



**DUOPHARMA**

# OUR DNA: SMARTER SOLUTIONS

INTEGRATED ANNUAL REPORT  
**2025**

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## 25<sup>th</sup> Annual General Meeting



Conference Hall 1 & 2, Level 3,  
Kuala Lumpur Convention Centre,  
Kuala Lumpur City Centre,  
50088 Kuala Lumpur, Malaysia



Thursday, 21 May 2026  
9.00 a.m.

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IAR



SR

#### Scan Me:

The full version of Integrated Annual Report ("IAR") 2025 and Sustainability Report ("SR") 2025 are available online now. Please scan the QR Code to read the online report.

## COVER

# Rationale

Science-based, innovative and with a deep-seated commitment to accessible medicines, Duopharma Biotech Berhad ("Duopharma Biotech" or "the Company") has evolved into the largest generics manufacturer in Malaysia. Our portfolio of drugs has expanded steadily to focus on treating diseases including cancer, diabetes and kidney ailments—common non-communicable diseases (NCDs) that are also life-threatening in the emerging markets we are in.

We have become a leader in our field because of the DNA at the core of the organisation: that of always looking for smarter solutions. This is manifest in everything we do – from partnering pharmaceutical players at the cutting-edge of industry, to investing in the most technologically advanced and sustainable systems, to hiring the smartest and brightest to achieve our corporate goals.

The front and back covers of this report symbolise the spirit of innovation and scientific advancement that drive us as well as our growth ambitions. Our DNA, represented by the double helix, is juxtaposed against our high-tech sterile injectable filling line in Klang, boasting one of the largest eye drop manufacturing capacities in Malaysia. Capable of producing six million vials and 40 million ampoules, the facility maintains global standards while operating at a global scale.

The national icons on the back cover depict our expanding regional footprint and growing international presence, concurrent with deepening our roots in Malaysia, our base and home.

In totality, our cover design is a visual representation of where Duopharma Biotech is today and our vision for tomorrow. It signals the resilience we have built, anchored on our DNA of smarter solutions; and our scalability as well as readiness to deliver future growth sustainably.

## ABOUT THIS REPORT

Welcome to Duopharma Biotech's Integrated Annual Report 2025, which has been prepared to provide stakeholders with accurate, concise and impactful information on Duopharma Biotech and its subsidiaries (the "Group")'s business model and strategies to create short, mid and long-terms value; as well as the challenges faced in achieving our objectives. Although targeted primarily at providers of financial capital (namely our shareholders, investors and financiers) this report is also relevant to any stakeholder interested in how we leverage our capitals (or resources) to drive positive financial and non-financial outcomes, balancing our profits with sound social and environmental impacts.



### REPORTING PRINCIPLES & FRAMEWORKS

This report has been prepared according to the principles and requirements of the International Integrated Reporting Framework produced by the International Financial Reporting Standards ("IFRS") Foundation. We have also been guided by:

#### Integrated Reporting Frameworks

- Bursa Malaysia's MMLR and Corporate Governance Guide (4<sup>th</sup> edition)
- MCGG 2021 issued by the Securities Commission Malaysia
- Companies Act 2016
- Malaysian Financial Reporting Standards ("MFRS")

#### Sustainability Statement

- Bursa Malaysia's MMLR on Sustainability Reporting and Sustainability Reporting Guide (3<sup>rd</sup> Edition)
- Global Reporting Initiative ("GRI") Standards
- International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards (S1 & S2)
- FTSE4Good Bursa Malaysia Index
- Sustainability Accounting Standards Board ("SASB") Standards
- United Nations' Sustainable Development Goals ("UN SDGs")

## ABOUT THIS REPORT

### SCOPE & BOUNDARIES

In this report, we have covered the activities, initiatives and key events that took place during the financial year from 1 January 2025 to 31 December 2025, unless stated otherwise. Our reporting encompasses all companies in the Group in which we have a majority shareholding and substantial influence.

### MATERIALITY

In deciding on the contents of this report, we have focused on matters identified as being relevant or of material interest to our stakeholders. These material matters have been determined by extensive stakeholder engagement as well as internal evaluation. Together, they reflect existing and emerging risks and opportunities which could affect our ability to create value and to delivering on our core purpose.

### COMBINED ASSURANCE

Contents of the entire report have been read and approved by the Management and Board of Directors. Additionally, all the financial data presented have been assured by our internal and external auditors while the non-financial disclosures (sustainability-related data) have been assured by Carbon Check (India) Private Limited and Group Internal Audit.

### FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements relating to future performance. Such statements are premised on current assumptions and circumstances which could change, hence they necessarily involve uncertainty. Various factors could cause actual results to differ materially from those expressed or implied by these forward-looking statements.

## ABOUT THIS REPORT

### NAVIGATION ICONS:

#### Our Six Capitals

>>>>>

<b>F</b>	Financial Capital
<b>M</b>	Manufactured Capital
<b>I</b>	Intellectual Capital
<b>S</b>	Social & Relationship Capital
<b>H</b>	Human Capital
<b>N</b>	Natural Capital



#### Our Stakeholders

>>>>>

<b>S1</b>	Government/Regulatory Authorities
<b>S2</b>	Employees
<b>S3</b>	Shareholders & Financial Community
<b>S4</b>	Customers
<b>S5</b>	Suppliers
<b>S6</b>	Business Partners
<b>S7</b>	Local Communities
<b>S8</b>	Healthcare Professionals
<b>S9</b>	Media

#### Icons In This Report

>>>>>


	This icon tells you where to find more details in this report.
	This icon allows you to find more details on our website.

### OTHER KEY ABBREVIATIONS

<b>ABMS</b>	Anti-Bribery Management System
<b>APPL</b>	Approved Products Purchase List
<b>CRM</b>	Customer Relationship Management
<b>ED</b>	Executive Director
<b>EEP</b>	Energy Efficiency Plan
<b>ESG</b>	Environmental, Social and Governance
<b>GCEO</b>	Group Chief Executive Officer
<b>GHG</b>	Greenhouse Gas
<b>GMC</b>	Group Management Committee
<b>GMD</b>	Group Managing Director
<b>GMP</b>	Good Manufacturing Practice
<b>HAPI</b>	Highly Potent Active Pharmaceutical Ingredient
<b>IAR</b>	Integrated Annual Report
<b>IFRS</b>	International Financial Reporting Standards
<b>INED</b>	Independent Non-Executive Director
<b>IR</b>	Integrated Reporting
<b>JAKIM</b>	Department of Islamic Development, Malaysia
<b>MACC</b>	Malaysian Anti-Corruption Commission
<b>MCCG</b>	Malaysian Code on Corporate Governance
<b>MDA</b>	Medical Device Authority
<b>MDL</b>	MyDuopharma Learning
<b>MMLR</b>	Main Market Listing Requirements
<b>MOH</b>	Ministry of Health
<b>NINED</b>	Non-Independent Non-Executive Director
<b>NPRA</b>	National Pharmaceutical Regulatory Agency
<b>NZTP</b>	Net Zero Transition Plan
<b>OPR</b>	Overnight Policy Rate
<b>OTC</b>	Over-the-Counter
<b>R&amp;D</b>	Research and Development
<b>SR</b>	Sustainability Report
<b>TCFD</b>	Task Force on Climate-related Financial Disclosures
<b>UNGC</b>	United Nations Global Compact
<b>YoY</b>	Year on Year

### DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of Duopharma Biotech Berhad had on 17 March 2026 authorised the issuance of this Integrated Annual Report 2025.



**DATIN PADUKA KARTINI BINTI HJ  
ABDUL MANAF**  
Non-Independent, Non-Executive Chairman



**WAN AMIR-JEFFERY BIN WAN  
ABDUL MAJID**  
Group Chief Executive Officer

# SECTION 01:

# DUOPHARMA BIOTECH AT A GLANCE

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# WE ARE DUOPHARMA BIOTECH

Duopharma Biotech is a Malaysia-based pharmaceutical company engaged in the manufacturing and distribution of pharmaceutical products, primarily in Malaysia and the region, with a reach extending to 31 countries globally. Duopharma Biotech was listed on the Main Market of Bursa Malaysia in 2002.

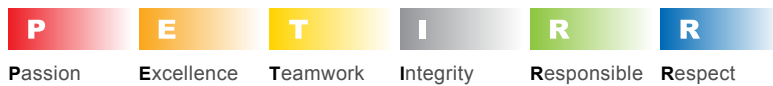
## Vision

Providing Smarter Solutions for a Healthier Life

## Mission





Leading Healthcare Group Providing Quality and Innovative Solutions

Our Core Values of PETIRR form the basis of how the team operates



## Corporate Culture

Our Corporate Culture guides all personnel in executing our business strategy and its goals:

-  Performance-Driven
-  Innovation
-  ESG Compliance
-  Global Mindset

In addition to manufacturing a range of pharmaceutical and consumer healthcare products at our three plants in Malaysia, we also distribute the products of international partners. For over 45 years, we have solidified our position as Malaysia’s leading generics manufacturer, driven to make quality medicines affordable and accessible to everyone.

### Our Business Value Chain comprises:



Financial Highlights in 2025

Revenue **RM931.69 million**

Market Capitalisation **RM1.20 billion**

Profit Before Tax **RM114.91 million**

At Duopharma Biotech, we continue to push the boundaries of pharmaceutical innovation to better serve the healthcare needs of communities, both locally and globally.



**Our Business Sectors**

**Consumer Healthcare Business**

Markets and distributes vitamins, minerals, supplements, food supplements as well as over-the-counter pharmaceutical products and cosmeceuticals under established brands such as UPHAMOL®, CHAMPS®, FLAVETTES® and many more in Malaysia and across the region.

**Classic Pharmaceutical Business**

Comprising more than 300 generic medicines such as Varexa, Vytan, Ducoxib and Caridine Syrup, our portfolio covers a wide range of key therapeutic areas, including cardiovascular (heart-related), dermatological (skin), hormonal, respiratory, sensory, nervous system and musculoskeletal conditions.

**Specialty Pharmaceutical Business**

Focuses on Duopharma Biotech's specialty therapy areas — Diabetes Care Franchise, Cancer Care Franchise and Renal Care Franchise, alongside a growing biosimilars portfolio developed through international technology and commercialisation collaborations, including ERYSAA®, Basalog One, Zuhera, Kirsty and Krabeva.

**DB (Philippines), Inc.**  
Established in 2007

- 1 Duopharma (M) Sendirian Berhad**
  - Manufactures oral solids, haemodialysis solutions, biosimilars, sterile small volume injectables ("SVI") and sterile cephalosporin powder filling
- 2a Duopharma HAPI Sdn Bhd**
  - Manufactures highly potent active pharmaceutical ingredients ("HAPI")
- 2b Duopharma Innovation Sdn Bhd**
  - Research & development ("R&D") operations for pharmaceutical business with ISO 17025 accredited laboratory
- 3 Duopharma Manufacturing (Bangi) Sdn Bhd**
  - Manufactures a wide range of Ethical and Consumer Healthcare ("CHC") products, mainly in oral solid dosage ("OSD"), liquids and cream forms



■ Male **1,107 (55%)**  
■ Female **894 (45%)**

(as at 31 December 2025)



Network  
Malaysia & Brunei

**Our Commitment to the Ten Principles of the UN Global Compact**

We have integrated the Ten Principles of the UN Global Compact into our strategies and operations, with a commitment to uphold human and labour rights, protect the environment, combat corruption and contribute to the achievement of the Sustainable Development Goals ("SDGs"). We have identified and prioritised 14 of the 17 SDGs where we believe we can drive meaningful change and make a substantial difference.



## OUR INVESTMENT CASE

### Five-Year Group Financial Highlights

Consolidated Financial Position	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Non-current assets	598,739	669,335	680,432	668,070	651,433	<b>631,137</b>
Current assets	459,693	494,796	541,487	677,065	726,400	<b>820,023</b>
Total assets	1,058,432	1,164,131	1,221,919	1,345,135	1,377,833	<b>1,451,160</b>
Current liabilities	150,321	230,309	264,591	166,728	177,985	<b>314,955</b>
Financed by :						
Share capital	404,922	405,856	419,367	432,466	432,466	<b>432,466</b>
Non-distributable reserves	18,717	(21,824)	(52,515)	(64,408)	(78,090)	<b>(83,409)</b>
Retained earnings	220,182	239,972	288,370	319,065	354,776	<b>408,566</b>
Shareholders' funds	643,821	624,004	655,222	687,123	709,152	<b>757,623</b>
Deferred tax liabilities and non-current other payables	11,009	12,021	7,505	10,382	26,173	<b>33,108</b>
Loans and borrowings	302,074	400,722	428,742	546,448	512,518	<b>492,898</b>

Consolidated Profit or Loss	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Revenue	569,902	639,175	696,717	704,727	813,695	<b>931,692</b>
Profit before tax	76,157	82,983	84,851	63,267	80,024	<b>114,909</b>
Taxation	(17,547)	(17,300)	(14,739)	(10,622)	(17,379)	<b>(27,446)</b>
Profit after tax	58,610	65,683	70,112	52,645	62,645	<b>87,463</b>
Profit attributable to shareholders	58,610	65,683	70,112	52,645	62,645	<b>87,463</b>
Dividends paid	(37,749)	(45,893)	(21,714)	(21,950)	(26,934)	<b>(33,668)</b>
Transfer upon the disposal of equity investment designated at FVOCI	16,375	-	-	-	-	-
Transfer to retained earnings	37,236	19,790	48,398	30,695	35,711	<b>53,795</b>

#### REVENUE (RM'mil)

2021: 639



2022: 697



2023: 705



2024: 814



2025: 932



#### PROFIT BEFORE TAX (RM'mil)

2021: 83.0



2022: 84.9



2023: 63.3



2024: 80.0



2025: 114.9



#### BASIC EARNINGS PER SHARE (Sen)

2021: 7.08



2022: 7.39



2023: 5.49



2024: 6.51



2025: 9.09



## OUR INVESTMENT CASE

## Sustainability Performance Highlights

## Climate Performance

Greenhouse Gas (“GHG”) emissions (Scopes 1 & 2) in FY2025:

- Total emissions **decreased 2% YoY**
- Emissions intensity **decreased 14% YoY**; and **21%** compared to baseline year (FY2019)

Energy intensity **decreased 14% YoY**

Installed **high-efficiency HVAC chiller** as part of EEP

**3.2 Gwh** solar power generation across manufacturing sites

**28%** of single-use plastics replaced with biodegradable plastics

**Diverted 26%** non-scheduled waste from landfills (FY2024: 17%)

**Recycled 6,116m<sup>3</sup>** of water from our operations (15% increase from FY2024)

## Sustainable Supply Chain

Conducted ESG awareness briefing for key suppliers and **completed ESG assessments on 8 top suppliers**

**Conducted corruption and bribery due diligence on 284** new business associates and **758** existing vendors

Achieved TRCF of **0.94** (Target: 1.28)

Lost Time Incidents: **4** (FY2024: 1)

## Access to Medicine

Launched **food supplements range** for adults and kids with natural extracts or compounds

Initiated **Pharmacoeconomics study on iBreastExam** and engaged more than 20 corporates on breast cancer awareness and iBreastExam screening

ERYSAA<sup>®</sup> became the **first erythropoiesis-stimulating agent (“ESA”)** certified halal by JAKIM

**Awarded tenders** to supply insulin analogues, oncology and renal products to the Ministry of Health (“MOH”)

**18 new product registrations** were submitted to NPRA in 2025, of which 6 were fully developed in-house

New range of **haemodialysis concentrate solutions** under Medical Device Authority (“MDA”) registration

## Diversity &amp; Inclusion

Achieved Employee Engagement Index of **88%**

*Note: Malaysia average is 87%*

**93% completion** of Unconscious Bias training among supervisory-level employees (Target: 80%)

**8 specially-abled individuals** recruited as of 2025

Four out of nine (**44%**) GMC members are female and three out of nine (**33%**) are non-Bumiputera

Contributed **RM4,110,647 to 236 beneficiaries** in community development programmes

## Governance

**Zero incidents** of corruption

**100% of operations completed** Corruption Risk Management review

**Completed ISO 37001 ABMS Surveillance Audit** with no Non-Conformity (“NC”) and only one Opportunity for Improvement (“OFI”)

An **Investment Committee** was incorporated to enhance Board oversight structure

























Successfully **completed the Intellectual Property Audit**

## OUR INVESTMENT CASE

### Our Approach to Sustainability

At Duopharma Biotech, we integrate ESG considerations into our operations and decision-making as part of a holistic approach to sustainability. ESG principles are integral to our corporate culture and is embedded across all functions, ensuring our goals and values are aligned with environmental stewardship and social responsibility, supported by good governance.

We have in place a Sustainability Management Framework, which serves as a blueprint for sustainable practices across our business operations. This structured framework encompasses five key focus areas that inform our 5-Year ESG Strategy (2022-2026). Aligned with the UN SDGs, our focus areas ensure we contribute to the global agenda. Each focus area encompasses identified material sustainability matters which are managed via ESG activities, underpinned by our Sustainability Policy and supported by other sustainability-related policies.

