the Department of Environment. Waste management and pollution prevention are governed through our internal environmental and Health, Safety and Environment management frameworks, which comply with applicable local environmental regulations, including effluent discharge limits and waste management requirements. Where applicable, practices are aligned with recognized industry best practices and are subject to internal and external audits.

Packaging goods remains a critical consideration, particularly where non-biodegradable materials such as plastic are involved and may contribute to environmental pollution if not properly managed. Our packaging for deliveries primarily consists of cardboard cartons and plastic pallet wrapping, together with packaging waste arising from incoming shipments. In healthcare cold chain logistics, additional protective packaging is required to safeguard fragile products, and this requirement led us to establish strict shipping standards to maintain product integrity while minimizing waste. We use returnable packaging solutions where possible to reduce single-use waste, and we operate automated packing equipment designed to optimize material use in both air-conditioned and ambient conditions to improve packing efficiency and reduce unnecessary material use while maintaining product protection during transit.

Waste-related impacts arise primarily from packaging activities for distribution and cold chain logistics, incoming shipment packaging waste, manufacturing process waste, domestic waste from facilities, scheduled waste generated from manufacturing and distribution center operations, and expired products. These impacts mainly originate from our own operations, with limited upstream impacts from supplier packaging materials and downstream impacts from distribution activities. Where waste management is handled by third-party contractors, we engage only licensed waste collectors approved by the relevant authorities and ensure compliance with contractual, legal, and regulatory requirements through documentation reviews, waste tracking records, and audit processes. Waste-related data is collected through site-level monitoring and consolidated via a centralized sustainability management platform, with data reported by appointed site representatives and reviewed through internal monitoring and audit processes to ensure accuracy and consistency.

In 2025, we implemented waste reduction, circularity, and sustainable packaging initiatives to strengthen pollution prevention and reduce environmental impacts across our operations:

Replaced 4-ply pre-printed invoices with a single A4 sheet to reduce paper consumption	Eliminated printing of GRIR Inbound Summary and fully digitalized GRIR summaries	Digitalized internal forms, including the System Adjustment Form, Internal Manpower Request Form, Job Costing Form, Sundry Purchase Order Requisition ("SPOR"), and Packaging Material Requisition Form to reduce paper usage
Implemented secure document shredding managed by the security department to ensure safe disposal and recycling of confidential documents	Conducted waste audits with licensed waste collectors to identify improvement opportunities	Installed waste segregation bins and designated recycling cages at offices and operational facilities

Sustainability Statement (continued)

Introduced dedicated food waste bins at the canteen and proposed an enclosed Roll-on/Roll-off bin for food waste using transparent bags to improve segregation and hygiene	Donated near-expiry products to food banks and staff welfare initiatives to prevent unnecessary disposal	Reused packaging materials in good condition for redistribution

Adopted environmentally friendly packaging solutions	Implemented the E-Cube Packing Automation System to optimize carton sizing, reduce excess packaging, and minimize material waste

We also implemented local eco-friendly packaging by using recyclable raw materials for air filling and corrugated carton craft paper. Hazardous waste generated from our distribution centers and manufacturing facility is monitored and managed in accordance with the Scheduled Waste Regulations 2005 and applicable local requirements. Waste handling practices are subject to internal and external audits, and hazardous waste is stored and labeled in designated areas before collection by licensed third-party contractors approved by Malaysian authorities for treatment and incineration.

In 2025, we engaged waste management subject matter experts to review waste streams at our Klang Valley distribution centers and identify suitable treatment approaches, including recycling, waste-to-energy, composting, and liquid waste treatment to support future landfill diversion initiatives within our operations.

We improved waste tracking and reporting by implementing a centralized waste management system on a single platform to ensure consistent monitoring and reporting of waste data across our operations. We also strengthened recycling practices by measuring the volume of recyclable materials generated each month.

In 2025, we recorded zero cases of non-compliance with waste handling procedures.

▸ (GRI 306-3, GRI 306-4, GRI 306-5)

	2023	2024	2025
Waste directed to disposal			
Non-hazardous waste (East Malaysia)	361	377	288.48
Non-hazardous waste (Peninsular Malaysia)	1,970	1,860	1,978.68
Hazardous waste (East Malaysia)	0	0	0
Hazardous waste (Peninsular Malaysia)	156	109	130.09
Total disposed waste	2,487	2,346	2,397.25
Waste diverted from disposal			
Non-hazardous waste (East Malaysia)	0	22	19.75
Non-hazardous waste (Peninsular Malaysia)	1,323	1,173	917.13
Hazardous waste (East Malaysia)	0	0	0
Hazardous waste (Peninsular Malaysia)	10	23	13.82
Total diverted waste	1,333	1,218	950.7

Sustainability Statement (continued)

	2023	2024	2025
Overall waste			
East Malaysia	360	399	308.23
Peninsular Malaysia	3,460	3,165	3,039.72
Overall waste	3,820	3,564	3,347.95
Percentage (%) of waste diverted from landfill	35	34	28

Moving forward, we will work toward achieving zero waste to landfill by reducing, reusing, recycling, and responsibly managing waste generated from our operations.

6. Resource Efficiency

Water Management ▸ (GRI 303-1, 303-2, 303-3, 303-4, 303-5)

Water is essential to our manufacturing, warehousing, distribution, and sanitation activities and is required to maintain daily operations across sites. Effective control of water use and discharge is necessary because excessive consumption or improper effluent release can lead to environmental pollution, regulatory non-compliance, and impacts on surrounding communities. Increased regulatory oversight and growing water scarcity places further pressure on companies to manage water responsibly. Reliable water supply supports operations at manufacturing facilities, distribution centers, and offices, while compliant wastewater management is required to meet environmental laws and operating license conditions. Responsible water management also supports DKSH's sustainability commitments and protects its reputation.

If water risks are not properly managed, DKSH may face regulatory penalties, operational disruption, and higher operating costs. Environmental pollution may affect nearby communities and lead to reputational damage and loss of stakeholder trust. Therefore, we are committed to strengthening oversight of water use across our facilities and assigning clear responsibility for responsible water practices throughout our operations.

Water is supplied to our facilities through local municipal providers and is primarily used to support manufacturing activities, distribution center operations, and domestic needs. Wastewater generated from these activities is managed in line with local regulatory requirements set by the Department of Environment and the Department of Irrigation and Drainage, and sewage from our facilities is processed offsite through Indah Water Konsortium.

We monitor water consumption through regular meter readings at individual facility blocks to track usage levels, with a particular focus on our Klang Valley distribution centers. In 2025, we strengthened this approach through daily inspections of facilities to detect water leaks and abnormal water usage, supported by routine checks conducted by site operations and maintenance teams. These measures enable early identification of irregular consumption patterns, and we carry out immediate rectification of identified leaks to prevent water wastage.

We also conduct continuous monitoring of water usage across our facilities, and employees are required to follow established water conservation practices and report identified leaks as part of day-to-day operations. At SADC, a rainwater harvesting system is in place to supply water for non-potable uses, including toilet cleaning and drainage maintenance.

Furthermore, we conduct weekly monitoring of the quality of effluents discharged at designated discharge points to meet environmental regulatory requirements. We also replaced fuel hoses and repaired concrete dikes in the diesel pump area as part of site-level controls to prevent fuel leakage and maintain operational integrity.

Sustainability Statement (continued)

▸ (GRI 303-5)

	2023	2024	2025
Water consumption (m³)			
East Malaysia	8,235	14,137	12,332
Peninsular Malaysia	52,121	52,890	45,423
Total water consumption	64,356	67,027	57,755

	2023	2024	2025
Water intensity (Total Water in m³/Total Revenue in MYR billion)			
Total water intensity	8,581	8,442	6,716

Moving forward, we will promote responsible water use practices among employees through awareness initiatives and routine supervision, monitor water consumption trends to identify inefficiencies and prevent excessive use, and ensure that all discharges comply with applicable regulatory standards to prevent environmental pollution.

7. TCFD Report

Our sustainability approach aligns with the Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations and applies the disclosure guidance set out in the Bursa Malaysia Sustainability Reporting Guide. The Sustainability Statement follows the four core TCFD pillars of governance, strategy, risk management, and metrics and targets, which define the scope and organization of climate-related disclosures.

Climate Governance

The Board of Directors oversees sustainability and climate governance through quarterly reviews with the Head, Country Leadership, Malaysia, who leads the Sustainability Committee. At the management level, the Sustainability Committee operates under the direction of the Board of Directors and holds responsibility for overseeing sustainability and climate-related initiatives at DKSH Malaysia, ensuring continuity between Board oversight and management execution.

The HSE team supports the Sustainability Committee by collecting and reviewing quarterly ESG data, with emphasis on energy consumption and emissions-related information. The Sustainability Committee reviews the data through its cross-functional representation, enabling climate-related risks and opportunities to be evaluated across business areas before climate-related initiatives are implemented at DKSH.

DKSH management remains engaged in addressing climate-related risks and opportunities through quarterly Sustainability Committee meetings. The meetings cover regulatory updates, strategic discussions, and project alignment, enabling progress tracking and knowledge sharing among committee members.

For more information, refer to Sustainability Governance on page 36 of this report.

Sustainability Statement (continued)

Strategy

In 2022, DKSH conducted an evaluation to identify climate-related risks and opportunities across three-time horizons: short-term (0–2 years), medium-term (2–5 years), and long-term (5+ years). The evaluation focused on how climate change may affect operations and address transition risks and physical risks within the same analytical framework.

The transition risk assessment was drawn on the International Energy Agency's Net Zero Emissions ("NZE") pathway. The pathway outlines actions to achieve net-zero CO_2 emissions by 2050 and aligns with the Paris Agreement's objective of limiting the global temperature increase to 1.5°C. The assessment examined energy use patterns, technological change, and regulatory and market developments to determine potential implications arising from the transition to a low-carbon economy.

The physical risk assessment was guided by the Intergovernmental Panel on Climate Change Sixth Assessment Report and evaluated potential climate impacts under 2-degree and 4-degree global warming scenarios. Greater focus was placed on the 4-degree scenario to assess direct physical impacts, including extreme weather events and changing climate patterns, across short-, medium-, and long-term time horizons.

Short Term	*Medium Term*	*Long Term*
DKSH has implemented proactive measures to reduce its environmental impact in the short term. Digitalization has been integrated across services, incorporating digital tools for online meetings, training sessions, webinars and e-based processes such as e-invoicing and MCollector. This transition from traditional paper-based methods has contributed to reducing carbon footprint and greenhouse gas ("GHG") emissions. Furthermore, DKSH has introduced a flexible working arrangement, including remote work options, to further support its sustainability initiatives.	DKSH remains committed to progressively reducing costs and environmental impact through energy audits which aim to decrease energy and water consumption across its buildings. Efforts include improving building infrastructure efficiency by reducing water usage and equipping production facilities and offices with energy-efficient LED lighting. We are also upgrading outdated air conditioning systems to 5-star rated energy-saving units in our buildings. We also continue to organize environmental campaigns as part of our ongoing awareness initiatives.	We are committed to achieving net-zero emissions. This commitment includes promoting transparency in emissions and making strategic investments such as installing solar panels at The Hub ("FACC") and SADC. These investments align with the government's Net Energy Metering program, allowing us to contribute to a sustainable future while responsibly distributing excess generated electricity by selling it at a fixed tariff rate.

Climate-Related Risks and Opportunities Assessment

TCFD guidance requires organizations to evaluate how climate-related factors may affect business continuity and strategic positioning. We addressed this requirement by carrying out an assessment that covers exposure to physical climate conditions and risks arising from the transition to a low-carbon economy. The assessment applies to TCFD principles to determine which climate-related physical and transition risks are relevant to DKSH's operations.

Physical Risk Assessment

The assessment process included scenario analysis to evaluate how rising temperatures could affect operational activities, supply chains, and the operating environment. Within this scope, a Physical Hazard Assessment for Malaysia was undertaken in accordance with TCFD guidance to identify specific climate risks, including increased average temperatures, heavy rainfall, and drought events.

Following the identification of these risks, temperature conditions at selected operational sites were monitored through temperature mapping initiatives at SADC and Consumer Goods Logistics ("CGL"). Temperature data is collected at these locations to reflect conditions at sites exposed to identified physical climate risks.

We recognize risks associated with climate-related events, including floods and rising sea levels, that may affect our sites. To manage potential financial exposure linked to these risks, insurance coverage has been secured to protect against unforeseen environmental conditions.

Sustainability Statement (continued)

In 2024, we analyzed six sites using the Climate Change Edition of the Location Risk Intelligence platform provided by reinsurer Munich Re. The analysis applied scenarios from the Intergovernmental Panel on Climate Change Sixth Assessment Report (IPCC AR6, 2023) and was based on Shared Socioeconomic Pathway and Representative Concentration Pathway scenarios. We applied SSP5-8.5 and RCP 8.5, which reflect a high-emissions scenario associated with an approximate four-degree Celsius temperature increase by 2100 and more severe climate impacts. The analysis examined location-specific exposure to acute and chronic hazards, identifying heat and precipitation stress as significant challenges across all time horizons. Site-level assessments also covered exposure to tropical cyclones, river flooding, rising sea levels, wildfires, droughts, heat, and precipitation.

Tropical Cyclones
(four-degree global warming scenario: IPCC RCP 8.5)
Tropical cyclones are among the most destructive weather events globally. Coastal regions and island locations face heightened exposure due to direct storm impacts and secondary hazards, including storm surges and wave action.

Hazard assessment	Current (2023) (%)	Medium-term (2050) (%)	Long-term (2100) (%)
No hazard	100	100	100

Currently, all of the assessed leased sites are not exposed to identified hazards. This outcome remains consistent under both the medium-term scenario for 2050 and the long-term scenario for 2100.

River Flood (undefended)
(four-degree global warming scenario, IPCC RCP 8.5)
Areas located near rivers and at lower elevations are highly susceptible to flooding under this scenario. The analysis identifies areas exposed to extreme flood risk with return periods of 50, 100, and 500 years, assessed without considering the presence of flood protection systems such as dams or dikes.

Hazard assessment	Current (2023) (%)*	Medium-term (2050) (%)	Long-term (2100) (%)*
No hazard	67	67	67
500-Year Flood (0.2% Annual Probability)	16	-	-
100-Year Flood (1% Annual Probability)	16	33	16
50-Year Flood (2% Annual Probability)	-	-	16

* Percentages may not add up to 100% due to the rounding adjustments of decimal points.

Currently, 67% of the assessed sites are not exposed to river flood risk, and this condition remains consistent under both the medium-term scenario for 2050 and the long-term scenario for 2100. At the current stage, 16% of sites face exposure to a 500-year river flood risk, although this level of exposure is not projected to continue in future scenarios. Exposure to a 100-year river flood risk affects 16% of sites at present, increases to 33% in the medium term, and declines back to 16% in the long term. Under the 2100 scenario, 16% of sites are projected to be exposed to a 50-year river flood risk.

Sustainability Statement (continued)

Fire Weather Stress Index
(four-degree global warming scenario, IPCC SSP5-8.5)
Wildfires represent a severe hazard that may occur due to natural factors or human activity and can cause damage to vegetation, infrastructure, and economic assets. Wildfire impacts may also extend beyond direct damage and include soil erosion, landslides, reduced water quality, and smoke-related effects. The Fire Weather Stress Index uses climate variables such as temperature, wind speed, precipitation, and relative humidity to characterize weather conditions associated with increased fire risk.

Hazard assessment	Current (2023) (%)	Medium-term (2050) (%)	Long-term (2100) (%)
No hazard	100	100	83
Very low	-	-	17

Currently, all the assessed sites show no wildfire risk, with this condition remaining unchanged under the medium-term scenario for 2050. Under the long-term scenario for 2100, the proportion of sites with no identified wildfire hazard declines to 83%, while 17% of sites are projected to be exposed to a very low level of wildfire risk.

Sea-Level Rise
(four-degree global warming scenario, IPCC RCP 8.5)
Sea-level rise is driven by global warming through glaciers and ice sheets melt as well as the thermal expansion of seawater. The resulting impacts include coastal erosion, inundation, storm flooding, tidal intrusion into estuaries and river systems, and contamination of freshwater sources. Hazard-prone areas are determined using sea-level rise projections and elevation data for the relevant year and scenario.

Hazard assessment	Long-term (2100) (%)
No hazard	83
High	17

By the long-term scenario of 2100, 83% of the assessed sites remain unaffected by sea-level rise risk, while the remaining 17% are projected to face high exposure to this hazard.

Drought Stress Index
(four-degree global warming scenario, IPCC SSP5-8.5)
Temperature increases combined with changes in precipitation patterns contribute to drier conditions and heighten both the frequency and severity of drought events. Extended drought conditions can result in substantial economic, environmental, and social impacts. The Drought Stress Index is derived from the Standardized Precipitation-Evapotranspiration Index ("SPEI"), a multi-scalar drought indicator used to assess the onset, duration, and severity of drought conditions.

Hazard assessment	Current (2023) (%)	Medium-term (2050) (%)	Long-term (2100) (%)*
Low	100	33	-
Medium	-	67	83
Large	-	-	17

* Percentages may not add up to 100% due to the rounding adjustments of decimal points.

Sustainability Statement (continued)

Currently, all assessed sites are subject to a low level of drought stress risk. Under the medium-term scenario for 2050, the share of sites with low risk declines to 33%, while 67% of sites are assessed as facing a medium level of risk. Under the long-term scenario for 2100, medium risk increases to 83%, and 17% of sites are projected to face a high level of drought stress risk.

Heat Stress Index
(four-degree global warming scenario, IPCC SSP5-8.5)
Global warming is contributing to increasing heat stress, affecting populations, infrastructure, and ecosystems. Rising temperatures are also associated with more frequent and severe heat wave conditions.

Hazard assessment	Current (2023) (%)	Medium-term (2050) (%)	Long-term (2100) (%)
Large	17	17	-
Very Large	83	83	100

Currently, 17% of the assessed sites are subject to a large level of heat stress, while the remaining 83% are subject to a very large level of heat stress. The same distribution applies under the medium-term scenario for 2050. Under the long-term scenario for 2100, all assessed sites are expected to be exposed to a very large level of heat stress.

Precipitation Stress Index
(four-degree global warming scenario, IPCC SSP5-8.5)
Changes in climate conditions are influencing both how often and how intensely precipitation occurs. The Precipitation Stress Index evaluates heavy precipitation using indicators that measure frequency, duration, and intensity.

Hazard assessment	Current (2023) (%)*	Medium-term (2050) (%)*	Long-term (2100) (%)*
Very High	83	67	67
Extreme	17	33	33

* Percentages may not add up to 100% due to the rounding adjustments of decimal points.

Currently, 83% of the assessed sites face a very high level of precipitation stress, while 17% experience an extreme level of stress. Under the medium-term scenario for 2050, the proportion of sites with very high precipitation stress decreases to 67%, while the proportion facing extreme stress increases to 33%. These conditions remain unchanged in the long-term scenario for 2100.

Risk Management

Risk management forms part of the Group's overall organizational strategy. In managing climate-related risks, we comply with DKSH Group's Risk Management Policy, which requires mitigation measures to implemented at appropriate levels once a risk has been identified and assessed. The application of these measures aims to reduce potential impacts on operations, financial performance, and business continuity.

a) *Leadership Involvement:*

Our Sustainability Committee works closely with the operations team to develop climate-related initiatives that align with the sustainability strategy. Senior management and the Board of Directors are regularly engaged as part of this process and are kept informed of progress and changing environmental conditions. Ongoing monitoring and reporting enable senior leadership to assess climate-related risks and adjust where required.

Sustainability Statement (continued)

b) Stakeholder Engagement:
We continuously engage with stakeholders, including suppliers, customers, and local communities to promote collaborative efforts in managing climate-related risks and addressing environmental challenges in a coordinated manner. Within this engagement framework, the Business Partner Code of Conduct establishes clear environmental and ethical expectations for business partners, requiring adherence to standards that support DKSH's commitment to sustainability.

In 2025, following the Physical Hazard Assessment, the MY Governance, Risk & Compliance ("MY GRC") team conducted a TCFD survey with responses obtained from the Senior Management Team between January 22 and February 6, 2025. The survey aimed to identify and assess climate-related risks and opportunities to support informed decision-making and alignment with sustainability goals. The survey findings identified five opportunities, five physical risks, and five transition risks, together with their related impacts on business operations and financial planning. The survey further prioritized the identified risks and opportunities, with improvements to Business Continuity Planning ("BCP"), and increased distribution activities and vehicle usage identified as major opportunities, while health impacts on the workforce and reduced raw material availability to clients due to drought stress were considered severe risks.

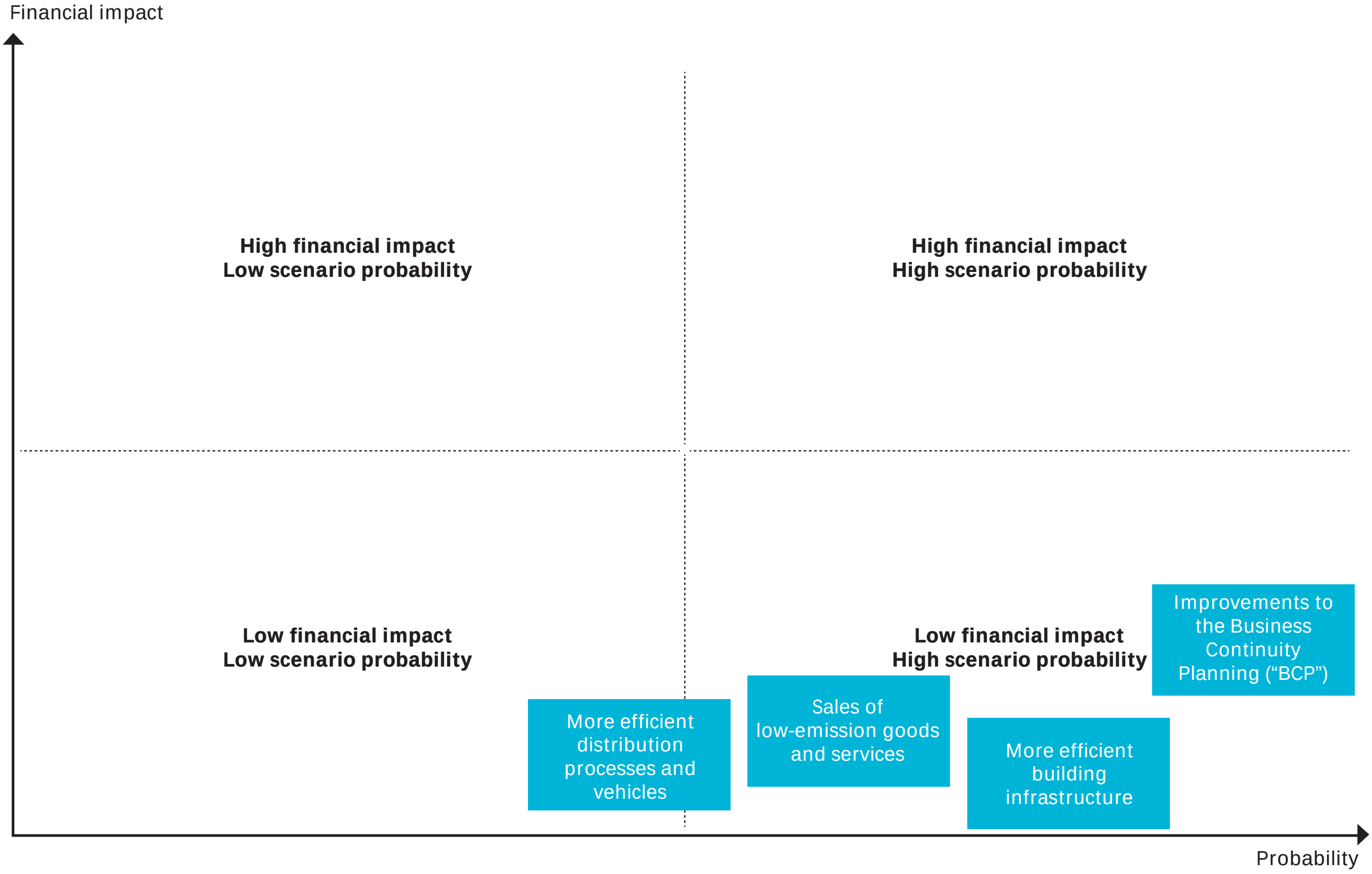
Opportunities
We have implemented the following mitigation and adaptation measures to create opportunities for DKSH:

Risk	Impact	Financial Impact
More efficient distribution processes and vehicles	Cost reduction by making distribution processes more efficient	Low
Improvements to the BCP	Timely and appropriate responses to climate-related challenges through improved BCP	Low
More efficient building infrastructure	Cost reductions by decreasing energy and water consumption in buildings	Low
Sales of low-emission goods and services	Attracting and retaining clients who prefer low-emission products and gaining a competitive advantage by developing tiered services to cater to the demand for highly sustainable (versus less sustainable) products and Services	Low

Sustainability Statement (continued)

Opportunities

(emerging in a four-degree global warming scenario)



Physical Risks

The assessment identified the following acute and chronic physical impacts associated with climate change:

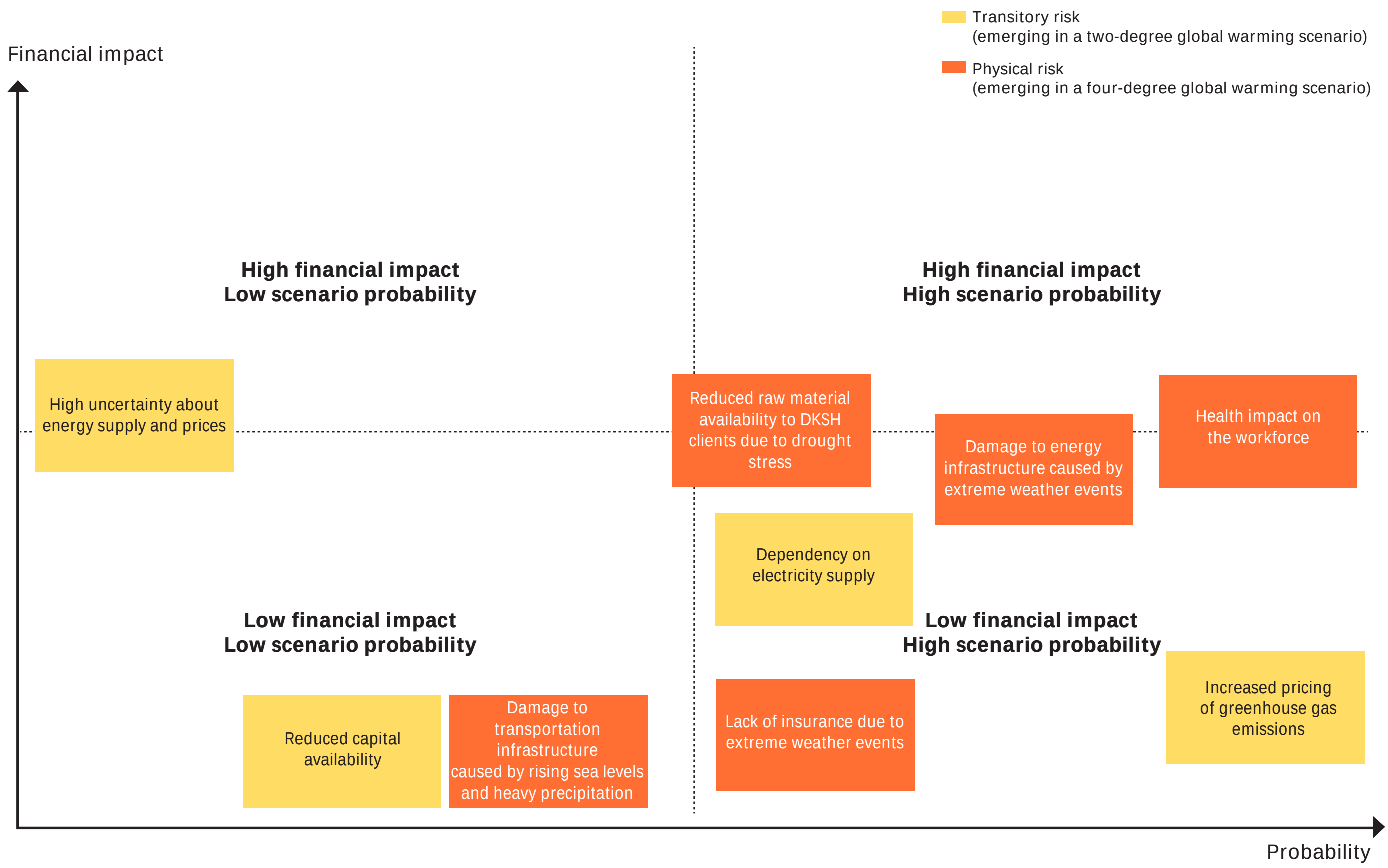
Risk	Impact	Financial Impact
Damage to transportation infrastructure caused by rising sea levels and heavy precipitation	Delivery disruptions and higher costs as emergency alternative solutions must be found, and difficulties for employees to travel to work leading to high absenteeism and operational disruption	Low
Damage to energy infrastructure caused by extreme weather events	Operational and supply chain disruptions and system breakdowns	Moderate
Reduced raw material availability to DKSH clients due to drought stress	Disruption of raw materials available to DKSH clients, impacting the availability of consumer goods	Moderate
Lack of insurance due to extreme weather events	Natural hazards might not be insurable in the future, leading to a high cost of risk transfer	Low
Health impact on the workforce	Negative impacts on the health and safety of the workforce, leading to absenteeism and a lack of talent	Moderate

Sustainability Statement (continued)

Transition Risks
The shift toward a low-carbon economy presents the following transition-related risks:

Risk	Impact	Financial Impact
Greenwashing accusations	Reputational damage which impacts demand; greater effort involved with performing due diligence	Undetermined
Dependency on electricity supply	Increased dependency on electricity supply requires consistent energy infrastructure	Low
High uncertainty regarding energy supply and prices	Increased costs associated with fluctuating energy prices and unexpected shifts in energy prices	Moderate
Reduced capital availability	Capital is increasingly tied to a company's climate performance as sustainability policies become more common	Low
Increased pricing of greenhouse gas emissions (e.g. Carbon Tax)	Rising energy prices, energy or carbon taxes and regulation-driven costs, regional inequality leading to geographic redistribution	Low

Physical and Transitory Risks



Sustainability Statement (continued)

Metrics and Targets

DKSH follows the GHG Protocol for National Greenhouse Gas Inventories and monitors and reports GHG emissions across three defined categories, as outlined below:

- Scope 1 emissions: Direct emissions from sources that are owned or controlled, including company vehicles, machinery, and refrigerant use.
- Scope 2 emissions: Indirect emissions resulting from purchased energy, primarily electricity consumption.
- Scope 3 emissions: Other indirect emissions, including those arising from external fleet operations and business air travel.