Key Focus Areas	Key Activities	Prioritised UN SDGs
 <b>Climate Performance</b>	<ul style="list-style-type: none"> <li>Managing climate-related risks</li> <li>Accelerating the path to net zero</li> <li>Optimising waste and material management</li> <li>Advancing water stewardship</li> <li>Continuous monitoring of environmental performance and compliance</li> </ul>	    
 <b>Sustainable Supply Chain</b>	<ul style="list-style-type: none"> <li>Procurement practices and vendor management</li> <li>Safeguarding safety and health</li> </ul>	 
 <b>Access to Medicine</b>	<ul style="list-style-type: none"> <li>Prioritising product quality, safety and responsibility</li> <li>Enabling access to medicines through affordability and medicine security</li> <li>Driving business innovation</li> <li>Strengthening R&amp;D</li> <li>Advancing halal commitment</li> </ul>	    
 <b>Diversity &amp; Inclusion</b>	<ul style="list-style-type: none"> <li>Adherence to local and international labour standards</li> <li>Ethical labour practices</li> <li>Talent acquisition and growth</li> <li>Promoting diversity and inclusion</li> <li>Ensuring workplace safety</li> <li>Supporting community outreach</li> </ul>	     
 <b>Governance</b>	<ul style="list-style-type: none"> <li>Internal control for good governance</li> <li>Assessing corruption risks</li> <li>Adopting ABMS</li> <li>Enhancing cybersecurity and privacy management</li> </ul>	

[For more information on Duopharma Biotech's sustainability framework including our strategy and performance, please refer to our Sustainability Statement on pages 64 to 79; and our Sustainability Report 2025 which is available on our corporate website.](#)

OUR INVESTMENT CASE

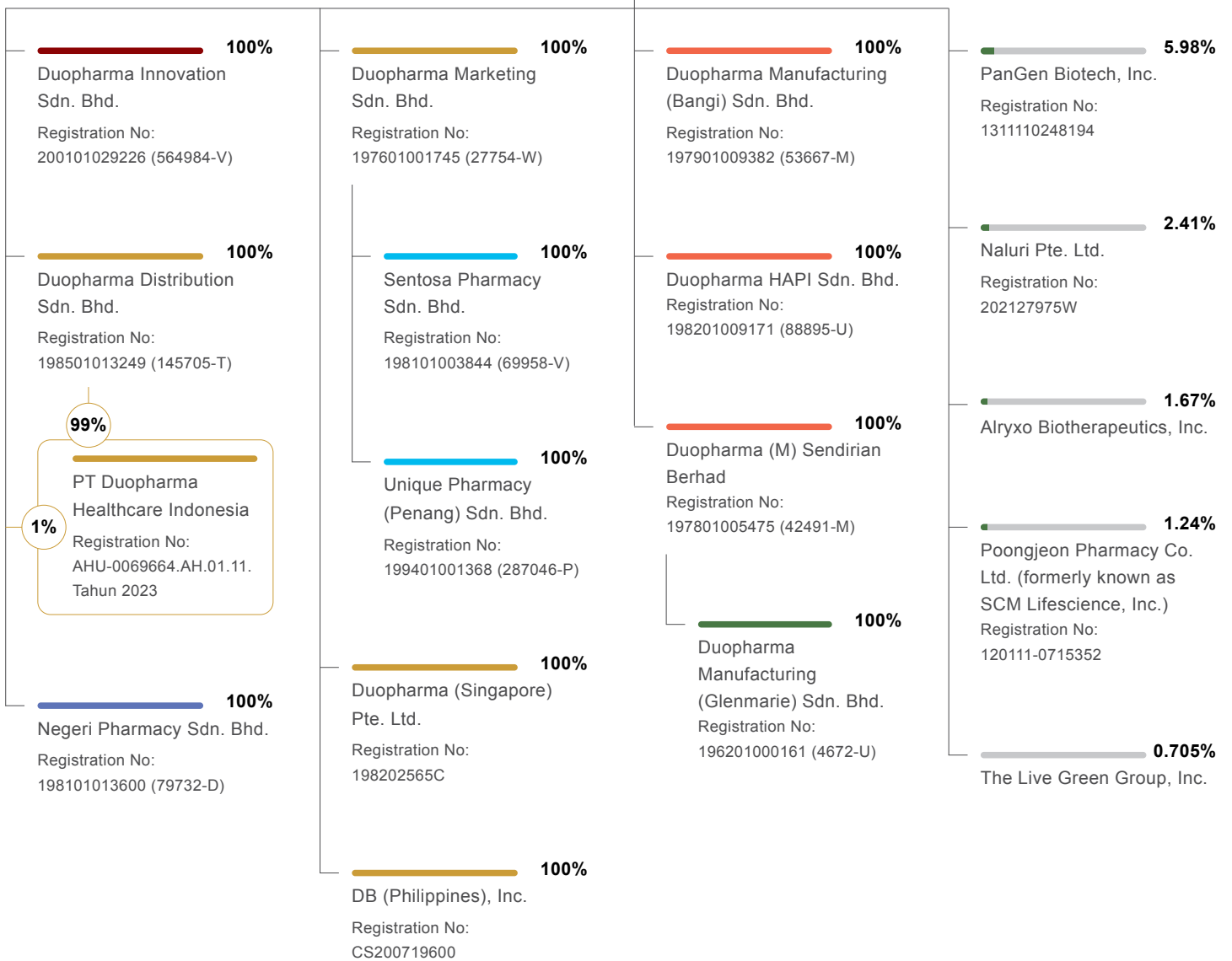
**Our Group Corporate Structure (As at 31 March 2026)**



DUOPHARMA

**DUOPHARMA BIOTECH BERHAD**

REGISTRATION NO.: 200001021664 (524271-W)



■ Research & Development ■ Manufacturing ■ Sales & Marketing ■ Depot ■ Dormant ■ Others

## OUR INVESTMENT CASE

## Corporate Information

## BOARD OF DIRECTORS

**Datin Paduka Kartini Binti Hj Abdul Manaf**

Non-Independent, Non-Executive Chairman

**Datuk Wira Arham Bin Abdul Rahman**

Senior Independent, Non-Executive Director

**Datuk Mohd Radzif Bin Mohd Yunus**

Non-Independent, Non-Executive Director

**Nik Fazila Binti Nik Mohamed Shihabuddin**

Independent, Non-Executive Director

**Dato' Adnan Hisham Bin Pawanteh**

Independent, Non-Executive Director

**Dr. Sharmila A/P Ramachandran**

Independent, Non-Executive Director

**Dr. Hasnita Binti Hashim**

Independent, Non-Executive Director

**Mohamad Idros Bin Mosin**

Non-Independent, Non-Executive Director

**Muhammad Shukri Bin Ismail**

Non-Independent, Non-Executive Alternate Director to Mohamad Idros Bin Mosin

**SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR****Datuk Wira Arham Bin Abdul Rahman**

Tel No. : +603-2162 0218

E-mail : arham@duopharmabiotech.com

**COMPANY SECRETARY****Ibrahim Hussin Salleh**

License No.: LS0009121

SSM Practising Certificate No.: 201908001032

**REGISTERED OFFICE**

Suite 18.06, Level 18, CIMB HUB,

No. 26, Jalan Sultan Ismail,

50250 Kuala Lumpur, Malaysia.

Tel No. : +603-2162 0218

Fax No. : +603-2161 0507

Website : www.duopharmabiotech.com

E-mail : cs@duopharmabiotech.com

**BUSINESS ADDRESS**

Lot 2599, Jalan Seruling 59,

Kawasan 3, Taman Klang Jaya,

41200 Klang, Selangor Darul Ehsan, Malaysia.

Tel No. : +603-3323 2759

Fax No. : +603-3323 3923

**INVESTOR RELATIONS**

Contact Person: Vinc Choong Jia Liang

Address: Lot 2599, Jalan Seruling 59,

Kawasan 3, Taman Klang Jaya,

41200 Klang, Selangor Darul Ehsan, Malaysia.

Tel No. : +603-3323 2759

Fax No. : +603-3323 3923

Email : vinc-choong@duopharmabiotech.com

**AUDITORS****Messrs. KPMG PLT****(LLP0010081-LCA & AF 0758)**

Chartered Accountants

Level 10, KPMG Tower,

8 First Avenue, Bandar Utama,

47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

**PRINCIPAL BANKERS****AmBank Islamic Berhad**

Level 45, Menara AmBank,

No. 8, Jalan Yap Kwan Seng,

50450 Kuala Lumpur,

Malaysia.

**AmBank (M) Berhad**

No.1, Ground Floor,

Lorong Sanggul 1F, Bandar Puteri Klang,

41200 Klang, Selangor Darul Ehsan,

Malaysia.

**Bank Islam Malaysia Berhad**

No 1, Jalan Mohagani 5, Bandar Botanic,

41200 Klang, Selangor Darul Ehsan,

Malaysia.

**Hong Leong Bank Berhad**

No 68, Lorong Batu Nilam 3A,

Bandar Bukit Tinggi, 41200 Klang,

Selangor Darul Ehsan, Malaysia.

**Malayan Banking Berhad**

No 7 &amp; 9, Jalan 9/9C,

Seksyen 9, Bandar Baru Bangi,

43650 Bangi, Selangor Darul Ehsan,

Malaysia.

**OCBC Bank (Malaysia) Berhad**

No.19, Jalan Stesen,

41000 Klang, Selangor Darul Ehsan, Malaysia.

**Oversea - Chinese Banking Corporation Limited Labuan Branch**

Level 8 (C), Main Office Tower,

Financial Park Labuan,

Jalan Merdeka, 87000 Labuan, Sabah, Malaysia.

**SHARE REGISTRAR****Tricor Investor & Issuing House Services Sdn. Bhd.**

Unit 32-01, Level 32,

Tower A, Vertical Business Suite,

Avenue 3, Bangsar South,

No. 8, Jalan Kerinchi,

59200 Kuala Lumpur, Malaysia.

Tel No. : +603-2783 9299

Fax No. : +603-2783 9222

E-mail : is.enquiry@my.tricorglobal.com

Web : www.tricorglobal.com

**STOCK EXCHANGE LISTING**

Listed on the Main Market of Bursa Malaysia

Securities Berhad on 18 July 2002

Stock Name : DPHARMA

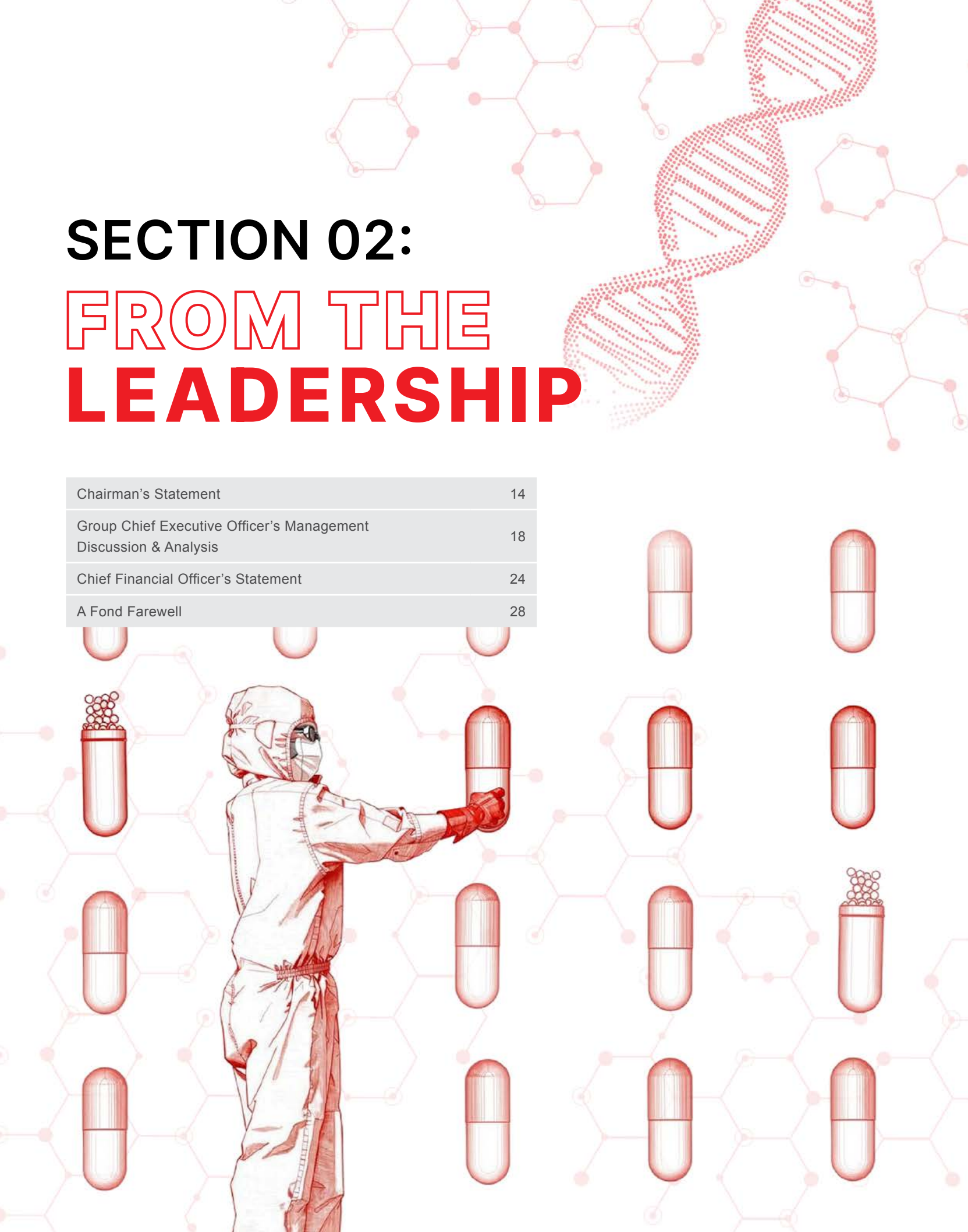
Stock Code : 7148

Stock Sector : Health Care

# SECTION 02:

# FROM THE LEADERSHIP

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## CHAIRMAN'S STATEMENT

### DEAR SHAREHOLDERS,


If I had to describe the year 2025 for Duopharma Biotech in one word, it would be “change”. Along with rapid and unexpected changes in the global environment, we saw a great deal of change within our own microcosm. Change can be difficult to adjust to, but in the context of corporations, it is integral to continuous evolution and to remaining relevant. The changes within the Group have certainly been positive, contributing towards a more resilient, responsive and responsible organisation. An organisation, moreover, that creates long-term value for patients, consumers, healthcare systems, employees, shareholders and the wider community in Malaysia and beyond.



Learn more about Duopharma Biotech at

<https://duopharmabiotech.com/>

# Embracing Change. Expanding Care.

 **DATIN PADUKA KARTINI BINTI  
HJ ABDUL MANAF**  
Non-Independent,  
Non-Executive Chairman



## CHAIRMAN'S STATEMENT

The most significant change was that in our leadership. At the Board of Directors (the "Board") level, six Non-Executive Directors retired and we welcomed five new colleagues in their stead. Within the ranks of senior management, Encik Wan Amir-Jeffery Bin Wan Abdul Majid was appointed Group Chief Executive Officer ("GCEO") effective 1 October 2025 in preparation to take over from Encik Leonard Ariff Bin Abdul Shatar, who stepped down as Group Managing Director after being at the helm for 18 years. We also bid farewell to our long-standing Chief Financial Officer ("CFO"), Encik Chek Wu Kong, who served Duopharma Biotech for 25 years, 23 of which were in the capacity of CFO.

Added to this, we saw some enhancement in our portfolio of products. This was showcased in the Consumer Healthcare ("CHC") segment where we have been building our non-vitamin supplements portfolio. While CHAMPS® and FLAVETTES® continue to be our flagship brands, sales of our halal analgesic UPHAMOL® demonstrates healthy growth.

At the same time, as consumers are adopting more holistic lifestyles and seek healthier diets, we have ventured into food supplements to complement our extensive range of vitamins and health supplements to promote better health. Our objective at Duopharma Biotech is to prevent illness as far as possible, while ensuring the most efficient treatments are available and accessible when needed.

In this sense, it was also heartening to see continued expansion of our generic and biosimilar offerings with the introduction of three new drugs to treat cancer patients and other chronic diseases. In the Ethical Specialty Business, moreover, we are diversifying our Cancer, Diabetes and Renal Care franchises to include eye care with the launch of YESAFIL® which is used to treat several eye conditions related to diabetes and ageing by reducing abnormal blood vessel growth and swelling to help preserve vision.

### Contributing to Drug Security & Inclusivity

Access to medicines remains a key driver guiding our strategies and business direction. The Board was therefore most encouraged when Duopharma Biotech successfully stepped up to the mark amid the national human insulin shortage. A great deal of effort went into procuring additional human insulin from Poland while ensuring enhanced production at our partner Biocon Sdn. Bhd. ("Biocon") plant in Malaysia. Proving our reliability, Duopharma Biotech won more tenders to supply the MOH with insulin products, both human insulin and analogues, starting from February 2026.

Concurrently, we have continued to strengthen the halal pharmaceutical sector through greater public awareness, research collaboration with local universities, and engagement with regulatory bodies on various areas including the development of standards for new therapies and medical devices. Our efforts are driven by the fact that halal pharmaceuticals promote inclusivity as they meet all conventional pharmaceutical quality standards such as GMP, and more. Manufactured according to Shariah-compliant processes, they offer an added layer of guarantee for hygiene and purity, providing greater ease of mind to every patient, not only Muslims.

For our part, Duopharma Biotech is committed to ensuring that all products manufactured at our plants are halal, based on the principle of "Halal Built-In, Not Tested For". This year, we achieved a milestone when we became the first in the world to obtain halal certification from JAKIM for ERYSAA®, an erythropoietin biosimilar to treat anaemia in chronic kidney disease patients.

### Creating Value for Investors & Society

As a result of steady performance, Duopharma Biotech's revenue increased by 14.5% YoY to RM931.69 million while profit before tax surged by 43.6% to RM114.91 million. Based on our profit, the Board is pleased to declare a second interim payment of 3.05 sen per share. Combined with our first interim dividend, we are offering a total of 4.55 sen per share, as compared to 3.0 sen for the financial year 2024. Our total payout of RM43.77 million is 51.7% higher YoY, demonstrating a commitment to maintaining attractive shareholder returns.



## CHAIRMAN'S STATEMENT

Beyond financial performance, we create value for society via community programmes aligned with national priorities. Health awareness is a natural extension of our core business and is something Duopharma Biotech promotes on an ongoing basis. We take part in public events targeting mental health, cancer awareness and the importance of preventive care. We have built strong relationships with organisations such as the National Cancer Society Malaysia (NCSM) and National Autism Society of Malaysia (NASOM), regularly supporting them with financial and non-financial aid.

In 2025, we extended our community platform to include education, specifically to motivate academic excellence among underprivileged students. Taking part in the government's Sekolah Angkat MADANI, we contributed towards infrastructure, facilities and supply upgrades at four schools in Shah Alam, Klang and Bangi, while providing financial aid to students and empowering teachers through development programmes. The objective is to help address educational disparities and provide targeted support in areas identified by the Ministry of Education.

Within Duopharma Biotech, we are making a difference in diversity and inclusion with the recruitment of eight specially-abled employees who have been assessed according to their competencies and placed in positions that allow them to make the most of their skills. We feel privileged to be able to empower our new employees with financial stability. At the same time, we embrace the opportunity to broaden our perspective by having them on board.

### **Greening our Operations & the Environment**

The greening of our operations is an ongoing initiative which delivers consistently positive outcomes, especially in areas such as climate action, waste and water management. The Board is very encouraged by a continuous strengthening of the Group's environmental strategies with the establishment of clear plan and initiatives for each of these areas. Performance updates are reported to the Halal and Sustainability Committee ("HSC") and the Board every quarter, enabling us to keep track of progress made.

In terms of decarbonisation, the Board is satisfied to observe continued enhancement of internal energy efficiencies and monitoring of GHG emissions across our value chain. Similarly, we have taken note of concerted efforts to reduce waste, especially that of non-recyclable plastic, and to consume water more efficiently across our operations. Collectively, these efforts have improved our sustainability scorecard, adding immense value to the Company as well as our stakeholders.

Along with growing maturity of the country's ESG agenda, the regulatory landscape is becoming more complex and demanding. Nevertheless, Duopharma Biotech is keeping pace with these changes. As a result of foresight and planning, we are prepared for future frameworks and regulatory requirements such as Extended Producer Responsibility ("EPR") and National Climate Change Bill. We are also progressing our reporting to align with the IFRS Sustainability Standards, in accordance with the National Sustainability Reporting Framework.

### **Building Our Governance Platform**

Supporting our financial, social and environmental performance is a robust governance framework which ensures transparency and integrity as we progress with purpose. Maintaining good corporate governance remains the most critical Board function and is a responsibility we readily embrace. While overseeing the Group's business and value creation, the Board continuously reviews our policies and governance structures ensuring these are relevant to the Group's evolving needs, and in line with global best practices.

A key development in 2025 was the establishment of a new Board Investment Committee ("IC") to allow for focused discussion and analysis of investment proposals, ensuring these are in line with Duopharma Biotech's long-term aspirations. This is especially important given our growth-driven Beyond 2025 10-Year Strategy. In addition, the Board reviewed and revised our Policy of External Auditors to reinforce the independence, objectivity and professionalism of our partners who perform a crucial role in providing checks and balances across our operations.



### Strengthening the Foundations of Good Governance

Our steadfast commitment to strong governance, integrity and sustainable business practices continues to be recognised across reputable platforms. During the year, Duopharma Biotech garnered several notable accolades reflecting the strength of our governance framework and dedication to ethical business conduct. Among the most significant of these was the Prime Minister's Award (Private Sector) together with the Gold Award (Private Sector) at the Malaysian Institute of Integrity's Integrity, Governance and Anti-Corruption Award 2025.

At the MSWG National Corporate Governance & Sustainability Awards 2025, the Group was ranked among the Top 20 companies for Overall Excellence and received the Mid Cap Excellence Award for companies with market capitalisation between RM1 billion and RM2 billion. In addition, we were honoured with the Excellence Award (Silver) for companies with less than RM2 billion in market capitalisation at the National Annual Corporate Report Awards. Most recently, we received international recognition via the Excellence in Governance – ESG Award at the CSIA Global Governance Awards 2026, organised by the Corporate Secretaries International Association Limited.

These awards affirm ongoing efforts to strengthen our governance standards, uphold transparency and accountability, and create long-term stakeholder value.

### ACKNOWLEDGEMENTS

Duopharma Biotech has changed beyond recognition from the time it was established in 1978 as a trading company. Today, as we enter a new phase in this journey, with a new leadership and new strategy, it is fitting to pay tribute to everyone who has contributed to the Group's successes over close to 50 years.

On behalf of the Board, I would like to express a heartfelt gratitude to Encik Leonard for leading the Group with great vision and conviction since 2008; and Encik Chek, who was with the Company even before it was listed. Both have been instrumental in the Company's significant and continuing growth. At the same time, we would like to congratulate Encik Wan Amir-Jeffery on his new appointment and are pleased to welcome Puan Rohayu Rosnani Binti Mohd Adanan, who succeeds Encik Chek.

At the Board level, we wish to acknowledge the invaluable contributions of Encik Razalee Bin Amin, Datuk Nik Moustpha Bin Haji Nik Hassan, Puan Zaiton Binti Jamaluddin, Dato' Dr Zaki Morad Bin Mohamad Zaher, Encik Mohd Haris Bin Mohd Arshad and Dato' Eisah Binti A. Rahman, who stepped down during the year. It has been a pleasure to collaborate with all of you on the Group's strategies and direction; and we wish you the best in future endeavours. Meanwhile, we are very excited to have four new Independent Directors: Datuk Wira Arham Bin Abdul Rahman (also our Senior Independent Non-Executive Director), Dato' Adnan Hisham Bin Pawanteh, Dr. Sharmila A/P Ramachandran and Dr. Hasnita Binti Hashim; and a new Non-Independent Director, Encik Mohamad Idros Bin Mosin. Their varied experience and skills will greatly enhance the Board's collective perspective and decision-making ability.

To Management and all employees, thank you for your hard work and dedication to Duopharma Biotech, and for sharing in our purpose. You form the bedrock of the Company, playing a critical role in our ongoing evolution.

Our external stakeholders have also played an important role in supporting Duopharma Biotech, each in their own way. Accordingly, I would like to thank our shareholders, partners, customers, suppliers, the government and regulators for their steady and steadfast contributions over the years. You inspire us to change from good to better and to develop increasingly Smarter Solutions for a healthier, more sustainable future.

## GROUP CHIEF EXECUTIVE OFFICER'S MANAGEMENT DISCUSSION & ANALYSIS

### DEAR SHAREHOLDERS,

The year 2025 has been very exciting, both for me and the Company. In October 2025, I was promoted to Group Chief Executive Officer, succeeding Encik Leonard Ariff Bin Abdul Shatar who retired after 18 years at the helm. Duopharma Biotech, meanwhile, has continued to achieve strong double-digit top and bottom-line growth for a second consecutive year.



Learn more about Duopharma  
Biotech at  
<https://duopharmabiotech.com/>

# Advancing Healthcare. Sustaining Growth.



 **WAN AMIR-JEFFERY BIN WAN  
ABDUL MAJID**  
Group Chief Executive Officer

## GROUP CHIEF EXECUTIVE OFFICER'S MANAGEMENT DISCUSSION & ANALYSIS

It is an honour to step into Encik Leonard's shoes, especially now when Duopharma Biotech is well established as the largest pharmaceutical company in Malaysia in terms of volume and value of sales. However, in an industry as dynamic and competitive as ours, there is no room for complacency. We may be at the top of our game, but to maintain this position, we have to keep growing and evolving. We have to ask ourselves, what is next?

“ We seek to differentiate the Group through our products and technologies, through both in-house development and partnerships, as we work towards our ASEAN ambition.

This is something the management team and I have been occupying ourselves with over the last few months. We took stock of where Duopharma Biotech is and where we want to be in the short, mid and long terms. We decided that the basic intent – to become a leading pharmaceutical company in ASEAN – remains the same. What we have done is to create clarity on how we propose to attain our goal. Again, as in the past, we seek to differentiate the Group through our products and the technologies we use. We have always taken pride in offering what others do not, both via products developed in-house as well as in partnership with leading biotechnology players. To maintain this leadership, we plan to expand our network of partnerships with science-based innovators. This requires us to be highly efficient and productive, capable of delivering on everything we commit to.

Going forward, therefore, we will be more focused on productivity and efficiency than ever before, driven by a culture of excellence, to support our growth initiatives through our Beyond 2025 Strategy.

### A Successful Year

The year 2025 was by all accounts very successful, with Duopharma Biotech achieving a number of firsts. In February, we obtained halal certification from JAKIM for our erythropoietin biosimilar, ERYSAA®, making it the first ESA for the treatment of anaemia in chronic kidney patients to be halal-certified by JAKIM. We also achieved the European Union Good Manufacturing Practice (“EU GMP”) certification for our HAPI plant, clearing a pathway for exports to Europe and other regions. In addition, we introduced the first biosimilar for Aflibercept, YESAFILI®, an injectable for age-related macular degeneration (“AMD”), diabetic retinopathy and diabetic macular edema (“DME”) manufactured by our partner Biocon. We're very excited about YESAFILI® as it helps to further diversify our Ethical Specialty portfolio of products where we have traditionally focused on cancer, kidney disease and diabetes.



## GROUP CHIEF EXECUTIVE OFFICER'S MANAGEMENT DISCUSSION & ANALYSIS

In addition, we have continued to build our Ethical portfolio with the launch of Ibrellyn®, a generic medication for the treatment of breast cancer.

The theme of diversification was further reflected in our CHC business, where we introduced several food supplements – a niche that remains under-represented in the well-being sector. Under our leading brands CHAMPS® and FLAVETTES® we launched the Nutribar and Generasi MsRange, respectively. FLAVETTES® MsRange various physiological concerns among women, while CHAMPS® Nutribar helps to provide balanced nutrition and is particularly recommended for schoolchildren. The year also saw us launch PROVITON® STR POWERZ, which is a range of power bars and energy gels for endurance sports made from 100% natural ingredients. We are working on 100% natural food alternatives with our partner, The Live Green Group, Inc. (“TLGG”) and local original equipment manufacturers (“OEMs”) to tap into a segment for which there is growing demand.

As these food supplements have been introduced relatively recently, their contributions to revenue will be seen only from 2026 onwards. Nevertheless, full-year sales of UPHAMOL® under a government tender was positive for CHC. Our public sector business received another shot in the arm with an unexpected yet substantial government order for insulin following regularisation of supply. This coincided with a multinational manufacturer exiting the recombinant human insulin (“RHI”) market, leaving Duopharma Biotech with the responsibility to fulfil the public sector’s needs for diabetic patients in 2025. Additionally, we were awarded a six-month extension to supply RHI following the expiry of an existing three-year MOH contract in April 2025 and are actively pursuing future insulin government supply contracts.

These government contracts led to a very strong performance of Duopharma Biotech’s public sector in 2025. At the same time, we were pleased by continued growth in the private and international sectors. Of note, sales in the Philippines increased by 24.6% to exceed RM25 million, mainly as we managed to penetrate the dialysis centre space, creating an



We secured a **six-month insulin supply extension** after MOH contract expiry in April 2025, while pursuing future government supply opportunities.

Sales in the Philippines grew by **24.6%** to exceed RM25 million, driven by demand for renal care products.

exponential increase in demand for our renal range of products, specifically ERYSAA® and Unihepa.

Overall, we experienced robust growth in both the public and private sectors across all business segments – Ethical Classic, Ethical Specialty, International and CHC – which contributed to a 14.5% increase in revenue YoY. Boosted by a stronger Ringgit and reduced prices of active pharmaceutical ingredients (“API”), our profit grew by ~40% compared to the previous year.

### Partnerships for Success

While we invest significantly in our own R&D, we acknowledge the importance of partnering with established biotechnology players to be able to introduce cutting-edge therapies for patients in Malaysia and beyond. Our partnerships allow us not only to enhance our product portfolio, they also often extend to include capability building via technology transfer, first, to co-develop products and eventually to manufacture them ourselves.

## GROUP CHIEF EXECUTIVE OFFICER'S MANAGEMENT DISCUSSION & ANALYSIS

We are also very excited about introducing drugs for early stage Alzheimer's, for which there is currently no effective treatment. As previously reported, we have invested in Alryxo Biotherapeutics, Inc. ("Alryxo Biotherapeutics") a Boston-based biotech focused on neurodegenerative diseases. Due to a setback caused by the pandemic, it has had to embark on a new pathway towards achieving its goal for Alzheimer's. In the meantime, we are exploring the possibility of partnering other players to accelerate our own momentum in this very exciting field.

Another key development has been the increase in number of partnerships with Contract Development and Manufacturing Organisations as a faster and more cost-effective alternative to in-house manufacturing. During the year, the Group entered into several collaborations with regional pharmaceutical partners to support product development, while maintaining flexibility in execution and alignment with our long-term strategy.



We expanded into **contract development and manufacturing partnerships** to enhance flexibility and cost efficiency in production.

### A Culture of Excellence

Just as we seek to differentiate Duopharma Biotech through our portfolio, our people need to be in a class of their own, as the achievement of our goals rests on their commitment and contributions. To optimise our human capital, we are nurturing a culture of excellence in which everyone Group-wide is driven to do things better in order to deliver better outcomes.

During the year, we revised our Learning & Development Framework to align with our Corporate Strategy, introducing certain mandatory training with the aim of nurturing the skills and competencies that we need. For senior management upwards, individual development programmes have been developed. Talent development at all levels is integral to our comprehensive succession planning which focuses not only on critical positions at the leadership level but also encompasses mid-management and even junior management positions. The strength of this programme was evident in 2025 when two out of three GMC positions were filled by internal talents. As one of the beneficiaries of the Group's succession planning, I can personally vouch for the system we have in place. Likewise, Cik Noor Aida Binti Jaafar was promoted from her previous position as General Manager for the Ethical Specialty Business to Chief Commercial Officer.

We have also continued to enhance diversity within the workplace with the recruitment of eight specially-abled employees. Concurrently, to strengthen our culture of inclusivity, we extended our Unconscious Bias training for executives and supervisory level employees across the Group, achieving 93% coverage by year end. Efforts to engage meaningfully with our employees led to a seven-percentage point increase in our Employee Engagement Index from 81% to 88% and a closure of our Collective Bargaining exercise with our Klang Union in December, before the expiry of the existing Collective Agreement. Further reflecting the growing strength of our Human Resources ("HR") policies and procedures, Duopharma Biotech won first place as Graduates' Choice of Employer in the Pharmaceutical category at the 8<sup>th</sup> Talentbank Graduates' Choice Awards 2026. This was particularly heartening in light of coming in second place for the previous six years.

## GROUP CHIEF EXECUTIVE OFFICER'S MANAGEMENT DISCUSSION & ANALYSIS



### Sustainability at Duopharma Biotech

As a pharmaceutical company, we have two diametrically opposed impacts on the sustainability realm. On one hand, we contribute significantly to advancing good health and well-being through our products and services. On the other, we recognise that our manufacturing operations may have notable impacts on the environment and climate, which we are committed to managing responsibly. It is a constant challenge to balance the two aspects of our business; and it gives me pleasure to share that persistent efforts by the team continue to lead to encouraging results.

During the year, we further reduced our GHG emissions (Scope 1 and 2) intensity by 14% while making headway in waste and water management. We have begun substituting single-use plastics in our operations with sustainable alternatives and are conducting tests on the use of more sustainable materials in product packaging. We will soon commence the development of sustainable packaging guidelines in 2026, which are expected to be completed by end-2026 and guide further improvements in this area. In terms of water stewardship, we are working closely with the manufacturing team on optimising our consumption efficiency via recycling of water from selected manufacturing processes and rainwater harvesting system.

### OUTLOOK:

With the recent outbreak of war between Iran and US-backed Israel, there is a real threat of supply chain disruptions as well as increased oil prices, all of which would increase the cost of imports, reversing the recent trend of decreasing API prices. These geopolitical uncertainties make it all the more critical that Malaysia, together with other emerging nations, secure our healthcare needs by gaining greater self-sufficiency.

On a positive note, various policy developments in Malaysia of late indicate the government's proactive support of medicine supply security. Budget 2026 has once again increased the allocation to MOH, this time to RM46.5 billion. Meanwhile, the 13th Malaysia Plan and the New Industrial Master Plan 2030 ("NIMP 2030") both seek to boost local manufacturing of pharmaceuticals, with healthcare seen as a key growth sector under a broader ambition to attain greater medicine supply security.

I'm proud to share that Duopharma Biotech is both contributing to, as well as leveraging these positive developments. We are committed to GEAR-uP, an initiative by the Ministry of Finance ("MOF") with Government-linked Investment Companies ("GLICs") and Government-Linked Companies ("GLCs") to strengthen the economy by investing in key sectors and to support growth of GLCs. In 2025, we proposed a public-private partnership initiative to MOF to boost local manufacturing of pharmaceuticals and reduce reliance on imported products. Our proposal has been implemented and will continue through 2026.

Tapping into opportunities brought about by policy changes, meanwhile, we seek to further enhance our operational and commercial excellence under a refreshed Beyond 2025 Strategy. Other pillars in the strategy are to create a leaner portfolio to optimise our capacity; accelerate access to medicines via partnerships; and increase our international presence. For the year 2026, we have set financial and operational targets that lead ultimately to maintaining our growth trajectory.

## GROUP CHIEF EXECUTIVE OFFICER'S MANAGEMENT DISCUSSION & ANALYSIS

We have got off to a good start, with the award of two insulin contracts from the government as of mid-February 2026. Starting 6 February 2026, we have been supplying Insulin Aspart to MOH under a two-year contract valued at RM52.54 million. Subsequently, on 16 February, we received a Letter of Award for a three-month interim supply of RHI ending 15 May 2026 valued at RM65.08 million. Both projects greatly strengthen our income visibility up to end 2026, with the Insulin Aspart contract extending that security until end 2028. This will be further enhanced at year end when the government issues a new three-year APPL tender cycle for current contracts that will expire in December 2026. We are confident of once again receiving the contract for insulin, even if this time the contract will be split between two pharmaceutical players.