Climate-related considerations are reviewed at the Business Unit and Function level, with assessments covering emissions performance, energy usage, and supply chain risk exposure. The results and recommendations from these reviews are reported to senior management and the Board of Directors, ensuring that climate-related priorities are reflected in DKSH's oversight and decision-making.

8. Responsible Procurement

Our business model is built on contract-based marketing and distribution, particularly within the Business Unit Consumer Goods and Business Unit Healthcare. We procure products directly from local and international manufacturers for resale and distribution, making procurement a central operational function. This sourcing structure places responsibility on us to manage how goods move through our supply network from origin to final distribution.

Because we operate through a wide network of suppliers, logistics providers, employment agencies, and intermediaries, the standards applied within this network directly influence our operational stability and stakeholder trust. Expectations relating to human rights, labor conditions, workplace safety, and environmental performance therefore extend beyond our own facilities into our broader supply chain. Deficiencies in these areas can expose us to regulatory breaches, operational interruptions, safety incidents, reputational harm, reduced client confidence, and negative consequences for workers and communities. To this end, we are committed to strengthening oversight across our supply network, enforcing compliance with our Code of Conduct and Business Partner Code of Conduct, and applying due diligence processes to ensure that suppliers and intermediaries meet our standards on human rights, labor practices, safety, and environmental performance.

Shipping and delivery obligations are defined through contractual terms based on client location and fulfilment strategy, and these terms determine how international consignments are managed. Products are received at ports and processed through our distribution centers regardless of whether sourcing is local or international. All business partners must adhere to our Code of Conduct, and engagement is limited to those that demonstrate alignment with our ethical requirements. Procurement oversight is structured by product category to maintain contract discipline and compliance control. We align this framework with the Organization for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises and the ILO's Declaration on Fundamental Principles and Rights at Work.

Sourcing and Manufacturing Own Brands and Franchise Products

We source most of our own brand products through specialized manufacturers or directly from franchisors, including Famous Amos. Following the acquisition of Auric Pacific in 2019, we assumed in-house production and marketing of our dairy brands, including Buttercup, Twin Cows, and Toucan. We prioritize sourcing ingredients locally for production, except where items are not available in the local market. Across all own-brand and franchise products, product quality and food safety remain our primary considerations, and we procure third-party manufactured materials only from reputable and responsible suppliers in Australia, New Zealand, the Netherlands, and Argentina.

Procurement Strategies for Enhancing Local Economy and Quality Service Delivery

► (GRI 204-1)

Our procurement strategy focuses on supporting local suppliers and vendors in Malaysia to contribute to mutual growth and strengthen the local economy. We approach partnerships with local businesses with the aim of supporting business expansion while contributing to broader economic activity.

We select suppliers through defined processes and continuously assess their performance to ensure compliance with standards set out in our Non-Trade Procurement ("NTP") Policy and Business Partner Code of Conduct ("BPCOC"). The NTP Policy establishes criteria for supplier selection and management that cover commercial considerations and ethical business practices, while the BPCOC sets expectations related to fair competition, ethical conduct, employee treatment, workplace safety, and environmental responsibility. Enforcing these requirements, particularly those related to workplace safety, supports the protection of our contractors, suppliers, and employees working alongside them.

Sustainability Statement (continued)

Delivering quality products and services remains our priority and is supported through thorough due diligence conducted before vendor appointment, including evaluations of commercial and technical capabilities. Our procurement processes are designed to be fair and transparent, ensuring equal opportunity for all vendors that transact with us.

In 2025:

- *98.5% (3,096 / 3,144) of local suppliers and vendors supply all our procurement needs*
- *99.64% (RM399,370,938) of the procurement budget was spent on local suppliers and vendors*
- *There were ZERO cases filed against DKSH for anti-competitive behavior and for violating anti-trust and monopoly laws*
- *191 and 26 of our suppliers were assessed for environmental impacts and social impacts respectively*
- *There were ZERO suppliers' operations identified to have significant environmental impacts*
- *There were ZERO suppliers' operations identified to have significant social impacts*

In 2025, we were recognized as a Collaborative Partner at the AEON Responsible Suppliers Forum. The recognition reflects our collaboration with AEON in advancing responsible supply chain practices and our shared commitment to sustainability.

Moving forward, we will strengthen supply chain governance by reinforcing compliance through ongoing employee training and communications guided by the DKSH Code of Conduct, and by requiring adherence to the Business Partner Code of Conduct, which defines expectations on integrity and labor standards. We will also enhance logistics practices by expanding the use of reusable packaging and refining logistics models to reduce environmental impact and support a safer and more sustainable supply chain.

Maintaining Integrity in Our Supply Chain

▸ (GRI 205-2)

As an outsourcing partner, we restrict engagement across the supply chain to downstream business partners that meet our business standards and demonstrate alignment with our values. Contractors, suppliers, and vendors that do not meet these requirements are excluded from engagement.

We communicate DKSH's anti-corruption requirements directly to key business partners, including sales intermediaries such as sub-distributors, tender agents, and resellers, as well as service providers such as commission agents, consultants, forwarders, importers, customs brokers, fulfilment agents, and event organizers. All partners are required to enter into service agreements that include anti-corruption compliance clauses aligned with the BPCOC and the ABAC policy. We also provide virtual training on BPCOC to selected suppliers to ensure they understand our anti-corruption requirements and are aligned with DKSH's ethical and operational expectations on this matter.

In 2025, we conducted three sessions of BPCOC with three selected suppliers and business partners

9. Ethics and Integrity

The Board is accountable for DKSH's overall corporate governance and oversees the management of the company and its resources with due diligence, ensuring that clear structures and processes are in place to support effective oversight. This responsibility is carried out through a Board Charter that defines roles and responsibilities and provides a consistent governance framework, which is reviewed and updated periodically to remain aligned with company policies and applicable regulatory requirements.

Policies that Govern Business Conduct

Operating within this governance framework, DKSH Malaysia follows policies established by our organization and relevant local authorities, which address due diligence and human rights while reinforcing accountability and ethical business conduct. As most operations are in Asia, where markets and industries are often viewed as having higher exposure to corruption risks that can affect society and the economy, these policies are supported by measures applied across business activities to mitigate and reduce corruption risks.

Sustainability Statement (continued)

To this end, we implemented a compliance management framework to ensure that employees and relevant business partners comply with our anti-bribery requirements. The framework is guided by our Anti-Bribery and Anti-Corruption and related policies, which align with recognized international legal standards, including the U.K. Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act.

The following initiatives were undertaken to strengthen governance and risk management within DKSH:

2023

We strengthened our governance framework by revising the Conflict-of-Interest Policy and the Gifts, Hospitality, and Entertainment ("GHE") Policy and introducing a new Donation Policy

2024

We strengthened our governance framework by revising the Third-Party Risk Management Standard Operating Procedure ("SOP") to align with current requirements, integrating anti-fraud measures into the Fraud and Compliance Incidents Reporting and Investigations ("IRI") Policy, and updating the BPCOC Policy and the DKSH Code of Conduct to incorporate sustainability considerations

2025

We revised the Gift, Hospitality and Entertainment Policy, Conflict of Interest Policy, and Business Partner Code of Conduct

Alongside these measures, we adhere to the following policies that govern our business conduct:

- Ad Hoc Publicity Policy
- Anti-Bribery and Anti-Corruption ("ABAC") Policy
- Belonging – Diversity, Equity, and Inclusion Policy
- Business Partner Code of Conduct ("BPCOC") Policy
- Conflict of Interest ("COI") Policy
- Dangerous Goods and Hazardous Chemicals Guideline
- Global Data Policy
- DKSH Code of Conduct
- Fair Competition Policy
- Fraud and Compliance Incidents Reporting and Investigations ("IRI") Policy
- Gender Diversity Policy
- Gifts, Hospitality & Entertainment ("GHE") Policy
- Health, Safety, and Environment ("HSE") Policy
- Human Rights Policy
- Interaction with Healthcare Professionals ("IHCP") Manual
- Limits of Authority Policy
- Medical Devices and Technologies ("MedTech") Manual
- Policy on Insider Trading
- Tax Policy
- Third-Party Risk Management SOP
- Treasury Policy

For more information on Corporate Governance, Risk Management, and Internal Control, refer to the Corporate Governance Overview Statement on pages 106 to 119 of this report.

10. Combatting Corruption

Anti-Corruption and Integrity in Our Business Practices ► (GRI 205-1, 205-2)

At DKSH, we operate across diverse industries and markets where regulatory exposure and broader societal consequences are inherent. Breaches of compliance obligations can lead to financial penalties, weaken commercial partnerships, and damage investor trust. Although we apply standards on ethical sourcing and fair business conduct, the breadth and complexity of our supply chain create the possibility of oversight, including unintended engagement with counterparties that fail to meet our compliance requirements.

To manage this exposure, we conduct regular audits, apply risk mitigation controls, and reinforce accountability for ethical and transparent operations. Our grievance channels, including the Integrity Line, provide stakeholders with formal avenues to raise concerns, and we assess and address these matters through established review processes.

Sustainability Statement (continued)

Our business is built on trust and integrity, and we uphold this foundation by reinforcing our core value of integrity through a strong culture of compliance and a zero-tolerance approach to corruption and bribery, as defined in our Code of Conduct and Anti-Bribery and Anti-Corruption ("ABAC") Policy. These policies are made available to all employees through DKSH's corporate website and intranet, providing employees with direct access to defined requirements, standards of conduct, and obligations related to ethical business practices.

We require employees to align with these standards by recruiting and retaining individuals whose conduct reflects our values and expectations, ensuring consistency between stated policies and daily business practices.

Our compliance program addresses non-compliance risks through defined policies, including the ABAC Policy, supported by risk assessments, established processes, training, monitoring activities, and confidential reporting and investigation mechanisms. The program is aligned with applicable international standards, including the U.K. Bribery Act, the U.S. Foreign Corrupt Practices Act, and the Malaysia Anti-Corruption Commission Act 2009, and operates under the oversight of DKSH's Compliance Function.

Oversight of the compliance program is provided by the Country Compliance Committee ("CCC"), a subcommittee of DKSH Malaysia's Country Leadership Team led by the Head, Country Leadership, Malaysia, who is appointed by DKSH Holding Ltd.'s Chief Executive Officer. The CCC oversees and reviews the compliance program, related policies, investigations, and misconduct cases reported through the DKSH Integrity Line, which functions as a publicly available reporting channel, while the Head, Country Leadership, Malaysia is supported by local compliance officers who work directly with Business Unit or Function Heads to implement compliance initiatives within their respective areas.

As set out in the Code of Conduct and ABAC Policy, all employees are required to report any non-compliance incidents, including bribery demands, to their supervisors, the Compliance Function, via my.compliance@dksh.com, or through the DKSH Integrity Line. An additional reporting channel is available via an email managed by the Group Governance, Risk, and Compliance Function, and internal and external stakeholders are encouraged to raise concerns through the channels specified in the Whistleblower Policy and Procedure, which is available on the DKSH website.

All reported cases are investigated in accordance with established procedures, and sanctions are imposed where allegations of non-compliance are substantiated, with strict prohibition of retaliation against any individual who reports concerns in good faith. An annual compliance review is conducted to assess trends and identify areas for improvement, supporting ongoing enhancements to the compliance program.

► (GRI 205-1, GRI 205-2, GRI 205-3)

2025 Highlights

- *100% (5) of the Board of Directors were informed on anti-corruption policies and procedures*
- *100% (5) of the Board of Directors received and completed training on anti-corruption policies and procedures*
- *100% (3,568) of employees informed on anti-corruption policies and procedures*
- *100% (3,568) of employees received and completed training on anti-corruption policies and procedures*
- *100% of operations assessed for risk related to corruption*
- *There were **ZERO** confirmed incidents of corruption*
- *100% (191) of business partners informed on anti-corruption policies and procedures*

Grievance Management

DKSH maintains grievance mechanisms that allow employees and external stakeholders to report illegal, unethical, or inappropriate conduct, including accounting irregularities, fraud, or misconduct. The grievance process is governed by the Whistleblower Policy & Procedure, which sets out reporting processes and protection against retaliation for reports made in good faith.

Confidential reporting channels include:

- Chairman of the Audit Committee for DKSH Holdings (Malaysia) Berhad
- DKSH Integrity Line
- Governance, Risk, and Compliance
- Internal Audit for DKSH Holdings (Malaysia) Berhad

For more information on our Whistleblower Policy and Procedure, kindly refer to our corporate website at dksh.com.my.

Sustainability Statement (continued)

Ensuring Effective Compliance

DKSH's management is responsible for ensuring that compliance standards are implemented across the organization and applied in daily operations. This responsibility is supported by the Compliance Function, which provides guidance, methodologies, and tools to assist management in maintaining compliance. The Compliance Function conducts surveys and reviews to assess employee awareness, understanding, and application of compliance standards and controls and carries out compliance audits based on risks identified through risk assessments.

The compliance program is also reviewed by potential and existing clients or their appointed external audit firms. These reviews include due diligence activities and pre- and post-contract compliance audits and assessments. Outcomes from these reviews are used to address identified gaps and strengthen the compliance program.

Building a Compliance Culture

Training and awareness activities are used to ensure employees understand ethical and regulatory requirements and apply them consistently in their roles. New employees are required to complete an onboarding process that includes reviewing and accepting the policy framework and completing certified compliance training.

To maintain awareness and adherence to standards, employees are required to periodically refresh their understanding of DKSH's anti-corruption policies through training. Relevant materials are available on the employee intranet, and compliance expectations are reinforced through town hall meetings, annual Compliance Day events, and newsletters.

Employee Category	Percentage (%) of employees received training on anti-corruption
Senior Management	100
Middle Management	100
Executive	100
Non-Executive	100

100% of employees completed their Code of Conduct refresher e-learning

11. Responsible Marketing Practices

DKSH is engaged in the marketing and distribution of products sourced by manufacturers, which commonly involves importing products and carrying out local customization before sale. As part of these services, we advertise and promote products while providing accurate and complete product information to address marketing-related risks. With increasing public scrutiny and evolving transparency expectations, the accuracy and completeness of product information remain critical to supporting our business model and protecting brand reputation.

Product customization to meet regulatory requirements, including labeling obligations, is a key service we provide. The regulatory affairs team within Business Unit Healthcare establishes Standard Operating Procedures and oversees compliance activities, supported by quality assurance teams. Given the regulatory requirements applicable to this sector, all product customizations are aligned with ISO 13485 requirements.

To maintain transparency and compliance, DKSH requires disclosure of key product and service information, including component sourcing, product content, substances with potential environmental or social impacts, safe use instructions, and disposal practices. These disclosure requirements apply across all significant product and service categories, with all categories assessed for compliance.

For the marketing of own-brand products, the regulatory affairs team within Business Unit Healthcare ensures compliance with applicable legal requirements. Marketing activities follow guidelines issued by relevant industry bodies and are governed by established policies, procedures, and controls, which are reinforced through training to ensure alignment with defined standards.

Product data received from clients is continuously monitored and validated, with corrective actions taken where necessary. Marketing and labeling matters are addressed through the relevant Business Unit, and all Business Unit Healthcare employees undergo annual training on managing promotional materials to ensure compliance with advertising and marketing requirements.

Sustainability Statement (continued)

Industry-Specific Risks in the Healthcare Business

Advertising and promotional activities in the healthcare sector are governed by regulatory requirements across multiple jurisdictions, with some activities restricted or prohibited. Products such as prescription medicines and medical devices require professional prescription or administration due to the level of technical knowledge involved, while comparable regulatory controls apply within the food sector, including infant nutrition, where strict standards govern marketing conduct and ethical practices.

We address these requirements by participating in industry bodies, including the Pharmaceutical Association of Malaysia ("PHAMA") and the Malaysia Medical Devices Association ("MMDA"), and through management programs that support compliance by employees and service providers. Within Malaysia, advertisements for medical devices are subject to approval by the Medical Device Authority ("MDA"), while advertising for over-the-counter products, health supplements, and traditional products must comply with applicable guidelines and obtain approval from the Medicine Advertisement Board before public release.

To remain compliant, we monitor changes in industry standards and regulatory requirements and align marketing practices with current ethical expectations, including PHAMA guidelines revised in October 2023. While the MDA Code of Advertising has not changed since March 2021, we continue to follow the applicable submission and approval processes to ensure our advertising activities meet regulatory requirements.

Responsible Tax Practices

DKSH manages its tax obligations by following the tax laws of every country in which it operates and by paying taxes where business activities and revenue generation take place. Transactions between Group entities are carried out under market-based conditions and supported by transfer pricing documentation that follows the arm's length principle outlined in the OECD Transfer Pricing Guidelines. The Group maintains open and transparent relationships with local tax authorities and works to address tax matters efficiently.

A Group Tax Policy governs how tax matters are managed across DKSH. The policy is reviewed each year by the company. It is aligned with the Group's Code of Conduct and applies to all finance and tax personnel involved in tax-related activities.

The policy supports the Group's business operations by ensuring taxes are calculated and paid correctly in accordance with local regulations. During acquisitions or internal restructurings, DKSH focuses on managing compliance requirements and tax exposure within the limits of applicable laws. These activities are documented internally and reviewed through established approval processes. The Group draws on internal expertise across tax, finance, regulatory, legal, and secretarial teams, and engages external advisors where necessary. Significant tax risks are monitored and escalated through regular reporting and meetings with senior management, and formal channels are used to engage with tax authorities when resolving tax issues.

The Group Tax Policy outlines five key principles that define tax compliance processes and responsibilities across the organization. To ensure consistency and awareness, the policy is accessible to employees through the internal finance portal.

12. Data Privacy and Protection

DKSH's operations involve the handling of data related to products, services, customers, and partners, as well as personal information from employees, contractors, and other stakeholders. As a result, data privacy and security are essential, and we are required to comply with applicable data protection laws to safeguard confidentiality and protect client information.

To meet these requirements, we have established an information security program and a cybersecurity strategy that focuses on preventing cyber threats, strengthening information security controls, and maintaining awareness across the organization. This is supported by a globally enforced IT Security Policy and a dedicated Information Security team that is available 24/7 to handle and manage urgent security matters.

Employees receive IT security awareness training through the Learning Management System, which is reinforced through ongoing communications, including newsletters, news flashes, and the Tech Talk platform, to support understanding of data privacy and protection requirements.

Oversight of data protection policies, standards, and procedures is provided by the Group Privacy Lead and supported by local data privacy officers, who ensure alignment across Business Units and Functions. In addition, the Group Internal Audit and IT Security teams conduct regular internal and independent audits of access management and IT installations to maintain compliance and safeguard the security of data and IT systems.

Sustainability Statement (continued)

Furthermore, we enforced the use of secured USB devices across all corporate devices to protect sensitive data and ensure a secure digital workplace. We also upgraded 600 corporate devices from Windows 10 to Windows 11 before September to ensure our IT infrastructure is secure and compliant with internal security standards.

► (GRI 205-3)

- Training programs on data privacy and cybersecurity are conducted annually through the Learning Management Systems
- **ZERO** substantiated complaints concerning breaches of customer privacy and losses of customer data

Moving forward, we will continue to strengthen our cybersecurity and data protection framework by enhancing security capabilities, reinforcing governance, and promoting ongoing employee awareness to safeguard stakeholder information, address evolving risks, and maintain operational resilience.

13. Product Quality and Safety

At DKSH, product quality and safety are maintained across all categories, including pharmaceuticals and consumer goods, by applying quality management systems designed to protect customer and patient health. These systems require products to be sourced from legitimate manufacturing processes to address safety risks and prevent the distribution of counterfeit goods.

Quality and regulatory compliance are managed based on the specific requirements of each business line and product type. The Quality Assurance, Regulatory Affairs, and Supply Chain Management teams conduct regular audits to verify compliance, which are complemented by assessments performed by clients or their appointed auditors against defined standards. In addition, Standard and Industrial Research Institute of Malaysia (SIRIM) conducts annual audits to confirm that products placed on the market comply with health, safety, and environment requirements and are safe for end users.

A quality management system is applied across all product categories to maintain standards necessary to protect customers, consumers, and patients. This includes verifying that products originate from authorized manufacturing sites to minimize risks associated with counterfeit products.

Given the regulatory sensitivity of healthcare products, DKSH Healthcare applies defined safety and compliance practices across its operations. These include adherence to Good Distribution Practice ("GDP") for pharmaceutical and cosmetic products and Good Distribution Practice for Medical Devices "(GDPMD") to ensure appropriate handling and distribution.

DKSH Healthcare holds a Pharmacist Poison License A and undergoes annual inspections by State Pharmacy Enforcement authorities in accordance with the Malaysia Poison Act and Regulations.

Deviations from applicable standards identified through reviews, audits, or complaints are reported and resolved in a timely manner. To support this process, we established product recall procedures. We also coordinate with authorities, clients, and suppliers to address recalls effectively when required.

► (GRI 416-2)

In 2025:

- There were **ZERO** incidents of non-compliance concerning the health and safety impacts of products and services
- 100% of significant product and service categories for which health and safety impacts are assessed for improvement
- There were **ZERO** incidents of non-compliance with regulations resulting in a fine or penalty
- There were **ZERO** incidents of non-compliance with regulations resulting in a warning
- There were **ZERO** incidents of non-compliance with voluntary codes

Sustainability Statement (continued)

Business Unit Consumer Goods
The Business Unit Consumer Goods manages the storage and handling of goods to ensure proper warehousing and distribution in line with agreed client requirements. Products are stored and managed according to client specifications to maintain product integrity and safety throughout their lifecycle, with modifications made where necessary to meet local regulatory requirements. All activities comply with regulations issued by the Food and Drug Administration.

For food and beverage products, freshness is treated as a priority. Products that require temperature-controlled storage are handled under appropriate conditions to maintain quality. To reduce product waste, IT systems are used to manage inventory and storage efficiency, including the application of FIFO (first in, first out) and FEFO (first expired, first out) methods.

Business Unit Healthcare
The Business Unit Healthcare places emphasis on patient safety and applies quality standards required by clients and regulatory authorities. Our healthcare distribution facilities comply with GDP and operate with approval from local health authorities, while the Shah Alam facility also complies with Good Manufacturing Practice ("GMP") requirements.

Distribution standards are supported through certifications in Quality Management Systems ISO 9001 and ISO 13485, as well as GDP for Medical Devices. Compliance with these standards is verified through inspections, audits, and certifications conducted by recognized certification bodies.

Pharmacovigilance
Drug safety regulations vary across markets and regions, creating differing requirements for healthcare operations. To manage these requirements, the regulatory team within Business Unit Healthcare provides a reporting platform to collect adverse event reports from end users and addresses these reports in accordance with applicable drug safety requirements.

Counterfeit Products
Counterfeit products pose risks within the healthcare sector. To manage these risks, internal practices are applied to handle suspected counterfeit items, supported by SAP systems that enable batch traceability across the supply chain.

Product Recalls
Product recalls triggered by safety concerns are managed using SAP systems that provide full product traceability. Internal practices are in place, including a product recall committee that works with clients to manage escalation, tracking, and monitoring of products that may be subject to recall.

Sustainability Statement (continued)

Our Outcome

We enrich people's lives by delivering safe products and services with integrity. We also support local communities through job creation and charitable initiatives that contribute to community welfare and growth.

14. Local Community Development

In 2023, we developed our Social Impact Strategy to align with our purpose of enriching people's lives and to define how our activities support the Sustainability Strategy objective of creating positive local impact. The Strategy outlines how social impact is delivered and specifies three categories of activities: monetary or in-kind donations to non-political and non-religious organizations that support children, the elderly, underserved groups, or communities affected by adverse events, organization of local community activities, and partnerships established to support local impact initiatives.

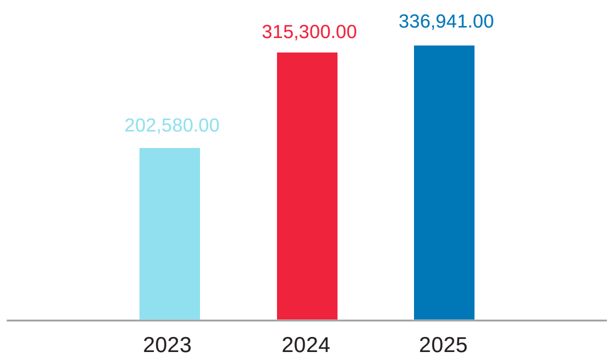
The Strategy consolidates initiatives implemented at different levels, with each Business Unit responsible for driving social impact initiatives that align with its business activities. Business Units select, fund, and implement initiatives and focus on defined impact areas, including Consumer Goods, which supports access to food and non-food products for people facing hunger or need in local communities while reducing waste, and Healthcare, which focuses on improving access to healthcare for members of local communities.

Beyond Business Unit-led initiatives, we support local communities through activities that contribute to community development and livelihood improvement. In line with our Code of Conduct, we maintain neutrality on political matters and refrain from political donations or political engagements to uphold impartial and ethical business practices.

Sustainability Statement (continued)

As part of our social impact efforts focused on equity and inclusion, we create job opportunities for individuals who face challenges entering the workforce. These efforts support inclusive participation in society and strengthen our engagement with the communities we serve.

Total Amount Invested in the Community Where the Target Beneficiaries Are External (MYR)*



* This information excludes the amount invested/ spent on Business Unit Social Impact Activities.

All-Round Improvement in School Education

In 2023, we refocused our CSR efforts exclusively on the All-Round Improvement in School Education Program ("ARISE") literacy program supporting the Orang Asli communities, increasing our investment by 56% to reflect the expansion of support from two to seven schools. This shift from a diverse range of initiatives in 2022 to a singular, long-term commitment has enabled us to deepen our impact and strengthen engagement with the selected communities.

In 2025, we continued our support for 8 schools under this initiative.

Empowering Indigenous Communities Through Education Support

In 2025, DKSH Malaysia continued our collaboration for the eighth consecutive year with SUKA Society to promote literacy and educational equality among the indigenous community we serve. Through this initiative, we sponsored eight community learning centers ("CLC"), benefiting approximately 139 preschoolers from various indigenous communities across Malaysia.

The schools supported through this initiative include CLC Kampung Jader in Gua Musang, CLC Kampung Tanam in Kuala Rompin, CLC Kampung Pisang in Slim River, CLC Kipouvo and CLC Kg Kibunut in Penampang, CLC Kg Saguon in Tongod, CLC Kg Kandang-Kg Kodong in Kota Marudu, and CLC Kg Minusoh in Telupid, Sabah.

In total, we contributed significant financial support to these centers, with donations totaling RM227,400 across all eight locations. These funds were used to enhance educational resources, ensuring preschoolers from the indigenous community receive meaningful support in their early learning journey.

Beyond education, we organize blood donation campaigns to support public health reflecting our continued focus on community wellbeing and resilience.

Malaysia School Outreach in Peninsular and East Malaysia

In 2025, we significantly expanded our school outreach efforts, doubling the number of visits compared to the previous year, which saw only two engagements. This year, our teams visited CLC Kampung Jader in Gua Musang, CLC Kampung Tanam in Kuala Rompin, CLC Kampung Pisang in Slim River, and CLC Kipouvo in Penampang.

The first visit rolled out in July where over 40 DKSH Malaysia employees from the Klang Valley visited CLC Kampung Pisang in Slim River to support and engage with preschool children. The visit included painting a vibrant mural on the interior walls to enhance the learning environment, as well as conducting interactive activities such as fun station games and upcycling arts and crafts sessions to create an engaging and joyful experience for the children.

In August, nine employees from our Kota Bharu branch visited CLC Kampung Jader in Gua Musang, dedicating their time and energy to support our adopted preschool. The volunteers brought creativity and enthusiasm to the community through hands-on activities with the children, engaging sessions with parents, snack distribution, and meaningful conversations with teachers and families.

Sustainability Statement (continued)

In October, 16 volunteers from our Malacca, Johor, and Kuantan branches came together to serve at our adopted preschool in Kampung Tanam. The team engaged the children in meaningful activities, shared educational videos, and contributed essential items to support their daily needs.

In November, 15 volunteers from DKSH Malaysia's Sabah branch visited the Community Learning Center in Kampung Kipouvo, Penampang, Sabah - one of the preschools supported under the All-Round Improvement in School Education ("ARISE") program. The visit focused on engaging with the children and strengthening support for the local learning community.

In total, this initiative is valued at RM 86,188.74, underscoring the scale of our investment and the meaningful, long-term impact created through sustained employee volunteering and community collaboration.

Community Well-Being and Empowerment

Blood Donation Campaigns
We collaborated with Pusat Darah Negara ("the National Blood Center") to organize two blood donation campaigns at The Ascent and our Kedah branch on two separate occasions. A total of 215 participants contributed across these campaigns, resulting in the collection of 178 units of blood.

Business Units Social Impact Initiatives

Business Unit Consumer Goods: Product Waste Reduction
Sustainability is a material focus area for our Business Unit Consumer Goods ("BUCG"), with product waste management identified as a priority. In early 2022, we introduced and implemented a Product Waste Reduction Toolkit to guide the reduction of product write-offs, minimize waste generation, and increase product donations.

In 2025, BUCG contributed 60,319 kg of food and non-food products through partnerships with The Lost Food Project, Kechara Soup Kitchen, and selected pet shelters.

Business Unit Consumer Goods: Supporting the Hearing-Impaired Workforce
Famous Amos Malaysia has been collaborating with the Malaysian Federation of the Deaf since 2016 to create employment opportunities for individuals with hearing impairments through Project ORCHID. The program focuses on placing participants in Famous Amos outlets and providing hands-on training, enabling them to build job-specific skills and gain meaningful employment experience.

In 2025, Famous Amos Malaysia employed a total of nine hearing-impaired individuals under the program.

Business Unit Healthcare: Patient Purpose Day Run 2025
On September 28, 2025, DKSH organized the Patient Purpose Day Run 2025 at Bukit Jalil Recreational Park, Kuala Lumpur, to champion equity in women's health by promoting early cancer detection and access to screening services. Organized as part of DKSH's global Patient Purpose Day and in the lead-up to Pink October, the event brought together more than 1,000 participants who completed 6 km and 12 km runs and engaged with health education activities and partner booths focused on women's cancers and preventive care.

Furthermore, DKSH also collaborated with the National Cancer Society Malaysia to provide complimentary on-site breast and cervical cancer screenings for eligible women during the event and contributed RM51,000 towards cancer screening and patient support programs.

Sustainability Statement (continued)

GRI Content Index

Statement of Use: DKSH Malaysia has reported the information cited in this GRI content index for the period January 1, 2025 to December 31, 2025, in accordance with the GRI Standards.
GRI 1 used: GRI 1: Foundation 2021
Applicable GRI Sector Standard: Not applicable

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
General Disclosures				
GRI 2: General Disclosures 2021	**The organization and its reporting practices**			
	2-1	Organizational details	Page 29	
	2-2	Entities included in the organization's sustainability reporting	Page 29	
	2-3	Reporting period, frequency and contact point	Page 29	
	2-4	Restatements of information	-	No Restatement
	2-5	External assurance	Pages 30-31	
	Activities and workers			
	2-6	Activities, value chain and other business relationships	Pages 7-11, 29	
	2-7	Employees	Pages 51-52	
	2-8	Workers who are not employees	Page 52	
	Governance			
	2-9	Governance structure and composition	Page 36	
	2-10	Nomination and selection of the highest governance body	Corporate Governance (Pages 108 to 110)	
	2-11	Chair of the highest governance body	Page 13	
	2-12	Role of the highest governance body in overseeing the management of impacts	Pages 36, 106	
	2-13	Delegation of responsibility for managing impacts	Page 36	
	2-14	Role of the highest governance body in sustainability reporting	Page 36	
	2-15	Conflicts of interest	Page 106	
	2-16	Communication of critical concerns	Page 79	

Sustainability Statement (continued)

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
General Disclosures (continued)				
GRI 2: General Disclosures 2021 (continued)	2-17	Collective knowledge of the highest governance body	Corporate Governance (Pages 111 to 113)	
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance (Page 110)	
	2-19	Remuneration policies	Corporate Governance (Page 113)	
	2-20	Process to determine remuneration	Corporate Governance (Page 113)	
	2-21	Annual total compensation ratio	Corporate Governance (Page 114)	
	Strategy, policies and practices			
	2-22	Statement on sustainable development strategy	(Pages 3 to 6)	
	2-23	Policy commitments	Page 78	
	2-24	Embedding policy commitments	Page 78	
	2-25	Processes to remediate negative impacts	Page 79	
	2-26	Mechanisms for seeking advice and raising concerns	Page 79	
	2-27	Compliance with laws and regulations	Page 78	
	2-28	Membership associations	Page 31	
	Stakeholder engagement			
	2-29	Approach to stakeholder engagement	Pages 37-39	
	2-30	Collective bargaining agreements	Page 57	
Material Topics				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Page 30	
	3-2	List of material topics	Page 30	

Sustainability Statement (continued)

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
Economic Performance				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 8-11	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Page 7	
	201-2	Financial implications and other risks and opportunities due to climate change	Pages 68-76	
	201-3	Defined benefit plan obligations and other retirement plans	Page 55	
	201-4	Financial assistance received from government	-	Not applicable as we did not receive any financial assistance
Market Presence				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 45, 48-49, 52-55	
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	We comply with the local minimum wage rules
	202-2	Proportion of senior management hired from the local community	-	
Indirect Economic Impacts				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 84-86	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Pages 84-86	
	203-2	Significant indirect economic impacts	Pages 84-86	
Procurement Practices				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 76-77	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Page 77	

Sustainability Statement (continued)

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
Anti-Corruption				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 78-79	
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	Page 79	
	205-2	Communication and training about anti-corruption policies and procedures	Page 79	
	205-3	Confirmed incidents of corruption and actions taken	Page 79	
Materials				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 65	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Pages 65-66	
	301-2	Recycled input materials used	Pages 65-66	
	301-3	Reclaimed products and their packaging materials	Pages 65-66	
Energy				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 60-63	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Pages 62-63	
	302-2	Energy consumption outside of the organization	-	
	302-3	Energy intensity	Pages 62-63	
	302-4	Reduction of energy consumption	Pages 62-63	
	302-5	Reductions in energy requirements of products and services	Pages 62-63	
Water and Effluents				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 67	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Page 67	
	303-2	Management of water discharge-related impacts	Page 67	
	303-3	Water withdrawal	-	
	303-4	Water discharge	-	
	303-5	Water consumption	Page 68	

Sustainability Statement (continued)

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
Emissions				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 63	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Page 64	
	305-2	Energy indirect (Scope 2) GHG emissions	Page 64	
	305-3	Other indirect (Scope 3) GHG emissions	Page 64	
	305-4	GHG emissions intensity	Page 64	
	305-5	Reduction of GHG emissions	Page 64	
	305-6	Emissions of ozone-depleting substances (ODS)	-	Not applicable as it is not relevant to business
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	Not applicable as it is not relevant to business
Waste				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 65-66	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Page 65	
	306-2	Management of significant waste-related impacts	Pages 65-66	
	306-3	Waste generated	Page 67	
	306-4	Waste diverted from disposal	Page 66	
	306-5	Waste directed to disposal	Page 66	
Supplier Environmental Assessment				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 76	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	-	We aim to enhance the supplier selection process by incorporating a comprehensive screening which will include environmental, social, and sustainability criteria
	308-2	Negative environmental impacts in the supply chain and actions taken	-	No incidence of non-compliance

Sustainability Statement (continued)

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
Employment				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 45, 48-49, 52-55	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Page 50	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pages 44, 55	
	401-3	Parental leave	Page 55	
Labor/Management Relations				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 56	
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	-	
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 40	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Page 41	
	403-2	Hazard identification, risk assessment, and incident investigation	Pages 41, 43	
	403-3	Occupational health services	Page 41	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Page 41	
	403-5	Worker training on occupational health and safety	Pages 42-44	
	403-6	Promotion of worker health	-	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	-	
	403-8	Workers covered by an occupational health and safety management system	Page 42	
	403-9	Work-related injuries	Page 44	
	403-10	Work-related ill health	Page 44	

Sustainability Statement (continued)

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
Training and Education				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 52-54	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Page 54	
	404-2	Programs for upgrading employee skills and transition assistance programs	Pages 53-54	
	404-3	Percentage of employees receiving regular performance and career development reviews	Pages 52-53	
Diversity and Equal Opportunity				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 45	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Pages 46-48	
	405-2	Ratio of basic salary and remuneration of women to men	Page 48	
Non-Discrimination				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 56	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Page 57	
Freedom of Association and Collective Bargaining				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 57	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 57	
Child Labor				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 44	
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	-	No operations and suppliers at significant risk for incidents of child labor

Sustainability Statement (continued)

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
Forced or Compulsory Labor				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 56	
GRI 409: Forced Or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	No operations and suppliers at significant risk for incidents of forced or compulsory labor
Security Practices				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 56	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	Page 57	
Local Communities				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 84-86	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Pages 84-86	
	413-2	Operations with significant actual and potential negative impacts on local communities	-	No operations with significant actual and potential negative impacts on local communities
Supplier Social Assessment				
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 76	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	-	We aim to enhance the supplier selection process by incorporating a comprehensive screening which will include environmental, social, and sustainability criteria
	414-2	Negative social impacts in the supply chain and actions taken	-	No incidence of non-compliance
Public Policy				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 84-86	
GRI 415: Public Policy 2016	415-1	Political contributions	-	We do not make any political donations

Sustainability Statement (continued)

GRI Standard	Disclosure Number	Disclosure Title	Location	Omission & Explanation
Customer Health and Safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 82-83	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Page 82	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Page 82	
Marketing and Labeling				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 80-81	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Page 80	
	417-2	Incidents of non-compliance concerning product and service information and labeling	-	No incidence of non-compliance
	417-3	Incidents of non-compliance concerning marketing communications	-	No incidence of non-compliance
Customer Privacy				
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 81-82	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 82	

Sustainability Statement (continued)

Bursa Prescribed Table

DKSH Holdings (M) Berhad
BMLR Transition Period

Date & Time: 2026-03-27 16:51:48
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Combatting Corruption	Percentage of employees who have received training on anti corruption by employee category	%	100	100	External (Limited)
Combatting Corruption	Percentage of operations assessed for corruption-related risks	%	100	100	External (Limited)
Combatting Corruption	Confirmed incidents of corruption and action taken	Number	0	0	External (Limited)
Local Community Development	Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	336,941	340,000	External (Limited)
Local Community Development	Total number of beneficiaries of the investment in communities	Number	139	>100	External (Limited)
Employee Attraction, Satisfaction, and Retention	Executive Under 30	%	11	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Executive Between 30 - 50	%	28	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Executive More Than 50	%	4	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Non- executive Under 30	%	16	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Non- executive Between 30 - 50	%	27	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Non- executive More Than 50	%	8	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Middle Management Under 30	%	0	—	External (Limited)

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Sustainability Statement (continued)

DKSH Holdings (M) Berhad
BMLR Transition Period

Date & Time: 2026-03-27 16:51:48
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Employee Attraction, Satisfaction, and Retention	Middle Management Between 30 - 50	%	4	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Middle Management More Than 50	%	2	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Senior Management Under 30	%	0	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Senior Management Between 30 - 50	%	0	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Senior Management More Than 50	%	0	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Executive Male	%	15	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Executive Female	%	28	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Non executive Male	%	22	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Non executive Female	%	30	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Middle Management Male	%	2	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Middle Management Female	%	3	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Senior Management Male	%	0	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Senior Management Female	%	0	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Percentage of directors by gender: Male	%	67	—	External (Limited)

Sustainability Statement (continued)

DKSH Holdings (M) Berhad

BMLR Transition Period

Date & Time: 2026-03-27 16:51:48

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Employee Attraction, Satisfaction, and Retention	Percentage of directors by gender: Female	%	33	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Percentage of directors by age group: Between 40-49	%	17	—	External (Limited)
Employee Attraction, Satisfaction, and Retention	Percentage of directors by age group: Above 50	%	83	—	External (Limited)
Climate Change Mitigation	Total energy consumption	kWh	0	0	External (Limited)
Climate Change Mitigation	Scope 1	tCO_2e	1,330	—	External (Limited)
Climate Change Mitigation	Scope 2	tCO_2e	8,383	—	External (Limited)
Climate Change Mitigation	Scope 3	tCO_2e	27,538	—	External (Limited)
Pollution Prevention	Total waste diverted from disposal	tons	950.7	—	External (Limited)
Pollution Prevention	Total waste directed to disposal	tons	2,397.25	—	External (Limited)
Resource Efficiency	Total volume of water used	m3	57,755	—	External (Limited)
Health, Safety and Wellbeing	Number of work-related fatalities	Number	0	0	External (Limited)
Health, Safety and Wellbeing	Lost time incident rate	Rate	0.3	<2.4	External (Limited)
Health, Safety and Wellbeing	Number of employees trained on health and safety standards	Number	3,072	—	External (Limited)
Labor Practices	Total hours of training by employee category: Non-Executive	Hours	17,051.44	—	External (Limited)
Labor Practices	Total hours of training by employee category: Executive	Hours	41,556.43	—	External (Limited)
Labor Practices	Total hours of training by employee category: Middle Management	Hours	9,454.74	—	External (Limited)
Labor Practices	Total hours of training by employee category: Senior Management	Hours	335.81	—	External (Limited)

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Sustainability Statement (continued)

DKSH Holdings (M) Berhad

BMLR Transition Period

Date & Time: 2026-03-27]16:51:48

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labor Practices	Percentage of employees that are contractors or temporary staff	%	3	—	External (Limited)
Labor Practices	Total number of employee turnover by employee category: Non-Executive	Number	128	—	External (Limited)
Labor Practices	Total number of employee turnover by employee category: Executive	Number	220	—	External (Limited)
Labor Practices	Total number of employee turnover by employee category: Middle Management	Number	10	—	External (Limited)
Labor Practices	Total number of employee turnover by employee category: Senior Management	Number	0	—	External (Limited)
Labor Practices	Number of substantiated complaints concerning human rights violations	Number	0	0	External (Limited)
Responsible Procurement	Proportion of spending on local suppliers	%	98.5	>90%	External (Limited)
Data Privacy and Protection	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	External (Limited)

Sustainability Statement (continued)

The Board of Directors
DKSH Holdings (Malaysia) Berhad
B-11-01
The Ascent Paradigm
No.1
Jalan SS7/26A Kelana Jaya
47301 Petaling Jaya Selangor Darul Ehsan
Malaysia

Independent Limited Assurance Report on Subject Matter Information in DKSH Holdings (Malaysia) Berhad's Sustainability Statement December 31, 2025

We, Grant Thornton Consulting Sdn Bhd ("Grant Thornton") were engaged by DKSH Holdings (Malaysia) Berhad ("DKSH") to provide limited assurance on selected material sustainability indicators ("Subject Matter Information") as reported by DKSH in its Sustainability Statement for the year ended December 31, 2025 ("Sustainability Statement").

The scope of our work was limited to the material sustainability matters presented in the Sustainability Statement and did not include coverage of data sets or information unrelated to the data and information underlying the Subject Matter Information below and their related disclosures; nor did it include information reported outside of the Sustainability Statement.

Limited Assurance Conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information presented in the Sustainability Statement has not been prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of what we say in the remainder of this report.

Subject Matter Information

The scope of our work was limited to assurance over selected material sustainability indicators reported in the DKSH's Sustainability Statement, as presented below.

Underlying Subject Matter	Units	Page location of Annual Report
Our People		
(1) Health, Safety, and Well-being		
a) Number of work-related fatalities (Number);	Number	Page 44
b) Lost time incident rate (LTIR);	Rate	Page 44
c) Number of employees trained on health and safety standards;	Number	Page 42
(2) Employee Attraction, Satisfaction and Retention		
(i) Workforce Diversity		
a) Employee by gender and age group, for each employee category;	Percentage %	Pages 47-48
b) Directors by gender and age group;	Percentage %	Page 46

Sustainability Statement (continued)

Underlying Subject Matter	Units	Page location of Annual Report
Our People (Continued)		
(2) Employee Attraction, Satisfaction and Retention (Continued)		
(ii) Recruitment, Retention and Recognition		
a) Employee that are contractors or temporary staff;	Percentage %	Page 52
b) Total number of employee turnover by employee category;	Number	Page 50
(iii) Enabling Growth and Development		
a) Total hours of training by employee category;	Hours	Page 55
(iv) Employee Well-Being		
a) Number Substantial complaints concerning human rights violations;	Number	Page 57
(3) Labour Practices and Standards		
(i) Safeguarding Human Rights		
a) Training on anti-corruption by employee category;	Percentage %	Page 80
b) Operations assessed for corruption-related risks;	Percentage %	Page 79
c) Confirmed incidents of corruption and action taken;	Number	Page 79
Our Business		
(4) Climate Change Mitigation		
(i) Energy Management		
a) Total energy consumption;	kWh	Page 62
(ii) Managing Greenhouse Gas Emissions		
a) Scope 1 emissions;	tCO_2-eq	Page 64
b) Scope 2 emissions;	tCO_2-eq	Page 64
c) Scope 3 emissions (only for category 6: business travel and category 7: employee commuting)	tCO_2-eq	Page 64
(5) Pollution Prevention		
(i) Waste Management		
a) Total waste generated, and breakdown of the following:		
(i) Total waste diverted from disposal;	Metric tonnes	Page 66
(ii) Total waste directed to disposal;	Metric tonnes	Page 66
(6) Resource Efficiency		
(i) Water Management		
a) Total volume of water used;	m^3	Page 68

Sustainability Statement (continued)

Underlying Subject Matter	Units	Page location of Annual Report
Our Business (Continued)		
(7) Responsible Supply Chain		
a) Proportion of spending on local suppliers;	Percentage %	Page 77
(8) Ethical Business		
a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data;	Number	Page 82
Our Outcome		
(9) Local Community Development		
a) Total amount invested in the community where the target beneficiaries are external to the listed issuer;	Currency	Page 85
b) Total number of beneficiaries of the investment in communities;	Number	Page 85

Our assurance is with respect to the year ended December 31, 2025 Subject Matter Information only and we have not performed any procedures with respect to earlier periods or any other information included in the DKSH's Sustainability Statement and, therefore, do not express any conclusion thereon.

Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which DKSH is solely responsible for selecting and applying.

The reporting criteria adopted for reporting the Subject Matter Information are based on DKSH's sustainability reporting guidelines along with their definitions and calculation methodologies as disclosed within the Sustainability Statement ("Reporting Criteria").

Board of Directors and Management's Responsibilities

The Directors and Management of DKSH are responsible for:

- the design, implementation and maintenance of internal control relevant to the preparation and presentation of Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or establishing suitable Reporting Criteria;
- measuring or evaluating and presenting the Subject Matter Information in accordance with the Reporting Criteria; and
- the preparation of the Sustainability Statement and the Reporting Criteria and their contents.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information has been prepared in accordance with the Reporting Criteria;
- forming an independent limited assurance conclusion, based on the work we have performed and the evidence we have obtained; and
- reporting our limited assurance conclusion to DKSH.

Sustainability Statement (continued)

Our Quality Management and Independence

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

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

Assurance standards and level of assurance

We performed a limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements 3000 (Revised), "Assurance Engagements other than Audits and Reviews of Historical Financial Information" ("ISAE 3000 (Revised)"), and in respect of the greenhouse gas emissions information included within the Subject Matter Information, in accordance with International Standard on Assurance Engagements 3410, "Assurance Engagements on Greenhouse Gas Statements" ("ISAE 3410"). These standards requires that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks which vary in nature from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not report a reasonable assurance conclusion.

Work performed

Considering the circumstances of the engagement our work included, but was not restricted to:

- assessing the suitability of the Reporting Criteria as the basis of preparation for the Subject Matter Information;
- conducting interviews with management and relevant staff at group level and selected business unit level concerning sustainability strategies and policies for material issues, and the implementation of these across the business operations;
- assessing the risk of material misstatement of the Subject Matter Information, whether due to fraud or error, and responding to the assessed risk as necessary in the circumstances;
- conducting interviews with relevant management of DKSH and examining selected documents to obtain an understanding of the processes, systems and controls in use for measuring or evaluating, recording, managing, collating and reporting the Subject Matter Information;
- conducting interviews with sites, selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria;
- performing analytical procedures for consistency of data with trends and our expectation;
- performing selected limited substantive testing including agreeing a selection of the Subject Matter Information to corresponding supporting information;
- considering the appropriateness of a selection of selected unit conversion factor calculations and other calculations used by DKSH to prepare the Subject Matter Information including by reference to widely recognised and established conversion factors;
- considering the organisational boundary of DKSH for the reporting of Subject Matter Information;
- evaluating the overall presentation of the Subject Matter Information; and
- reading the Sustainability Statement and narrative accompanying the Subject Matter Information in the Sustainability Statement with regard to the Reporting Criteria, and for consistency with our findings.

Sustainability Statement (continued)

Inherent limitations

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

Intended use of this report

This limited assurance report, including our conclusion, is made solely to DKSH in accordance with the terms of the agreement between us. Our work has been undertaken so that we might state to DKSH those matters we are required to state to them in an independent limited assurance report and for no other purpose. We have not considered the interest of any other party in the Subject Matter Information.

To the fullest extent permitted by law, we do not accept nor assume responsibility and deny any liability to any party other than DKSH for our work or this report, or for the conclusion we have reached.

Our report is released to DKSH on the basis that it shall not be copied, referred to or disclosed, in whole (save for inclusion in the DKSH's Sustainability Statement December 31, 2025) or in part, without our prior written consent.

Grant Thornton Consulting Sdn Bhd
Kuala Lumpur

Date: April 10, 2026

Corporate Governance Overview Statement

DKSH's Board of Directors has committed itself to maintaining the highest standards of integrity and transparency in its governance.

Corporate Governance Overview Statement

The Board of Directors of the Company ("the Board") believes that good corporate governance and sustainable business performance are intertwined. The Board is committed to upholding high standards of integrity and transparency in its governance and ensuring comprehensive application of the Principles and Practices set out in the Malaysian Code on Corporate Governance ("MCCG"). In this process, the Board and Management are furthermore supported by the initiatives of the international DKSH Group of Switzerland.

The Board is pleased to report on the application of the Practices of the MCCG to shareholders on the Group's corporate governance practices during the financial year ended December 31, 2025 ("FY 2025") in accordance with the MCCG and the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

This statement is to be read together with the Corporate Governance Report 2025 ("CG Report") of the Company. The application of each Practice set out in the MCCG during the financial year ended December 31, 2025, is disclosed under DKSH Malaysia' Corporate Governance Report published on the Company's website:

http://www.dksh.com/my-en/home/investors/announcements

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

(1) Board Responsibilities

Roles and Responsibilities of the Board

The Board has overall responsibility for the Company's strategic planning and direction, and for overseeing the conduct of the Company's business, corporate governance, investor relations, risks management practices and internal controls.

The Board has adopted a Board Charter which formalizes clear roles and responsibilities for the discharge of the Board's fiduciary and leadership functions. The Board Charter is subject to review by the Board as necessary to determine its adequacy for current circumstances, the Company's policies and applicable rules and regulations. The Board Charter, which was last revised in July 2024, is available on the Company's website at www.dksh.com.my

In executing its responsibilities, the Board has established dedicated Board Committees and functions and undertakes periodic assessments of their effectiveness. While specific responsibilities are delegated to the Board Committees, the Board retains ultimate accountability for the discharge of its fiduciary and statutory duties. The Board provides leadership and strategic direction and oversees Management in the implementation of approved strategies and business plans to support the achievement of the Company's corporate objectives.

As the Company is majority-owned by DKSH Holding Ltd., it practices a worldwide executive management program covering talent life cycle management, including appointing, professional learning and development, fixing the performance orientated compensation program of senior management and where appropriate, cross border assignments.

The Board also establishes a corporate culture which ensures that ethical conduct is permeated throughout the Company. The Board has formalised a Directors' Code of Ethics, setting out the standards of conduct expected from the Directors. The Directors' Code of Ethics is contained in the Board Charter and the Board Charter is published on the Company's website at www.dksh.com.my. To inculcate good ethical conduct, the Company's Code of Conduct complimented by Group Policies and Guidelines, clearly express the Company's expectations as an employer and provides detailed guidance to employees on expected business and ethical behaviour. The Code of Conduct includes an internal reporting process for events of non-compliance and is available on the Company's website at www.dksh.com.my

The Board has adopted a Whistleblower Policy and Procedures and published it on the Company's website at www.dksh.com.my, in line with the requirement under the Section 15.29 of the Listing Requirements of Bursa Securities and guided by Guidance to Practice 3.2 of the MCCG and T.R.U.S.T. principles of Guidelines on Adequate Procedures.

This Policy shall also similarly apply to any vendors, partners, associates or any individuals, including the general public, in the performance of their assignment or conducting the business for or on behalf of the Group.

Board Balance and Effectiveness

The Board collectively has a broad range of qualifications, the right mix of skills, experience and knowledge relevant to effectively direct and supervise the Company's business activities and ensure that the interests of all stakeholders are adequately protected.

The Independent Directors provide an effective check and balance in the functioning of the Board. Their presence is essential in providing unbiased, objective and impartial opinion, advice and judgment to the Board deliberations, mitigating risks of any possible conflict of interest or undue influence from interested parties.

The Independent and Non-Executive Directors play key roles in the Board Committees, namely Audit and Nomination and Remuneration Committees in shaping, contributing

Corporate Governance Overview Statement (continued)

ideas and assisting the Board in making informed decisions towards the development and strengthening of the governance structures of the Company. None of the Non-Executive Directors participate in the day-to-day management of the Group, allowing them to bring impartial and objective participation at Board or Board Committee deliberations and decision making.

There are a distinct division of roles and responsibilities of the Chairman of the Board and the Vice President, Healthcare and Head, Country Leadership, Malaysia. The Chairman of the Board is a Non-Independent Non-Executive Director who provides leadership at Board level and is responsible for encouraging overall Board and individual Director's effectiveness, drawing their respective knowledge, strength, experience and skills. The Vice President, Healthcare and Head, Country Leadership, Malaysia, who is also a Non-Independent Executive Director, bears overall responsibilities for the Group's operational and business units organization effectiveness and ensuring that the strategies, policies and matters approved by the Board are effectively implemented. The Vice President, Healthcare and Head, Country Leadership, Malaysia, assisted by other Key Senior Management in the Country Leadership Team, is responsible for the management of the Group's business and also functions as the intermediary between the Board and Management.

Board Meetings and Supply of Board Information

The Board meets at least four (4) times a year, with additional meetings convened on an ad-hoc basis as and when decisions on urgent matters are required between scheduled meetings. The meetings of the Board and Board Committees are scheduled in advance of the calendar year, and an annual Schedule of Meetings is circulated to allow Directors to plan ahead.

The Directors have demonstrated their time commitment towards fulfilling their roles and responsibilities as Directors of the Company and all Directors have complied with the minimum requirement on attendance at Board meetings as provided in the Listing Requirements of Bursa Securities. During FY 2025, five (5) Board meetings were held, and the attendance of each Director thereat is set out in the table below.

The Board: Composition and Attendance at the Board Meetings Held in 2025

Directors	Designation	No. of Meetings Attended
Oh Sae Ung	Non-Independent Non-Executive Chairman	5/5
Dr. Leong Yuen Yoong	Independent Non-Executive Director	5/5
Richard Lai Tak Loi	Independent Non-Executive Director	5/5
Sandeep Tewari	Non-Independent Executive Director/ Vice President, Healthcare	5/5
Senthilathiban A/L Thirunilakantan	Non-Independent Executive Director/ Senior Director, Country Finance, Malaysia & Brunei	5/5
Datin Suryani binti Ahmad Sarji	Independent Non-Executive Director	5/5

The Board recognizes the importance of being fully informed on material matters that may have an impact on the Company and/or the Group. The fact that the Vice President, Healthcare, and Head, Country Leadership, Malaysia & Brunei is also a Board member, supports a regular flow of information between the Board and Management.

Matters specifically reserved for the Board's decision, including quarterly interim financial results, are forwarded to its members prior to the meetings. Comprehensive meeting papers comprising matters arising, findings/ updates, results, presentations, recommendation and any other relevant information are prepared and circulated in advance to enable the Board to make considerations, deliberations and decisions. The Board is given sufficient time to evaluate reports and proposals and if necessary, request additional information to enable the Board to make informed and effective decisions. Where necessary, members of the Management team are invited to attend Board or Board Committee meetings to report and update on specific items on the agenda to enable the Board/Board Committee members to arrive at an informed decision.

Minutes of the Board Meetings have been accurately recorded by the Company Secretaries to reflect the deliberations, in terms of the issues discussed, and the conclusions thereof in discharging its duties and responsibilities.

Corporate Governance Overview Statement (continued)

The Chairman of the Board and Board Committees ensure that all its members are given ample opportunity to express their views and opinions during meetings. Directors are encouraged to share their views and insights in the course of deliberations and to partake in discussions. Discussions, decisions and conclusions are duly recorded in the minutes of meetings, which are circulated to Board members and subsequently confirmed by the Chairman of the meeting.

The Chairman of the respective Board Committee informs the Directors at Board meetings of any salient matters raised at the respective Board Committee meetings which require the Board's notice, direction or approval.

There are no restrictions for Directors, individually or collectively, to obtain independent professional advice at the Company's expense in furtherance of their duties, as and when the need arises. The Board has access to information on the affairs of the Group which allows it to oversee the Company's business and performance and has access to the advice and services of senior management and the Company Secretaries.

Support of Company Secretary

The Board has direct access to the advice and services of the Company Secretary who supports the Board in carrying out its roles and responsibilities. The Company Secretary plays an advisory role to the Board and facilitates overall compliance with the relevant requirements, codes or guidance and legislations including communication of key decisions and recommendations between the Board, Board Committees and Management. They also ensure statutory records of the Company are properly maintained and relevant disclosures, submissions and filings are made in a timely fashion to the regulators on behalf of the Company and the Board.

The Board is regularly updated and appraised of the latest developments in the legislation and regulatory framework affecting the Group.

In compliance with Practice 1.5 of the MCCG, the Board is supported by two (2) Company Secretaries, namely Serene Lee Huey Fei and Thin Pui Leng. The Company Secretaries have legal qualifications and are licensed by the Companies Commission of Malaysia. The Company Secretaries are qualified to act as Company Secretary under Section 235(2) and Section 241 of the Act and have obtained Practicing Certificate from the Companies Commission of Malaysia. For FY 2025, the Company Secretaries have attended the relevant continuous professional development program as required by Companies Commission of Malaysia for practicing Company Secretary.

(2) Board Composition

Board Composition and Size

For FY 2025, the Board consists of six (6) members: one (1) Non-Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors and two (2) Non-Independent Executive Directors, who are also the Vice President, Healthcare and Head, Country Leadership, Malaysia and the Senior Director, Country Finance, Malaysia & Brunei.

This composition of the Board fulfils the requirements as set out in the Listing Requirements of Bursa Securities which stipulate that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be Independent Directors. This also applies to Practice 5.2 of the MCCG where at least half of the Board comprises independent directors.

The Board currently has six (6) Directors, comprising four (4) male Directors and two (2) women Directors, representing approximately 33% women representation on the Board. Therefore, the Company meets the requirements of the amended Listing Requirements by Bursa Securities, which requires all listed issuers to have at least one (1) woman Director on its Board, effective June 1, 2023. The Company also has complied with Practice 5.9 of the MCCG by having at least 30% women directors on its Board.

In May 2022, the Board adopted a Directors' Fit and Proper Policy to set out the fit and proper criteria for any person identified to be appointed as a Director or to continue holding the position as a Director within the Company. A copy of the Directors' Fit and Proper Policy is available on the Company's website. In August of the same year, the Board adopted a Gender Diversity Policy which provides a framework for the Company to achieve improved employment and career development opportunities for all its employees and those who seek employment with DKSH.

All members of the Board are required to have the necessary qualities, competencies and experience that allows them to perform their duties and carry out the responsibilities required of the position in the most effective manner.

The Board acknowledged as part of the continuous efforts in sustaining the Company's competitive advantages, the Company recognises and embraces the benefits of having a diverse Board and Senior Management, and sees increasing diversity, including but not limited to, both Board level and Senior Management, as an essential and important element.

The Board composition and size are periodically assessed by the Board through the Nomination and Remuneration Committee for appropriateness to meet the current and future needs of the Company.

Corporate Governance Overview Statement (continued)

The Independent Directors who constitute more than one-third of the composition of the Board, provide a check and balance in the functioning of the Board and enhances its effectiveness. All members of the Board have extensive professional background, bringing with them vast experience and knowledge. The profiles of the members of the Board are set out on pages 13 to 18 of this Annual Report.

Board Committees

The Board has delegated specific responsibilities to two Board Committees, namely the Nomination and Remuneration Committee and Audit Committee, each with clearly defined functions and terms of reference. These Committees assist the Board in making informed decisions through focused and in-depth deliberations on issues within their respective purview. The Committees report to the Board on the matters considered and their recommendation thereon. The final decision on all matters, however, lies with the Board after considering recommendations by the Committees except to the extent that certain matters are delegated by the Board to the said Committees.