On the international front, we are looking to identify target markets and develop dossiers that meet their regulatory requirements. In light of recent developments in the Middle East, we are proactively managing our exposure to the Middle East and North Africa (“MENA”) region. Encouragingly, revenue from the region has already achieved more than half of our full-year target within the early part of the year, reflecting continued demand despite evolving market dynamics. While near-term volatility is expected, we have activated contingency logistics solutions to ensure supply continuity where feasible. At the same time, we are strategically redirecting growth efforts toward more stable markets, including Africa and Central Asia, while accelerating tender participation and portfolio reactivation across Association of Southeast Asian Nations (“ASEAN”) and Asia-Pacific (“APAC”) to cushion potential shortfalls.

In the slightly longer term, and once our therapies produced at HAPI are European Union (“EU”) certified, we are optimistic of being able to channel them to countries in MENA, as these markets have adopted EU standards.



Amid geopolitical uncertainties, we are strengthening local manufacturing and advancing our **Beyond 2025 Strategy** to sustain growth.



Meanwhile we will continue to expand our product portfolio, focusing on niche areas. In the first quarter of 2026, we hope to start commercialising our third cancer molecule at HAPI, Trexa (Gefitinib), which is for the treatment of lung cancer.

Overall, it is going to be a very exciting year and we look forward to working with our partners, suppliers and customers to realise the potential that 2026 holds. I would like to express my appreciation to all our stakeholders for their continued support. A specific note of thanks to the Board for their vote of confidence in electing me as the GCEO; and my heartfelt gratitude to Encik Leonard for his guidance, the GMC as well as all other employees for continuing to work smarter as we fulfil our purpose of delivering Smarter Solutions for everyone.

## CHIEF FINANCIAL OFFICER'S STATEMENT

### DEAR SHAREHOLDERS,

It gives me pleasure to share that the financial year 2025 ("FY2025") was very positive for Duopharma Biotech, seeing the Group achieve double-digit growth in revenue and profits. This was due to increased sales across all business segments together with improved collections, further aided by reduced costs. As a result, we have continued to reward our shareholders with commendable dividends, offering a total payout of RM43.77 million versus RM28.86 million in FY2024, while inching towards our goal of becoming an RM1 billion company.

A key revenue contributor was a one-off surge in sale of insulin to the government in the first half of the year, valued at ~RM40 million, following normalisation of supply. At the same time, demand increased for our core therapeutic medicines within the public healthcare system, driven by catch-up procurement to ensure adequate stock in hospitals and clinics following earlier budget rationalisation cycles. Added to this, we continued to derive substantial revenue from the annualised APPL contract. In April 2025, two more items were added to the list, which now totals 100 products with a combined estimated value of approximately RM684.15 million.

Our International business also performed well, especially our subsidiary in the Philippines, where we experienced a marked increase in demand for renal products stemming from our entry into the dialysis centre market.



**ROHAYU ROSNANI BINTI  
MOHD ADANAN**  
Chief Financial Officer



## CHIEF FINANCIAL OFFICER'S STATEMENT

## RESULTS IN NUMBERS

GOVERNMENT SUPPLY  
CONTRACTS (APPL)**RM684.15**  
**million**Expanded to over 100 products  
in 2025

PROFIT BEFORE TAX ("PBT")

**RM114.91**  
**million**

2024: RM80.02 million

TOTAL DIVIDENDS

**4.55 sen per**  
**share**

(RM43.77 million)

2024: 3.0 sen per share  
(RM28.86 million)

# Delivering stronger results while improving cost efficiency.

In terms of costs, Duopharma Biotech stood to gain from positive macroeconomic trends. Following pandemic era volatility, supply chains have continued to stabilise, reducing the need for premiums or higher freight charges. Lead times are also shorter, lending to more efficient procurement planning and smoother production flows. Further reducing our costs, the Ringgit strengthened substantially against the US Dollar, the exchange rate improving from about 4.6 to 4.1 over the year. This helped to lower the cost of imported items including APIs, excipients, packaging materials and specialised equipment. Our electricity bills also reduced YoY, mainly due to the contribution of solar from our rooftop panels, further aided by Tenaga Nasional's revised tariff effective from 1 July 2025.

Efforts to enhance operational and cost efficiencies internally complemented the tailwinds in the macro-environment. Of note, we have improved the utilisation rate of our plants in Bangi while also enhancing our production scheduling. We have also reviewed our product mix to focus on high-demand medicines for chronic diseases. Rationalisation of operations carried out by our marketing arms, meanwhile, is streamlining our distribution logistics and will bring in additional cost savings in the future.

## Managing Our Financial Risks

Duopharma Biotech did not experience any material financial risks that directly impacted our operations or performance in 2025. Nevertheless, we remained vigilant over emerging macroeconomic developments, particularly evolving US tariff policies and their potential spillover effects on global financial and supply chain ecosystems. At the same time, we continued to adopt prudent financial management practices, including active cash flow monitoring and disciplined cost management, while engaging with key suppliers to ensure supply continuity. We have always been cautious about debt and maintained a prudent stance vis-a-vis banking lines.

[Learn more about Duopharma Biotech's Five-Year Group Financial Highlights on page 8.](#)

## CHIEF FINANCIAL OFFICER'S STATEMENT

### Our Financial Strategy

Given that Duopharma Biotech is pursuing an active growth trajectory, it is important that we maintain sufficient working capital for our business expansion. Accordingly, our strategy is to reinforce liquidity and strong operating cash flow at all times. We remain committed to disciplined capital allocation, prioritising essential capital expenditure ("CAPEX") and cost efficiency to drive long-term value creation.

### Financial Review

For the year 2025, the Group achieved RM931.69 million in revenue, marking a 14.5% increase from RM813.70 million in 2024. Our sustained double-digit growth was primarily driven by resilient demand from both the public and private sectors across all business segments, complemented by the one-off surge in insulin supply alluded to earlier.

Profit Before Tax ("PBT") growth was even more robust, at 43.6% compared to the previous year, breaching RM100 million for the first time to hit RM114.91 million. This was mainly due to the increase in revenue coupled with continued favourable API costs, positive foreign exchange movements and improved operational efficiency.

### Dividends

For FY2025, we declared interim dividends of 1.50 sen (FY2024: 1.0 sen) per share and 3.05 sen (FY2024: 2.0 sen) per share in August 2025 and February 2026, respectively. The total 4.55 sen per share translates into a payout of RM43.77 million, which constitutes ~50% of our PAT and is 51.7% higher YoY.

Although the Group does not have a dividend policy, we have been providing consistent dividends since our listing, reflecting both Management and the Board's commitment to delivering sustainable returns. Dividend decisions are made after careful consideration of the Group's profitability, cash flow strength, capital requirements and future growth plans, with the objective of balancing returns and the Group's long-term growth and financial sustainability.



We strengthened our cash position through improved operating cash flows and disciplined working capital management, enabling us to meet funding requirements while preserving financial flexibility.



In 2025, revenue increased **14.5%** to **RM931.69 million**, driven by resilient demand, while PBT rose **43.6%** to **RM114.91 million**, supported by favourable API costs, positive foreign exchange movements and improved operational efficiency.

Total dividends for FY2025 increased to **4.55 sen per share (RM43.77 million)**, representing approximately 50% of PAT and a **51.7% increase year-on-year**.

## CHIEF FINANCIAL OFFICER'S STATEMENT

**Cash Management**

Over the course of the year, improved operating cash flows and effective working capital management allowed us to strengthen our cash position. While maintaining a healthy liquidity buffer, we continued to utilise selected trade facilities as part of a prudent working capital optimisation strategy. This enabled us to manage short-term funding requirements efficiently without compromising our financial flexibility.

Surplus cash was placed in highly liquid cash management funds sporadically to optimise returns while ensuring capital preservation and ready access to funds. This balanced approach to cash and funding management positions the Group well to meet our operational needs, service our financial obligations, and support future growth initiatives.

**Capital Management**

Prudent capital management continued to be prioritised, with no material changes to the Group's capital structure. Maintaining adequate headroom against available banking facilities, we remained in compliance with all financial covenants throughout the year. The Group foresees higher CAPEX in the coming years, primarily relating to the upgrade of our SVI lines, including the insulin fill & finish facility, as well as planned biosimilar production lines in K5. These investments are expected to be phased and will be undertaken within the Group's disciplined capital management framework, with due consideration given to funding requirements, financial flexibility and balance sheet resilience. As of 31 December 2025, the Duopharma Biotech Group has material commitments for capital expenditure of RM31.28 million (contracted but not provided for).

**Gearing**

The Group's gross and net gearing levels continued to improve during 2025, supported by enhanced profitability and strengthened operational cash flows. Gearing remains at a healthy level and well within the limits of our financing covenants.

**OUTLOOK:**

Although the outbreak of war in the Middle East has widespread economic consequences, we believe that Duopharma Biotech's fundamentals are sufficiently strong to withstand any short-term backlash. This confidence is supported by our Export team securing alternative logistics solutions to safeguard supply continuity while expanding into more stable growth corridors such as Africa and Central Asia.

Within Malaysia, revenue in the short term is secured by various contracts. The current APPL, for one, extends up until 31 December 2026. As of February 2026, moreover, we received news of two fresh contracts for insulin from the government. The first is for Insulin Aspart to be supplied to MOH facilities from 6 February 2026 till 5 February 2028, valued at about RM52.54 million. The second is for three-month supply of Recombinant Human Insulin (together with our partner Biocon) from 16 February 2026 till 15 May 2026, valued at approximately RM65.08 million. Beyond the government sector, current trends indicate that demand from the private sector will be resilient.

Having refinanced previous debts to sukuk, we have reduced our financing cost going forward. These savings will be further boosted by the reduction in OPR by Bank Negara Malaysia from 3.00% to 2.75%, the first in five years.

We are still keen on a strategic acquisition to accelerate our growth; however, we are very clear about our objectives and cautious about the price. Although the options we have come across to date have not met all our criteria, we remain confident of finding the right company at the right time in the not-too-distant future.

Our priorities for 2026 remain largely unchanged from 2025. We will continue to strengthen our cash flow resilience to support our operations and planned CAPEX requirements, while driving cost efficiencies and long-term value creation. This will allow us to maintain attractive shareholder returns as we create greater stakeholder value overall.



# A FOND FAREWELL

In 2025, we bid farewell to two key members of the leadership team who leave a deep and indelible imprint on the Group: Encik Leonard Ariff Bin Abdul Shatar, our former GMD, and Encik Chek Wu Kong, our former CFO.



**Leonard Ariff Bin Abdul Shatar**

Encik Leonard served the Group 17 years, from 2017 as GMD, leading the Group with great foresight to become the biggest generics producer in the country, the first to fill and finish a biosimilar (ERYSAA®), and the first to obtain JAKIM halal certification for ERYSAA®. Under his guidance, Duopharma Biotech has not only become a leading halal pharmaceutical player, we are also a thought leader in the field. More than to steer the Group’s business growth, and broaden patients’ access to medicines, Encik Leonard has been pivotal to rapid advances achieved in our sustainability journey. With his support, we have embarked on a clear pathway to net zero carbon emissions by 2050 and are making good progress on this ambitious transition.



**Chek Wu Kong**

Encik Chek joined the Group in August 2000 as a Financial Controller, and was subsequently appointed as CFO on 1 July 2012. Over the last 14 years, he has been instrumental in Duopharma Biotech’s financially sustainable growth – ensuring prudent investments while managing our costs and capital to maintain attractive shareholder returns. Among his most notable recent achievements has been the establishment on 24 August 2023 of our ongoing 30-year Sukuk Wakalah Bi Al-Istithmar Programme. In March 2025, he was honoured with a Bronze Award for Best CFO in Malaysia at FinanceAsia’s 25th Asia’s Best Companies Awards in Hong Kong.



In honour of Encik Leonard and Encik Chek, we will maintain the legacy they leave behind as we continue to manifest the DNA they have integrated into the core of our operations: that of driving Smarter Solutions for a better company, better medicines and better outcomes for everyone.



# SECTION 03:

# OUR STRATEGIC

# REVIEW

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## OUR OPERATING LANDSCAPE

“ The pharmaceutical industry is ever evolving, shaped by advances in medical and scientific knowledge, supported by technology. We continue to monitor these changes and adapt breakthroughs for emerging markets in ASEAN where we have a strong presence. Our objective is to enhance accessibility and affordability, safeguarding quality healthcare for everyone.

### PHARMACEUTICAL MARKET REVIEW

The pharmaceutical market in ASEAN has been growing at between 7%-8% annually, driven by increasing prevalence of chronic diseases and availability of generics. In Malaysia, growth has been steady over the years and is expected to continue at a five-year compound annual growth rate (“CAGR”) of 6.4%, from RM15.7 billion in 2025 to RM21.4 billion by 2029, driven by improved access, regulatory streamlining and rising demand. With a growing population that is also ageing and greater disposal income, demand for various prescription and over-the-counter drugs has been growing and will continue to do so in the coming years.

According to IQVIA Malaysia, in the first three quarters of 2025, demand was greatest for anti-infectives (antibiotics, anti-virals and anti-fungals) followed by cough and cold preparations. Prescriptions for diabetes and cancer treatments also increased

significantly, with a noticeable shift in demand from human insulin to insulin analogues (e.g., glargine, aspart) for diabetes; while in oncology, monoclonal antibody (“mAb”) therapies, representing a class of biosimilars, are gaining traction in response to rising healthcare costs and the need for more affordable alternatives.

In light of supply chain uncertainties, the government is supporting local capacity-building in terms of the manufacture of medicines. Recently, it has launched initiatives such as the Off-Take Plus or Programe Perjanjian Off-Take Plus (“PPO Plus”), guaranteeing MOH purchase of locally manufactured products; and the New Industrial Master Plan 2030, which includes pharmaceuticals among prioritised industries and encourages high-value production, R&D and commercialisation. The industry has also been identified as a beneficiary of the Government-Linked Enterprises Activation and Reform Programme (“GEAR-uP”), under which funds from six major GLICs are being channelled into high-value sectors.

The focus on local players serves two purposes: to ensure medicine security, especially for supply of essential medicines and for self-sufficiency to reduce reliance on importation of medicines. In light of shortages experienced in recent years for certain drugs, MOH released a Procurement Circular 2024 requiring at least two suppliers for treatments that have been identified as being critical to Malaysia’s needs.



## OUR OPERATING LANDSCAPE

## MARKET TRENDS

## Focus on Biologics/Biosimilars

The Malaysian pharmaceutical landscape continues to embrace biosimilars in efforts to improve access to medicine. As Malaysian health authorities increasingly acknowledge biosimilars as integral to effective biological therapies, regulatory acceptance and clinical confidence in biosimilars continue to strengthen, supporting broader adoption in various therapeutic areas. This shift reflects a wider industry focus on complex and value-added medicines that can enhance treatment accessibility while supporting long-term cost containment for the healthcare system.



## Our Response:

- Duopharma Biotech continues to expand into high-value therapeutic areas such as oncology, kidney disease and diabetes.
- We are scaling our newly completed K5 plant for mass production of biosimilars, reducing the nation's reliance on expensive imports and ensuring stable supply of essential medicines like insulin and erythropoietin.
- We launched a new biosimilar produced by our partner Biocon, YESAFIL<sup>®</sup>, an injectable for AMD, diabetic retinopathy and DME.
- We continue to enhance our injectables manufacturing capabilities via the Sterile Masterplan Project.
- HAPI plant earned European Union Good Manufacturing Practice ("EU GMP") certification, a globally recognised quality standard, supporting the supply of biosimilars to help meet broader needs in the international market.

## Growing Halal Market

The global halal pharmaceutical market is growing rapidly, driven by increasing demand for halal-assured health supplements and medication among Muslim populations around the world. From USD454 million in 2024, this niche is expected to be valued at over USD1 billion by the year 2032, growing at a CAGR of 13.8%. Adhering to religious guidelines that prohibit substances such as non-permissible alcohol and impure substances (*najs*), as well as high standards of quality and hygiene, halal pharmaceuticals are increasingly recognised as being ethical and sustainable among a growing number of non-Muslims too.



## Our Response:

- We are committed to the development and production of safe, high-quality, efficacious and hygienic pharmaceutical products through the concept of "Halal Built-In, Not Tested For", meaning all ingredients, manufacturing processes and handling are halal-compliant from the start. All our products – from CHC labels to cancer, kidney and diabetes treatments – are manufactured in strict adherence to Malaysia Standard MS 2424:2019, in addition to ISO Quality Management System standards, Good Manufacturing and Distribution Practice guidelines, and other applicable regulatory requirements.
- In 2025, ERYSAA<sup>®</sup>, a biosimilar erythropoietin developed using recombinant DNA technology, became the first of its kind to receive halal certification from JAKIM.
- We have developed a Halal Blueprint to strengthen the Group's leadership in halal pharmaceuticals, aligned with our Beyond 2025 Corporate Strategy (2024–2033).
- We continue to organise the annual Halal Pharmaceuticals Symposium to foster global collaboration and understanding.

## OUR OPERATING LANDSCAPE

### Demand for Food Supplements

Post-COVID, there has been a surge in global demand for food supplements, defined as nutrient-dense whole or fortified foods that provide health benefits beyond nutrition. Consumers have become more health conscious and actively seek products that will boost their immunity, improve digestion, and reduce the risk of disease. The global market for food supplements is projected to exceed USD500 billion by 2030; while in Asia, demand is expected to reach USD600 million by 2031, growing by a CAGR of 7%. Key market segments include dairy, fortified beverages and cereals, healthy snacks as well as plant-based and personalised nutrition.