Nomination and Remuneration Committee

For FY 2025, the Nomination and Remuneration Committee comprises two Independent Non-Executive Directors (including the Committee Chairman) and one Non-Independent Non-Executive Director as follows:

The Nomination and Remuneration Committee: Composition and Attendance at the Nomination and Remuneration Committee Meeting Held in 2025

Directors	Designation	No. of Meetings Attended
Dr. Leong Yuen Yoong	Chairman	3/3
Oh Sae Ung	Member	3/3
Datin Suryani binti Ahmad Sarji	Member	3/3

The duties and responsibilities of the Nomination and Remuneration Committee are set out in its terms of reference, which was last revised in November 2025 and approved by the Board, and is available on the Company's website.

The Nomination and Remuneration Committee met three (3) times during the financial year under review with full attendance of its members.
Details of the activities undertaken by the Nomination and Remuneration Committee in discharging its duties during 2025 are set out as below:

(i) Reviewed the skills and competencies of the Board of Directors;
(ii) Assessed the size and composition of the Board and Committees;
(iii) Reviewed the attendance of the Board Members at Board and Board Committees Meetings;
(iv) Assessment of the training needs of Board Members through the assessment of individual Directors;
(v) Evaluated the eligibility of the retiring Directors to stand for re-election at the Annual General Meeting held in 2025. Criteria used in this assessment are guided by the Bursa Securities's Corporate Governance Guide;
(vi) Conducted the fit and proper assessment on any person identified to be appointed as a director or to continue holding the position as a director within DKSH Holdings (Malaysia) Berhad;
(vii) Conducted online assessment of the Board, Board Committees, Individual Directors and the independence of Independent Directors. Criteria used in these assessments are guided by the Bursa Securities's Corporate Governance Guide after taking into consideration the current and future needs of the Company;
(viii) Conducted the online assessment of the Audit Committee Members' Self and Peers; and
(ix) Reviewed of Non-Executive Directors' fees.

Annual Board and Committees Assessment

The annual assessment of each individual Director enables the Board to ensure that each of the Board members including the Vice President, Healthcare and Head, Country Leadership, Malaysia, and the Senior Director, Country Finance, Malaysia & Brunei have the character, experience, integrity, competence and time to effectively discharge their respective roles.

The Nomination and Remuneration Committee was satisfied that the Board is of the right size, and the Board composition is well balanced having considered the appropriate mix of skills, experience, strength, independence, and diversity required to meet the current and future needs of the Company.

Appointment to the Board

The Nomination and Remuneration Committee is responsible for the nomination and election process and for making recommendations

Corporate Governance Overview Statement (continued)

to the Board for appointment of new Directors. The Board, after reviewing recommendations of the Nomination and Remuneration Committee, evaluates the suitability of an individual to be appointed.

The Board sets out expectations on the character, knowledge, experience, integrity, competence, and time commitment for its members and protocols when assessing new appointments. As recommended by the Nomination and Remuneration Committee, a Board Diversity Policy was adopted by the Board in 2015, taking into account the provisions under the Code of Conduct. The Policy articulates the diversity attributes and needs of the Board and the approach it would take to address such needs and in the process strengthen its composition. The Policy plays an integral role in the selection of candidates for Board membership. Whilst the Board recognizes and embraces the benefits of Board diversity, the Board believes in providing equal opportunities to all based on merit as well as complementing and expanding the skills, knowledge and experience of the Board as a whole.

In February 2018, a Board skills matrix detailing the qualifications, skills, experience and areas of expertise was developed and used as a reference for the Board to analyse its composition and requirements, taking into account the evolving business and governance requirements.

Re-election/Election of Directors
In line with the Listing Requirements of Bursa Securities, all Directors of the Company shall retire from office at least once every three (3) years whilst pursuant to the Company's Constitution, one third of the Directors will retire by rotation at the Annual General Meeting ("AGM") of the Company. A retiring Director shall be eligible to offer himself for re-election subject to shareholders' approval.

Pursuant to Article 105 of the Company's Constitution, Sandeep Tewari and Oh Sae Ung are due for retirement at the forthcoming 34th AGM. Being eligible, they have expressed their intention to seek re-election at the forthcoming 34th AGM.

The Board is satisfied that the retiring Directors will continue to bring their knowledge, experience and skills and contribute effectively to the Board's discussions, deliberations and decisions. In February 2025, the Board approved the recommendation of the Nomination and Remuneration Committee that the retiring Directors are eligible for re-election at the forthcoming 34th AGM.

The profiles of the retiring Directors as well as Director standing for election at the forthcoming AGM of the Company, are set out on pages 13 and 14 of this Annual Report.

Board Assessment
The Nomination and Remuneration Committee is responsible to conduct an annual assessment on the effectiveness of the Board, Board Committees, as well as the performance of individual Directors and its independence where applicable. The assessment aims at ensuring the Board members, individually and collectively, work efficiently and effectively in achieving their responsibilities as set out in the Board Charter or the respective terms of reference of the Board Committees.

The assessment of the Board was structured to ensure a balanced and objective review by the Directors in key areas. The internally developed criteria used in the assessment are guided by the Corporate Governance Guide issued by Bursa Malaysia Berhad and customized to meet the expectations of the Board and the Company. Where appropriate, the Nomination and Remuneration Committee will review the assessment criteria.

The assessment questionnaires are designed using rating scales to assist the evaluation process. All Board members completed the assessment questionnaires by way of online assessment and on a confidential basis. The Directors' responses are collated, and a comprehensive summary of the findings and recommendations is submitted to the Nomination and Remuneration Committee for evaluation, after which, the findings and recommendations are escalated to the Board for its consideration and proposed actions based on the Nomination and Remuneration Committee's recommendations. All Directors' responses from the annual assessment conducted were formally and properly documented. The results of the assessment indicated that the performance of the Board, the Board Committees and the individual Directors during the review period had been good and therefore, they had been effective in their overall discharge of functions and duties. It was also indicated from the results that there was no apparent weaknesses/ shortcoming identified that warrants specific action plan to address the same.

Independence of Directors
Pursuant to Practice 5.3 of the MCCG, it recommends that the Board must justify and seek shareholders' approval through a two-tier voting approach in the event it retains an Independent Director who has served in that capacity for more than nine (9) years without re-designation as a Non-Independent Director.

For FY 2025 and up to the date of this Statement, the Board noted that none of its Board members have attained more than nine (9) years of service as Independent Directors.

Corporate Governance Overview Statement (continued)

The Board noted that the Independent Directors have executed a declaration letter confirming their independence pursuant to relevant Listing Requirements of Bursa Securities. Based on the outcome of the abovementioned assessments, the Board is satisfied with the level of independence demonstrated by the Independent Directors and their ability to act in the best interest of the Company.

The Board, taking into account the assessment conducted by the Nomination and Remuneration Committee, reviews the independence of all Independent Directors annually. The Nomination and Remuneration Committee adopts the assessment criteria provided in the Bursa Securities's Corporate Governance Guide. Further, an annual confirmation of independence is obtained from the respective Independent Directors affirming that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of independent judgement or the ability to act in the best interests of the Group as prescribed in the Listing Requirements of Bursa Securities.

For the financial year under review, the Nomination and Remuneration Committee and the Board had, after evaluating the aforesaid annual assessment and considering the annual declaration made by Independent Directors, concluded that all Independent Directors of the Company had satisfied the criteria for independence as prescribed in the Listing Requirements of Bursa Securities. The Board is also satisfied with the level of independence demonstrated by these Directors in the management, and objective in expressing their views and in participating in deliberations and decision making of the Board and Board Committees.

Directors' Training

All Directors are aware of the continuing education program requirement pursuant to the Listing Requirements of Bursa Securities. All Directors (including the newly appointed Directors) have attended and completed the Directors' Mandatory Accreditation Program ("MAP") as prescribed by Bursa Securities.

The Board is committed to ensuring that its Directors undertake continuous professional development to keep abreast of relevant developments and maintain the necessary knowledge and skills for the effective discharge of their responsibilities. The Directors devote sufficient time to regularly expand their knowledge and enhance their skills to enable them to actively participate and contribute in their deliberations, discussions and decisions at Board and Board Committee levels. The Board is also kept informed of the requirements and updates issued by Bursa Securities and other regulatory authorities.

During the financial year under review, all Directors attended a number of trainings and seminar programs covering topics on finance, governance, corporate and global business, and industry developments, which they have individually or collectively considered as relevant in the discharge of their duties as Directors of the Company.

The Company Secretaries facilitate the organization of internal training programs and Directors' attendance at external programs including keeping Directors informed of relevant external programs. A complete record of all internal and external programs attended by the Directors are kept and maintained by the Company Secretaries.

Details of internal and external training programs, seminars, briefings etc attended by the Directors in 2025:

Name of Directors	Description of Training Programs, Seminars, Briefings etc
Oh Sae Ung	• ICDM - Transparency Matters: A Director's Approach to Handling Conflict of Interest • ICDM - MAP Part II: Leading for Impact (LIP) • ICDM - Boardroom Radar: Emerging Risks, Opportunities & Global Disruption
Richard Lai Tak Loi	• ICDM - Transparency Matters: A Director's Approach to Handling Conflict of Interest • Master Trainers Consulting and Coaching Sdn Bhd - Human Resource Development Corporation Train the Trainer Certification Program • ICDM - Boardroom Radar: Emerging Risks, Opportunities & Global Disruption • Info-Tech Systems Ltd. - ACC-ICT-3004-1.1 Digital Technology Adoption and Innovation-3 • Securities Commission Malaysia - Audit Oversight Board with Audit Committees

Corporate Governance Overview Statement (continued)

Name of Directors	Description of Training Programs, Seminars, Briefings etc
Dr. Leong Yuen Yoong	• ICDM - Transparency Matters: A Director's Approach to Handling Conflict of Interest • UN2 Sustainable Development Solutions Network - ASEAN Workshop on Sustainable Development • Energy Industries Council - EIC Connect Energy Borneo 2025 • European Commission and the UN Sustainable Development Solutions Network - RE-CONNECT - Workshop: Assessing Malaysia's Energy Future • Global Energy Interconnection and Development Cooperation Organisation and the UN Sustainable Development Solutions Network - ASEAN Resilient Grid Capacity Building Programme - Pumped Hydro Storage • China Energy Storage Alliance - 13th International Energy Storage Conference and Expo, Beijing, China • Universiti Brunei Darussalam and the UN Sustainable Development Solutions Network - Brunei Borneo Sustainability Summit • Regional Cooperation and Integration Policy Open Dialogue (RCI-POD) by the Asian Development Bank - Asian Development Bank Regional Cooperation and Integration Policy Open Dialogue (RCI-POD) Webinar Series: ASEAN Power Grid - Perspectives from the ASEAN Green Future Project • UN Sustainable Development Solutions Network, Columbia Centre and Sustainable Investment, Columbia University, ASEAN Centre for Energy, Asian Development Bank - High Level Convening on ASEAN's Integration Energy and Digital Future • ICDM - Boardroom Radar: Emerging Risks, Opportunities & Global Disruption • United Nations Economic and Social Commission for Asia and the Pacific - Asia Pacific Energy Week, Bangkok, Thailand • No. 17 Foundation - Impact Week, Singapore • Digital Penang and Beijing International Exchange Association Sustainable Development Committee - Penang International Hanwang Forum • Khazanah Nasional Berhad - Khazanah Megatrends Forum • Yayasan MySDG - Yayasan MySDG Impact Conference: The Final Sprint - Accelerating Inclusive SDG Action in Malaysia • UNFCCC - UN Climate Change Conference COP 30 • Securities Commission Malaysia - Audit Oversight Board with Audit Committees • Asian Development Bank Institute and Institute for Economic and Social Research, Faculty of Economics and Business, Universitas Indonesia - Institute for Economic and Social Research White Paper Conference • Institute for Economic and Social Research, Faculty of Economics and Business, Universitas Indonesia and Asian Development Bank Institute - Indonesia's Carbon Pricing: Redefining Pathways through Global Insights • Centre for Global Sustainability, University of Maryland; Institute for Economic and Social Research, Faculty of Economics and Business, Universitas Indonesia; Indonesia Climate Modelling and Policy Hub; Asian Development Bank Institute; Centre for Strategic and International Studies (CSIS); Decarbonisation for Development, Lab Hosted by CSIS Indonesia - Regional Cooperation for a Green Future: Asia-Pacific Action and Indonesia in Focus
Sandeep Tewari	• ICDM - Transparency Matters: A Director's Approach to Handling Conflict of Interest • ICDM - Boardroom Radar: Emerging Risks, Opportunities & Global Disruption

Corporate Governance Overview Statement (continued)

Name of Directors	Description of Training Programs, Seminars, Briefings etc
Senthilathiban A/L Thirunilakantan	• ICDM - Transparency Matters: A Director's Approach to Handling Conflict of Interest • ICDM - Boardroom Radar: Emerging Risks, Opportunities & Global Disruption
Datin Suryani binti Ahmad Sarji	• MIA - Auditing Related Party Transactions • ICDM - Transparency Matters: A Director's Approach to Handling Conflict of Interest • MIA - Financial Fraud & Forensics Conference 2025 • ABS - Governance of Generative AI • ICDM - The Do's & Don'ts of KPIs & Performance Monitoring - From the Board's Lens by ICDM. Physical • PNB - Fireside Chat PNB. What do Chief Executive Officers need from boards • MIA - Spotting Key Red Flags in Financial Statements • ABS - Sustainable Finance • Star BigTech - Cybersecurity Summit 2025 • ICDM - Boardroom Radar: Emerging Risks, Opportunities & Global Disruption • MST - Cybersecurity Awareness - Data Privacy • ABS - Strategic approach to cyber resilience & compliance for BOD • ABS - Economic Indicators & Monetary Policy: A guide for Business Leaders • Climate Governance Malaysia - Loss, Damage and adaptation in ASEAN • KPMG - Anti Money Laundering • PNB - Knowledge Forum – Transformation • PNB - Fireside Chat - From Governance to Performance Translating Stewardship • Securities Commission Malaysia - Audit Oversight Board with Audit Committees

Directors' Remuneration
The determination of the remuneration of the Directors is a matter of the Board as a whole. The remuneration payable to Non-Executive Directors who are not employed by the DKSH Group of Companies is proposed by the Board and is subject to shareholders' approval at the Annual General Meeting of the Company. The remuneration shall be commensurate with the experience, expertise and responsibilities undertaken and role played by the individual Director concerned.

The Nominating Committee and Remuneration Committee of the Company were established by the Board in February 2013 and February 2020 respectively. To improve its efficiency and effectiveness in discharging the Board's duties, the Nominating Committee and Remuneration Committee have subsequently been merged and streamlined into a single Nomination and Remuneration Committee with effect from February 2020.

As the Company is indirectly majority-owned by DKSH Holding Ltd., the remuneration of the Executive Directors is based on DKSH Holding Ltd.'s own world-wide remuneration policy and procedures which are set in line with international standards. The Executive Directors' remuneration is established by evaluating the scope of their functions within the context of the Malaysian market, and the responsibilities and skills required to perform their roles successfully subject to the annual internal performance review.

In addition, the remuneration of the Executive Directors is also directly linked to the achievement of actual financial results and financial key performance indicators of the Group.

Details of Directors remuneration (both Executive and Non-Executive) is shown under Note 6 of the Company's audited financial statements for the financial year ended December 31, 2025, on pages 156 to 157 of this Annual Report.

For financial year ended December 31, 2025, the disclosure of the remuneration for the Directors are as follows:

Corporate Governance Overview Statement (continued)

Group

	Executive Director (RM'000)	Non-Executive Director (RM'000)	Total (RM'000)
Fees	-	-	-
Salaries	1,389	-	1,389
Bonuses	446	-	446
Benefits-in-kind	-	-	-
Others	615	-	615

Note: Others include Employees Provident Fund ("EPF")

	Number of Directors	
Directors' Remuneration	**Executive Director**	**Non-Executive Director**
RM500,000 and below	-	-
RM500,001 – RM1,000,000	1	-
RM1,000,001 – RM1,500,000	-	-
RM1,500,001 – RM2,000,000	1	-
RM2,000,000 & above	-	-

Company

	Executive Director (RM'000)	Non-Executive Director (RM'000)	Total (RM'000)
Fees	-	202	202
Salaries	-	-	-
Bonuses	-	-	-
Benefits-in-kind	-	-	-
Others	-	-	-

Note: Others include Employees Provident Fund ("EPF")

	Number of Directors	
Directors' Remuneration	**Executive Director**	**Non-Executive Director**
RM50,000 and below	-	1
RM50,001 – RM100,000	-	2
RM100,001 – RM150,000	-	-
RM450,001 – RM500,000	-	-

Corporate Governance Overview Statement (continued)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

(1) Audit Committee

Audit Committee of the Company

The Audit Committee of the Company was established by the Board in September 1994 and comprises solely of Independent Non-Executive Directors (including the Committee Chairman).

As at the date of this Statement, the Chairman of the Audit Committee is Mr. Richard Lai Tak Loi, while Dr. Leong Yuen Yoong and Datin Suryani binti Ahmad Sarji are the members of the Audit Committee.

The Audit Committee has met the requirements of Listing Requirements of Bursa Securities on the requisite qualification prescribed by Bursa Malaysia Securities Berhad on Audit Committee.

The Audit Committee engages on a continuous basis with the senior management of the Company, as well as the internal and external auditors.

In line with Practice 9.2 of the MCCG, the Terms of Reference of the Audit Committee also include a requirement for a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.

During FY 2025, the Audit Committee met four (4) times. Details of the activities undertaken by the Audit Committee during the financial year under review and the summary of duties and responsibilities as outlined in the Audit Committee's approved by the Board are set out in the Audit Committee Report on pages 120 to 122 of this Annual Report. The terms of reference of the Audit Committee, which was last revised in November 2023, is available on the Company's website at www.dksh.com.my

Financial Reporting

The Board is responsible for ensuring that the financial statements present a true and fair view of the state of the affairs of the Company and the Group.

The Board, assisted by the Audit Committee, oversees the Group's financial reporting process, compliance with applicable accounting standards and the quality of its financial reporting. Based on the Audit Committee's recommendation, the Board approves the quarterly and annual financial statements of the Group for disclosure to the shareholders and the regulatory authorities.

The Statement of Directors' Responsibility in respect of the Audited Financial Statements for the year ended 2025 is set out on page 127 of this Annual Report.

Relationship With the Auditors

Through the Audit Committee, the Board maintains a formal and professional relationship with the internal and external auditors and ensures the Company has transparent procedures with the auditors in line with the auditors' professional requirements. The role of the Audit Committee in relation to both auditors is described in the terms of reference of the Audit Committee which is available on the Company's website.

The Audit Committee reviews and discusses with the external auditors any issues arising from the interim and final audits, audit plans, audit findings and other matters of concern. The Audit Committee members meet with the external auditors at least twice a year without the presence of the Executive Directors and Management.

For the financial year under review, the external auditors confirmed that they are and have been independent throughout the conduct of the audit engagement. The Audit Committee makes its own annual assessment of their suitability and independence in connection with the recommendation to retain them as auditors and also ensures that provisions of other non-audit services rendered by them is not in conflict with their audit function.

The Audit Committee is satisfied that the objectivity and independence of the external auditors are not in any way impaired by reasons of the non-audit services provided to the Group.

(2) Risk Management and Internal Control Framework

Risk Management and Internal Controls

The Board maintains a sound risk management framework and internal control system to safeguard shareholders' investment and the Group's assets. The Board recognizes its overall responsibility for the Group's internal control system and its effectiveness including reviewing its adequacy and integrity. The internal and external auditors support the Board in exercising its supervisory and control functions.

The Board is mindful of its responsibility to identify principal risks and ensure that appropriate risk management and internal control measures are in place.

In support of this, risk management guidelines, control measures, and processes have been established in line with the risk management framework and best market practices to promote effective risk management and strengthen the corporate governance assurance process.

Corporate Governance Overview Statement (continued)

The Group adopts a balanced and pragmatic risk management approach in achieving its objectives. An overview of the state of risk management and internal controls of the Group is set out in the Statement on Risk Management and Internal Control on pages 117 to 119 of this Annual Report.

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

(1) Communication With Stakeholders

Shareholder Communication and Investor Relations

The Company acknowledges the need for shareholders to be informed of all material business matters affecting the Company. The Company observes a corporate disclosure policy in accordance with Bursa Securities's Corporate Disclosure Guide and has in place appropriate corporate communications policies and procedures when liaising with shareholders and investors to ensure dissemination of information that is factual, accurate and clear in a timely manner.

The Company actively engages all its stakeholders through various platforms including the announcements via BursaLINK, disclosures on the Company's website and engagement through the investor relations activities. In addition to various announcements made during the year, the timely release of quarterly financial results provides shareholders and the investing public with an overview of the Group's performance and operations. Shareholders and the investing public may also obtain the up-to-date information and activities of the Company and/or the Group, corporate announcements, quarterly results and annual reports by accessing the Company's website at www.dksh.com.my. The Company maintains and ensures that its website is current, informative and contains information relevant to all shareholders.

The Company believes that the AGM is the principal platform of communication with shareholders of the Company for better appreciation of the Company's objectives and challenges. The Board encourages shareholders' participation during question and answer sessions at the AGM and provides sufficient opportunity for shareholders to communicate their expectations and concerns. The external auditors are invited to the meeting to provide their professional and independent view to shareholders on the conduct of the statutory audit and the preparation and content of their audit report, if required.

The Group's Investor Relations function plays an important role in providing proactive engagements and communication with shareholders and investors. The Company conducts regular investor relations meetings post announcement of results and welcomes the visit of investors for dialogue or discussions on the performance of the Group. The Non-Independent Non-Executive Chairman is available for such meetings to address queries or issues regarding the Company and/or the Group may be conveyed to him. During the financial year under review, five (5) investor relations meetings were held.

(2) Conduct of General Meetings

Notice of Annual General Meeting

In accordance with the Constitution of the Company, a notice to convene the AGM is issued by the Board. Pursuant to Practice 13.1 of the MCCG, notice is given at least twenty-eight (28) days prior to the meeting.

The Board had on April 15, 2025, issued its Notice of Thirty-Third AGM of the Company ("33rd AGM") at least twenty eight (28) days before the date of the meeting i.e. May 14, 2025, in compliance with Practice 13.1 of the MCCG.

Attendance of Directors at General Meetings

All Board members attended the AGM of the Company, which was held physically on May 14, 2025, and provided responses to the shareholders on the key matters raised during the Meeting. Mr Oh Sae Ung, the Non-Independent Non-Executive Chairman together with Mr Senthilathiban A/L Thirunilakantan, Non-Independent Executive Director, presented a short review of the Company's performance for 2024 and key initiatives for 2025 to the shareholder on operations highlights, financial snapshot and growth strategies.

Poll Voting

The Company had conducted the poll voting electronically for all resolutions set out in the Notice of 33rd AGM held on April 15, 2025. The Company has appointed an independent scrutineer to validate the votes cast at the 33rd AGM. The poll results were announced by the Company to the Bursa Securities on the same day.

Compliance Statement

The Board is satisfied that the Company had observed good governance practices and in all, complied with the principles and practices of the MCCG.

This statement is made in accordance with Board's approval on April 10, 2026..

Statement on Risk Management and Internal Control

The Board of Directors ("the Board") is committed to a sound system of risk management and internal controls. These have and always will be an essential success factor for the Group and are an integral part of our organization's culture. The Board is therefore pleased to present its Statement on Risk Management and Internal Control for the financial year ended December 31, 2025, which has been prepared pursuant to Paragraph 15.26 (b) of the Main Listing Requirements of Bursa Malaysia Securities Berhad and as guided by the Malaysian Code on Corporate Governance and the Statement on Risk Management and Internal Control; Guidelines for Directors of Listed Issuers. This statement outlines the nature and state of internal control of the Group (comprising the Company and its subsidiaries) during the financial year.

Board's responsibility
The Board is responsible for the adequacy and effectiveness of the Group's risk management processes and internal control system to protect the assets of the Group and to safeguard shareholders' investments. Risk management and internal controls are embedded in the Group's management systems which range from the business planning processes, the management of client relationships, to the execution of the Group's daily business affairs.

The Group's system of internal controls is designed to manage and control risks within an acceptable risk appetite, rather than to eliminate risks altogether. Due to the inherent limitations of internal controls, the system can only provide reasonable but not absolute assurance against material misstatements, losses or fraud.

Management assists the Board in implementing and continuously fostering the risk management and internal control system of the Group. Management has therefore established a regular risk review and a Group risk register, as well as a documented Internal Control system, which is subject to review. Management also regularly evaluates and identifies the key risks and establishes action plans to further improve controls and reduce risks.

Enterprise Risk Management
The Board recognizes that risk management is an integral part of the Group's business objectives and is critical for the Group to achieve continued profitability and sustainable growth in shareholders' value. In pursuing these objectives, the Group has in place a risk management framework to promote effective risk management and enhance the corporate governance assurance process.

To further strengthen the risk management of the Group, the Board has set up an Enterprise Risk Management ("ERM") Committee in February 2020 which reports directly to the Country Leadership Team, which consists of the members of senior management of the Group and subsequently to the Audit Committee, with the primary responsibility of ensuring the effective functioning of the risk management framework.

The ERM Committee has developed a risk assessment template, whereby the current year actual incidences and impacts for the respective risks identified are recorded for review and mitigating actions are established.

The ERM Committee meeting is held every quarter to identify, assess, evaluate and manage risks of the Group. Principal risks are identified and appropriate risk mitigations are planned for implementation. These are reviewed on quarterly basis to ensure ongoing effectiveness, adequacy and integrity. Enhancements are made in line with the Board's commitment to improve the Group's governance, risk management and internal control framework, and practicing effective control culture and environment for the Group's business operations. The on-going ERM exercise is presented quarterly to the Audit Committee for the Board to be updated on the risk management.

The Group's risk management framework encompasses the following key elements:

(i) Risk register: The Group regularly reviews its risk management system and the related risk registers which is guided by the ISO 31000 – Risk Management Principles and guidelines. This risk management system includes significant strategic, operational, financial and compliance risks, as well as clearly defined action plans. The Board was briefed by Management on the Risk Register 2025 and on the regular risk reviews conducted by Management;
(ii) Treasury: The Treasury department follows strictly the DKSH Corporate Treasury policy. The Group executes a conservative financial risk policy and hedges significant foreign exchange risks pertaining to the accounts payables; and
(iii) Insurance: The Group consciously covers and transfers certain risks exposure by securing adequate insurance coverage based on the Group's guidelines provided in the Group Policy on Risk and Insurance.

Internal control system
The following internal control components have been embedded to assist the Board to maintain a sound system of internal controls in the Group:

(i) Internal Control System ("ICS"): The Group maintains a formally documented ICS which focuses on the most critical financial reporting and operational risks. The ICS has been in place for more than ten (10) years and has since its beginning undergone regular reviews and testing by Management, whilst risks relevant to financial reporting have been reviewed and assessed by external auditors. Management further provides assurance on the adequacy and effectiveness of the internal control system through annual Management Certifications.;

Statement on Risk Management and Internal Control (continued)

(ii) Policies and procedures: The Group has put in place various formally documented policies and procedures and they are implemented throughout the Group. These policies and procedures are subject to periodic reviews, updates and continuous improvements to reflect the changing risks and operational needs;

(iii) Tone at the top: The Group's management team actively enforces good governance and internal controls and further instils a culture of risk management and zero tolerance for fraud; All Board members serving more than 6 months have completed DKSH Anti-Bribery and Anti-Corruption training;

(iv) Code of Conduct ("CoC"): The CoC was updated in 2024. This policy complements our corporate values and sets overall standards for ethical and compliant behavior in all business dealings by employees and appointed third parties (further guided by the Business Partner's Code of Conduct). To foster understanding and compliance with the CoC, it is compulsory for all employees to complete the CoC New Hire e-learning module launched in March 2016 and obtain a certification. In 2020, a CoC refresher course was rolled-out to all employees and was successfully completed by all employees. The CoC is also an integral part of the induction programs for new employees;

(v) Anti-Bribery and Anti-Corruption Policy ("ABAC"): This policy which was reviewed and updated in 2021 by the Board of Directors, supplements the Group's CoC and outlines a clear zero tolerance policy for bribery and corruption. It sets out the anti-bribery and corruption controls and procedures which are adopted to prevent and mitigate the Group's bribery risks. It is compulsory for new employees to complete the ABAC training module and obtain a certification. A refresher training for a targeted group of employees as selected by the Group's Governance, Risk and Compliance Function was conducted and 100% of selected employees had completed the refresher course;

(vi) Limits of Authority ("LOA"): LOA which provides clarity on authorities assigned at Corporate, Business Unit, as well as country level was updated in 2022 and is reviewed periodically to cater for the changing business environment in which the Group operates;

(vii) Fraud and Compliance Incidents Reporting and Investigations (IRI): In line with the Group's IRI policy which was established in 2024, the Audit Committee and the management team review all fraud cases and ensures that the Group's zero fraud tolerance policy is adhered to. Formal reports are issued on all fraud cases and a fraud logbook is maintained to record and monitor recuperation strategy, efforts and successes including any sanction or legal action taken;

(viii) Fraud/Non-Compliance Reporting: The Group has made available in 2016, a fraud/non-compliance platform for fraud/non-compliance related matters to be reported by employees and others. Genuine and legitimate concerns can be raised via e-mail to myethics@dksh.com and/or my.compliance@dksh.com. In 2020, DKSH Holding Ltd. launched the new "Integrity Line" for the employees and external stakeholders to report any potential misconduct at https://dksh.integrityline.org/;

(ix) Whistleblower Policy and Procedures: Since 2019, the Group has demarcated the direct reporting channels to serve as a platform for all employees and external parties to raise legitimate concerns about illegal, unethical or otherwise inappropriate behavior observed in the course of our business. These include questionable accounting, fraud or employee misconduct. The policy assures whistleblowers protection from reprisals and handled with confidential safeguards, if reports are made in good faith or are not malicious;

(x) Insider Trading Policy: The Group has established measures to eliminate trading of shares during blocked periods and for persons with insider knowledge. The policy was last reviewed in May 2025;

(xi) Financial Reporting: The monthly and year-end financial reports are provided to Management, business managers and Finance department for review and discussion;

(xii) Credit Control: Formalized credit control procedures are in place and reviewed regularly;

(xiii) Inventory Management: Stringent controls are in place for inventories, which are further subject to regular cycle counts and stock takes;

(xiv) System access rights: Regular reviews of system access rights and segregation of duties have been carried out to strengthen internal controls;

(xv) Internal Audit: The Internal Audit Department, which has been in place since the Company's listing on Bursa Malaysia in 1994, continues to independently review key business processes, risks and evaluate compliance with policies and procedures as well as assess the adequacy and effectiveness of internal controls. Findings and corrective measures are regularly reported to the Audit Committee. The modus operandi of Internal Audit is further explained on pages 120 to 122 of this Annual Report;

Statement on Risk Management and Internal Control (continued)

(xvi) Governance, Risk and Compliance ("GRC"): The GRC Department is a central contact point for all matters relating to the Company's Governance, Risk Management and Ethics and Compliance initiatives. The GRC department reports all Compliance updates to the Country Compliance Committee, a subset of the Country Leadership Team; and

(xvii) Organization Structure: The Board provides direction and oversight to the Group and Management and is supported by established Board Committees, namely the Audit Committee and the Nomination Committee. Each Committee has clearly defined terms of reference. Responsibility for implementing the Group's strategies, operation and day-to-day businesses is delegated to the Management. The organization structure sets out clear segregation of roles and responsibilities, lines of accountability and limits of authority to ensure effective and independent stewardship.

Other Elements of the Group's Risk Management and Internal Control Processes

(i) Business Continuity Planning: A formalized business continuity plan is established; and

(ii) Enterprise Resource Planning System: All operating units of the Group run on a standardized and integrated SAP platform with system integrated controls.

Review of This Statement by External Auditors

Pursuant to Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the 2025 Annual Report, and have reported to the Board that nothing has come to their attention that causes them to believe that the statement is not prepared, in all material aspects, in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers, nor is the statement factually inaccurate.

Conclusion

For the year under review, and up to the date of approval of this statement, the Board considers the risk management framework and internal control system throughout the Group as sound and adequate to safeguard the shareholders' investment, stakeholders' interest and the Group's assets. The Board is satisfied that various initiatives and reviews undertaken in 2025 have further strengthened the effectiveness of the risk management processes and the internal control environment of the Group. There were no significant control failures or weaknesses that would result in material misstatements, losses or fraud.

The Board has received assurance from the Senior Director, Country Finance Malaysia & Brunei who is primarily responsible for the financial management of the Group that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, during the year under review and up to the date of approval of this statement.

The Board together with Management will continuously assess the suitability, adequacy and effectiveness of the Group's system of risk management and internal controls and will take corrective measures to enhance the system, as and when necessary.

This statement is made in respect of the financial year ended December 31, 2025, and in accordance with the Board's approval on April 10, 2026.

Audit Committee Report

The Audit Committee of DKSH Holdings (Malaysia) Berhad is pleased to present the Audit Committee Report for the financial year ended December 31, 2025 ("FY 2025") in compliance with Paragraph 15.15 of the Main LR of Bursa Malaysia.

The Audit Committee comprises three (3) Independent Non-Executive Directors. The Chairman of the Audit Committee is Richard Lai Tak Loi, who was appointed by the Board as a member of the Audit Committee and assumed the role of Chairman on November 4, 2022. This complies with Paragraph 15.09 (1) of the Main LR of Bursa Malaysia. All members are financially literate and have over 20 years of business experience in various management, finance, and audit functions.

The Audit Committee of DKSH Holdings (Malaysia) Berhad was established by the Board of Directors (the "Board") in September 1994. In performing their duties and discharging their responsibilities, the Audit Committee is guided by its terms of reference. The Audit Committee's Terms of Reference is available at the Company's website at www.dksh.com.my.

Composition and Meetings

As a standing practice, all other Directors (including the Senior Director, Country Finance Malaysia & Brunei, who is also a director) were invited to attend all Audit Committee Meetings (except private sessions). The Non-Independent Executive Director and Senior Director, Country Finance Malaysia & Brunei facilitates the presentation as well as provides clarification on audit issues arising from the Group's operation. The Head of the Internal Audit Department was invited to attend the Audit Committee Meetings to table their Internal Audit reports. A total of four (4) Audit Committee Meetings were held during the financial year. The details of attendance of each Audit Committee member at the Committee's meetings held during the financial year 2025 are set out below:

Audit Committee: Composition and Attendance at the Audit Committee Meetings Held in 2025

Name	Status	No. of meetings attended
Richard Lai Tak Loi	Chairman, Independent Non-Executive Director	4 out of 4 meetings
Dr. Leong Yuen Yoong	Member, Independent Non-Executive Director	4 out of 4 meetings
Datin Suryani binti Ahmad Sarji	Member, Independent Non-Executive Director	4 out of 4 meetings

For FY 2025, the External Auditors attended two (2) Audit Committee meetings during the financial year. At the meetings, the Audit Committee had separate private sessions with the External Auditors without the presence of any Executive Director and Management of the Company to discuss relevant audit issues and obtain feedback.

The company secretaries recorded the minutes of the Audit Committee Meetings, tabled them for confirmation at the following Audit Committee Meeting, and subsequently presented them to the Board for notation. The Audit Committee Chairman conveyed to the Board issues of significant concern raised by the Audit Committee, Internal Auditors, and/or External Auditors.

Online Assessment of Term of Office and Performance

The Company has developed its online Audit Committee members' self and peer assessment survey, which the Audit Committee members duly completed. Upon review, the Nomination and Remuneration Committee noted the Audit Committee and its members have carried out their duties in accordance with the Terms of Reference of the Audit Committee, thereby complying with Paragraph 15.20 of the Main LR of Bursa Malaysia.

Summary of the Work of the Audit Committee in 2025

In 2025, the Audit Committee has undertaken additional responsibilities and oversight during the financial year in relation to the Selective Capital Reduction and Repayment Exercise pursuant to Section 116 of the Companies Act, 2016, including reviewing, assessing and ensuring that the process was carried out in compliance with the applicable regulatory requirements and in the best interest of the Company.

The Audit Committee worked with Management, internal auditors and external auditors to conduct its activities as required under its Terms of Reference of the Audit Committee. The following is a summary of the main activities carried out by the Committee during FY 2025:

(i) Reviewed and recommended to the Board for approval the quarterly financial results and annual audited financial statements, focusing particularly on:

Audit Committee Report (continued)

a) The overall performance of the Group;
b) The prospects for the Group;
c) The changes and implementation of major accounting policies and practices; and
d) Compliance with accounting standards and other legal requirements.

(ii) Reviewed the significant assumptions made in preparing the financial statements, including accounting estimates that have been identified as having high estimation uncertainty;
(iii) Reviewed the results of the interim and final audit by the External Auditors and the resolution of issues or areas of concern highlighted in their report;
(iv) Reviewed the independence, objectivity and effectiveness of the External Auditors and the services provided;
(v) Conducted the annual assessment on the suitability and independence of the External Auditors and received written assurance from the External Auditors confirming that they were and have been independent throughout the conduct of their audit engagement in accordance with all relevant professional and regulatory requirements;
(vi) Reviewed with the External Auditors on the scope of work, audit plan and fees for the statutory audit for the financial year 2025 and thereafter recommended to the Board;
(vii) Assessment of the adequacy and effectiveness of the system of internal controls, reporting and risk management along with its risk profile, risk levels and action plans;
(viii) Assessment of the adequacy and performance of the Internal Audit Function;
(ix) Reviewed and approved the annual internal audit plan, scope of work and adequacy of its resources and monitoring of the audit plan;
(x) Reviewed the internal audit reports and the work performed by Internal Audit, including audit findings, proposed action plans and status updates of internal audit recommendations;
(xi) Received the quarterly updates on investigations into fraud and ethics cases reported;
(xii) Received the quarterly updates of new/amended accounting standards relevant to the Company;
(xiii) Reviewed the results of ad-hoc investigation audits performed by Internal Audit and the corrective actions taken;
(xiv) Reviewed and recommended to the Board for approval the renewal of the 2026 Shareholders' Mandate for recurrent related party transactions of a revenue and trading nature entered with DKSH Holding Ltd and/or its subsidiaries;
(xv) Received the quarterly updates on the actual value of recurrent related party transactions of a revenue and trading nature entered into by the Company and its subsidiaries and compliance with the authority granted pursuant to the 2024/2025 Shareholders' Mandate obtained for recurrent related party transactions;
(xvi) Reviewed and recommended to the Board for the approval of the Audit Committee Report and the Statement on Risk Management and Internal Control for inclusion in the Company's 2025 Annual Report; and
(xvii) Reviewed and recommended to the Board for approval the revised Terms of Reference of the Audit Committee as follows:-

a) Clarifying the composition of the Audit Committee.
b) Inclusion of the functions of the Audit Committee to review conflict of interest situations following the amendments to the Main LR of Bursa Malaysia, which took effect on July 1, 2023.
c) Enhancement of procedures and meetings of the Audit Committee.

(xviii) During the financial year, the Audit Committee reviewed and assessed the proposed Selective Capital Reduction and Repayment pursuant to Section 116 of the Companies Act 2016, and that the exercise was undertaken in compliance with the applicable regulatory requirements and in the best interest of the Company.

There were no restrictions of resources or information to the Audit Committee that would have impaired the effective execution of the Audit Committee's responsibilities. Throughout the financial year, the Chairman of the Audit Committee has been in continuous contact with senior management, as well as the internal and External Auditors.

Summary of the Work of the Internal Audit Function

The Audit Committee is supported by the in-house internal audit department in discharging its duties and responsibilities. The Internal Audit Function, which is independent, undertakes regular, objective and systematic review of the Group's system of internal controls, risk management and governance processes to provide reasonable assurance that the system continues to operate satisfactorily and effectively within the Group. The Head of Internal Audit role is currently helmed by a Senior Manager and supported by a manager and one Assistant Manager. The Internal Audit Function reports directly and regularly to the Chairman of the Audit Committee, and a private meeting without the Management is held at four times a year with the Audit Committee members.

Audit Committee Report (continued)

The Internal Audit Charter describes the objective, authority, and responsibility of the Internal Audit Department, as well as the nature of assurance and consultancy activities provided by the Function.

The annual internal audit plan is reviewed and approved by the Audit Committee prior to the commencement of the audits. The audit plan is formulated based on internal audit's risk assessment of the audit universe, which is then sense-checked against focus risks identified in the Group Risk Profile prepared by the Risk Management Department. The audit approach is to focus on high-risk business processes and to assess the effectiveness of internal controls therein.

The Management and Audit Committee are presented with audit updates, which include significant findings regarding non-compliance and process improvements, along with root causes and overall audit conclusions. Measures and agreed actions by management to address the highlighted improvement areas are followed up and reviewed on a quarterly basis.

As a subsidiary of DKSH Holding Ltd., the Internal Audit Department receives regular support, training and resources from the Global Internal Audit team, which is based in Singapore. In the year under review, Internal Audit has continued its collaborative efforts with the Global Internal Audit team. This has benefited audits and audit coverage and the transfer of knowledge and best practices from other DKSH worldwide operations into Malaysian operations.

The internal audit activities carried out during the year encompassed the following:

(i) Operational, financial and compliance audits, as well as fraud investigations;
(ii) Collaboration with auditors from the Global Internal Audit team on selected areas;
(iii) Follow-up on implementation of recommendations and/or corrective actions by Management in addressing issues based on the audit findings; and
(iv) Performing ad-hoc consultation and operational reviews as requested by the Audit Committee and/or Management.

The Audit Committee has assessed the adequacy and performance of the Internal Auditors for FY 2025 based on the following main criteria:

(i) Qualification;
(ii) Understanding;
(iii) Charter and Structure;
(iv) Skills and experiences;
(v) Communication;
(vi) Internal Audit Function; and
(vii) Performance.

All Internal Auditors have relevant audit background and experience. The total costs incurred for the Internal Audit function in respect of the financial year ended December 31, 2025, was RM 607,768 (2024: RM 571,128), comprising mainly salaries, travelling, training and operational expenses.

This Audit Committee Report is made in accordance with the Resolution of the Board of Directors passed on April 10, 2026.

Additional Compliance Information

Utilisation of Proceeds
During the financial year, no proceeds were raised by the Company from any corporate proposal.

Share Buybacks
The Company did not undertake any share buy-back exercise during the financial year.

Recurrent Related Party Transactions of a revenue or trading nature ("RRPTs")
At the last Annual General Meeting of the Company held on May 14, 2025, the Company had obtained approval from shareholders to allow the Group to enter into RRPTs as specified in the Circular to Shareholders of the Company dated April 15, 2025.

In accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, the details of RRPTs conducted during the financial year 2025 pursuant to the aforesaid shareholders' mandate are set out in the table below:

	Nature of RRPTs	Transacting parties with whom DKSH Group Transact(s)	Interested Related Parties (as defined hereinunder)*	Amount Transacted During the Financial Year 2025 RM'000
(i)	Hosting and support of system applications, data processing applications, provision of infrastructure and support facilities, provision of IT, organizational consultancy and outsourced accounting services by the transacting party to DKSH Group	DKSH Corporate Shared Services Center Sdn. Bhd. ("CSSC")	DKSH Resources [1] DKSH Asia [2] DKSH Holding Ltd. [3] OSU [4] ST [5] STAT [6]	41,451
(ii)	Sale of goods by DKSH Group to transacting parties	DKSH Holding Ltd. and its subsidiaries	DKSH Resources [1] DKSH Asia [2] DKSH Holding Ltd. [3] OSU [4] ST [5] STAT [6]	36,904
(iii)	Provision of distribution and logistics services by DKSH Group to transacting parties	DKSH Holding Ltd. and its subsidiaries	DKSH Resources [1] DKSH Asia [2] DKSH Holding Ltd. [3] OSU [4] ST [5] STAT [6]	7,187

***Notes:**

1) DKSH Resources (Malaysia) Sdn. Bhd. ("DKSH Resources") is a major shareholder of DKSH Holdings (Malaysia) Berhad ("DHMB") (74.31% direct interest as at March 31, 2026) and a wholly-owned subsidiary of DKSH Asia.
2) DKSH Holdings (Asia) Sdn. Bhd. ("DKSH Asia") is the holding company of DKSH Resources and a wholly-owned subsidiary of DKSH Holding Ltd.
3) DKSH Holding Ltd. is the holding company of DKSH Asia and the ultimate holding company of DKSH Resources.
4) Oh Sae Ung ("OSU") is a Non-Independent Non-Executive Chairman and is a person connected with DKSH Holding Ltd.
5) Sandeep Tewari ("ST") is a Non-Independent Executive Director. ST is a person connected with DKSH Holding Ltd.
6) Senthilathiban a/l Thirunilakantan ("STAT") is a Non-Independent Executive Director. STAT is a person connected with DKSH Holding Ltd.

Additional Compliance Information (continued)

Audit and Non-Audit Fees
The amount of audit fees and non-audit fees paid or payable to the Company's External Auditors by the Group and the Company for financial year 2025 are as follows:

	Group (RM)	Company (RM)
Audit services rendered	1,668,000	295,310
Non-Audit services rendered • Report on Directors' Statement on Risk Management and Internal Control	8,000	8,000
Total	1,676,000	303,310

Material Contracts and Contracts relating to loan
None of the Directors and/or major shareholders has any material contract with the Company and/or its subsidiaries either still subsisting at the end of the financial year ended December 31, 2025, or entered into since the end of the previous financial year.

Directors' Training and Education
The Directors attended numerous trainings during the financial year ended December 31, 2025, and the details of trainings are disclosed in the Statement on Corporate Governance on page 111 to 113 of this Annual Report.

Share issuance scheme for employees
The Group did not offer any share scheme for employees during the financial year ended December 31, 2025.

List of Properties
The Group did not own any properties as at December 31, 2025.

Additional Compliance Information (continued)

Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

	Group	
	2025	2024
Total Income	RM'000	RM'000
Revenue	8,620,044	7,943,356
Other income	18,013	11,644
Total	8,638,057	7,955,000
Total Assets	3,738,414	3,480,725

(b) Business Activities

	Group	
	2025	2024
Shariah Non-Compliant Activities	RM'000	RM'000
Liquor and liquor-related activities	53,118	49,904
Animal feeds and veterinary products related for pigs and dogs	52,024	55,430
Over-the-counter and consumer health	766,718	774,125
Total	871,860	879,459

(c) Component of Financial Position

(i) Cash Component

	Group	
	2025	2024
Islamic Account/Instruments	RM'000	RM'000
Cash and bank balances (exclude cash in hand)	-	-
Total	-	-

	Group	
	2025	2024
Conventional Account/Instruments	RM'000	RM'000
Cash and bank balances (exclude cash in hand)	17,991	93,521
Total	17,991	93,521

Additional Compliance Information (continued)

(ii) Debt Component

Islamic Financing	Group 2025 RM'000	2024 RM'000
Current	-	-
Non-Current	-	-
Total	-	-

Conventional Borrowing	Group 2025 RM'000	2024 RM'000
Current		
Revolving credits	-	453,000
Term loans	-	85,000
Bank overdraft	65,621	-
Advances from holding company	85,555	-
Non-Current		
Medium term notes	298,926	-
Advances from holding company	290	11,985
Total	450,392	549,985

Statement of Directors' Responsibility

In Respect of the Audited Financial Statements

The Directors are required by the Companies Act 2016 ("CA") to prepare the financial statements for each financial year which have been made out in accordance with the applicable MFRS Accounting Standards ("MFRSs"), IFRS Accounting Standards ("IFRSs"), the requirements of the CA in Malaysia, and the Main Market Listing Requirements.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements, the Directors have:

- Adopted appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent; and
- Prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Companies Act 2016.

The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

This Statement on Directors' Responsibility is made in accordance with a resolution of the Board of Directors passed on April 10, 2026.

Directors' Report

The Directors wishes to present their report together with the audited financial statements of the Group and of the Company for the financial year ended December 31, 2025.

Principal Activities
The Company is principally an investment holding company. The principal activities of the Group are the provisioning of Market Expansion Services, which range from marketing, to providing sales force, distribution and logistics, invoicing and credit control, handling of inventory and returned goods and other value added services. These services are provided to consumer goods and healthcare clients. The Group also operates retail outlets selling Famous Amos cookies, manufacturing and supplying of butter and margarine, and related bakery, confectionery and dairy products.

Other information relating to the subsidiaries are disclosed in Note 13 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit net of tax	155,505	62,767
Profit attributable to owners of the parent	155,505	62,767

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

Dividends
The amount of dividend paid by the Company since December 31, 2024 was as follows:

	RM'000
In respect of the financial year ended December 31, 2024:	
• a final single tier dividend of 19.0 sen per share, on 157,658,076 ordinary shares was paid on July 31, 2025	29,955

The Directors do not recommend the payment of any dividend in respect of the financial year ended December 31, 2025.

Directors
The names of the Directors of the Company in office since the beginning of the financial year to the date of this report are:

Oh Sae Ung
Dr. Leong Yuen Yoong
Richard Lai Tak Loi
Datin Suryani Binti Ahmad Sarji
Sandeep Tewari*
Senthilathiban Thirunilakantan*

* These Directors are also Directors of the Company's subsidiaries.

Directors' Report (continued)

Directors (continued)
The names of the Directors of the subsidiaries in office since the beginning of the financial year to the date of this report (not including those Directors listed above) are:

Ooi Eng Keong
Gertrude Ting Hie Yieng
Thamayenthi Narayanan
Liew Mei Ling
Chan Choon Moy
Ghiraiani Binti Haji Abdul Ghani
Lee Kok Mun
Jayanandhan Vasudevan
Daniel Schwalb
Michelle Lai Yap Fern (Appointed on July 16, 2025)
Gan Wen Nie (Resigned on July 16, 2025)

Share Capital
No shares were issued by the Company and no option has been granted to any person or party to acquire shares in the Company during the financial year.

Directors' Benefits
Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The details of remuneration received/receivable by the Directors of the Company for the financial year are as follows:

	Group RM'000	Company RM'000
Non-executive Directors:		
• fees		
Richard Lai Tak Loi	84	84
Datin Suryani binti Ahmad Sarji	50	50
Dr. Leong Yuen Yoong	68	68
Total remuneration		
• Non-executive Directors	202	202
Executive Directors:		
Senthilathiban Thirunilakantan		
• salaries	531	-
• bonuses	110	-
• defined contribution plan	101	-
• other employee benefits	110	-
	852	-

Directors' Report (continued)

Directors' Benefits (continued)

	Group RM'000	Company RM'000
Sandeep Tewari		
• salaries	858	-
• bonuses	336	-
• defined contribution plan	142	-
• other employee benefits	262	-
	1,598	-
Total remuneration		
• Executive Directors	2,450	-

Directors' Interests

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of Ordinary Shares			
	At 1.1.2025	Acquired/ Option Exercised	Disposed	At 31.12.2025
Ultimate Holding Company DKSH Holding Ltd.				
Oh Sae Ung	2,526	2,526	-	5,082
Sandeep Tewari	-	205	-	205

	Number of Option Over Ordinary Shares			
	At 1.1.2025	Granted*	Exercised	At 31.12.2025
Ultimate Holding Company DKSH Holding Ltd.				
Oh Sae Ung	12,257	5,587	(2,556)	15,288
Sandeep Tewari	1,075	533	(205)	1,403
Senthilathiban Thirunilakantan	104	195	-	299

* Net of forfeiture, if any.

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

Holding Companies

The immediate and intermediate holding companies of the Company are DKSH Resources (Malaysia) Sdn. Bhd. and DKSH Holdings (Asia) Sdn. Bhd. respectively, both of which are incorporated in Malaysia. The ultimate holding company is DKSH Holding Ltd., a company incorporated in Switzerland and listed on the SIX Swiss Exchange.

Directors' Report (continued)

Indemnity and Insurance
During the financial year, the total amount of indemnity given to the Directors and officers of the Group and of the Company is limited to a maximum liability of RM22,000,000 in aggregate. The total amount of insurance premium paid for the financial year ended December 31, 2025 was RM13,531.

Significant Event During the Financial Year
Details of the significant event are disclosed in Note 33 to the financial statements.

Other Statutory Information
(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts; and
  (ii) to ensure that any current assets which were unlikely to realize their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realize.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:
  (i) it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) At the date of this report, there does not exist:
  (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the Directors:
  (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
  (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Directors' Report (continued)

Auditors and Auditors' Remuneration
The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT		
• statutory audits	1,626	295
• other services	8	8
Other auditors		
• statutory audits	42	-
	1,676	303

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board in accordance with a resolution of the Directors dated April 10, 2026.

Sandeep Tewari **Senthilathiban Thirunilakantan**

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Sandeep Tewari and Senthilathiban Thirunilakantan, being two of the Directors of DKSH Holdings (Malaysia) Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 138 to 192 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at December 31, 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated April 10, 2026.

Sandeep Tewari

Senthilathiban Thirunilakantan

Statutory declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Senthilathiban Thirunilakantan, being the Director primarily responsible for the financial management of DKSH Holdings (Malaysia) Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 138 to 192 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed Senthilathiban Thirunilakantan

at Kuala Lumpur, Wilayah Persekutuan
on April 10, 2026

Senthilathiban Thirunilakantan
(MIA 22746)

Before me,

Independent Auditors' Report

to the Members of DKSH Holdings (Malaysia) Berhad (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DKSH Holdings (Malaysia) Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 138 to 192.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. We have determined that there is no key audit matter to communicate in our report on the financial statements of the Company. The key audit matter for the audit of the financial statements of the Group is described below.

This matter was addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to the matter reported below. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

Revenue recognition

We draw your attention to Note 2.17 and Note 4 to the financial statements.

Total revenue for the Group for the financial year ended 31 December 2025 amounted to RM8.62 billion, which represents the most significant amount in the financial statements of the Group. Revenue is primarily generated from the sale of goods, totaling RM8.50 billion, driven by the sale of consumer goods and healthcare products.

In both Consumer Goods and Healthcare segments, the Group enters into contracts with its suppliers for the distribution of products which may also include procurement, marketing, sales, warehousing, logistics and collection services. For each distinctive arrangement, assessment is required on revenue earned from each contract with customer based on the five-step model of MFRS 15 Revenue from Contracts with Customers ("MFRS 15"). The assessment includes the point of revenue recognition in relation to the satisfaction of performance obligations, revenue cut off, estimation of the probability of return of damaged goods and principal versus agent considerations.

Independent Auditors' Report

to the Members of DKSH Holdings (Malaysia) Berhad (Incorporated in Malaysia) (continued)

Key audit matters (continued)

Revenue recognition (continued)

Our audit response
In addressing this area of focus, we have performed, amongst others, the following procedures:

a) We obtained an understanding of the recognition process including trade returns and issuance of credit note, and tested its relevant controls;
b) We involved our information technology ("IT") specialists to test in-scope IT general and application controls over the revenue recognition process;
c) We read and analyzed the contractual terms of the contracts with suppliers and arrangements with customers, on sampling basis, to evaluate management's assessment with regards to whether the Group is acting as a principal or an agent and determined the rights of customers in returning damaged and/or expired goods;
d) We performed a three-way correlation between receivables, revenue and cash and bank balances using data analytics, including cash anchor testing to determine if cash received relates to revenue; and
e) We performed cut-off procedures for revenue recognition in the relevant financial periods.

Information other than the financial statements and auditors' report thereon
The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements
The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report

to the Members of DKSH Holdings (Malaysia) Berhad (Incorporated in Malaysia) (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

to the Members of DKSH Holdings (Malaysia) Berhad (Incorporated in Malaysia) (continued)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 13 to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Chong Tse Heng
No. 03179/05/2027 J
Chartered Accountant

Kuala Lumpur, Malaysia
10 April 2026

Statements of Comprehensive Income

For the financial year ended December 31, 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	4	8,620,044	7,943,356	68,172	29,177
Changes in inventories of finished goods		145,477	214,161	-	-
Raw materials and packaging materials used and finished goods purchased		(7,847,511)	(7,307,829)	-	-
Other income		18,013	11,644	191	67
Staff costs	5	(330,489)	(302,388)	-	-
Warehousing and logistics expenses		(160,909)	(157,358)	-	-
Allowance for trade receivables		(540)	(3,522)	-	-
Rental expenses		(5,728)	(4,816)	-	-
Depreciation of property, plant and equipment		(11,734)	(10,450)	-	-
Depreciation of right-of-use assets		(36,271)	(37,295)	-	-
Amortization of intangible assets		(1,153)	(4,840)	-	-
Travelling and entertainment expenses		(15,936)	(15,017)	-	-
Information technology and communication expenses		(48,438)	(45,151)	-	-
Utilities, upkeep, repairs and maintenance costs		(23,786)	(24,264)	-	-
Office expenses		(4,642)	(3,618)	-	-
Other selling, advertising and promotional expenses		(24,255)	(29,092)	-	-
Other expenses		(37,146)	(35,207)	(1,398)	(1,425)
Finance costs	7	(28,145)	(25,684)	(4,198)	(4,389)
Profit Before Tax	8	206,851	162,630	62,767	23,430
Income tax expense	9	(51,346)	(39,506)	-	-
Profit Net of Tax		155,505	123,124	62,767	23,430
Other Comprehensive Loss					
Currency translation differences to be reclassified to profit or loss in subsequent periods		(4)	(8)	-	-
Other Comprehensive Loss for the Financial Year, Net of Tax		(4)	(8)	-	-
Total Comprehensive Income for the Financial Year		155,501	123,116	62,767	23,430
Profit attributable to owners of the parent		155,505	123,124	62,767	23,430
Total comprehensive income attributable to owners of the parent		155,501	123,116	62,767	23,430
Earnings per share attributable to owners of the parent • basic (sen)	10	98.63	78.10	-	-

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Financial Position

As at December 31, 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Assets					
Non-current Assets					
Property, plant and equipment	11	38,847	30,604	-	-
Intangible assets	12	360,123	360,337	-	-
Investments in subsidiaries	13	-	-	562,528	563,028
Deferred tax assets	14	13,571	13,030	-	-
Advances to subsidiaries	15	-	-	621	626
Right-of-use assets	26	95,962	106,962	-	-
		508,503	510,933	563,149	563,654
Current Assets					
Inventories	16	1,243,173	1,089,410	-	-
Right of return assets	17	6,939	6,324	-	-
Trade and other receivables	18	1,960,877	1,757,518	278	777
Advances to subsidiaries	15	-	-	126,043	32,725
Advances to holding company	15	-	21,276	-	21,276
Tax recoverable		931	936	827	892
Cash and bank balances	19	17,991	93,521	31	13
Derivative financial instruments	23	-	807	-	-
		3,229,911	2,969,792	127,179	55,683
Total Assets		3,738,414	3,480,725	690,328	619,337
Equity and Liabilities					
Equity Attributable to Owners of the Parent					
Share capital	20	182,172	182,172	182,172	182,172
Foreign currency translation reserve		173	177	-	-
Retained earnings	21	931,148	805,598	340,010	307,198
Total Equity		1,113,493	987,947	522,182	489,370

Statements of Financial Position

As at December 31, 2025 (continued)

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current Liabilities					
Trade and other payables	22	2,045,884	1,810,545	675	1,050
Advances from holding company	15	85,555	-	85,555	-
Derivative financial instruments	23	2,765	-	-	-
Borrowings (unsecured)	24	65,621	538,000	-	50,000
Income tax payable		15,128	11,386	-	-
Lease liabilities	26	33,585	33,539	-	-
		2,248,538	2,393,470	86,230	51,050
Non-current Liabilities					
Borrowings (unsecured)	24	298,926	-	-	-
Advances from subsidiaries	15	-	-	81,626	66,932
Advances from holding companies	15	290	11,985	290	11,985
Provision for other liability	25	2,878	2,812	-	-
Deferred tax liabilities	14	1,624	897	-	-
Lease liabilities	26	72,665	83,614	-	-
		376,383	99,308	81,916	78,917
Total Liabilities		2,624,921	2,492,778	168,146	129,967
Total Equity and Liabilities		3,738,414	3,480,725	690,328	619,337

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

For the financial year ended December 31, 2025

		Attributable to Owners of the Parent			
		Non-distributable		Distributable	
	Note	**Share Capital RM'000**	**Foreign Currency Translation Reserve RM'000**	**Retained Earnings RM'000**	**Total Equity RM'000**
Group					
At January 1, 2025		182,172	177	805,598	987,947
Total Comprehensive Income		-	(4)	155,505	155,501
Transaction with Owners					
Dividends for financial year ended December 31, 2024	27	-	-	(29,955)	(29,955)
Total transaction with owners		-	-	(29,955)	(29,955)
At December 31, 2025		182,172	173	931,148	1,113,493
At January 1, 2024		182,172	185	709,276	891,633
Total Comprehensive Income		-	(8)	123,124	123,116
Transaction with Owners					
Dividend for financial year ended December 31, 2023	27	-	-	(26,802)	(26,802)
Total transaction with owners		-	-	(26,802)	(26,802)
At December 31, 2024		182,172	177	805,598	987,947

Statements of Changes in Equity

For the financial year ended December 31, 2025 (continued)

		Distributable		
	Note	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
Company				
At January 1, 2025		182,172	307,198	489,370
Total Comprehensive Income		-	62,767	62,767
Transaction with Owners				
Dividends for financial year ended December 31, 2024	27	-	(29,955)	(29,955)
Total transaction with owners		-	(29,955)	(29,955)
At December 31, 2025		182,172	340,010	522,182
At January 1, 2024		182,172	310,570	492,742
Total Comprehensive Income		-	23,430	23,430
Transaction with Owners				
Dividend for financial year ended December 31, 2023	27	-	(26,802)	(26,802)
Total transaction with owners		-	(26,802)	(26,802)
At December 31, 2024		182,172	307,198	489,370