#### Our Response:

- Launched CHAMPS® NutriBar in February 2025 – a healthy, low-sugar, high-fibre nutritional snack designed for children, featuring 100mg of Vitamin C in a tasty bar format.
- Launched FLAVETTES® MsRange in July 2025 comprising MsKristal for skin brightening, MsFerrin for acne control, and MsKranberi for urinary tract health.
- Launched PROVITON® STR Powerz bar and gels in September 2025 – sports nutrition products that provide instant energy and muscle recovery for athletes, runners and cyclists.
- Introduced the FLAVETTES® Glow in Indonesia, to tap into the beauty-from-within movement.
- Working with technology partners on more plant-based food supplements for the ASEAN market and beyond.

### ESG Expectations

As climate risks intensify, there is growing demand by stakeholders – particularly governments and investors – for businesses, including manufacturing companies, to decarbonise their operations and contribute to global efforts to promote an effective energy transition. Along with increasing urgency to limit global warming to 1.5°C, at the most 2.0°C, from pre-industrial times, these stakeholders are no longer satisfied with broad promises. They want to see evidence of companies having in place detailed decarbonisation plans with short, mid and long-term targets demonstrating a commitment to ultimately achieving net zero emissions. In Malaysia, the Energy Efficiency and Conservation Act 2024 (EECA) which came into effect on 1 January 2025 further reinforces the need for stronger energy management and emissions reduction efforts.

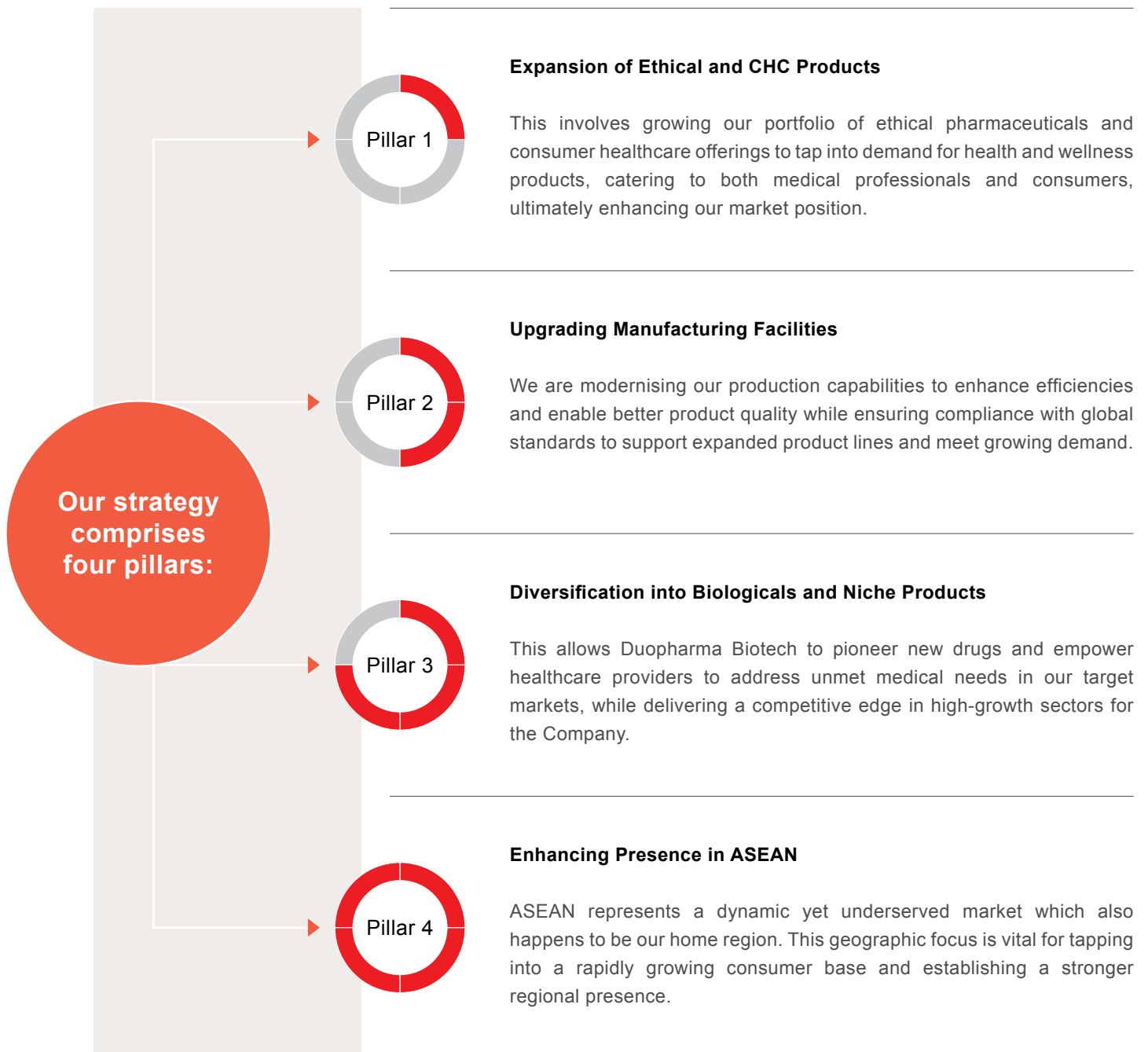


#### Our Response:

- Duopharma Biotech is on a clear path to becoming carbon neutral by 2030 and reaching net zero carbon emissions by 2050.
- We have been monitoring our GHG emissions for Scopes 1 and 2 since 2019, and Scope 3 data since 2023.
- We target to reduce Scopes 1 and 2 emissions by 14% by 2030 as per NZTP; and reduce Scope 2 emissions by 10% annually through the purchase of renewable energy certificates (RECs).
- Progress towards carbon neutrality and net zero targets is tracked through regular performance reviews, and benchmarked against emissions reduction targets.
- Our NZTP is supported by renewable energy generation, energy efficiency initiatives, and emissions reduction programmes driven by our 5-Year EEP.
- Under the EEP, we are upgrading our equipment, for example installing high-efficiency HVAC systems and exploring eco-motors, while optimising processes to reduce our energy consumption.
- We have installed solar photovoltaic panels on all our plants, which generated 3.2 GWh in 2025.
- Interim targets and performance indicators are being refined, and will be reflected in a more comprehensive Net Zero Transition Plan 2.0 (“NZTP 2.0”), targeted to be established by end 2026.

## OUR STRATEGY

“ Duopharma Biotech’s strategy is critical to providing a clear and disciplined framework that supports sustainable long-term growth while strengthening our role in advancing healthcare outcomes. By reinforcing our core capabilities and differentiating the Company through focus on niche and high-value areas such as biosimilars, vaccines, digital health and other specialised therapies, we are able to respond effectively to evolving needs, enhance competitiveness, and deliver enduring value to patients, customers and shareholders.





## OUR STRATEGY

### Strategy Progress and Future Focus

Expanding Ethical and CHC Products		
<b>Material Matters Addressed:</b> <span style="background-color: #0056b3; color: white; padding: 2px 5px;">2</span> <span style="background-color: #0056b3; color: white; padding: 2px 5px;">3</span> <span style="background-color: #0056b3; color: white; padding: 2px 5px;">9</span>	<b>Key Achievements in 2025</b>	<b>Priorities in 2026</b>
	<p><b>ESB</b></p> <p>Launched the following treatments:</p> <ul style="list-style-type: none"> <li>• Biosimilar YESAFILI® for diabetic retinopathy and diabetic macular oedema</li> <li>• Ibrelyn®, used to treat HR-positive, HER2-negative advanced or metastatic breast cancer</li> <li>• Vytocor 10/20</li> <li>• Varexa 2.5mg and Varexa 5mg</li> </ul> <p>Formed partnerships with technology players from China, India and other markets in biosimilars and vaccines to ensure a continuous pipeline of high-value essential medicines.</p> <p><b>CHC</b></p> <p>Launched three food supplements ranges:</p> <ul style="list-style-type: none"> <li>• CHAMPS® NutriBar</li> <li>• PROVITON® STR Powerz Bar</li> <li>• FLAVETTES® MsRange</li> </ul>	<ul style="list-style-type: none"> <li>• New product launches across various therapeutic areas.</li> <li>• Review existing products and pipeline to rationalise and streamline into high-value products and niche categories.</li> <li>• Continue to expand product ranges across ASEAN, leveraging strong presence in Singapore, Philippines, Brunei and grow our footprint in Indonesia.</li> <li>• Expand our presence in EU to utilise the HAPI EU GMP certification.</li> <li>• Focus on organic growth through strategic partnerships for co-development, trading and technology transfer; as well as inorganic growth through mergers and acquisitions (“M&amp;A”) or investments to expedite market access.</li> </ul>
Upgrading Manufacturing Facilities		
<b>Material Matters Addressed:</b> <span style="background-color: #0056b3; color: white; padding: 2px 5px;">1</span> <span style="background-color: #0056b3; color: white; padding: 2px 5px;">2</span> <span style="background-color: #0056b3; color: white; padding: 2px 5px;">3</span> <span style="background-color: #008000; color: white; padding: 2px 5px;">5</span> <span style="background-color: #0056b3; color: white; padding: 2px 5px;">9</span>	<b>Key Achievements in 2025</b>	<b>Priorities in 2026</b>
	<ul style="list-style-type: none"> <li>• Obtained EU-GMP certification in February 2025 for HAPI.</li> <li>• Strengthened output capacity for Lebreta®, a key oncology product.</li> <li>• Signed agreements with partners for technology transfer to expand local manufacturing capabilities.</li> <li>• Deployed an electronic Quality Management System system to digitise documentation control in HAPI.</li> <li>• Obtained approval from the Board to upgrade and expand our sterile manufacturing facility.</li> <li>• Strengthened regulatory affairs team, while enhancing compliance monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>• Review production capacity for the next 10 years to ensure timely expansion to support local manufacturing of products in all facilities.</li> <li>• Identify opportunities for capacity utilisation, improving efficiency and optimisation for implementation in our Manufacturing Blueprint for the next 10 years.</li> <li>• Explore automation and digitalisation in depth within manufacturing facilities to improve efficiency.</li> <li>• Upgrade our sterile facility to meet regulatory compliance and capacity expansion.</li> </ul>

OUR STRATEGY

Diversifying Into Biologicals and Niche Products

<b>Material Matters Addressed:</b> 1 2 3 6 9 11	<b>Key Achievements in 2025</b> <ul style="list-style-type: none"> <li>Formed technology-based partnerships with companies from China, India and other global markets in biosimilars and vaccines, starting with trading then technology transfer.</li> <li>Started work on capability development for the commercial team on vaccines.</li> <li>Pilot validation studies for four drugs were completed and approved.</li> <li>ERYSAA® received halal certification from JAKIM, the first biosimilar of its kind to obtain the achievement.</li> </ul>	<b>Priorities in 2026</b> <ul style="list-style-type: none"> <li>Leverage products like ERYSAA® for entry into markets with high demand and value.</li> <li>Continue to explore niche areas via partnerships with technology leaders, in-house or outsourced R&amp;D product development of high-value biologics and biosimilars.</li> <li>Leverage halal advantage and Malaysian embassies/Ministry of Investment, Trade and Industry (MITI) trade missions to enter markets with potential for high-value products.</li> </ul>
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Enhancing Our Presence in ASEAN

<b>Material Matters Addressed:</b> 1 2 3 6 9 11	<b>Key Achievements in 2025</b> <ul style="list-style-type: none"> <li>Philippines saw double-digit growth, driven by renal care products.</li> <li>Launched more products in Singapore while maintaining competitiveness in the public sector.</li> <li>International markets other than Philippines and Singapore saw double-digit growth with deeper market penetration through repeat tenders and higher order frequency.</li> <li>Submitted a product for the ASEAN Joint Assessment, supporting regional initiatives to improve access to ASEAN.</li> </ul>	<b>Priorities in 2026</b> <ul style="list-style-type: none"> <li>Review export strategy to identify opportunities in each market for our product range and update the short to medium-term business plan.</li> <li>Continue to participate in tenders, especially for MOH and in public sector-driven markets like Singapore and Brunei.</li> <li>Review our digital infrastructure for better data governance and monitoring to support growth in ASEAN.</li> </ul>
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Looking Ahead

As our current strategy concluded in 2025, we undertook an extensive review of Duopharma Biotech’s business objectives and outlined a refined Beyond 2025 Strategy which will be launched in 2026. Under the new strategy, we have outlined five key pillars to navigate growth in the next 10 years: Operational Excellence, Lean Product Portfolio, Partnerships & Market Access, Commercial Excellence, and International Expansion.

For the year 2026, we have set clear short-term goals aligned with these pillars that will optimise our operations, ensuring commercial and manufacturing excellence. We have also clearly outlined our ESG direction, differentiating our positioning with halal and digital optimisation.

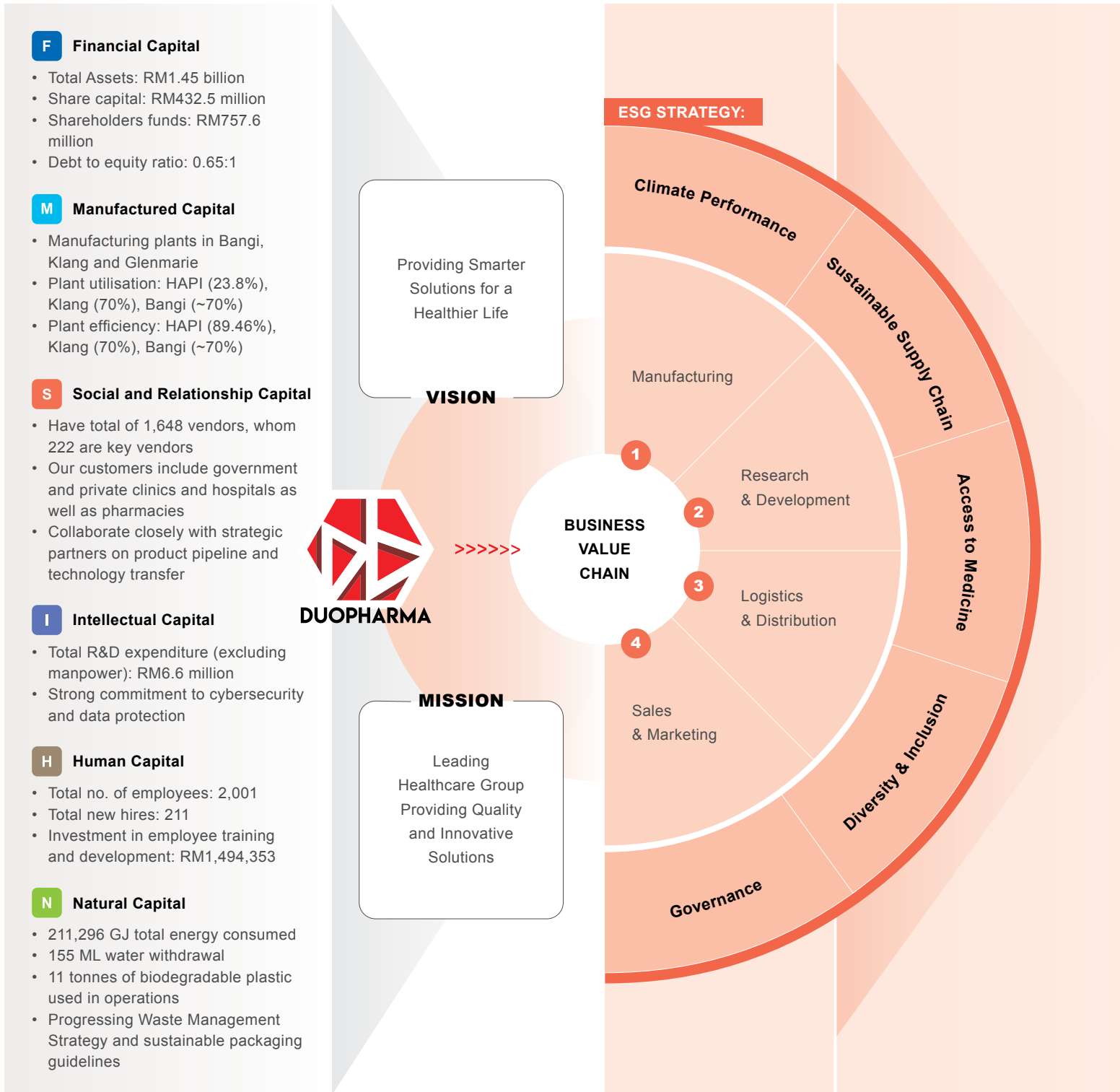


# OUR VALUE CREATION BUSINESS MODEL

## Capitals/Business Inputs



## Key Drivers

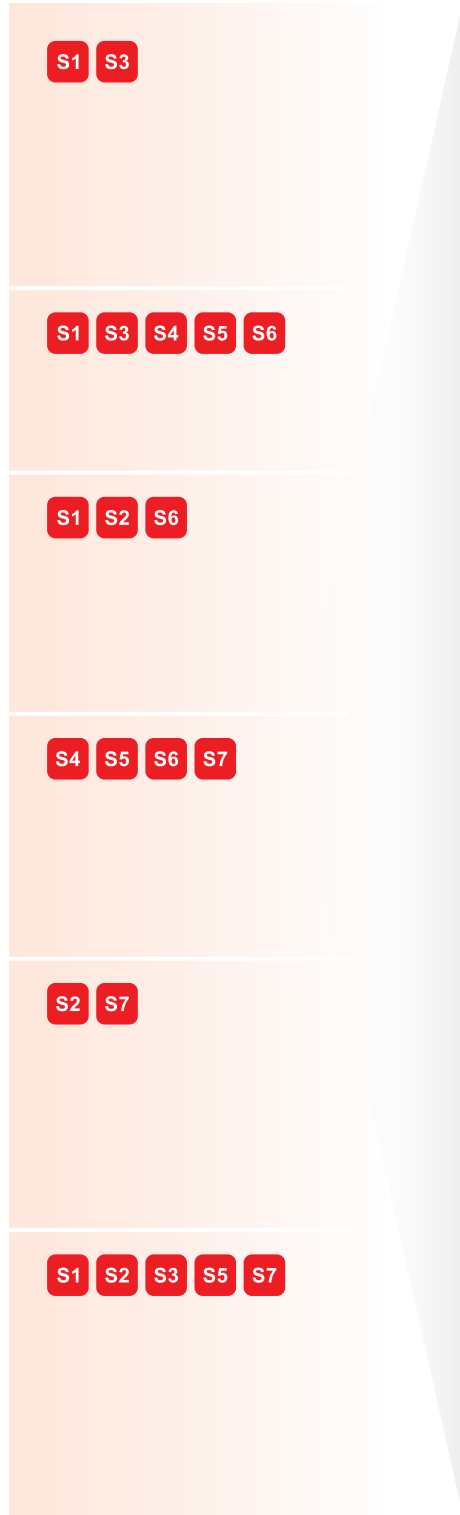


## OUR VALUE CREATION BUSINESS MODEL

### ● Outputs/ Outcomes >>

- F**
  - 43.6% increase in PBT to RM114.91 million
  - 39.6% increase in PAT to RM87.46 million
  - 14.5% increase in revenue to RM931.69 million
  - 4.55 sen per share dividend totalling RM43.77 million payout
  - Total value of new contracts secured in FY2025: RM18.39 million
- M**
  - Bangi utilisation increased by 7.5 percentage points
  - Glenmarie output capacity increased 24.11%
  - Sterile cephalosporin production capacity grew 33.33% in Klang as of Q3 2025
- I**
  - IT operational uptime reliability: 99%
  - HAPI received EU GMP certification
  - Zero non-conformance in ISO 9001, ISO 13485 and Good Distribution Practice for Medical Devices
  - 100% of operations completed Corruption Risk Register review
- S**
  - Total investment in external community: RM4,110,647
  - 48% of total procurement spend on local suppliers
  - All vendors exceeded 85% score in Vendor Performance Evaluation
  - 8 key suppliers assessed on ESG maturity
- H**
  - Employee Engagement Index: 88% (2024: 81%)
  - Average training hours per employee: 20.7
  - 92.6% completion of planned talent programmes
  - 60 PROTÉGÉS recruited, 72 internship placements
  - 8 specially-abled individuals recruited
- N**
  - GHG emissions (Scope 1 & 2) decreased 2% YoY
  - GHG emissions (Scope 1 & 2) intensity reduced 14% YoY
  - 3.2 GWh solar power generated from all three plants
  - 9% increase in recycling rate
  - 6,116m<sup>3</sup> of water recycled (15% increase)