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Cash Flows

For the financial year ended December 31, 2025

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Cash Flows from Operating Activities				
Profit before tax	206,851	162,630	62,767	23,430
Adjustments for non-cash items:				
Property, plant and equipment:				
• depreciation	11,734	10,450	-	-
• written off	139	37	-	-
• net gain on disposals	(265)	(70)	-	-
Depreciation of right-of-use assets	36,271	37,295	-	-
Gain on lease modification and lease termination	(55)	-	-	-
Write-back of provision for property restoration cost	-	(21)	-	-
Net loss on liquidation of a subsidiary	-	-	500	-
Inventories:				
• written off	38,500	25,607	-	-
• net (reversal of write-down)/write-down of slow moving inventories	(3,765)	6,801	-	-
Net allowance for impairment on trade receivables	540	3,522	-	-
Interest income (Note c)	(446)	(241)	(2,972)	(2,377)
Interest expense (Note b)	28,145	25,684	4,198	4,389
Dividend income	-	-	(65,200)	(26,800)
Net unrealized (gain)/loss:				
• foreign exchange	(2,983)	585	25	100
• derivatives	3,572	(806)	-	-
Amortization of intangible assets	1,153	4,840	-	-
Operating cash flows before changes in working capital	319,391	276,313	(682)	(1,258)
Changes in working capital:				
Inventories	(187,408)	(250,424)	-	-
Right of return assets	(615)	(4,268)	-	-
Receivables	(203,812)	(123,418)	174	157
Payables	238,423	235,833	(202)	163
Cash flows generated from/(used in) operations	165,979	134,036	(710)	(938)
Dividend received	-	-	65,200	26,800
Interest received (Note c)	359	241	3,272	1,959
Interest paid (Note b)	(28,182)	(25,652)	(4,371)	(4,211)
Tax (paid)/refunded	(47,413)	(41,238)	65	(131)
Net cash flows generated from operating activities	90,743	67,387	63,456	23,479

Statements of Cash Flows

For the financial year ended December 31, 2025 (continued)

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Cash Flows from Investing Activities				
Proceeds from disposals of property, plant and equipment	265	135	-	-
Purchase of property, plant and equipment (Note a)	(20,903)	(12,975)	-	-
Purchase of intangible asset	(939)	(1,009)	-	-
Net cash flows used in investing activities	(21,577)	(13,849)	-	-
Cash Flows from Financing Activities				
Dividends paid on ordinary shares	(29,955)	(26,802)	(29,955)	(26,802)
Net (repayment)/drawdown of borrowings	(239,074)	95,000	(50,000)	-
Net (repayment)/advances from:				
• intermediate holding company	(11,695)	360	(11,695)	360
• immediate holding company	106,831	(30,359)	106,831	(30,359)
• subsidiaries	-	-	(78,619)	33,316
Repayment of lease liabilities	(36,420)	(37,234)	-	-
Net cash flows (used in)/generated from financing activities	(210,313)	965	(63,438)	(23,485)
Changes in Cash and Cash Equivalents	(141,147)	54,503	18	(6)
Currency Translation Differences	(4)	(8)	-	-
Cash and Cash Equivalents at Beginning of Financial Year	93,521	39,026	13	19
Cash and Cash Equivalents at End of Financial Year (Note 19)	(47,630)	93,521	31	13

Note:
(a) The additions in property, plant and equipment were acquired by way of:

	Group	
	2025 RM'000	**2024 RM'000**
Cash	20,903	12,975
Less: Payment made for previous financial year acquisitions	-	(16)
Additions (Note 11)	20,903	12,959

Statements of Cash Flows

For the financial year ended December 31, 2025 (continued)

(b) A reconciliation of interest expense and interest paid is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest paid	28,182	25,652	4,371	4,211
Interest payable	275	312	401	574
Less: Payment made for previous financial year interest expense	(312)	(280)	(574)	(396)
Interest expense (Note 7)	28,145	25,684	4,198	4,389

(c) A reconciliation of interest income and interest received is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest received	359	241	3,272	1,959
Interest receivable	87	-	276	576
Less: Receipt for previous financial year interest income	-	-	(576)	(158)
Interest income (Note 8)	446	241	2,972	2,377

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

December 31, 2025

1. Corporate Information

The Company is a public limited company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company are located at B-11-01, The Ascent, Paradigm, No. 1, Jalan SS7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

The Company is principally an investment holding company. The principal activities of the Group are the provisioning of Market Expansion Services, which range from marketing, to providing sales force, distribution and logistics, invoicing and credit control, handling of inventory and returned goods and other value added services. These services are provided to consumer goods and healthcare clients. The Group also operates retail outlets selling Famous Amos cookies, manufacturing and supplying of butter and margarine, and related bakery, confectionery and dairy products.

There have been no significant changes in the nature of the principal activities during the financial year.

The immediate and intermediate holding companies of the Company are DKSH Resources (Malaysia) Sdn. Bhd. and DKSH Holdings (Asia) Sdn. Bhd. respectively, both of which are incorporated in Malaysia. The ultimate holding company of the Company is DKSH Holding Ltd., a company incorporated in Switzerland and listed on the SIX Swiss Exchange.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on April 10, 2026.

2. Material Accounting Policies

2.1 Basis of Preparation

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

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (“RM”) and all values are rounded to the nearest thousand (RM’000), except when otherwise indicated.

2.2 Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except Amendments to MFRS 121 The Effects of Changes in Foreign Echange Rates (Lack of Exchangeability).

The adoption of the above amendment did not have material impact on the financial statements of the Group and of the Company.

Notes to the Financial Statements

December 31, 2025 (continued)

2. Material Accounting Policies (continued)

2.3 Standards Issued but not yet Effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards and interpretations, if applicable, when they become effective.

	Effective for annual periods beginning on or after
• Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosure (Classification and Measurement of Financial Instruments)	1 January 2026
• Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
• Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures (Contracts Referencing Nature-dependent Electricity)	1 January 2026
• MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
• MFRS 19 Subsidiaries without Public Accountability	1 January 2027
• Amendments to MFRS 121 Translation to a Hyperinflationary Presentation Currency	1 January 2027
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group and the Company will adopt the above new amendments and standards when they become effective. The adoption of the above amendments and standards do not have material impact on the financial statements of the Group and of the Company except for the new standard summarized below:

MFRS 18 Presentation and Disclosure in Financial Statements

The newly introduced standard aims to provide better information about companies' financial performance. MFRS 18 Presentation and Disclosure in Financial Statements replaces MFRS 101 Presentation of Financial Statements and is to be applied retrospectively. MFRS 18 aims to enhance financial reporting quality by:

- requiring defined subtotals in the statements of profit or loss;
- requiring disclosures about management-defined performance measures; and
- adding new principles for aggregation and disaggregation of information.

The Group and the Company are currently in the process of assessing the potential impact of MFRS 18 on the related disclosures and notes to the financial statements. The Group and the Company expect that the impact of adopting MFRS 18 to affect the presentation and disclosures within the Group's and the Company's financial statements and additional disclosures relating to management defined performance measures. The adoption of MFRS 18 is not expected to affect the recognition or measurement of the Group's and the Company's assets, liabilities, income or expenses.

2.4 Economic Entities in the Group

(a) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date.

(b) Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value.

The excess of the consideration transferred over the fair value of the identifiable net assets acquired is recorded as goodwill.Goodwill is measured at cost and less any accumulated impairment losses. Goodwill is tested for impairment at least annually, or when events or circumstances occur indicating that an impairment may exist.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Any impairment is recognised immediately as an expense and not subsequently reversed.

Notes to the Financial Statements

December 31, 2025 (continued)

2. Material Accounting Policies (continued)

2.5 Fair Value Measurement

The Group measures financial instruments such as derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

• Quantitative disclosures of fair value measurement hierarchy	Note 31(e)
• Financial instruments (including those carried at amortized cost)	Notes 18, 22

2.6 Intangible Assets

(a) Trademarks

Trademarks have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of trademarks over its estimated useful life of an average of 10 years.

(b) Goodwill

The accounting policy on goodwill is disclosed in Note 2.4(b).

(c) Distribution Rights

Distribution rights acquired in a business combination are recognized at fair value at the acquisition date. Distribution rights have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over its estimated useful life ranging from 3 - 5 years.

2.7 Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

The present value of the expected cost for the restoring an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The accounting policy on restoration cost is further disclosed in Note 2.16.

Property, plant and equipment are depreciated on the straight-line basis to write off the cost of the assets, to their residual values over their estimated useful lives, summarized as follows:

Renovations	5 - 10 years
Plant and machinery	5 - 10 years
Furniture, fittings and equipment	3 - 10 years
Motor vehicles	5 years

Depreciation on work-in-progress commences when the assets are ready for their intended use.

At the end of the financial year, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

Notes to the Financial Statements

December 31, 2025 (continued)

2. Material Accounting Policies (continued)

2.7 Property, Plant and Equipment (continued)

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of comprehensive income.

2.8 Investments in Subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

2.9 Impairment of Non-financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there is separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of the financial year.

The impairment loss is charged to the statements of comprehensive income. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognized in the statements of comprehensive income.

2.10 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As Lessee

The Group applies a single recognition and measurement approach for all leases.

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Warehouses, outlets and office buildings	2 - 12 years

The right-of-use assets are also subject to impairment.

The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. All relevant factors that create an economic incentive for it to exercise the renewal are considered. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that could affect the exercise.

The Group applies the short-term lease recognition exemption in case the lease period is shorter than 12 months. It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Notes to the Financial Statements

December 31, 2025 (continued)

2. Material Accounting Policies (continued)

2.10 Leases (continued)

As Lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the statements of comprehensive income due to its operating nature.

2.11 Inventories

Inventories comprise raw materials, packaging materials and finished goods. Inventories are stated at the lower of cost and net realizable value.

Cost is principally determined on a weighted average basis and comprises cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. It excludes borrowing costs. The cost of conversion includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

2.12 Share Capital

(a) Classification

Ordinary shares with discretionary dividends are classified as equity.

(b) Dividends Distribution

Distributions to holders of an equity instrument is debited directly to equity, net of any related income tax benefit and the corresponding liability is recognized in the period in which the dividends are approved.

2.13 Taxes

(a) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognized in the statements of comprehensive income except to the extent that the tax relates to items recognized outside the statements of comprehensive income, either in other comprehensive income or directly in equity.

(b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilized.

Notes to the Financial Statements

December 31, 2025 (continued)

2. Material Accounting Policies (continued)

2.14 Employee Benefits

(a) Short Term Employee Benefits

The Group recognizes a liability and an expense for bonuses. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the financial year in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plan

Companies incorporated in Malaysia contribute to the Employees Provident Fund, the defined contribution plan. The Group's contributions are charged to the statement of comprehensive income.

2.15 Cash and Cash Equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash in hand and bank balances that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value and net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.16 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed (for example, under an insurance contract), the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognized for future operating losses.

Restoration Cost

Provision for restoration cost is the estimated cost of dismantling, removing or restoring the property, plant and equipment at the lease inception date for operating leases with requirements to remove leasehold improvements at the end of the lease term.

2.17 Revenue Recognition

Sale of Goods

Revenue is recognized when a contractual promise to a customer has been fulfilled by transferring control over the promised goods, principally at the time of shipment to or receipt of the products by the customer. The Group's contractual promises generally represent one performance obligation. The amount of revenue recognized is based on the expected consideration in exchange for the goods, taking into account contractually defined terms (e.g. trade discounts, cash discounts, volume rebates and returns) and excluding taxes or duty.

Notes to the Financial Statements

December 31, 2025 (continued)

2. Material Accounting Policies (continued)

2.17 Revenue Recognition (continued)

Sale of Goods (continued)

(i) Rights of Return
The Group uses the most likely amount method to estimate the goods that will be returned. For goods that are expected to be returned, the Group recognizes a refund liability (included in trade and other payables). A right of return asset and corresponding adjustment to cost of sales are also recognized for the right to recover products from a customer.

(ii) Allowance and rebate
Allowance and rebate are offset against amounts payable by the customer. The Group applies the most likely amount method to estimate the allowance and rebate. The Group then applies the requirements on constraining estimates of variable consideration.

In both Consumer Goods and Healthcare segments, the Group enters into contracts with its suppliers for the distribution of products which may also include procurement, marketing, sales, warehousing, logistics and collection services. The Group assesses on a contract-by-contract basis whether it is acting as a principal or agent. In limited cases where the Group is acting as an agent, only the margin on sale, the fees or commissions earned are recorded in net sales. There is no significant financing component in the contract.

Rendering of Services
Rendering of services includes provision of sales and marketing services, warehousing, redressing, relabelling and repacking services. Revenue is generally recognised over time based on the progress towards the satisfaction of the performance obligation.

2.18 Right of Return Assets
Right of return asset represents the Group’s right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

2.19 Refund Liabilities
Refund liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.20 Foreign Currencies

(a) Functional and Presentation Currency
The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency.

(b) Foreign Currency Transactions
Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognized in the statements of comprehensive income except for exchange differences arising on monetary items that form part of the Group’s net investment in foreign operations, which are recognized initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to the statement of comprehensive income of the Group on disposal of the foreign operation.

Notes to the Financial Statements

December 31, 2025 (continued)

2. Material Accounting Policies (continued)

2.20 Foreign Currencies (continued)

(c) Foreign Operations
The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognized in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognized in the statement of comprehensive income.

2.21 Financial Instruments - Initial Recognition and Subsequent Measurement
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial Assets
Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets at amortized cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's and the Company's financial assets at amortized cost includes trade receivables, cash and bank balances and other financial receivables.

Financial assets at FVTPL are measured at fair value, with fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial assets.

The Group has designated derivative financial instruments as at fair value through profit or loss.

Impairment of Financial Assets
The Group recognizes an allowance for expected credit losses ("ECLs") based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. These provisions represent the difference between the trade receivables gross carrying amount and the estimated net collectible amount. The Group considers a financial asset in risk of default when contractual payments are 270 days past due. Trade receivables are written off against the provision account when there is an official announcement of liquidation or bankruptcy confirming that the receivable will not be collected.

Notes to the Financial Statements

December 31, 2025 (continued)

2. Material Accounting Policies (continued)

2.21 Financial Instruments - Initial Recognition and Subsequent Measurement (continued)

(b) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

Financial Liabilities at Amortized Cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

2.22 Derivatives and Hedging

The Group uses derivative financial instruments such as forward currency contracts and interest rate swap contract to hedge its risks associated with foreign currency and interest rate fluctuations. Such instruments are initially recognized at fair value on the date on which a derivative contract is entered into and subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

2.23 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is presented in the statements of financial position when there is a currently legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, and to realize the asset and settle the liability simultaneously.

2.24 Borrowing Costs

Borrowing costs are capitalized as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset.

All other borrowing costs are recognized in the statements of comprehensive income in the period they are incurred.

2.25 Segment Reporting

For management purposes, the Group is organized into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. These segmental information are reviewed by the chief operating decision maker. Additional disclosures on each of these segments are shown in Note 30, including the factors used to identify the reportable segments and the measurement basis of segment information.

Notes to the Financial Statements

December 31, 2025 (continued)

3. Significant Accounting Judgments and Estimates

The preparation of the Group's and the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of Goodwill

Goodwill are tested for impairment at least annually and upon the occurrence of an indication of impairment. The impairment tests are performed annually at the same time each financial year at the cash-generating unit ("CGU") level. The Group defines its CGUs based on the way that it monitors and derives economic benefits from the acquired goodwill. The impairment tests are performed by comparing the carrying value of the assets of these CGUs with their recoverable amount. The recoverable amount is the greater of the fair value less cost of disposal and value-in-use. Generally, the Group starts with a value-in-use calculation based on the future projected free cash flows discounted at an appropriate pre-tax rate of return. These calculations use free cash flow projections for the next five years based on financial budgets and economic growth rates approved by the Executive Committee. The discount rate reflects the current assessment of the time value of money and the risks specific to the CGUs (essentially country risks). The carrying amount of goodwill at December 31, 2025 was RM359 million (2024: RM359 million). Further details are disclosed in Note 12.

3.2 Critical Judgement in Applying the Entity's Accounting Policies

There is no critical judgement made by management in the process of applying the accounting policies that have a significant effect on the amounts recognized in financial statements.

4. Revenue

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Sale of goods	8,495,767	7,812,947	-	-
Rendering of services	124,277	130,409	-	-
Interest income				
• subsidiaries	-	-	2,927	2,343
• immediate holding company	-	-	44	33
• others	-	-	1	1
Dividend income:				
• subsidiaries	-	-	65,200	26,800
	8,620,044	7,943,356	68,172	29,177

	Group	
	2025 RM'000	2024 RM'000
Timing of Transfer of Goods and Services		
At a point in time	8,495,767	7,812,947
Over time	124,277	130,409
	8,620,044	7,943,356

Notes to the Financial Statements

December 31, 2025 (continued)

5. Staff Costs

	Group	
	2025 RM'000	2024 RM'000
Salaries and bonuses	233,142	215,890
Defined contribution plan	35,248	31,826
Other employee benefits	64,997	57,299
	333,387	305,015
Staff costs included in cost of conversion of inventories	(2,898)	(2,627)
	330,489	302,388

Included in staff costs are Executive Directors' remuneration as disclosed in Note 6.

6. Directors' Remuneration

The details of remuneration received/receivable by the Directors of the Group and of the Company for the financial year are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-executive Directors:				
• fees	202	198	202	198
Executive Directors:				
• salaries	1,389	1,499	-	-
• bonuses	446	462	-	-
• defined contribution plan	243	229	-	-
• other employee benefits	372	463	-	-
	2,450	2,653	-	-
Total remuneration	2,652	2,851	202	198
Non-executive Directors:				
• fees				
Richard Lai Tak Loi	84	84	84	84
Datin Suryani binti Ahmad Sarji	50	6	50	6
Dr. Leong Yuen Yoong	68	68	68	68
Fa'izah Binti Mohamed Amin	-	40	-	40
Total remuneration				
• Non-executive Directors	202	198	202	198

Notes to the Financial Statements

December 31, 2025 (continued)

6. Directors' Remuneration (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Executive Directors: (continued)				
Senthilathiban Thirunilakantan				
• salaries	531	299	-	-
• bonuses	110	-	-	-
• defined contribution plan	101	48	-	-
• other employee benefits	110	23	-	-
	852	370	-	-
Sandeep Tewari				
• salaries	858	834	-	-
• bonuses	336	153	-	-
• defined contribution plan	142	76	-	-
• other employee benefits	262	280	-	-
	1,598	1,343	-	-
Jaclyn Ang Swee Yin				
• salaries	-	366	-	-
• bonuses	-	309	-	-
• defined contribution plan	-	105	-	-
• other employee benefits	-	160	-	-
	-	940	-	-
Total remuneration				
• Executive Directors	2,450	2,653	-	-

7. Finance Costs

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expense:				
• bankers' acceptances	1,229	1,474	-	-
• promissory notes	1,033	1,088	-	-
• revolving credits	7,481	10,724	533	1,764
• term loans	853	5,395	-	-
• medium term notes	9,625	-	-	-
• advances from holding companies	1,980	1,026	1,980	1,026
• advance from subsidiaries	-	-	1,685	1,599
• lease liabilities (Note 26)	5,944	5,977	-	-
	28,145	25,684	4,198	4,389

Notes to the Financial Statements

December 31, 2025 (continued)

8. Profit Before Tax

The following items have been included in arriving at profit before tax:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Auditors' remuneration:				
• Statutory audits:				
• Ernst & Young PLT	1,626	1,626	295	295
• Other auditors	42	52	-	-
• Other services:				
• Ernst & Young PLT	8	8	8	8
Property, plant and equipment:				
• written off	139	37	-	-
• net gain on disposals	(265)	(70)	-	-
Net loss on liquidation of a subsidiary	-	-	500	-
Write-back of provision for property restoration cost	-	(21)	-	-
Net allowance for impairment on trade receivables	540	3,522	-	-
Interest income:				
• subsidiaries	-	-	(2,927)	(2,343)
• immediate holding company	(44)	(33)	(44)	(33)
• external parties	(402)	(208)	(1)	(1)
Net derivatives loss/(gain):				
• realized	3,303	4,848	-	-
• unrealized	3,572	(806)	-	-
Net foreign exchange (gain)/loss:				
• realized	(7,222)	(1,589)	1	(67)
• unrealized	(2,983)	585	25	100
Inventories:				
• written off	38,500	25,607	-	-
• net (reversal of write-down)/write-down of slow moving inventories	(3,765)	6,801	-	-
Rental expenses	5,728	4,816	-	-
Rental income:				
• related companies	(712)	(734)	-	-
• external parties	(2,034)	(2,355)	-	-
Gain on lease modification and lease termination	(55)	-	-	-

Notes to the Financial Statements

December 31, 2025 (continued)

9. Income Tax Expense

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysian income tax:				
• Current financial year	51,824	45,564	-	-
• Over provision in prior financial years	(664)	(903)	-	-
	51,160	44,661	-	-
Deferred tax (Note 14):				
• Relating to origination and reversal of temporary differences	259	(4,741)	-	-
• Over provision in prior financial years	(73)	(414)	-	-
	186	(5,155)	-	-
Total income tax expense	51,346	39,506	-	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

Taxation for other jurisdiction is calculated at the rate prevailing in the respective jurisdiction. The income tax rate applicable to the subsidiaries, DKSH (B) Sdn. Bhd. and FACC (B) Sdn. Bhd. in Brunei is 18.5% (2024: 18.5%).

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before tax	206,851	162,630	62,767	23,430
Taxation at Malaysian statutory tax rate of 24% (2024: 24%)	49,644	39,031	15,064	5,623
Different tax rate in other country	(9)	13	-	-
Expenses not deductible for tax purposes	3,475	2,028	630	809
Income not subject to tax	-	-	(15,694)	(6,432)
Utilization of previously unrecognized deferred tax assets	(1,027)	(282)	-	-
Deferred tax assets not recognized	-	33	-	-
Overprovision in prior financial years:				
• income tax	(664)	(903)	-	-
• deferred tax	(73)	(414)	-	-
Income tax expense	51,346	39,506	-	-

Notes to the Financial Statements

December 31, 2025 (continued)

10. Earnings Per Share - Basic

The earnings per share is calculated by dividing the net profit for the financial year attributable to the owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2025 RM'000	2024 RM'000
Profit net of tax attributable to owners of the parent	155,505	123,124
Weighted average number of ordinary shares in issue ('000)	157,658	157,658

	Group	
	2025 sen	2024 sen
Earnings per share - Basic	98.63	78.10

Diluted earnings per share is not presented as there were no potential dilutive ordinary shares during the financial year.

11. Property, Plant and Equipment

	Renovations RM'000	Plant and Machinery RM'000	Furniture, Fittings and Equipment RM'000	Motor Vehicles RM'000	Work-in-Progress RM'000	Total RM'000
Group						
At December 31, 2025						
Cost						
At January 1, 2025	42,791	35,452	59,431	1,756	70	139,500
Additions	7,602	2,989	7,053	-	3,259	20,903
Disposals	(5)	(245)	(275)	(442)	-	(967)
Written off	(3,281)	(3,106)	(4,075)	-	-	(10,462)
At December 31, 2025	47,107	35,090	62,134	1,314	3,329	148,974
Accumulated Depreciation						
At January 1, 2025	30,740	24,471	52,215	1,470	-	108,896
Charge for the financial year [(1)]	3,452	3,745	5,250	74	-	12,521
Disposals	(5)	(245)	(275)	(442)	-	(967)
Written off	(3,281)	(2,969)	(4,073)	-	-	(10,323)
At December 31, 2025	30,906	25,002	53,117	1,102	-	110,127
Net Carrying Amount	16,201	10,088	9,017	212	3,329	38,847

Notes to the Financial Statements

December 31, 2025 (continued)

11. Property, Plant and Equipment (continued)

	Renovations RM'000	Plant and Machinery RM'000	Furniture, Fittings and Equipment RM'000	Motor Vehicles RM'000	Work-in-Progress RM'000	Total RM'000
Group (continued)						
At December 31, 2024						
Cost						
At January 1, 2024	41,441	31,678	55,879	1,864	-	130,862
Additions	3,469	4,354	5,066	-	70	12,959
Disposals	-	(178)	(301)	(58)	-	(537)
Written off	(2,119)	(402)	(1,213)	(50)	-	(3,784)
At December 31, 2024	42,791	35,452	59,431	1,756	70	139,500
Accumulated Depreciation						
At January 1, 2024	29,609	21,405	49,431	1,439	-	101,884
Charge for the financial year [1]	3,224	3,597	4,271	139	-	11,231
Disposals	-	(136)	(278)	(58)	-	(472)
Written off	(2,093)	(395)	(1,209)	(50)	-	(3,747)
At December 31, 2024	30,740	24,471	52,215	1,470	-	108,896
Net Carrying Amount	12,051	10,981	7,216	286	70	30,604

[1] The depreciation charged for the financial year of RM787,000 (2024: RM781,000) is included as part of the cost of conversion of inventories during the financial year.

Notes to the Financial Statements

December 31, 2025 (continued)

12. Intangible Assets

	Group			
	Trademarks RM'000	Goodwill RM'000	Distribution Rights RM'000	Total RM'000
Cost:				
At January 1, 2024	8,493	358,510	65,867	432,870
Addition	-	-	1,009	1,009
At December 31, 2024 and January 1, 2025	8,493	358,510	66,876	433,879
Addition	-	-	939	939
At December 31, 2025	8,493	358,510	67,815	434,818
Accumulated Amortization:				
At January 1, 2024	8,469	-	60,233	68,702
Amortization during the financial year	24	-	4,816	4,840
At December 31, 2024 and January 1, 2025	8,493	-	65,049	73,542
Amortization during the financial year	-	-	1,153	1,153
At December 31, 2025	8,493	-	66,202	74,695
Net Carrying Amount:				
At December 31, 2025	-	358,510	1,613	360,123
At December 31, 2024	-	358,510	1,827	360,337

(a) Trademarks

Trademarks refer to the Alladdin's and Eva's trademarks acquired by the Group. The estimated average useful life of these trademarks is 10 years. Alladdin's trademark had been fully amortized in 2017 and Eva's trademark had been fully amortized in 2024.

(b) Distribution Rights

Distribution rights refer to the distribution contracts that were acquired through business combination. Distribution rights have a finite useful life and are amortized using the straight-line method over its estimated useful life ranging from 3 to 5 (2024: 3 to 5) years.

(c) Goodwill

The goodwill of RM342,261,000 and RM16,249,000 arose from the acquisition of equity interest in DKSH Food Services (M) Sdn. Bhd. and its subsidiaries during the financial year ended December 31, 2019 ("DKSHFS Goodwill") and AcuTest Systems (M) Sdn. Bhd. ("AcuTest Goodwill") during the financial year ended December 31, 2022, respectively.

Impairment Test for Goodwill

For the purposes of goodwill impairment testing, DKSHFS Goodwill has been allocated to the Consumer Goods CGU, while the AcuTest Goodwill has been allocated to the Healthcare CGU. The recoverable amounts of the CGUs are determined based on value-in-use calculation, which use free cash flow projections for the next five financial years based on financial budgets and economic growth rates approved by the Executive Committee.

Notes to the Financial Statements

December 31, 2025 (continued)

12. Intangible Assets (continued)

(c) Goodwill (continued)

The following key assumptions were applied for value-in-use calculations:

	Pre-tax Discount Rate		Terminal Growth Rate	
Cash-generating Unit	**2025**	**2024**	**2025**	**2024**
Consumer Goods	14.23%	14.74%	2.02%	2.06%
Healthcare	14.00%	14.16%	2.02%	2.06%

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

(i) Growth rate for the 5-year projection is determined based on the management's estimate on the industry trends and past performances of the CGUs, thereafter terminal growth rate takes into consideration the current and projected long term inflation and the average growth rate of similar industry in Malaysia.

(ii) Pre-tax discount rates used to discount the future cash flows reflect the specific risks relating to the CGUs.

The outcome of impairment testing is sensitive to variations in estimates and assumptions. Variations in estimates and assumptions have the following effect on the recoverable amount calculations (all else equal):

DKSHFS Goodwill

- A 0.8% (2024: 0.8%) point increase in the discount rate would result in an impairment of RM 5.7 million (2024: RM 4.9 million).

AcuTest Goodwill

- Management believes that no reasonably possible change in key assumptions above would cause the carrying amount to materially exceed its recoverable amount.

13. Investments in Subsidiaries

	Company	
	2025 RM'000	**2024 RM'000**
Unquoted shares at cost	562,528	563,028

Notes to the Financial Statements

December 31, 2025 (continued)

13. Investments in Subsidiaries (continued)

Details of the subsidiaries are as follows:

Name of Company	Country of Incorporation	Proportion of Ownership Interest 2025 %	2024 %	Principal Activities
DKSH Malaysia Sdn. Bhd. ("DMSB")	Malaysia	100	100	Provision of Market Expansion Services for consumer goods and healthcare clients.
DKSH Distribution Malaysia Sdn. Bhd. ("DDM")	Malaysia	100	100	Provision of Market Expansion Services for healthcare clients.
The Famous Amos Chocolate Chip Cookie Corporation (M) Sdn. Bhd. ("FACCM")	Malaysia	100	100	Sale of chocolate chip cookies and operation of retail outlets.
DKSH Central Services Malaysia Sdn. Bhd.[α]	Malaysia	-	100	Provision of estate management services.
DKSH Food Services (M) Sdn. Bhd. ("DFS")	Malaysia	100	100	Investment holding company.[#]
Held through DMSB:				
• DKSH Management Malaysia Sdn. Bhd.	Malaysia	100	100	Distribution and marketing of a wide range of consumer and healthcare products together with products merchandising, business advisory work, advertisement and related services.
• AcuTest Systems (M) Sdn. Bhd. ("AcuTest")[^]	Malaysia	100	100	Provision of medical laboratory services, related tests and supply laboratory and medical equipment and its related accessories.
Held through DDM:				
• DKSH (B) Sdn. Bhd.*	Brunei Darussalam	100	100	Provision of Market Expansion Services for consumer goods and healthcare.[#]
Held through FACCM:				
• FACC (B) Sdn. Bhd.*	Brunei Darussalam	100	100	Sale of chocolate chip cookies and operation of retail outlets.
Held through DFS:				
• DKSH Manufacturing Sdn. Bhd.	Malaysia	100	100	Manufacturer of and dealer in butter and margarine and related confectionery products.
• DKSH Market Expansion Services Sdn. Bhd.	Malaysia	100	100	Supply of bakery and confectionary materials, and other general products.[#]

All other companies are audited by Ernst & Young PLT, except for the following:
- * Audited by a member firm of Ernst & Young Global.
- ^ Audited by a firm of auditors other than Ernst & Young PLT.
- α This subsidiary has been placed under members' voluntary liquidation in the previous financial years. The liquidation process was completed and the subsidiary was dissolved on May 16, 2024.
- # These subsidiaries remained dormant during the financial year.