### ● Stakeholders Impacted >>



### ● Value Created

The implementation of ESG Strategy and initiatives across the six capitals supports our business growth and risk management by enhancing our financial resilience and profitability, optimising operational efficiency, mitigating negative environmental impacts, developing high-performance workforce, strengthening stakeholder relationships, and accelerating innovation.


The value created also directly contributes to the UN SDGs.

### ● UNSDGs Aligned



## MANAGING OUR PRINCIPAL RISKS

Risk management is central to achieving our growth strategy and delivering sustainable value to our customers, employees, business partners, communities and shareholders. We have adopted an integrated and comprehensive process to identify risks faced across the Group to enable robust operations and to support our decision-making. Risk management is overseen by senior management and the Board, and is anchored on policies and procedures that are regularly reviewed and updated to remain relevant.

<p><b>Operational Risk</b></p> 	<p><b>Risk Context:</b> Production bottlenecks can result in stock shortages and limited product availability, leading to lost opportunities and unmet demand across all business segments, negatively impacting performance and weakening our competitive standing.</p>	
<p><b>Time Horizon:</b> Short-term (&lt;3 years)</p> <p><b>Interdependence with Other Risks:</b></p> <ul style="list-style-type: none"> <li>Financial</li> <li>Strategic</li> <li>Reputation</li> <li>Supply Chain</li> </ul> <p><b>Risk Rating:</b> Extreme (Likely, Major)</p> <p><b>Impact on 6 Capitals:</b></p> <p><b>F</b> <b>M</b> <b>H</b> <b>S</b></p>	<p><b>Mitigation Measures</b></p> <ul style="list-style-type: none"> <li>Implemented a seven-year Automation and Asset Management Strategy to systematically remove capacity constraints, enhance throughput and build scalable operational efficiency.</li> <li>Implemented a rigorous tracking and monitoring system for critical performance indicators, including process cycle times, line efficiency and energy efficiency, enabling real-time visibility, rapid intervention in case of deviations and continuous improvement initiatives.</li> <li>Strengthened the Lean 6 Sigma culture of continuous improvement, encouraging employees to identify and address inefficiencies through initiatives that reduce waste and defects while improving cycle times.</li> <li>Outsourced high-volume, low-value products to free up production capacity to focus on high-margin products.</li> <li>Maintained optimal inventory levels to ensure sufficient raw materials and finished goods while minimising storage costs. Optimal inventory levels can be determined based on demand forecasts, supplier lead times, safety stock requirements, and cost-to-serve analysis to balance service levels and inventory holding costs.</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Increased productivity and asset reliability create consistency and predictability in operations, enabling the Group to meet rising demand, seize market opportunities, and support revenue growth.</li> <li>A leaner, more predictable production environment with reduced lead times improves agility in responding to market changes, customer needs, regulatory requirements and new product introductions.</li> <li>Optimised production processes, along with less waste and better equipment utilisation, help reduce operating costs and enhance cost efficiency.</li> <li>Alleviating capacity constraints enables greater focus on high-margin products, improving profitability.</li> <li>Reduced stockouts translate to fewer lost sales opportunities, leading to higher revenue and profitability.</li> </ul>

## MANAGING OUR PRINCIPAL RISKS

### Regulatory Risk



#### Time Horizon:

Short-term (<3 years)

#### Interdependence with Other Risks:

- Supply Chain
- Financial
- Regulatory

#### Risk Rating:

Extreme  
(Likely, Major)

#### Impact on 6 Capitals:



#### Risk Context:

Compliance with ever-evolving GMP standards remains a key challenge, particularly for aging facilities. Any lapse in compliance could result in a temporary production shutdown, disrupting critical product supply.

#### Mitigation Measures

- Initiate a comprehensive remodelling programme for critical manufacturing areas to ensure sustained compliance with current GMP standards, safeguarding product quality, regulatory approval and supply continuity.
- Conduct periodic GMP gap analysis to identify discrepancies between existing practices and regulatory requirements, providing a clear and prioritised improvement roadmap.
- Conduct regular GMP training and reinforcement initiatives to embed compliance into daily operations, behaviours and decision-making processes across the Group.
- Track evolving GMP regulatory requirements and integrate changes proactively into facility design, processes and quality systems.

#### Opportunities

- Modernising critical manufacturing areas enables the adoption of the latest technologies and manufacturing principles, resulting in higher production yields, reduced waste, shorter production cycle times, improved contamination controls and lower lifecycle operating costs.
- Conducting a structured GMP gap analysis provides a data-driven foundation for ensuring resources are directed towards areas of highest compliance risk and operational returns.
- Embedding GMP compliance into daily practices will strengthen organisational capability and quality culture, building a resilient, empowered workforce and enhancing market and regulatory credibility.
- Proactive monitoring of regulatory trends allows the Group to anticipate changes, adapt early and leverage compliance readiness to support product expansion, new market entry and differentiation.

## MANAGING OUR PRINCIPAL RISKS

### Inventory Management Risk



#### Time Horizon:

Short-term (<3 years)

#### Interdependence with Other Risks:

- Financial
- Supply Chain
- Reputation
- ESG

#### Risk Rating:

Extreme  
(Likely, Major)

#### Impact on 6 Capitals:



#### Risk Context:

Effective inventory management is a critical but complex task that involves coordinating diverse stakeholders. Inaccuracies or imbalances can lead to supply chain disruptions, in turn adversely affecting customer satisfaction, company revenue and overall profitability.


#### Mitigation Measures

- Maintain frequent, structured cross-functional communication with key stakeholders (e.g., Sales, Demand Planning, Production) to align demand signals, inventory targets and response actions, enabling timely intervention and optimised inventory management outcomes.
- Conduct monthly inventory and product prioritisation reviews to manage stock levels, align inventory with demand forecasts, optimise working capital, and deploy targeted promotions for slow-moving or excess inventories.
- Reinforce inventory discipline and accountability across key stakeholders by highlighting the financial, operational and environmental impacts. Continue to raise awareness among key stakeholders who contribute to suboptimal inventory practices.

#### Opportunities

- Cross-functional collaboration elevates inventory management from a reactive function into a proactive, data-driven capability, enabling faster responses to market shifts and more effective resolution of complex supply chain challenges.
- Regular prioritisation reviews enhance supply chain resilience via early risk identification and timely actions such as safety stock adjustments or sourcing for alternative critical products.
- Embedding shared accountability for inventory accuracy and waste reduction fosters a culture of ownership, operational excellence and cost consciousness, strengthening profitability and long-term sustainability.

## MANAGING OUR PRINCIPAL RISKS

<p><b>Investment Risk</b></p> 	<p><b>Risk Context:</b> Investment viability within a niche therapeutic sector hinges on critical market assumptions, notably, the competitive landscape and pricing models. Significant deviation from these projected assumptions poses a major risk to the anticipated return on investment.</p>	
<p><b>Time Horizon:</b> Short-term (&lt;3 years)</p> <p><b>Interdependence with Other Risks:</b></p> <ul style="list-style-type: none"> <li>Financial</li> <li>Supply Chain</li> <li>Regulatory</li> </ul> <p><b>Risk Rating:</b> Extreme (Almost certain, Major)</p> <p><b>Impact on 6 Capitals:</b></p> <p><b>F M S I</b></p>	<p><b>Mitigation Measures</b></p> <ul style="list-style-type: none"> <li>Strategically increase high-value products in the production mix to enhance margins, optimise manufacturing assets utilisation, and reduce sensitivity to pricing pressure in competitive markets.</li> <li>Systematically expand the government contract portfolio to secure stable, long-term demand and improve the predictability of revenue streams.</li> <li>Pursue EU certification as a strategic priority to enable market entry, establish regulatory credibility, and unlock new commercial opportunities within the European market.</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>A higher proportion of high-margin products strengthens cash flow resilience, supports reinvestment, and builds a profit structure that is less exposed to price erosion and competitive volatility.</li> <li>Government tenders provide long-term, high-volume revenue streams that enhance financial stability, reduce demand uncertainty, and reinforce brand credibility with institutional customers.</li> <li>Access to European market diversifies geographical and economic exposure, reducing reliance on primary domestic markets and improving long-term revenue sustainability amid regional or competitive disruptions.</li> </ul>

## MANAGING OUR PRINCIPAL RISKS

**Business Risk****Time Horizon:**

Medium-term (3-10 years)

**Interdependence with Other Risks:**

- Supply Chain
- Operational
- Reputation
- Strategic

**Risk Rating:**Extreme  
(Possible, Catastrophic)**Impact on 6 Capitals:****Risk Context:**

Continuous collaboration with leading pharmaceutical manufacturers is essential to securing stable, long-term revenue growth. Such partnerships help to ensure resilient supply chains, providing the consistency required for sustainable business expansion.

**Mitigation Measures**

- Increase collaborations with leading manufacturers, combining their product credibility with our operational capabilities to enhance bid competitiveness and contract win rates.
- Deepen our strategic partnerships via technology transfer and contract manufacturing initiatives, evolving transactional relationships into integrated manufacturing alliances that enhance supply chain resilience and long-term revenue.
- Sustain strong marketing and distribution performance to reinforce partners' confidence, maximise current commercial outcomes, and preserve the strategic value of the alliances.

**Opportunities**

- Successful delivery of government contracts through alliances positions our company as a trusted national healthcare partner, strengthening our relationship with ministries, enhancing our reputation, and enabling preferential access to strategic healthcare initiatives.
- Technology transfer elevates internal manufacturing capabilities, shifting the company up the value chain and creating durable competitive advantage while lowering barriers to entry.
- Consistent commercial excellence strengthens bargaining power within alliances, enabling improved commercial terms, selective exclusivity and potential co-investment or joint venture opportunities that increase the long-term value of the partnership.

# SECTION 04:

# OUR PERFORMANCE REVIEW

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## OPERATIONAL REVIEW

1

# Ethical Classic Business

“ Our Ethical Classic Business (“ECB”) focuses on the manufacture, distribution and sales of a wide range of medicines that treat heart-related diseases and systemic infections as well as respiratory, nervous system, gastroenterology, musculoskeletal and sensory organ ailments, among others.

### OVERVIEW OF 2025

The ECB sector delivered a strong performance in 2025, driven by a focus on strengthening operational efficiency, customer engagement and commercial effectiveness. This was complemented by sustained demand from the government sector providing volume stability and underpinning overall profitability. Consequently, private sector growth moderated despite intact demand.

The segment’s performance was further boosted by an influenza outbreak in the Klang Valley and northern Peninsula Malaysia in October 2025, which saw a spike in demand for Duopharma Biotech’s Omiflu.

From a prescribing trend perspective, the government sector is gradually shifting from older molecules to newer therapies. This reflects evolving clinical preferences and guidelines-driven prescribing, with implications for portfolio mix and product lifecycle management.

Meanwhile, the ongoing consolidation of retail pharmacies, clinics and private hospitals is expected to increase customers’ bargaining power, necessitating more strategic account management and differentiated value propositions going forward.



### KEY FOCUS AREAS

- 1 Drive growth from new and recently launched products.
- 2 Strengthen Sales First Line Manager capabilities to improve sales management effectiveness, while preparing Duopharma Biotech for more analytics-driven, AI-enabled commercial execution.
- 3 Strengthen account fundamentals by improving accounts penetration, increasing average monthly sales, and executing targeted therapeutic-specific strategies across clinics, public and private hospitals, and pharmacies.

OPERATIONAL REVIEW

**KEY INITIATIVES & RESULTS**

**Initiatives**

- Rationalised distribution in East Malaysia to improve coverage, service levels and overall efficiency through the appointment of new distributors.
- Consolidated accounts across clinics, pharmacies and private hospitals to align with evolving customer structures, procurement practices and market developments.
- Optimised automated pre- and post-call reporting within the customer relationship management (“CRM”) system, enhancing dashboard data quality, compliance and performance visibility.
- Continued to participate in local medical conferences and organise Continuing Medical Education (“CME”) for practitioners.
- Big Caring Group Medication Disposal Program and the Alpro Medication Disposal Program.
- Organised Duopharma Biotech’s inaugural KL SuperBolt Run, supported by seven corporate partners: Owen Mumford, KPJ Healthcare Berhad, Malaysian Red Crescent, PERKESO/SOCSO, Sunway Multicare Pharmacy, Vital Signs Asia and Klinik Idzham.

**Results**

- Sales performance in Sabah and Sarawak improved significantly along with improved distributor relationships and facilities.
- ECB maintained its product and brand leadership across multiple therapeutic classes via increased account penetration and strategic pricing.
- Telehealth maintained strong growth momentum, driven by optimised coverage and process efficiencies across clinics and pharmacies in Peninsular Malaysia.
- Strengthened our scientific engagement and brand credibility.
- Enhanced visibility of the Duopharma Biotech brand, strengthening our reputation in the market.
- Attracted over 1,000 participants who now associate Duopharma Biotech with a healthy lifestyle.

**Key Achievements**

Signed on as a vendor on Remedi’s CX Market, making our products easily available via direct ordering by clinics using the Remedi system.

**Financial Performance**

Revenue increased by **12.4%** due to strong government channel performance.



## OPERATIONAL REVIEW

### KEY CHALLENGES & OUR RESPONSE

Challenges	Our Response
Balancing stock availability between public and private sectors.	Monthly coordinated decision-making to optimise inventory allocations, led by the Demand Planning team with input from brand managers and senior management.
Ensuring Sales First Line Managers are up to mark professionally.	Implementation of a skills and competency Sales First Line Managers training programme, which will be extended into 2026.
Consolidation of accounts into larger groups in clinics, private hospitals and pharmacy channels.	Ongoing engagement with consolidated account teams and active participation in mutually beneficial programmes to drive performance.

### OUTLOOK:

The outlook for 2026 remains positive with strong performance expected, driven particularly by the government sector.

*Key priorities include:*

- Accelerating growth of new products.
- Enhancing sales leadership competencies through advanced business analytics.
- Executing targeted marketing strategies tailored to the potential of specific channels.

These initiatives aim to sustain market leadership, optimise commercial performance and strengthen customer engagement across all segments.



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# Ethical Specialty Business

“ The Ethical Specialty Business (“ESB”) focuses on Duopharma Biotech’s franchises, namely our specialty therapy areas. Currently encompassing Diabetes Care, Cancer Care and Renal Care, we are looking to expand into other high-demand areas.

## OVERVIEW OF 2025

ESB delivered a strong performance in 2025 with revenue increasing by 37.8% YoY, exceeding the overall specialty market growth rate of 15% (IQVIA MAT Q4 2025).

RHI supply to the government sector continued to be the key growth driver, with Insugen and Diabulyl fulfilling MOH’s needs upon a multinational manufacturer exiting from the Malaysian RHI market. This was followed by double-digit growth in the private sector for both the Renal Care and Cancer Care Franchises.

In the insulin market, we are seeing a transition from human insulin RHI to advanced analogues and SGLT2 inhibitors. The government is also adopting a split tender system for critical medications, sharing tenders among several successful bidders. However, local generics and biosimilars are still favoured, creating opportunities for local manufacturing partnerships through fill-and-finish operations.

Along with an increase in cancer incidence, demand for targeted oncology therapies is growing in private hospitals. This, in turn, is creating a very crowded landscape with competitors adopting predatory pricing strategies. Building a strong customer base and increasing our market share in the private sector remains key to growing the specialty business, besides winning tenders and contracts in the public sector.