Notes to the Financial Statements

December 31, 2025 (continued)

14. Deferred Tax

	Group	
	2025 RM'000	2024 RM'000
At January 1	12,133	6,978
Recognized in statement of comprehensive income (Note 9)	(186)	5,155
At December 31	11,947	12,133

Presented after appropriate offsetting as follows:

	Group	
	2025 RM'000	2024 RM'000
Deferred tax assets	13,571	13,030
Deferred tax liabilities	(1,624)	(897)
	11,947	12,133

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Group	As at January 1, 2024 RM'000	Recognized in Statement of Comprehensive Income RM'000	As at December 31, 2024 RM'000	Recognized in Statement of Comprehensive Income RM'000	As at December 31, 2025 RM'000
Deferred Tax Liabilities:					
Intangible assets	(1,354)	1,145	(209)	209	-
Right-of-use assets	(28,189)	1,961	(26,228)	3,431	(22,797)
Property, plant and equipment	(1,108)	669	(439)	(668)	(1,107)
	(30,651)	3,775	(26,876)	2,972	(23,904)
Offsetting	28,765		25,979		22,280
	(1,886)		(897)		(1,624)
Deferred Tax Assets:					
Receivables	2,164	188	2,352	654	3,006
Inventories	2,119	2,304	4,423	(771)	3,652
Lease liabilities	30,575	(1,890)	28,685	(3,402)	25,283
Others	2,771	778	3,549	361	3,910
	37,629	1,380	39,009	(3,158)	35,851
Offsetting	(28,765)		(25,979)		(22,280)
	8,864		13,030		13,571

Notes to the Financial Statements

December 31, 2025 (continued)

14. Deferred Tax (continued)

Deferred tax assets have not been recognized in respect of the following items:

	Group	
	2025 RM'000	2024 RM'000
Unabsorbed capital allowances	76	79
Unutilized tax losses	3,430	7,707
	3,506	7,786

Deferred tax assets have not been recognized where it is not probable that future taxable profits will be available against which the deductible temporary differences can be utilized for certain subsidiaries in the Group.

The Malaysia Finance Act gazetted on December 27, 2018 has imposed a time limitation to restrict the carry forward of the unutilized tax losses. The unutilized tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 10 consecutive years of assessment until year of assessment 2028 and any balance of the unutilized thereafter shall be disregarded.

However, for any unutilized tax losses that originated from the year of assessment 2019 onwards, these are allowed to be carried forward for a maximum period of 10 (2024: 10) consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilized tax losses thereafter shall be disregarded.

The foreign unutilized tax losses applicable to subsidiary companies incorporated in Brunei are pre-determined by and subject to the tax legislation of Brunei.

These tax losses will expire as follows:

	Group	
	2025 RM'000	2024 RM'000
Expiring in 1 year	133	152
Expiring in 2 years	127	133
Expiring in 3 years	16	127
Expiring in 4 years	2,888	16
Expiring in 5 years	130	7,149
Expiring later than 5 years	136	130
Total Unrecognized Tax Losses	3,430	7,707

Notes to the Financial Statements

December 31, 2025 (continued)

15. Advances (from)/to Related Parties

		Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current					
Advances to:					
• subsidiaries	(a)	-	-	621	626
Advances from:					
• intermediate holding company	(c)	(290)	(11,985)	(290)	(11,985)
• subsidiaries	(d)	-	-	(81,626)	(66,932)
		(290)	(11,985)	(81,916)	(78,917)
Current					
Advances (from)/to:					
• subsidiaries	(a)	-	-	126,043	32,725
• immediate holding company	(b)	(85,555)	21,276	(85,555)	21,276
		(85,555)	21,276	40,488	54,001
Total net advances (from)/to		(85,845)	9,291	(40,807)	(24,290)

(a) Advances to Subsidiaries

Advances to subsidiaries are unsecured and carry interest rates which range between 2.10% to 4.59% (2024: 2.60% to 4.30%) per annum. Advances of RM621,000 (2024: RM626,000) are not intended to be recalled, in full or in part, within the next 12 months from the reporting date. Advances of RM126,043,000 (2024: RM32,725,000) are repayable within the next 12 months.

(b) Advances (from)/to Immediate Holding Company

In the current financial year, advances from immediate holding company are unsecured and carry interest rates range between 4.17% to 4.31% per annum. In the prior financial year, advances to immediate holding company are unsecured and carry interest rates range between 2.60% to 2.80% per annum.

(c) Advances from Intermediate Holding Company

Advances from intermediate holding company bear interest which ranges between 4.17% to 4.59% (2024: 4.20% to 4.30%) per annum. These advances are unsecured and are not repayable within the next 12 (2024: 12) months.

(d) Advances from Subsidiaries

Advances from subsidiaries are deposits of excess cash placed with the Company and bear interest which ranges between 2.10% to 2.70% (2024: 2.60% to 2.80%) per annum. These advances are unsecured and are not repayable within the next 12 (2024: 12) months.

Notes to the Financial Statements

December 31, 2025 (continued)

16. Inventories

	Group	
	2025 RM'000	2024 RM'000
Raw materials (at cost)	21,907	13,345
Packaging materials (at cost)	3,259	3,535
Finished goods (at lower of cost and net realizable value)	1,218,007	1,072,530
	1,243,173	1,089,410

During the financial year, the amount of inventories recognized as an expense in the statement of comprehensive income of the Group was RM7,702,034,000 (2024: RM7,093,668,000) and the amount written off was RM38,500,000 (2024: RM25,607,000).

17. Right of Return Assets

	Group	
	2025 RM'000	2024 RM'000
Right of return assets	6,939	6,324

Right of return assets are recognized for the right to recover products from customers when the customers exercise their right of return.

18. Trade and Other Receivables

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current					
Trade Receivables	(a)	1,947,280	1,733,245	-	-
Third parties		1,936,534	1,732,423	-	-
Related companies		10,746	822	-	-
Less: Allowance for trade receivables		(21,045)	(21,926)	-	-
		1,926,235	1,711,319	-	-
Other Receivables					
Deposits		9,585	9,747	2	2
Prepayments		20,514	28,500	-	199
Sundry receivables		4,199	2,837	-	-
Amounts due from:					
• subsidiaries	(b)	-	-	276	576
• related companies	(b)	344	5,115	-	-
		34,642	46,199	278	777

Notes to the Financial Statements

December 31, 2025 (continued)

18. Trade and Other Receivables (continued)

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Total trade and other receivables		1,960,877	1,757,518	278	777
Add: Advances to related parties (Note 15)		-	21,276	126,664	54,627
Less: Prepayments		(20,514)	(28,500)	-	(199)
Less: Net Goods and Services Tax ("GST") refundable		(623)	(626)	-	-
Add: Cash and bank balances (Note 19)		17,991	93,521	31	13
Total financial assets at amortized cost		1,957,731	1,843,189	126,973	55,218

(a) Trade Receivables

Credit terms of trade receivables range from payment in advance to 120 days (2024: payment in advance to 120 days). They are recognized at their original invoice amounts which represent their fair values on initial recognition.

Ageing Analysis of Trade Receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2025 RM'000	2024 RM'000
Neither past due nor impaired	1,789,770	1,558,353
Less than three months past due but not impaired	114,007	146,011
Between three to six months past due but not impaired	22,435	6,955
More than six months past due but not impaired	23	-
	136,465	152,966
Impaired	21,045	21,926
	1,947,280	1,733,245

	Group	
	2025 RM'000	2024 RM'000
Trade receivables - nominal amounts	21,045	21,926
Less: Allowance for trade receivables	(21,045)	(21,926)
	-	-

Notes to the Financial Statements

December 31, 2025 (continued)

18. Trade and Other Receivables (continued)

(a) Trade Receivables (continued)

Set out below is the movement in the allowance accounts used to record the impairment:

	Group	
	2025 RM'000	2024 RM'000
Movement in allowance accounts:		
At January 1	21,926	19,445
Allowance for impairment	4,197	3,536
Reversal of allowance for impairment	(3,657)	(14)
Written off	(1,421)	(1,041)
At December 31	21,045	21,926

Trade receivables that are collectively determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments.

Credit risk management with respect to trade receivables is disclosed in Note 31(d).

The currency exposure profile of net trade receivables is as follows:

	Group	
	2025 RM'000	2024 RM'000
Ringgit Malaysia	1,895,057	1,680,013
Brunei Dollar	19,796	13,951
US Dollar	10,411	12,378
Singapore Dollar	512	1,110
Australian Dollar	264	3,331
Euro	195	536
	1,926,235	1,711,319

Notes to the Financial Statements

December 31, 2025 (continued)

18. Trade and Other Receivables (continued)

(b) Related Party Balances

The amounts receivable from subsidiaries and related companies are unsecured, non-interest bearing and repayable within 60 days (2024: 60 days).

The currency exposure profile of related party balances is as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia	246	177	276	576
US Dollar	2	35	-	-
Thai Baht	13	-	-	-
Singapore Dollar	22	18	-	-
Brunei Dollar	61	4,885	-	-
	344	5,115	276	576

19. Cash and Bank Balances

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	17,991	93,521	31	13
Less: Bank overdraft (Note 24)	(65,621)	-	-	-
Cash and cash equivalents	(47,630)	93,521	31	13

The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Ringgit Malaysia	8,513	77,611	31	13
US Dollar	1,759	11,070	-	-
Singapore Dollar	367	864	-	-
Euro	247	316	-	-
Swiss Franc	70	187	-	-
Australian Dollar	1,665	1,698	-	-
Thai Baht	4,355	854	-	-
Brunei Dollar	1,015	921	-	-
	17,991	93,521	31	13

Notes to the Financial Statements

December 31, 2025 (continued)

20. Share Capital

	Group and Company			
	Number of Shares		Amount	
	2025 '000	2024 '000	2025 RM'000	2024 RM'000
Issued and Fully Paid with no Par Value:				
Ordinary shares				
At January 1/December 31	157,658	157,658	182,172	182,172

The holders of ordinary shares are entitled to receive dividends as declared from time to time and entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

21. Retained Earnings

The Company may distribute dividends out of its retained earnings as at December 31, 2025 under the single tier system.

22. Trade and Other Payables

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade Payables				
Third parties	1,788,695	1,591,469	-	-
Other Payables				
Accruals	177,693	139,256	11	274
Sundry payables	66,500	60,503	258	196
Refund liabilities	8,495	7,632	-	-
Amounts due to:				
• intermediate holding company	-	85	-	85
• immediate holding company	275	227	275	227
• subsidiaries	-	-	126	262
• related companies	4,226	11,373	5	6
	257,189	219,076	675	1,050
Total trade and other payables	2,045,884	1,810,545	675	1,050
Add: Advance from related parties (Note 15)	85,845	11,985	167,471	78,917
Less: Refund liabilities	(8,495)	(7,632)	-	-
Add: Borrowings (Note 24)	364,547	538,000	-	50,000
Add: Lease liabilities (Note 26)	106,250	117,153	-	-
Total financial liabilities at amortized cost	2,594,031	2,470,051	168,146	129,967

Notes to the Financial Statements

December 31, 2025 (continued)

22. Trade and Other Payables (continued)

The currency exposure profile of payables is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade and Sundry Payables				
Ringgit Malaysia	1,696,925	1,477,175	258	196
Brunei Dollar	57	314	-	-
Swiss Franc	395	2	-	-
US Dollar	125,788	142,646	-	-
Euro	16,471	14,698	-	-
Singapore Dollar	1,023	5,222	-	-
Australian Dollar	1,629	6,768	-	-
Japanese Yen	10,851	2,944	-	-
Thai Baht	603	1,534	-	-
New Zealand Dollar	354	-	-	-
Chinese Yuan	1,099	669	-	-
	1,855,195	1,651,972	258	196
Amounts due to Related Parties				
Ringgit Malaysia	1,875	3,055	406	580
Swiss Franc	382	3,448	-	-
Singapore Dollar	-	1,694	-	-
US Dollar	1,890	3,346	-	-
Thai Baht	328	95	-	-
Brunei Dollar	26	4	-	-
Euro	-	43	-	-
	4,501	11,685	406	580

The average credit terms of payables are as follows:

	Group/Company	
	2025	2024
Trade payables	0 to 360 days	0 to 390 days
Sundry payables	30 days	30 days
Amounts due to related parties	60 days	60 days

The amounts payable to intermediate holding company, immediate holding company, subsidiaries and related companies are unsecured and non-interest bearing.

Notes to the Financial Statements

December 31, 2025 (continued)

23. Derivative Financial Instruments

	Contract Value RM'000	Fair Value RM'000	Asset/ (Liabilities) RM'000
Group			
2025			
Designated as hedging instruments			
Interest rate swap contract			
• at fair value through profit or loss	100,000	(898)	(898)
Forward foreign exchange contracts			
• at fair value through profit or loss	68,028	(1,867)	(1,867)
2024			
Designated as hedging instruments			
Forward foreign exchange contracts			
• at fair value through profit or loss	57,801	807	807

The Group's derivative financial instruments relate to forward foreign exchange contracts which are entered into in currencies other than the Group's functional currency to manage exposure to fluctuations in foreign currency exchange rates on specified transactions and interest rate swap contract to manage exposure to fluctuations in interest rate.

At December 31, 2025, the settlement dates on open forward contracts ranged between 8 days and 10 months (2024: 2 days and 7 months).

At December 31, 2025, the Group had an interest rate swap agreement in place with a notional amount of RM100,000,000 whereby the Group receives a variable rate equal to 3-month KLIBOR on the notional amount and pay interest at a fixed rate equal to 3.30% plus a margin rate at 0.55%. The swap is being used to actively hedge its interest rate risk that may arise from changes in KLIBOR rate.

Notes to the Financial Statements

December 31, 2025 (continued)

23. Derivative Financial Instruments (continued)

The foreign currency amounts to be received and contractual exchange rates of the Group's outstanding contracts are as follows:

Hedged Item	Currency to be Received	Currency to be Paid	RM'000 Equivalent	Contractual Rate
At December 31, 2025				
Trade Payables:				
EUR 547,952	EUR	MYR	2,670	1EUR=RM4.8727
USD 14,767,662	USD	MYR	61,697	1USD=RM4.1778
AUD 790,254	AUD	MYR	2,134	1AUD=RM2.7009
CHF 191,363	CHF	MYR	1,010	1CHF=RM5.2775
SGD 160,009	SGD	MYR	517	1SGD=RM3.2311
			68,028	
At December 31, 2024				
Trade Payables:				
EUR 860,881	EUR	MYR	4,040	1EUR=RM4.6931
USD 10,293,294	USD	MYR	44,958	1USD=RM4.3677
AUD 978,528	AUD	MYR	2,828	1AUD=RM2.8900
CHF 633,128	CHF	MYR	3,194	1CHF=RM5.0453
SGD 338,078	SGD	MYR	1,117	1SGD=RM3.3048
THB 12,862,850	THB	MYR	1,664	1THB=RM0.1294
			57,801	

24. Borrowings (Unsecured)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current				
Revolving credits	-	453,000	-	50,000
Term loans	-	85,000	-	-
Bank overdraft (Note 19)	65,621	-	-	-
	65,621	538,000	-	50,000
Non-current				
Medium term notes	298,926	-	-	-
Total borrowings	364,547	538,000	-	50,000

Notes to the Financial Statements

December 31, 2025 (continued)

24. Borrowings (Unsecured) (continued)

Weighted Average Financial Year End Effective Interest Rates

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Bank overdraft	6.70	-	-	-
Revolving credits	-	3.52 - 4.53	-	3.86
Term loans	-	4.10 - 4.29	-	-
Medium term notes	3.96	-	-	-

The Group and the Company have fully settled the revolving credits amounting to RM453,000,000 and RM50,000,000 respectively, and term loans amounting to RM85,000,000 in the current financial year.

DKSH Malaysia Sdn. Bhd. (“Issuer”), a wholly-owned subsidiary of the Company has established a proposed issuance, offer or invitation to subscribe or purchase of medium term notes (“MTN”) and commercial papers (“CP”) (collectively, the “Notes”) under, respectively, a medium term notes programme (“MTN Programme”) and a commercial papers programme (“CP Programme”) (collectively, the “Programmes”) which have a combined aggregate limit of up to RM800,000,000 in nominal value guaranteed by the Company for the issuance of Notes thereunder. On March 25, 2025, the Issuer successfully issued sustainability-linked MTN of RM300,000,000 with a tenure of 3 years and repayable in full in March 2028. The sustainability-linked MTN are unrated.

Reconciliation of Liabilities/(Assets) Arising from Financing Activities

	Lease Liabilities (Note 26) RM’000	Bank Overdraft, Revolving Credits, MTN and Term Loans RM’000	Advances from Inter-mediate Holding Company (Note 15) RM’000	Advances from/(to) Immediate Holding Company (Note 15) RM’000	Total RM’000
Group					
At January 1, 2025	117,153	538,000	11,985	(21,276)	645,862
Net repayments	(36,420)	(173,453)	-	-	(209,873)
New leases	28,099	-	-	-	28,099
Lease modifications	15,610	-	-	-	15,610
Lease termination	(18,186)	-	-	-	(18,186)
Exchange differences	(6)	-	-	-	(6)
Net (repayment)/ advances from	-	-	(11,695)	106,831	95,136
At December 31, 2025	106,250	364,547	290	85,555	556,642
At January 1, 2024	127,714	443,000	11,625	9,083	591,422
Net repayments	(37,234)	-	-	-	(37,234)
Net drawdowns	-	95,000	-	-	95,000
New leases	29,755	-	-	-	29,755
Lease modification	(3,068)	-	-	-	(3,068)
Exchange differences	(14)	-	-	-	(14)
Net advances from/(repayment)	-	-	360	(30,359)	(29,999)
At December 31, 2024	117,153	538,000	11,985	(21,276)	645,862

Notes to the Financial Statements

December 31, 2025 (continued)

24. Borrowings (unsecured) (continued)

Reconciliation of Liabilities/(Assets) Arising from Financing Activities (continued)

	Revolving Credits RM'000	Advances from Inter-mediate Holding Company (Note 15) RM'000	Advances from/(to) Immediate Holding Company (Note 15) RM'000	Advances from/(to) Subsidiaries (Note 15) RM'000	Total RM'000
Company					
At January 1, 2025	50,000	11,985	(21,276)	33,581	74,290
Net (repayment)/advances from	(50,000)	(11,695)	106,831	(78,619)	(33,483)
At December 31, 2025	-	290	85,555	(45,038)	40,807
At January 1, 2024	50,000	11,625	9,083	265	70,973
Net advances from/(repayment)	-	360	(30,359)	33,316	3,317
At December 31, 2024	50,000	11,985	(21,276)	33,581	74,290

25. Provision for Other Liability

	Group	
	2025 RM'000	2024 RM'000
Property restoration cost:		
At January 1	2,812	2,833
Addition	66	-
Write-back of provision	-	(21)
At December 31	2,878	2,812

The amount represents a provision for property restoration cost upon expiry of lease term ranging from 3 to 5 (2024: 3 to 5) years.

26. Leases

Group as a Lessee
The Group has lease contracts for warehouses, outlets and office buildings in its operations with lease terms between 2 and 12 years. The Group's obligations under its leases are secured by the lessors' title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and therefore income from leasing is insignificant. There are several lease contracts that include extension and termination options and variable lease payments.

Notes to the Financial Statements

December 31, 2025 (continued)

26. Leases (continued)

Group as a Lessee (continued)

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the financial year:

	Group	
	Properties	
	2025 RM'000	2024 RM'000
At January 1	106,962	117,867
Depreciation charge for the financial year*	(36,574)	(37,578)
Additions	28,099	29,755
Lease modification	15,607	(3,068)
Lease termination	(18,128)	-
Exchange differences	(4)	(14)
At December 31	95,962	106,962

* The depreciation charged for the financial year included RM303,000 (2024: RM283,000) which is included in the cost of conversion of inventories during the financial year.

Set out below are the carrying amounts of lease liabilities and the movements during the financial year:

	Group	
	2025 RM'000	2024 RM'000
At January 1	117,153	127,714
Additions	28,099	29,755
Accretion of interest (Note 7)	5,944	5,977
Payments	(42,364)	(43,211)
Lease modification	15,610	(3,068)
Lease termination	(18,186)	-
Exchange differences	(6)	(14)
At December 31	106,250	117,153
Current	33,585	33,539
Non-current	72,665	83,614
	106,250	117,153

Notes to the Financial Statements

December 31, 2025 (continued)

26. Leases (continued)

Group as a Lessee (continued)

The maturity analysis of lease liabilities are disclosed in Note 31(c).

The following are the amounts recognized in profit or loss:

	Group	
	2025 RM'000	**2024 RM'000**
Depreciation of right-of-use assets	36,574	37,578
Interest expenses on lease liabilities (Note 7)	5,944	5,977
Expenses relating to short-term leases (presented as rental expenses)	977	975
Variable lease payments (presented as rental expenses)	4,751	3,841
Total amount recognized in profit or loss	48,246	48,371

The Group had total cash outflows for leases of RM48,092,000 (2024: RM48,027,000). The Group also had non-cash additions to right-of-use assets and lease liabilities amounting to RM28,099,000 (2024: RM29,755,000) and RM28,099,000 (2024: RM29,755,000) respectively. The Group does not have future cash outflows relating to leases that have not yet commenced as at December 31, 2025.

Group as a Lessor

The Group, with consent from the landlord has entered into operating leases for its leased office. The leases have terms of 3 (2024: 3) years. Rental income recognized by the Group during the year is RM2,034,000 (2024: RM2,355,000).

Future minimum rentals receivable under non-cancellable operating leases as at December 31 are, as follows:

	Group	
	2025 RM'000	**2024 RM'000**
Within one year	1,540	1,595
Between 1 and 2 years	615	486
	2,155	2,081

Notes to the Financial Statements

December 31, 2025 (continued)

27. Dividends

Dividends paid in respect of ordinary shares for the financial year are as follows:

	Group and Company			
	2025		2024	
	Gross Dividend Per Share Sen	Amount of Dividends RM'000	Gross Dividend Per Share Sen	Amount of Dividends RM'000
Final Dividend:				
For financial year ended December 31, 2024 paid on July 31, 2025:				
• single tier	19.0	29,955	-	-
For financial year ended December 31, 2023 paid on July 18, 2024:				
• single tier	-	-	17.0	26,802
Dividends in respect of the year	19.0	29,955	17.0	26,802

The Directors do not recommend the payment of any dividend in respect of the financial year ended December 31, 2025.

28. Commitments

Capital Commitments

	Group	
	2025 RM'000	2024 RM'000
Property, plant and equipment, approved and contracted for	4,135	6,982

29. Significant Related Party Transactions

In addition to related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the Company, and related parties took place at terms agreed between the parties during the financial year:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(a) Sales of Goods and Services:				
Sales of goods and services:				
• related companies (goods)	35,129	48,363	-	-
• related companies (rental)	712	734	-	-
• related companies (cost sharing)	586	474	-	-
• related companies (information technology charges)	80	77	-	-
• related companies (human resources charges)	492	469	-	-
• a related company (regulatory)	54	32	-	-
	37,053	50,149	-	-

Notes to the Financial Statements

December 31, 2025 (continued)

29. Significant Related Party Transactions (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(a) Sales of Goods and Services: (continued)				
Others (interest):				
• subsidiaries	-	-	2,927	2,343
• immediate holding company	44	33	44	33
Others (dividend):				
• subsidiaries	-	-	65,200	26,800
	44	33	68,171	29,176
	37,097	50,182	68,171	29,176
(b) Purchases of Goods and Services:				
Purchases of goods and services:				
- related companies (goods)	8,367	16,618	-	-
- related companies (management fee)	9,545	10,906	-	-
- related companies (royalty fee)	5,434	6,713	-	-
- a related company (information technology charges)	42,230	38,776	-	-
	65,576	73,013	-	-
Others (interest):				
- immediate holding company	1,613	523	1,613	523
- intermediate holding company	367	503	367	503
- subsidiaries	-	-	1,685	1,599
	1,980	1,026	3,665	2,625
	67,556	74,039	3,665	2,625
(c) Net Advances from/(Repayment):				
Intermediate holding company	(11,695)	360	(11,695)	360
Immediate holding company	106,831	(30,359)	106,831	(30,359)
Subsidiaries	-	-	(78,619)	33,316
	95,136	(29,999)	16,517	3,317

Notes to the Financial Statements

December 31, 2025 (continued)

29. Significant Related Party Transactions (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(d) Compensation of Key Management Personnel				
The remuneration of Directors and other members of key management during the financial year are as follows:				
Non-executive Directors:				
• fees	202	198	202	198
Key management personnel:				
• Salaries and bonuses	6,095	8,016	-	-
• Defined contribution plan	929	1,025	-	-
• Other employee benefits	811	1,000	-	-
	7,835	10,041	-	-
	8,037	10,239	202	198

The related parties of the Group and of the Company are as follows:

Related Parties	Relationships
DKSH Holding Ltd.	Ultimate holding company
DKSH Holdings (Asia) Sdn. Bhd.	Intermediate holding company
DKSH Resources (Malaysia) Sdn. Bhd.	Immediate holding company
DKSH Distribution Malaysia Sdn. Bhd.	Subsidiary
DKSH (B) Sdn. Bhd.	Subsidiary
DKSH Malaysia Sdn. Bhd.	Subsidiary
DKSH Management Malaysia Sdn. Bhd.	Subsidiary
The Famous Amos Chocolate Chip Cookie Corporation (M) Sdn. Bhd.	Subsidiary
FACC (B) Sdn. Bhd.	Subsidiary
DKSH Food Services (M) Sdn. Bhd.	Subsidiary
DKSH Manufacturing Sdn. Bhd.	Subsidiary
DKSH Market Expansion Services Sdn. Bhd.	Subsidiary
AcuTest Systems (M) Sdn. Bhd.	Subsidiary
DKSH Corporate Shared Services Center Sdn. Bhd.	Related company
DKSH Luxury & Lifestyle (Malaysia) Sdn. Bhd.	Related company
DKSH Technology Sdn. Bhd.	Related company
DKSH Singapore Pte. Ltd.	Related company
PT DKSH (Indonesia), Jakarta	Related company
DKSH (Thailand) Ltd.	Related company
DKSH Japan K.K., Tokyo	Related company
Medinova AG	Related company
DKSH Management Ltd.	Related company
DKSH Market Expansion Services Pte. Ltd.	Related company

Notes to the Financial Statements

December 31, 2025 (continued)

29. Significant Related Party Transactions (continued)

Related Parties	Relationships
DKSH South East Asia Pte. Ltd.	Related company
DKSH South East Asia Pte. Ltd. (SG Division)	Related company
FAVOREX Pte. Ltd.	Related company
DKSH Switzerland Ltd.	Related company
DKSH Vietnam Co. Ltd.	Related company
DKSH Philippines Inc.	Related company
DKSH Marketing Services Pte. Ltd.	Related company
DKSH Hong Kong Ltd.	Related company
Edward Keller (Philippines) Inc.	Related company
DKSH Performance Materials Malaysia Sdn. Bhd.	Related company
DKSH (Myanmar) Ltd.	Related company
DKSH Performance Materials Australia Pty Ltd	Related company
PT Wicaksana Overseas International Tbk	Related company
DKSH Performance Materials Singapore Pte. Ltd.	Related company
DNIV Electronics Sdn. Bhd.	Related company
DKSH BRN Sdn. Bhd.^	Related company
APN Plastics Asia Pacific (Malaysia) Sdn. Bhd.*	Related company
CLMO Technology Sdn. Bhd."	Related company
CLMO Technology (Penang) Sdn. Bhd."	Related company

Subsidiary refers to companies within the listed Group of DKSH Holdings (Malaysia) Berhad ("DHMB Group").

Related company refers to companies outside of the DHMB Group but are companies under the DKSH Holding Ltd Group of companies.

^ A related company effective from March 1, 2024
* A related company effective from July 9, 2025
" A related company effective from December 27, 2024

30. Segmental Information

The Group is organized into three main business segments:
- Consumer Goods
- Healthcare
- Others - Famous Amos chocolate chip cookie business and central overheads

All the major operations of the Group are carried out in Malaysia. The segment reports as presented below had been reviewed by the chief operating decision maker.

Notes to the Financial Statements

December 31, 2025 (continued)

30. Segmental Information (continued)

(a) Primary Reporting Format - Business Segments

	Consumer Goods RM'000	Healthcare RM'000	Others RM'000	Eliminations RM'000	Group RM'000
At December 31, 2025					
Revenue					
Sale of goods	4,618,600	3,766,903	110,264	-	8,495,767
Rendering of services	35,701	88,576	-	-	124,277
Segment revenue	4,654,301	3,855,479	110,264	-	8,620,044
Intersegment revenue	2,648	-	-	(2,648)	-
Revenue	4,656,949	3,855,479	110,264	(2,648)	8,620,044
Results					
Segment results	131,229	105,498	(1,731)	-	234,996
Finance costs					(28,145)
Income tax expense					(51,346)
Profit for the financial year					155,505
Net Assets					
Segment assets	2,161,365	1,417,720	81,448	-	3,660,533
Unallocated assets					77,881
Total assets					3,738,414
Segment liabilities	(794,574)	(1,038,980)	(61,391)	-	(1,894,945)
Unallocated liabilities					(729,976)
Total liabilities					(2,624,921)
Other Information					
Capital expenditure	4,991	10,654	5,258	-	20,903
Depreciation of property, plant and equipment	3,651	5,003	3,867	-	12,521
Depreciation on right-of-use assets	18,086	8,232	10,256	-	36,574
Amortization of intangible assets	-	1,153	-	-	1,153
(Reversal of allowance for)/allowance for trade receivables	(1,109)	1,647	2	-	540
Inventories written off	29,036	8,068	1,396	-	38,500

Notes to the Financial Statements

December 31, 2025 (continued)

30. Segmental Information (continued)

(a) Primary Reporting Format - Business Segments (continued)

	Consumer Goods RM'000	Healthcare RM'000	Others RM'000	Eliminations RM'000	Group RM'000
At December 31, 2024					
Revenue					
Sale of goods	4,252,283	3,457,416	103,248	-	7,812,947
Rendering of services	32,898	97,511	-	-	130,409
Segment revenue	4,285,181	3,554,927	103,248	-	7,943,356
Intersegment revenue	2,030	-	-	(2,030)	-
Revenue	4,287,211	3,554,927	103,248	(2,030)	7,943,356
Results					
Segment results	108,639	79,241	434	-	188,314
Finance costs					(25,684)
Income tax expense					(39,506)
Profit for the financial year					123,124
Net Assets					
Segment assets	1,971,894	1,250,063	82,999	-	3,304,956
Unallocated assets					175,769
Total assets					3,480,725
Segment liabilities	(734,484)	(905,044)	(69,094)	-	(1,708,622)
Unallocated liabilities					(784,156)
Total liabilities					(2,492,778)
Other Information					
Capital expenditure	4,146	3,975	4,838	-	12,959
Depreciation of property, plant and equipment	2,548	4,607	4,076	-	11,231
Depreciation on right-of-use assets	19,456	8,379	9,743	-	37,578
Amortization of intangible assets	3,052	1,788	-	-	4,840
Allowance for/(reversal of allowance for) trade receivables	(684)	4,220	(14)	-	3,522
Inventories written off	20,294	4,948	365	-	25,607

Segment assets consist primarily of property, plant and equipment, intangible assets, right-of-use assets, inventories, right of return assets, and trade receivables. Segment liabilities comprise primarily of trade payables and lease liabilities. Capital expenditure comprises additions to property, plant and equipment (Note 11).

Notes to the Financial Statements

December 31, 2025 (continued)

30. Segmental Information (continued)

(a) Primary Reporting Format - Business Segments (continued)

	Group	
	2025 RM'000	2024 RM'000
Unallocated assets mainly consists of:		
Cash and bank balances	17,991	93,521
Other receivables	45,388	46,199
Deferred tax assets	13,571	13,030
Others	931	23,019
	77,881	175,769
Unallocated liabilities mainly consists of:		
Accruals and sundry payables	(244,193)	(199,759)
Revolving credits	-	(453,000)
Advances from holding companies	(85,845)	(11,985)
Term loans	(364,547)	(85,000)
Amounts due to:		
• intermediate holding company	-	(85)
• immediate holding company	(275)	(227)
• related companies	(4,226)	(11,373)
Deferred tax liabilities	(1,624)	(897)
Others	(29,266)	(21,830)
	(729,976)	(784,156)

(b) Secondary Reporting Format - Geographical Segments

Although the Group has two operations in Brunei Darussalam, there is no disclosure of the operations as separate geographical segment as the revenue contributed by the foreign incorporated companies are not material to constitute an independent geographical segment as stipulated under MFRS 8: Operating Segments.

31. Financial Risk Management Objectives and Policies

The activities of the Group and of the Company expose the Group and the Company to a variety of financial risks, in the areas of interest rate risk, foreign currency risk, liquidity risk and credit risk. The Group's and the Company's overall financial risk management objective is to ensure that the Group and the Company are adequately protected. Financial risk management involves risk reviews, monitoring of the compliance of internal control systems and adherence to DKSH Holding Ltd. Group's financial risk management policies.

(a) Interest Rate Risk

Interest rate exposures arise from the Group's and the Company's borrowings and advances from immediate and intermediate holding company and subsidiaries. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Notes to the Financial Statements

December 31, 2025 (continued)

31. Financial Risk Management Objectives and Policies (continued)

(a) Interest Rate Risk (continued)

At the reporting date, the interest rate profile of the interest-bearing financial instruments is as below:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net financial liabilities:				
• Fixed rate instruments	(66,519)	(85,000)	-	-
• Floating rate instruments	(384,771)	(443,709)	(40,807)	(74,290)
	(451,290)	(528,709)	(40,807)	(74,290)

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

Fair Value Sensitivity Analysis for Fixed Rate Instruments
The Group and the Company do not account for any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the statements of comprehensive income.

Sensitivity Analysis for Floating Rate Instruments
A change of 25 basis points in interest rates at the reporting date would result in the profit before tax to be (lower)/higher by the amounts shown below. This analysis assumes that all other variables remain constant.

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Floating rate instruments (denominated in RM):				
25 basis points increase	(1,128)	(1,322)	(102)	(186)
25 basis points decrease	1,128	1,322	102	186

(b) Foreign Currency Risk

The Group is exposed to transactional currency risk primarily through sales, purchases and payments on behalf that are denominated in a currency other than the functional currency to which they relate. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Brunei Dollar ("BND"), Euro ("EUR"), Thai Baht ("THB") and Japanese Yen ("JPY").

The Group is required to hedge its foreign currency risk exposure arising from foreign currency cash flows that are not naturally offset by a simultaneous opposite commercial transaction in the same currency or mitigated in another way against its functional currency.

The net unhedged financial assets and financial liabilities of the Group that are not denominated in its functional currency are as follows:

	Note
Trade receivables	18 (a)
Due from related companies	18 (b)
Cash and bank balances	19
Trade and other payables	22
Due to related companies	22

Notes to the Financial Statements

December 31, 2025 (continued)

31. Financial Risk Management Objectives and Policies (continued)

(b) Foreign Currency Risk (continued)

Sensitivity Analysis for Foreign Currency Risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD, BND, EUR, THB and JPY exchange rates against the functional currency of the Group entities, with all other variables held constant.

		Group	
		2025	2024
		Profit Net of Tax RM'000	Profit Net of Tax RM'000
USD/RM	• strengthened 5%	(4,389)	(4,655)
	• weakened 5%	4,389	4,655
BND/RM	• strengthened 5%	790	729
	• weakened 5%	(790)	(729)
EUR/RM	• strengthened 5%	(609)	(517)
	• weakened 5%	609	517
THB/RM	• strengthened 5%	131	(29)
	• weakened 5%	(131)	29
JPY/RM	• strengthened 5%	(412)	(110)
	• weakened 5%	412	110

(c) Liquidity Risk

The Group and the Company manage operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash to meet its working capital requirements. The Company relies on the distribution of dividends and interest income from subsidiaries to meet its working capital requirements.

Notes to the Financial Statements

December 31, 2025 (continued)

31. Financial Risk Management Objectives and Policies (continued)

(c) Liquidity Risk (continued)

The table below analyzes the Group's and the Company's financial liabilities into relevant maturity profile based on the remaining period in the statements of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying amounts as the impact of discounting is insignificant.

Analysis of Undiscounted Financial Instruments by Remaining Contractual Maturities

	Within 1 Year RM'000	1 to 5 Years RM'000	More than 5 Years RM'000	Total RM'000
Group				
2025				
Trade and other payables	2,037,389	-	-	2,037,389
Borrowings and advances from holding companies	167,889	315,640	-	483,529
Lease liabilities	38,438	71,084	12,268	121,790
Derivatives - settled net	2,765	-	-	2,765
	2,246,481	386,724	12,268	2,645,473
2024				
Trade and other payables	1,802,913	-	-	1,802,913
Borrowings and advances from holding companies	539,367	12,500	-	551,867
Lease liabilities	43,648	95,192	23,795	162,635
	2,385,928	107,692	23,795	2,517,415

	Within 1 Year RM'000	1 to 5 Years RM'000	Total RM'000
Company			
2025			
Trade and other payables	675	-	675
Borrowings, advances from subsidiaries and holding companies	89,545	83,340	172,885
	90,220	83,340	173,560
2024			
Trade and other payables	1,050	-	1,050
Borrowings, advances from subsidiaries and holding companies	52,255	81,172	133,427
	53,305	81,172	134,477

Notes to the Financial Statements

December 31, 2025 (continued)

31. Financial Risk Management Objectives and Policies (continued)

(d) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and other financial instruments.

The Group's current credit risk grading framework comprise the following categories:

Category	Definition of Category	Basis for Recognizing Expected Credit Loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is more than 270 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL
III	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

	Note	Category	12-month or Lifetime ECL	Gross Carrying Amount RM'000	Loss Allowance RM'000	Net Carrying Amount RM'000
Group						
At December 31, 2025						
Trade receivables - third parties	18	Note 1	Lifetime ECL (simplified)	1,936,534	(21,045)	1,915,489
Sundry receivables	18	I	12-month ECL	4,199	-	4,199
Amounts due from related companies (trade and non-trade)	18	I	12-month ECL	11,090	-	11,090
					(21,045)	
At December 31, 2024						
Trade receivables - third parties	18	Note 1	Lifetime ECL (simplified)	1,732,423	(21,926)	1,710,497
Sundry receivables	18	I	12-month ECL	2,837	-	2,837
Amounts due from related companies (trade and non-trade)	18	I	12-month ECL	5,937	-	5,937
					(21,926)	
Company						
At December 31, 2025						
Advances to related parties	15	I	12-month ECL	126,664	-	126,664
Amounts due from:						
• related parties (non-trade)	18	I	12-month ECL	276	-	276
At December 31, 2024						
Advances to related parties	15	I	12-month ECL	54,627	-	54,627
Amounts due from:						
• related parties (non-trade)	18	I	12-month ECL	576	-	576

Notes to the Financial Statements

December 31, 2025 (continued)

31. Financial Risk Management Objectives and Policies (continued)

(d) Credit Risk (continued)

Note 1 Trade Receivables
For trade receivables, the Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

The Group's credit risk is primarily attributable to trade receivables. The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Other Receivables, Advances to Subsidiaries and Immediate Holding Company, and Amounts due from Subsidiaries and Related Companies
Expected credit loss is determined individually after considering the historical default experience and financial strength. Based on management's assessment, the probability of the default of these receivables is low and hence, ECL is insignificant.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets. However, the Company has a significant concentration of credit risk in the form of advances to subsidiaries and immediate holding company.

(e) Fair Values

The carrying amounts of the following financial assets and liabilities approximate their fair values due to the relatively short term maturity of these financial instruments: cash and bank balances, receivables and payables (including amounts due to/from related companies) and borrowings.

Set out below is a comparison, of the carrying amounts and fair value of the financial instruments (classified as Level 2 financial instruments in accordance with MFRS 7 Financial Instruments: Disclosures classification hierarchy), other than those carrying amounts that are reasonable approximations of fair values:

	2025		2024	
	Carrying Amount RM'000	Fair Value (Level 2) RM'000	Carrying Amount RM'000	Fair Value (Level 2) RM'000
Group				
Financial Assets				
Derivative financial instruments	-	-	807	807
Financial Liabilities				
Derivative financial instruments	2,765	2,765	-	-
Interest-bearing borrowings Fixed rate term loans	-	-	85,000	82,422

The fair value of the term loans are determined by using the discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting date.

The Group and the Company do not have any financial instruments classified as Level 1 and Level 3 as at December 31, 2025 and 2024.

Notes to the Financial Statements

December 31, 2025 (continued)

32. Capital Management

The primary objective of the Group's and the Company's capital management is to maintain an optimal capital structure in order to support their business via a mixture of equity and its debt obligation in adherence to DKSH Holding Ltd. Group's financial risk management policies.

The Group and the Company optimize the overall capital management performance through improvement in the cash flows. The Group's and the Company's cash flows management focuses on inventories, receivables and payables by ensuring that they have sufficient liquidity to meet their obligations. No significant changes were made in the objectives, policies or processes during the financial years ended December 31, 2025 and December 31, 2024.

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Borrowings and advances from related parties	450,392	549,985	167,471	128,917
Less: Cash and bank balances	(17,991)	(93,521)	(31)	(13)
Net debt	432,401	456,464	167,440	128,904
Equity attributable to the owners of the parent, representing total capital	1,113,493	987,947	522,182	489,370
Total capital and net debt	1,545,894	1,444,411	689,622	618,274
% of net debt to total capital and net debt	28%	32%	24%	21%

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

33. Significant Event during the Financial Year

On December 9, 2025, the Board of Directors of the Company received an offer from its immediate holding company, DKSH Resources (Malaysia) Sdn. Bhd., on behalf of the ultimate holding company, DKSH Holding Ltd. to take over the remaining outstanding 25.7% of shares currently held by minority shareholders and subsequently delist the Company from the Malaysian stock exchange. An Extraordinary General Meeting ("EGM") was held on April 2, 2026, of which the resolution in respect of the proposal was not passed.

Analysis of Shareholdings

As of March 31, 2026

Total number of issued shares	:	157,658,076
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share
Number of shareholders	:	2,943

Analysis by Size of Shareholdings (as per the Record of Depositors)

Size of Holdings	No. of Holders	% of Holders	No. of Shares Held	% of Issued Shares
Less than 100	262	8.90	1,784	Negligible
100 to 1,000	1,284	43.63	975,439	0.62
1,001 to 10,000	1,021	34.69	4,127,808	2.62
10,001 to 100,000	304	10.33	9,016,468	5.72
100,001 to less than 5% of issued shares	71	2.41	26,381,501	16.73
5% and above of issued shares	1	0.03	117,155,076	74.31
Total	**2,943**	**100.00**	**157,658,076**	**100.00**

Directors' Interests in Shares in the Company (as per the Register of Directors' Shareholdings)

	Direct Interest		Deemed Interest	
	No. of Shares Held	% of Issued Shares	No. of Shares Held	% of Issued Shares
Oh Sae Ung	-	-	-	-
Richard Lai Tak Loi	-	-	-	-
Dr. Leong Yuen Yoong	-	-	-	-
Datin Suryani binti Ahmad Sarji	-	-	-	-
Senthilathiban a/l Thirunilakantan	-	-	-	-
Sandeep Tewari	-	-	-	-

Directors' Interests in Shares in a Related Corporation (as per the Register of Directors' Shareholdings)

	Direct Interest		Deemed Interest	
Ultimate Holding Company DKSH Holding Ltd.	No. of Shares Held	% of Issued Shares	No. of Shares Held	% of Issued Shares
Oh Sae Ung	5,082	0.007	-	-
Sandeep Tewari	205	-	-	-

Save as disclosed above, none of the Directors had any interest in shares of the Company or its related corporations.

Analysis of Shareholdings

As of March 31, 2026 (continued)

Shareholdings of Substantial Shareholders in the Company (as per the Register of Substantial Shareholders)

	Direct interest		Deemed interest	
Name	**No. of Shares Held**	**% of Issued Shares**	**No. of Shares Held**	**% of Issued Shares**
DKSH Resources (Malaysia) Sdn Bhd	117,155,076	74.31	–	–

Top 30 Largest Shareholders (as per the Record of Depositors)

	Name	No. of Shares Held	% of Issued Shares
1.	DKSH Resources (Malaysia) Sdn Bhd	117,155,076	74.31
2.	DB (Malaysia) Nominee (Asing) Sdn Bhd Deutsche Bank Ag Singapore for Pangolin Asia Fund	4,439,600	2.82
3.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Eastspring Investments Small – Cap Fund	2,206,900	1.40
4.	Neoh Choo EE & Company, Sdn. Berhad	2,200,000	1.40
5.	HSBC Nominees (Asing) Sdn Bhd Exempt An for Caceis Bank (UCITS Clients)	1,172,101	0.74
6.	Lim Kuan Gin	998,000	0.63
7.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Yee Hui	930,000	0.59
8.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)	647,000	0.41
9.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Khoo Bee Lian	631,800	0.40
10.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)	481,400	0.31
11.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Siew Lai	479,200	0.30
12.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kian Aik	430,900	0.27
13.	Affin Hwang Nominees (Asing) Sdn Bhd DBS Vickers Secs (S) Pte Ltd for Little Rain Assets Limited	430,000	0.27
14.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tay Ong Ngo @ Tay Boon Fang	416,500	0.26

Analysis of Shareholdings

As of March 31, 2026 (continued)

Top 30 Largest Shareholders (as per the Record of Depositors) (continued)

	Name	No. of Shares Held	% of Issued Shares
15.	Tan Aik Choon	405,400	0.26
16.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB For Dynaquest Sdn. Bhd. (PB)	400,000	0.25
17.	Kenanga Nominees (Asing) Sdn Bhd Exempt An For Phillip Securities Pte Ltd (Client Account)	397,200	0.25
18.	Lee Yau Chew	387,000	0.25
19.	Tan Hock Hin	318,000	0.20
20.	Ten Woon Hwa	296,300	0.19
21.	Tan Sai Peng @ Tan Kit Ho	286,000	0.18
22.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Soo Sie	274,400	0.17
23.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Kwee Hock	272,900	0.17
24.	Tay Boon Teck	268,500	0.17
25.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Goh Peng Seng (CCTS)	265,000	0.17
26.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Kho Cheok Lian (MY1290)	252,900	0.16
27.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Boon Keat	244,000	0.15
28.	Phillip Nominees (Tempatan) Sdn Bhd Exempt An for Phillip Capital Management Sdn Bhd (EPF)	237,600	0.15
29.	Lim Tean Kau	230,000	0.15
30.	Lim Hoo Seng Holdings Sdn Bhd	225,000	0.14
	Total	**137,378,677**	**87.14**

Notice of Annual General Meeting

Notice is hereby given that the Thirty-Fourth Annual General Meeting ("34th AGM") of DKSH Holdings (Malaysia) Berhad (199101021067 (231378-A)) ("the Company") will be held on Wednesday, May 13, 2026, at 10:00 a.m. at Ballroom I & II, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan to transact the following businesses:

Agenda

As Ordinary Business:

1. To receive the Audited Financial Statements of the Company for the financial year ended December 31, 2025, and the Reports of the Directors and Auditors thereon.
   (Refer Note 9)

2. To approve the Directors' fees payable up to an amount of RM 280,000 for the period from May 14, 2026, until the next Annual General Meeting ("AGM") of the Company to be held in 2027.
   Ordinary Resolution 1

3. To re-elect Mr. Sandeep Tewari who retires pursuant to Article 105 of the Constitution of the Company.
   Ordinary Resolution 2

4. To re-elect Mr. Oh Sae Ung who retires pursuant to Article 105 of the Constitution of the Company.
   Ordinary Resolution 3

5. To re-appoint Messrs Ernst & Young PLT as Auditors of the Company for the financial year ending December 31, 2026, and to authorize the Directors to fix their remuneration.
   Ordinary Resolution 4

As Special Business:

6. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**
   "THAT, subject to the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("DKSH Group") to enter into all arrangements and/or transactions of a revenue or trading nature involving the interests of Directors, major shareholders or persons connected with the Directors and/or major shareholders of DKSH Group ("Related Parties") as specified in Section 2.5(a) of the Circular to Shareholders dated April 14, 2026 ("Proposed Shareholders' Mandate") provided that such arrangements and/or transactions are:
   (i) recurrent transactions of a revenue or trading nature;
   (ii) necessary for the day-to-day operations; and
   (iii) carried out in the ordinary course of business on normal commercial terms which are consistent with DKSH Group's normal business practices and policies, on terms and price not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

   AND THAT such authority conferred by the shareholders of the Company upon passing of this resolution pertaining to the Proposed Shareholders' Mandate will continue to be in force until:
   (i) the conclusion of the next Annual General Meeting of the Company at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed; or
   (ii) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
   (iii) until the authority is revoked or varied by a resolution passed by the shareholders in a general meeting,

   whichever is the earlier.

   AND THAT the Directors of the Company be and are hereby empowered to complete and to do all such acts and things, including executing all such documents as may be required, as they may consider expedient or necessary to give effect to this resolution."
   Ordinary Resolution 5

7. To transact any other business of which due notice is given.

By order of the Board

Serene Lee Huey Fei (LS0009912)
(SSM PC No. 202208000450)

Thin Pui Leng (LS0009933)
(SSM PC No. 202208000271)

Company Secretaries

Petaling Jaya
April 14, 2026

Notice of Annual General Meeting (continued)

Notes:

Proxy

1. A member of the Company entitled to attend and vote at a general meeting of the Company is entitled to appoint proxy(ies) to attend, vote and speak on such member's behalf. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.

2. Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each Omnibus Account it holds.

3. The instrument appointing a proxy shall:
   (i) in the case of an individual, be signed by the appointer or by his/her attorney; and
   (ii) in the case of a corporation, be either under its common seal or under the hand of an officer or attorney duly authorised.

4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of the shareholdings to be represented by each proxy in the instrument appointing the proxies.

5. The instrument appointing the proxy must be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or its drop-in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, not less than 48 hours before the time appointed for holding the meeting or adjournment thereof; otherwise the instrument of proxy shall not be treated as valid and person so named shall not be entitled to vote in respect thereof. Only original copies of the duly executed form of proxy are acceptable. Alternatively, you may submit the proxy appointment electronically via Vistra Share Registry and IPO (MY) Portal ("The Portal") at https://srmy.vistra.com before the proxy form cut off time as mentioned above. Kindly refer to the Administrative Guide for the 34th AGM for further information on the electronic submission of proxy form.

6. The lodging of a form of proxy does not preclude a member from attending and voting in person at the meeting should the member subsequently decide to do so.

Entitlement to attend AGM

7. For the purpose of determining members who shall be entitled to attend the 34th AGM, only the Company's members whose names appear in the Record of Depositors of the Company maintained by Bursa Malaysia Depository Sdn Bhd on May 6, 2026 shall be entitled to attend the said meeting or appoint proxies to attend, vote and speak on their behalf.

Voting by poll

8. Pursuant to Paragraph 8.29A (1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice will be put to vote by poll.

Audited Financial Statements and the Reports of the Directors and Auditors thereon

9. The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Act for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

Directors' fees

10. Pursuant to Section 230(1) of the Act, fees and benefits payable to Directors of the Company will have to be approved by shareholders at a general meeting. In this respect, the Board has agreed that the shareholders' approval shall be sought at the 34th AGM on the Directors' fees payable with effect from May 14, 2026, until the next AGM in 2027.

    The Directors' fees of an amount up to RM 280,000 are payable to Non-Executive Directors ("NEDs") who are not employed by DKSH group of companies. The Directors' fees are calculated based on the assumption that all the NEDs will remain in office until the next AGM in 2027 and have included additional provisional sum for future increase in directors' fees of NEDs. There is no change in the structure of the proposed Directors' fees for the period from May 14, 2026 until the next AGM in 2027. The Board will seek shareholders' approval at the next AGM in the event the Directors' fees proposed is insufficient.

Re-election of Directors who retire pursuant to Article 105 of the Constitution of the Company

11. Mr. Sandeep Tewari and Mr. Oh Sae Ung are due for retirement at this 34th AGM and being eligible, have offered themselves for re-election as Directors of the Company. The abovementioned Directors have met the relevant requirements under the fit and proper assessment and the Nomination and Remuneration Committee had assessed that each individual Director was fit and proper to continue to hold the position as a Director of the Company. Premised on

Notice of Annual General Meeting (continued)

the satisfactory outcome of the assessments, the Board has considered the Nomination and Remuneration Committee's evaluation of the eligibility of the three retiring Directors and is satisfied that they will continue to bring their knowledge, experience and skills and contribute effectively to the Board's discussions, deliberations and decisions.

Re-appointment of Auditors

12. Messrs Ernst & Young PLT ("EY"), the auditors of the Company have expressed their willingness to continue in office as auditors of the Company for the financial year ending December 31, 2026. The Board has approved the Audit Committee's recommendation that they be retained having considered relevant feedback on their experience, performance and independence.

Explanatory Note to Special Business:

Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolution 5, if passed, will renew the authority obtained at the last AGM in 2025 and allow DKSH Group to enter into recurrent related party transactions with DKSH Holding Ltd. and its subsidiaries involving the interests of Directors, major shareholders or persons connected with the Directors and/or major shareholders of DKSH Group, which are of a revenue or trading nature and necessary for DKSH Group's day-to-day operations.

Further information on the Proposed Shareholders' Mandate is set out in the Circular to Shareholders dated April 14, 2025.

Statement Accompanying Notice of Thirty-Fourth Annual General Meeting (pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

Mr. Sandeep Tewari is standing for re-election as Director of the Company. His profile is set out as below:

Mr. Sandeep Tewari (also known as Mr. Tewari), aged 53, male, and Indian, was appointed to the Board of DKSH Holdings (Malaysia) Berhad on October 16, 2023, as a Non-Independent Executive Director.

He joined DKSH Holding Ltd. in July 2020 as Vice President, Healthcare for Cambodia and Laos, and subsequently assumed the role of Vice President, Healthcare, Malaysia on August 1, 2023. In his current capacity, he leads the Business Unit Healthcare and serves as Head of Country Leadership, DKSH Malaysia & Brunei.

Mr. Tewari brings more than three decades of experience in the healthcare industry, with deep expertise across the medical devices, vision care, and pharmaceutical sectors in India and Southeast Asia. He has a strong and proven track record in business growth, market expansion, and successful turnaround of organisations across complex and diverse markets in the region.

Mr. Tewari holds a Bachelor of Science degree in Zoology, Botany, and Chemistry from Kumaon University, Uttarakhand, India. Prior to joining DKSH, he has worked seven years with Allergan India Private Ltd. and 16 years with Alcon Laboratories. During his tenure at Alcon, he held various senior leadership positions with progressively increasing responsibilities across sales, marketing strategy, and business operations, and eventually rose to the role of Country General Manager, overseeing operations in India, Malaysia, Singapore, and Brunei.

He currently sits on the boards of several subsidiaries of DKSH Holdings (Malaysia) Berhad and does not hold any directorships in other public or listed companies.

Mr. Tewari has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including any interest in competing businesses involving the Company or its subsidiaries.

He has no convictions for any offences within the past five years, and no public sanctions or penalties imposed by regulatory authorities during the financial year.

Mr. Tewari attended all Board meetings held during the financial year ended December 31, 2025.

Mr. Oh Sae Ung is standing for re-election as Director of the Company. His profile is set out as below:

Mr. Oh Sae Ung (also known as Sam Oh), aged 59, male, an American, was appointed to the Board of DKSH Holdings (Malaysia) Berhad on July 5, 2024, as Non-Independent Non-Executive Director. On November 21, 2024, he was re-designated to Non-Independent Non-Executive Chairman and appointed as a Member of Nomination & Remuneration on the event date.

He holds a bachelor's degree in mathematics and computer science from the University of California, San Diego, United States of America ("USA").

Notice of Annual General Meeting (continued)

He started his career in the USA in 1990 at Fujitsu Systems of America. From 1998 to 2004, he held various senior positions at Tesco Plc (Tesco Lotus), Thailand before returning to USA in 2004 to rejoin Fujitsu Systems of America as Vice President, Business Development. From 2006 to 2018, he held positions including Chief Information Officer and Vice President at Fresh and Easy Neighbourhood Market Inc. (Tesco Plc.), USA, Chief Information Officer at Fresh and Easy LLC (Yucaipa Private Equity Companies), USA, and Group Chief Information Officer and Member of the Executive Leadership at Dairy Farm International, Hong Kong.

Mr. Sam Oh brings to the Board extensive experience spanning 30 years in the areas of business development, e-commerce, and information technology/digital transformation across Asia and USA. He has been a member of the Board of Directors of a Commerce Group Public Company Limited in Thailand since August 2023.

Mr. Sam Oh is currently the Chief Information Officer, Head of eCommerce, and a member of the Executive Committee of DKSH Holding Ltd ("DKSH"), Switzerland. Prior to this role, he was the Senior Vice President and Head of Global IT of Global Logistic Properties, Hong Kong from 2018 to 2021, where he led significant digital transformation and digital business. Mr. Sam Oh has been pivotal in the further development of DKSH Group-wide e-commerce, digital and IT strategy, and accelerated DKSH's digital transformation. He also oversees DKSH Corporate Shared Services Center Sdn Bhd, a wholly-owned subsidiary of DKSH, which comprises the global IT hub and Business Process Operations with around 500 employees.

He does not hold any directorship in other public companies. He does not have any family relationship with any Director and/or major shareholder of DKSH Holdings (Malaysia) Berhad and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has no convictions for offences within the past five years, nor any public sanction or penalty imposed by relevant regulatory bodies during the financial year.

Mr. Sam Oh attended all of the Board meetings that were held during the financial year ended December 31, 2025.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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Proxy Form

for the Thirty-Fourth Annual General Meeting

DKSH Holdings (Malaysia) Berhad

(199101021067 (231378-A))

No. of Shares held:	CDS Account No.:

I/We *(full name and in capital letters)* ______________________________

NRIC *(new and old)*/Passport/Company No.: ______________ of *(full address)* ______________

______________________________ *(Telephone No.)* ______________

being a member of **DKSH Holdings (Malaysia) Berhad**, hereby appoint *(full name as per NRIC and in capital letters)* ______________

______________________________ NRIC No. *(new and old)*: ______________

of *(full address)* ______________________________

and/or* (*delete as appropriate) *(full name as per NRIC and in capital letters)* ______________

NRIC No. *(new and old)*: ______________ of *(full address)* ______________

____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirty-Fourth Annual General Meeting of the Company to be held at Ballroom I & II, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, May 13, 2026 at 10:00 a.m. or at any adjournment thereof. I/We indicate with an "X" in the spaces below how I/we wish my/our vote to be cast:

No.	Ordinary Resolutions	For	Against
1.	To approve the Directors' fees payable for the period from May 14, 2026, until the next Annual General Meeting of the Company to be held in 2027.		
2.	To re-elect Mr. Sandeep Tewari as a Director of the Company.		
3.	To re-elect Mr. Oh Sae Ung as a Director of the Company.		
4.	To re-appoint Messrs Ernst & Young PLT as Auditors of the Company.		
5.	To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature.		

Subject to the above stated voting instruction, my/our proxy/proxies may vote or abstain from voting on any resolutions as he/she may think fit.

____

Signature of Member/Common Seal *(if Member is a Corporation)*

Dated this ________ day of ______________ , 2026.

The proportions of my/our shareholdings to be represented by my/our proxies are as follows:

First Proxy

No. of shares: ______________

Percentage: ______________%

Second Proxy

No. of shares: ______________

Percentage: ______________%

Notes:

1. A member of the Company entitled to attend and vote at a general meeting of the Company is entitled to appoint proxy(ies) to attend, vote and speak on such member's behalf. A proxy may but need not be a member of the Company there shall be no restriction as to the qualification of the proxy.
2. Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each Omnibus Account it holds.
3. The instrument appointing a proxy shall:
   (i) in the case of an individual, be signed by the appointer or by his/her attorney; and
   (ii) in the case of a corporation, be either under its common seal or under the hand of an officer or attorney duly authorised.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of the shareholdings to be represented by each proxy in the instrument appointing the proxies.
5. The instrument appointing the proxy must be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or its drop in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof; otherwise the instrument of proxy shall not be treated as valid and person so named shall not be entitled to vote in respect thereof. Only original copies of the duly executed form of proxy are acceptable. Alternatively, you may submit the proxy appointment electronically via Vistra Share Registry and IPO (MY) Portal ("The Portal") at https://srmy.vistra.com before the proxy form cut off time as mentioned above. Kindly refer to the Administrative Guide for the 34th AGM for further information on the electronic submission of proxy form.
6. The lodging of a form of proxy does not preclude a member from attending and voting in person at the meeting should the member subsequently decide to do so.
7. Only the Company's members whose names appear in the Record of Depositors on May 6, 2026 shall be entitled to attend the said meeting or appoint proxies to attend, vote and speak on their behalf.

Fold this flap for sealing

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Affix
Stamp

The Share Registrar of
DKSH Holdings (Malaysia) Berhad
(199101021067 (231378-A))

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
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59200 Kuala Lumpur
Malaysia

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DKSH