## KEY FOCUS AREAS

- 1 Winning key contracts/tenders for medicines such as RHI, Insulin Glargine, Insulin Aspart, Lebreta®, Trevive® and Ranofer in the public sector.
- 2 Smooth execution of awarded tenders including consistent and sufficient supply of key products, especially those under the APPL tender, such as ERYSAA®, Unihepa, Ferrus, Bi-haemosol range, Lebreta® and Trevive®.
- 3 Aggressive market conversion and expansion of ESB products in the private sector and export market.
- 4 Increase brand visibility of focus products through CME, participation in symposiums organised by hospitals and societies, and awareness of biosimilars among healthcare professionals.

## OPERATIONAL REVIEW

### KEY INITIATIVES & RESULTS

Initiatives	Results
Enhancing RHI supply with Diabulyn from Bioton, Poland to complement Insugen supply. Diabulyn cartridges are fully compatible with Insupen devices supplied to the market.	<ul style="list-style-type: none"> <li>Successfully addressed RHI supply issue and extended earlier tender for six months till October 2025.</li> </ul>
Securing government tenders for extension of existing contracts and submitting competitive bids for new RHI, Insulin Glargine and Insulin Aspart contracts.	<ul style="list-style-type: none"> <li>Awarded extension of tripartite RHI contract for six months.</li> <li>Awarded a three-month interim RHI contract from February 2026.</li> <li>Awarded two-year tender for Insulin Aspart (Kirsty) effective from February 2026.</li> <li>Awarded two-year tender for Insulin Glargine (Basalog One) effective from Q3 2026.</li> <li>Secured APPL tender for Lebreta® and Trevive® until December 2026.</li> </ul>
Diversify existing portfolio by venturing into new treatment areas while expanding it.	<ul style="list-style-type: none"> <li>Launched YESAFILI® for the treatment of diabetic retinopathy and diabetic macular oedema.</li> <li>Launched Ibrellyn®, a targeted cancer medication used to treat HR-positive, HER2-negative advanced or metastatic breast cancer.</li> </ul>
Aggressive market conversion of competitors' short-acting erythropoiesis-stimulating agents ESAs to ERYSAA®.	<ul style="list-style-type: none"> <li>ERYSAA® is the No.1 Epoetin alfa with 45% volume share of the short-acting ESA market and 47% volume share of the private sector market (IQVIA MAT Q3 2025).</li> </ul>
Focus on growth of private sector by expanding customer base.	<ul style="list-style-type: none"> <li>Cancer Care customer base expanded by 39% YoY.</li> </ul>
Product portfolio expansion in export markets, submitting five new product registrations overseas.	<ul style="list-style-type: none"> <li>Exports grew by 153% YoY with tenders to supply big hospitals in Laos and Brunei.</li> </ul>

#### Key Achievements

ERYSAA® officially received halal certification in February 2025, becoming the **first ESA product** to be halal-certified by JAKIM.

Duopharma Biotech was recognised for being the **first company in Malaysia to obtain halal certification for oncology products and for a biosimilar** for the treatment of anaemia in chronic kidney disease at the 16<sup>th</sup> World Halal Excellence Awards.

#### Financial Performance

Revenue increased by **36.8% YoY**, with Diabetes Care contributing 52.5%, Cancer Care 11.9%, Renal Care 35.2% and Export 0.4%.

## OPERATIONAL REVIEW

### KEY CHALLENGES & OUR RESPONSE

Challenges	Our Response
Disruption to RHI supply in 2024 led to a loss of confidence among stakeholders.	Ensure reliable and sufficient supply by exploring alternatives such as Diabulyn.
The addition of other local player's RHI local fill and finish facilities is expected to impact the portion of future RHI tenders awarded to Duopharma Biotech/Biocon.	<ul style="list-style-type: none"> <li>• Provide value-add support such as continuous education to key associations and healthcare professionals.</li> <li>• Establish dedicated sales team services.</li> </ul>
Price erosion due to price war among generics and biosimilar companies.	<ul style="list-style-type: none"> <li>• Establish contracts for high-quality products with targeted customer groups such as dialysis centres and hospitals.</li> <li>• Strengthen product portfolio value proposition with halal and EU GMP+ certifications.</li> </ul>
Delay of product release from HAPI affecting supply to the market.	Weekly meetings with HAPI production team for alignment on production plan and inventory management.
Stiff competition in pricing and market share from first movers in export markets.	Capitalise on clinical advantages and strengthen product branding in the export countries.

### OUTLOOK:

The outlook for 2026 remains positive, with continued growth opportunities across the private and government sectors.

*Key priorities include:*

- Secure a significant share of government split tenders, particularly the RHI Free Trade Agreement tender, leveraging new Insulin Aspart and Insulin Glargine tenders.
- Secure APPL tender renewal for the entire range of ESB products: ERYSAA®, Unihepa, Ferrus, Bi-Haemosol, Lebreta®, Trevive® and Trexa.
- Continue driving and growing the private sector, focusing on key brands such as ERYSAA® and new products such as YESAFILI® and Ibrellyn®.
- Launch Fulphila®, a leukocyte growth factor that reduces the risk of infection in cancer patients undergoing chemotherapy.
- Secure new product pipelines beyond 2026 for the overall specialty market, specifically for oncology.
- Launch new products in Myanmar and other ASEAN countries, driving portfolio expansion in export markets and penetrating new territories.



## OPERATIONAL REVIEW

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# Consumer Healthcare

“ Consumer Healthcare (“CHC”) markets and distributes vitamins, minerals and supplements as well as over-the-counter pharmaceutical products, food supplements and cosmeceuticals in Malaysia and across the region. Leading brands include UPHAMOL® (analgesics), FLAVETTES®, CHAMPS® and PROVITON® (vitamins & supplements), Eye Glo (eyecare) and IRORO Nutreatment (haircare).

## OVERVIEW OF 2025

Following a sharp softening post-pandemic, CHC welcomed some stability in 2025 with the Vitamin C portfolio, which contributes approximately 42% of the overall business, regaining its momentum. CHAMPS® made a good comeback post-COVID, growing 6% despite out-of-stock challenges. At the same time, UPHAMOL® enjoyed robust sales with +15% growth, driven primarily by the government sector as the analgesic is in the Group’s APPL contract.

More broadly, there has been a discernible shift in the consumer health and wellness landscape with increasing demand for food supplements that address overall health needs such as immunity, gut health, energy and beauty. These foods are becoming embedded into daily diets, with distribution channels extending beyond pharmacies. Meanwhile, as living costs increase and consumers become more price-sensitive, pharmacies are introducing their own labels that carry lower price tags.



## KEY FOCUS AREAS

- 1 Fixing business fundamentals to improve profitability.
- 2 Leveraging the Group’s wide coverage in general practitioner channels to drive usage by healthcare professionals, prompting spillover effects on retail channels for strategic products like analgesics and vitamin C.
- 3 Outsourcing product manufacturing to reduce the cost of goods and directly enhance gross margins.
- 4 Diversify into food-based wellness and nutrition.

OPERATIONAL REVIEW

**KEY INITIATIVES & RESULTS**

Initiatives	Results
<ul style="list-style-type: none"> <li>In Q1 2025, the first batch of effervescent products was outsourced to an Original Equipment Manufacturer (“OEM”) in Germany.</li> <li>Phase 1 of chewable range to be outsourced in Q2/Q3 2026, followed by Phases 2 and 3 in Q3/Q4 2026.</li> </ul>	<ul style="list-style-type: none"> <li>21% gross margin improvement.</li> <li>This ongoing initiative targets a 25% total reduction in Cost of Goods Sold (“COGS”).</li> </ul>
<ul style="list-style-type: none"> <li>Expand product offerings within existing brands into the new food supplement category.</li> </ul>	<ul style="list-style-type: none"> <li>Successful launch of food supplement ranges – CHAMPS® Nutribar, PROVITON® STR Powerz Bar and FLAVETTES® MsRange in ready-to-consume formats.</li> </ul>
<ul style="list-style-type: none"> <li>Distribution expansion for UPHAMOL® 500mg range within the general practitioner (“GP”) channel.</li> </ul>	<ul style="list-style-type: none"> <li>UPHAMOL® grew 7% among private practitioners, adding to growth driven by the APPL tender, with overall annual growth of 15%.</li> </ul>

**Key Achievements**

CHAMPS® Nutribar launched in February 2025

PROVITON® STR Powerz bar and gels launched in September 2025

FLAVETTES® MsRange launched in July 2025

**Financial Performance**

CHC sales grew **3% YoY to RM118.36 million**

**Sustainability**

Secondary packaging for FLAVETTES® Nutriskincare was converted to **Forest Stewardship Council (FSC) paper**, with CHAMPS® Nutribar and other new products to follow.



## OPERATIONAL REVIEW

### KEY CHALLENGES & OUR RESPONSE

Challenges	Our Response
Surge in government tender sales exceeding production capacity resulted in an out-of-stock value of approximately RM12 million.	Outsourcing products in phases to reduce production load on Bangi and Klang facilities.
After the initial hype, TikTok sales dropped significantly, leading to RM7 million sales gap despite increased advertising and promotions spending.	Identifying skilled and efficient e-commerce enablers to establish a dedicated e-commerce team.
Food supplements differ significantly from traditional CHC products, necessitating a more tailored approach for effective sales and marketing.	Establishing a dedicated team with specialised skills in consumer marketing and route-to-market strategies for upcoming food supplement launches.
Fast-moving consumer goods (FMCG) players have expanded aggressively into health-adjacent categories, supported by faster innovation cycles and wider distribution reach. As a result, traditional supplement categories such as Vitamin C are experiencing structural pressure from format substitution, price competition, and increasing private label presence.	Conducting a CHC deep-dive in collaboration with a research consultancy to develop mid- and long-term strategies, including market scoping and assessment of growth potential in adjacent segments. This exercise also involves reviewing organisational design against business needs and portfolio scale to enhance team efficiency.
Increased cost of doing business in local chain stores and challenges in maximising the return on investment (“ROI”) and store presence.	To implement an ROI evaluation system to analyse trade spend and terms, ensuring they link directly to incremental sales. The goal is for each brand and key account to improve its P&L compared to the previous year.

### OUTLOOK:

CHC expects to experience more robust performance in 2026 as rising medical costs will encourage greater investment into personal well-being. Other key drivers include continuously aging populations, increasing incidence of chronic diseases, and strategic government and private sector initiatives including Malaysia Year of Medical Tourism 2026.

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# International Business

“ Duopharma Biotech is expanding our geographical footprint via our International Business comprising export operations as well as regional offices in the Philippines – DB (Philippines), Inc. (“DBPhils”), Singapore – Duopharma (Singapore) Pte. Ltd. (“DSPL”) and Indonesia – PT Duopharma Healthcare Indonesia (“PT DHI”).

## OVERVIEW OF 2025

### Exports

Pharmaceutical exports across ASEAN, APAC, MENA and Oceania remained resilient, supported by sustained demand for essential and affordable generics along with increased public healthcare spending and widening access to medicines. Nevertheless, regulatory requirements continued to tighten while registration timelines were extended and certain government tenders were deferred. In addition, pricing pressure together with logistics constraints, particularly across APAC and MENA, narrowed our profit margins.

### Philippines

The Philippines’ ethical market grew by 3.4% in value YoY, driven by cardiology, diabetes and oncology treatments. The erythropoietin market grew 30.5%, while patient access to dialysis expanded due to increased PhilHealth insurance coverage.

Improved access to dialysis centres allowed DBPhils to capture more patients, thereby increasing Renal Care sales which contributed to about 80% of our Philippines operations’ total revenue in 2025. Growth of digital marketing and e-commerce further helped to achieve targets for NATURALLE and Eye Care products. However, low-priced national chain pharmacy house brands and other cheaper options continued to challenge DBPhils’ legacy products.

### Singapore

Overall, our Singapore business delivered strong performance in 2025, exceeding targets across all business channels. While the government’s decentralised central warehouse project affected Q2 2025 operations, performance recovered in the second half of the year. Production delays for key tender products, namely Glyprin, Enoxin and Mapin, created temporary supply challenges but were effectively managed. In the private sector, focused efforts on agency business and new product launches sustained performance throughout 2025. CHC also maintained strong results for the year.

### Indonesia

In Indonesia, the “beauty from within” movement is gaining traction as consumers are increasingly aware that skin health starts in the gut. At the same time, the CHC segment is being redefined by preventative longevity rather than just reactive treatment, with social commerce driving the health and beauty segments. Live shopping now accounts for over 60% of Gen Z purchases in PT DHI’s category; and Q&As during livestreams are replacing traditional customer service. Meanwhile, halal certification is no longer just a religious requirement but a proxy for “clean and safe”, giving PT DHI a distinct edge over non-certified imports.

These trends validate our 2025 focus on the FLAVETTES® Nutriskincare range. Our ability to pivot into social commerce and live-streaming has allowed us to capture the “Health-Conscious Gen Z” and “Modern Mom” demographics more effectively than traditional pharmaceutical players.

## OPERATIONAL REVIEW

### KEY FOCUS AREAS

<b>Exports</b>	<ul style="list-style-type: none"> <li>Sharpen our strategic focus on core ASEAN markets.</li> <li>Progressively expand our footprint in high-growth markets within MENA.</li> <li>Advance regulatory readiness across ASEAN, APAC, MENA and Oceania.</li> <li>Enhance distributor governance across all regions.</li> </ul>	<b>Singapore</b>	<ul style="list-style-type: none"> <li>In the government channel, maintain competitiveness in tender submissions.</li> <li>In the private ethical channel, prioritise the launch and promotion of new products to expand portfolio.</li> <li>In CHC, list new products in government hospitals and private retail channels.</li> </ul>
<b>Philippines</b>	<ul style="list-style-type: none"> <li>Capitalise on increasing patient access to dialysis.</li> <li>Leverage digital marketing to help achieve NATURALLE and Eye Care product targets.</li> <li>Prepare for the launch of Lebreta® in Q1 2026.</li> </ul>	<b>Indonesia</b>	<ul style="list-style-type: none"> <li>Following the 2024 launch of FLAVETTES® Glow, PT DHI focused on expanding the FLAVETTES® Nutriskincare range.</li> <li>Leveraged local key opinion leaders (“KOLs”) to deepen connection with health-conscious Indonesian middle class.</li> </ul>

### KEY INITIATIVES & RESULTS

	<b>Initiatives</b>	<b>Results</b>
<b>Exports</b>	<ul style="list-style-type: none"> <li>Deepened our penetration in core ASEAN markets through repeat tenders, broader product coverage and higher order frequency with established distributors.</li> <li>Accelerated product registration and dossier readiness across ASEAN, APAC, MENA and Oceania to improve speed to market.</li> <li>Tightened distributor governance and performance management across all regions.</li> <li>Expanded presence in high-growth markets within MENA, including the Gulf Cooperation Council (“GCC”), through targeted partner selection and phased portfolio rollout.</li> </ul>	<ul style="list-style-type: none"> <li>ASEAN delivered strong YoY growth of 16% overall.</li> <li>Nigeria, South Africa and Mauritius exceeded performance goals, demonstrating strong public sector demand and partner capability, while Oceania grew 8.2%, almost meeting the set target.</li> </ul>
<b>Philippines</b>	<ul style="list-style-type: none"> <li>The commercial team focused on winning new dialysis accounts, while engaging with national chain pharmacies to protect NATURALLE and Eye Care products, developing digital marketing strategies for them.</li> </ul>	<ul style="list-style-type: none"> <li>Renal Care sales increased by 45.7% YoY, while Eye Care and NATURALLE saw 7.39% and 8.27% growth.</li> </ul>

## OPERATIONAL REVIEW

	<b>Initiatives</b>	<b>Results</b>
<b>Philippines</b>	<ul style="list-style-type: none"> <li>Building partnerships with companies like Ambica International Corp., Lloyd Laboratories, Inc. and Dr. Reddy's Laboratories Phils., Inc. that can potentially supply new products for launch.</li> </ul>	<ul style="list-style-type: none"> <li>The Supply Distribution Agreement with Ambica International and proposed Manufacturing Agreement with Lloyd Laboratories are under review by Group Legal. The Non-Disclosure Agreement with Dr. Reddy's Laboratories has been submitted for their review.</li> </ul>
	<ul style="list-style-type: none"> <li>Stopped commercialisation of products with low demand and/or profitability.</li> </ul>	<ul style="list-style-type: none"> <li>Sales of Haemosol and Hiospan were terminated in July 2025.</li> </ul>
<b>Singapore</b>	<ul style="list-style-type: none"> <li>DSPL transitioned from third-party to fourth-party logistics distribution services to optimise resources, improve scalability and support expansion while allowing greater focus on commercial activities and reducing creditor risk exposure.</li> </ul>	<ul style="list-style-type: none"> <li>Secured new tenders (for Setisin, Votazine and Zolterol SR 75mg), including contracts with Fleischhacker (WHO/Humanitarium), reinforcing government and institutional business opportunities.</li> </ul>
	<ul style="list-style-type: none"> <li>Expanded direct-to-consumer engagement through social media campaigns and Shopify, enhancing brand visibility and accessibility.</li> </ul>	<ul style="list-style-type: none"> <li>Launched Shopify store in November 2025, where consumers can purchase directly from social media ads.</li> </ul>
	<ul style="list-style-type: none"> <li>Relaunched Uphalexin in the private sector, and introduced new CHC products including Carin OTC pack, DERMOPLEX® Xzma, DERMOPLEX® Sensitive and Uphaplast.</li> </ul>	<ul style="list-style-type: none"> <li>Uphalexin was launched in November; Carin OTC pack in December; Uphaplast in June, with listing in NHG polyclinics, independent pharmacies and retail stores; DERMOPLEX® Xzma and Sensitive were launched in December.</li> </ul>
<b>Indonesia</b>	<ul style="list-style-type: none"> <li>Implemented data-based decision-making in terms of planning and execution of digital promotions.</li> </ul>	<ul style="list-style-type: none"> <li>PT DHI improved its profit margins, operational expenditure and advertising and promotion (A&amp;P) spend to significantly reduce its loss.</li> </ul>
	<ul style="list-style-type: none"> <li>Looked at operational efficiencies while reviewing all key vendors and identifying potential savings.</li> </ul>	<ul style="list-style-type: none"> <li>Identified a suitable local partner to facilitate further growth in Indonesia.</li> </ul>



## OPERATIONAL REVIEW

### KEY CHALLENGES & OUR RESPONSE

	<b>Challenges</b>	<b>Our Response</b>
<b>Exports</b>	Uneven demand across markets due to tender timing and order concentration.	Broaden product coverage to smoothen order cycles across the year.
	Dependence on a limited number of distributors in smaller markets.	Reset partner engagement model with clearer commercial and compliance expectations.
	Rising logistics and freight costs affecting margins.	Improve shipment planning and cost management through early booking and consolidated logistics.
	Country-specific import requirements increasing execution complexity.	Prioritise stable and higher-potential markets with clearer procurement visibility.
	Geopolitical risks affecting shipment timing and payment security.	Apply tighter risk screening and phased market entry to protect cash flow and supply continuity.
<b>Philippines</b>	Low priced Heparin and Epoetin Alfa affecting ERYSAA® sales.	Emphasised ERYSAA®'s added value, being halal certified and Pharmaceutical Inspection Co-operation Scheme (PIC/S) GMP compliant.
	Strong endorsements of lower priced Diosmin+Hesperidin house brands.	Focus on pharmacies that do not have Diosmin+Hesperidin, e.g. Watsons and Planet Drug.
	High spend requirement for advertising in both traditional and social media platforms.	Engaged influencers and high traffic platforms like Facebook, TikTok and YouTube for targeted digital marketing.
<b>Singapore</b>	Natural attrition of sales representatives after two-three years.	Marketing team provided interim support during transitions, while addressing competitiveness of sales representatives' compensation packages.
	Supply delays for certain products such as Mapin.	Sourced alternative supply options beyond internal manufacturing to ensure continuity.
	Government decentralised central warehouse project.	Collaborated closely with government procurement externally and supply/demand teams internally to ensure a smooth transition and minimise disruptions.
<b>Indonesia</b>	Delays in new product availability due to supply bottlenecks.	2026 planning is based on existing products.
	Product registration delays.	Created a registration strategy to improve registration success rate.

## OPERATIONAL REVIEW

## Financial Performance

## Exports

ASEAN delivered **RM5.54 million in sales, growing 7.3% YoY**, reflecting stronger penetration in core tender markets.

Oceania contributed **RM1.78 million, up 8.2% YoY**, demonstrating stability and recurring order flows.

APAC recorded **RM2.45 million (-49.7% YoY)** and MENA **RM2.65 million (-59.0% YoY)** due to regulatory timing, tender cycles delays and geopolitical uncertainties.

## Philippines

DBPhils achieved sales of **PHP343.7 million, marking 33.4% YoY growth** with Renal Care contributing to 80% of the total, and Eye Care and NATURALLE each rebounding and exceeding sales targets by 7%.

## Singapore

DSPL achieved a total sales of **SGD6.92 million, marking 15% increase YoY** supported by 15% Government Channel growth, 14% Ethical Private Channel growth, and 15% growth in CHC.

## Indonesia

PT DHI experienced degrowth due to a business model reset of selling primarily online, achieving **IDR1.5 billion** (2024: IDR4.1 billion). Nevertheless, its loss before tax reduced by a significant IDR2.7 billion vs 2024.



## OPERATIONAL REVIEW

### OUTLOOK:

#### Exports

Demand for quality and affordable generics across ASEAN, APAC, MENA and Oceania is set to remain stable. While geopolitical risks, pricing pressures and regulatory complexity remain, the export business enters 2026 with a stronger regulatory pipeline, clearer market prioritisation and improved execution discipline.

##### *Key priorities include:*

- Strengthen core ASEAN export markets by increasing tender participation, expanding product coverage and improving order frequency with established distributors.
- Restore momentum in APAC and MENA through accelerated product registrations, prioritised market focus and tighter partner performance management.
- Advance structured entry and expansion in high-potential MENA markets, including selected GCC countries, through phased portfolio rollout and regulatory readiness.
- Improve revenue visibility through stronger forecasting, earlier tender preparation and closer coordination with distributors and internal stakeholders.



#### Philippines

Renal Care will continue to grow as DBPhils wins new accounts capitalising on the expansion of access to dialysis, while building on ERYSAA®'s unique quality proposition and stakeholder management. While legacy products will continue to be challenged by low priced, well promoted options, DBPhils intends to grow in accounts that are less sensitive to pricing issues and leverage digital marketing to drive patient traffic to our brands. The launch of Lebreta®, Duopharma Biotech's first cancer product in the Philippines market, adds excitement to the outlook.

##### *Key priorities include:*

DBPhils will actively expand its network of partnerships with suppliers of products it plans to launch in the next one to three years. These launches are critical components to its 10-year strategy.

#### Singapore

The outlook for 2026 remains positive, with continued growth opportunities across all DSPL's business segments.

##### *Key priorities include:*

- Expand product portfolio availability and pipeline, with more product launches, enhanced CHC offerings and new product registrations.
- Develop new business partnerships and collaborations to strengthen market reach.
- Partner with GP networks for contracts and inclusion of our products in their prescription list.
- Continue to drive growth in the private ethical and CHC channels, while securing additional government tenders to maintain and expand market presence.

#### Indonesia

The outlook looks positive as PT DHI introduces more products to the market. FLAVETTES® H-Drate, PROVITON® Blister packs and DERMOPLEX® Relief will be key drivers in 2026.

##### *Key priorities include:*

To penetrate the e-pharmacy channel via a new local partner and expand geographically to key cities across Indonesia.

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# Manufacturing



Our Manufacturing operations stand Duopharma Biotech apart as the largest producer of generics in Malaysia – including those for cancer treatment – and the first to produce a biosimilar. We manufacture pharmaceutical liquids, creams, injectables and oral solids at three sites located in Bangi, Klang and Glenmarie, all in the Klang Valley, Malaysia.

- **Bangi:** Ethical and CHC products, mainly in OSD, liquid and cream forms
- **Klang:** OSDs, haemodialysis products, biosimilars, SVI and sterile cephalosporin powder filling
- **Glenmarie:** Oncology generics – oral solid dosages (tablets) using HAPI

## OVERVIEW OF 2025

In 2025, we continued to strengthen our manufacturing capability through targeted capacity expansion, investment in automation and digitalisation, and structured development of our people. Collectively, these initiatives enhanced our ability to meet increasing healthcare needs while supporting our long-term growth strategy and sustainability commitments. A key achievement was to receive EU GMP certification for HAPI in February, clearing a pathway for supply to EU markets.

A surge in demand from the government sector prompted concerted efforts to debottleneck processes in our plants, especially in Bangi. Various initiatives have been launched and are ongoing, supported by our internal technical team and vendors. While supply issues remain, the gap narrowed progressively over the year as more interventions were completed.

Further enhancing efficiencies, Manufacturing completed the three-year Lean Six Sigma (“LSS”) programme, with eight participants receiving the Black Belt, recognised by the Council for Six Sigma Certification (CSSC) and International Association for Six Sigma Certification (IASSC). Notably, we accomplished a total of RM18 million in hard savings under the programme.



The year also saw a deepening of our commitment to sustainability and workplace safety across all operations. ESG initiatives focused on energy efficiency, water management and responsible resource use, including pilot studies on energy-efficient equipment and the establishment of a structured water management framework. On the safety front, we tightened our operational discipline through quarterly GMC safety walkabouts, safety bootcamps, digitalisation of Permit to Work and Unsafe Condition/Unsafe Act (“UCUACT”) reporting, and strengthened consequence management, reinforcing accountability and a proactive safety culture.



## OPERATIONAL REVIEW

### KEY INITIATIVES & RESULTS

Bangi	Initiatives	Results
<b>Capacity Enhancement</b>	Implemented a structured manufacturing transformation programme, including: <ul style="list-style-type: none"> <li>• Campaign-based planning to minimise line downtime</li> <li>• Installation of a new fluid bed dryer</li> <li>• Continuous overall equipment effectiveness (“OEE”) monitoring for 10 machines from August 2025</li> </ul>	<ul style="list-style-type: none"> <li>• Increased OSD production from an average of 150 million to 200 million units per month.</li> <li>• Wet granulation capacity increased 10%, supporting our goal of achieving 300 million units per month by end 2026.</li> <li>• 20% reduction in changeover time for compression and blistering lines.</li> <li>• Real-time performance insights formed the foundation for broader digital manufacturing integration in 2026.</li> </ul>
<b>People Development</b>	<ul style="list-style-type: none"> <li>• Enhanced operator competency through Total Production Initiatives.</li> <li>• Improved machine utilisation through cross-training and upskilling.</li> </ul>	<ul style="list-style-type: none"> <li>• Through Total Productive Maintenance, technical competency and ownership of equipment performance were enhanced, reducing downtime by 21.5% YoY and improving plant utilisation by 7.5 percentage points.</li> </ul>
<b>Resource Efficiency</b>	<ul style="list-style-type: none"> <li>• Solar panel installations were completed at Bangi manufacturing plants</li> <li>• Pilot studies were carried out on replacing conventional induction motors with high-efficiency magnetic motors in critical systems such as chillers.</li> <li>• A Group Water Management Framework has been developed that provides overview of water profile, governance structure and performance indicators to enhance efficiency.</li> <li>• Shift from single-use plastics to biodegradable plastics, minimising environmental impact.</li> </ul>	<ul style="list-style-type: none"> <li>• In FY2025, the Bangi system generated about 1.56 GWh solar energy, reducing grid electricity consumption by 44,178 kWh.</li> <li>• The studies confirmed improved efficiency and energy optimisation, supporting a phased replacement programme.</li> <li>• Defined responsibilities, performance tracking and site-level accountability have enhanced water consumption efficiency.</li> <li>• 28% of single-use plastics were replaced by biodegradable plastics Group-wide in 2025.</li> </ul>

## OPERATIONAL REVIEW

Klang	Initiatives	Results
Capacity Enhancement	<ul style="list-style-type: none"> <li>Installed a new automated cartoner at K3, Klang to transition selected products from manual to automated secondary packaging.</li> <li>Commissioned a high-speed labelling machine for sterile ampoules and vials.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>Sterile cephalosporin facility: Reduced changeover time via enhanced production planning and process optimisation, as well as improved filling cycle times.</li> <li>Haemodialysis production line: Partial cleaning activities were successfully established, validated and qualified, with minor modifications made to the filling operation.</li> </ul>	<ul style="list-style-type: none"> <li>Improved packaging consistency and enhanced overall productivity, with full operational benefits expected upon completion of product qualification in 2026.</li> <li>There are plans to automate another nine SKUs, subject to commercial and market alignment.</li> <li>Packing efficiency improved 16% through reduced cycle time and improved output in 2025.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>Sterile cephalosporin production capacity increased from 600,000 to 800,000 vials per month starting in Q3 2025, enhancing the ability to meet market demand.</li> <li>Weekly production output increased from eight batches to 11 batches, effective October 2025.</li> </ul>
People Development	<ul style="list-style-type: none"> <li>Strengthened shopfloor capability through targeted problem-solving workshops and continuous GMP training focused on operational discipline, compliance awareness and employee engagement.</li> </ul>	<ul style="list-style-type: none"> <li>Better adherence to standard procedures, improved shopfloor discipline and more proactive engagement in addressing operational issues.</li> </ul>
Resource Efficiency	<ul style="list-style-type: none"> <li>Solar panel installations were completed at Klang plants in 2024.</li> <li>Chiller systems were upgraded to improve energy efficiency.</li> <li>Shift from single-use plastics to biodegradable plastics, reducing plastic waste</li> </ul>	<ul style="list-style-type: none"> <li>In 2025, the Klang system generated about 1.4 GWh of renewable electricity.</li> <li>Potential energy savings of approximately 800,000 kWh are expected from the new chiller.</li> <li>28% of single-use plastics were replaced by biodegradable plastics Group-wide in 2025.</li> </ul>

## OPERATIONAL REVIEW

Glenmarie	Initiatives	Results
<b>Capacity Enhancement</b>	<ul style="list-style-type: none"> <li>Increased batch size from 5kg to 15kg for a key oncology molecule, Lebreta® 2.5mg, in October 2025.</li> <li>Assimilated the use of purified water via point of use water system instead of relying on a dedicated purifier.</li> <li>Evaluated and qualified a new vendor for lab testing.</li> </ul>	<ul style="list-style-type: none"> <li>Output capacity was strengthened by 24.11% YoY.</li> <li>Savings of RM15,000/year due to reduced preventive maintenance.</li> <li>Vendor fees reduced by 50%.</li> </ul>
<b>People Development</b>	<ul style="list-style-type: none"> <li>Upskilled production floor staff with planned visits and training by machine manufacturer.</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced shop floor technical knowledge of machines and process science.</li> </ul>
<b>Resource Efficiency</b>	<ul style="list-style-type: none"> <li>Solar panel installations were completed at Glenmarie plants in 2024.</li> <li>18-month pilot study on more sustainable packaging material for Lebreta 2.5mg is ongoing with results expected in March 2026.</li> </ul>	<ul style="list-style-type: none"> <li>In 2025, Glenmarie generated about 0.24 GWh of renewable electricity.</li> <li>Subject to favourable outcomes, there are plans to submit a variation application in 2Q 2026. The initiative has the potential to deliver up to 57% packaging cost savings while improving packaging sustainability.</li> </ul>

## SAFETY PERFORMANCE

### Key Initiatives

The Group continues to enhance hazard identification and risk assessments; conduct regular inspections and audits; reinforce compliance with safety and regulatory requirements; and strengthen consequence management to ensure accountability while promoting a fair, learning-oriented safety culture.

GMC conducts quarterly safety walkabouts to observe workplace conditions, engage with employees, reinforce safe practices and identify improvement opportunities across operational sites.

Key safety documentation processes — including Permit-to-Work and UCUACT reporting forms — were digitalised to improve accessibility, tracking, data accuracy and safety trend analysis.

Safety Bootcamps were organised for Safety Committee members, supported by ongoing briefings, awareness initiatives, and sharing of lessons learned from incidents and near misses.



## OPERATIONAL REVIEW

### KEY CHALLENGES & OUR RESPONSE

Challenges	Our Response
Demand from the government sector for various medications increased substantially during the year.	Accelerated various efforts across all plants to enhance efficiency and grow our capacity.
Heightened regulatory scrutiny and evolving compliance expectations require timely alignment of processes, documentation and operational controls with the latest standards.	Conducted a formal gap assessment against the latest regulatory guidelines, identified key compliance gaps and developed targeted mitigation plans to strengthen controls, close gaps and improve inspection readiness.
Most manufacturing operations are manual, therefore susceptible to human error.	Gradual transition into automation and digitalisation.
Meeting evolving ESG standards and reporting obligations.	<ul style="list-style-type: none"> <li>• Integration of ESG considerations into operational planning and procurement.</li> <li>• Regular monitoring of ESG metrics, including energy, water, waste and safety Key Performance Indicators (“KPIs”).</li> <li>• Continuous improvement initiatives aligned with global sustainability frameworks (GRI, Bursa Malaysia MMLR, IFRS S1 &amp; S2, FTSE4Good, etc.)</li> </ul>

### OUTLOOK:

Overall, 2026 will be a year of strategic execution, structural capacity realignment, digital acceleration and enhanced commercial collaboration.



*Key priorities include:*

- Rollout of the Sterile Master Plan with procurement and construction to begin in 2026, followed by full qualification in 2027.
- Expansion of automated blister and cartoning lines in Bangi; implementation of a proof-of-concept (POC) for Manufacturing Execution System (MES) for the K3 OSD facility; and continued rollout of digital performance dashboards.
- Continued development of subject matter experts, leveraging LSS talents as internal project consultants to build organisational capability for continuous improvement.
- Leverage certified Lean Black Belt team to drive productivity, reliability and cost competitiveness.
- Embed climate, water, waste and packaging priorities into daily operations, consistent with our Net Zero Transition Plan and sustainability roadmap.
- Implementation of Safety Passport system to centralise and standardise safety training records, certifications and competency verification for employees and contractors.



## SUSTAINABILITY STATEMENT

# MESSAGE FROM THE CHIEF MANUFACTURING & SUSTAINABILITY OFFICER



**KRISNAKUMARA-REDDI**  
**A/L KESAVA-REDDI**  
Chief Manufacturing &  
Sustainability Officer

### DEAR SHAREHOLDERS,



With each passing year, Duopharma Biotech's commitment to sustainability becomes more entrenched in our operations and daily actions. As a result of the Group's ESG Strategy driving improvements across our operations, our social and environmental scorecards keep improving, further supported by good governance. In this message, I take pleasure in highlighting some of our significant achievements in 2025, while providing insight into how we plan to manage some of our more pressing sustainability issues going forward.

## Turning Commitments into Action

A key milestone this year was the adoption of dual materiality in determining our material sustainability matters. This approach enables us to better balance our impacts on society and the environment with the impact of sustainability-related risks and opportunities on our business. We reviewed and refined our material sustainability matters, reducing overlaps for better alignment while introducing three new sustainability matters, i.e., "Plastic and Packaging Circularity", "Water and Wastewater Management" and "Biodiversity". Eleven material sustainability matters have been prioritised to shape our refreshed ESG Strategy and roadmap, providing direction for our action plans, performance targets and impact-focused reporting.



Scan the QR code to view our  
Sustainability Report online at  
<https://duopharmabiotech.com/esg/sustainability-reports/>

## SUSTAINABILITY STATEMENT

Among the key sustainability challenges facing manufacturers are managing our energy and water consumption as well as waste generation. These are further exacerbated for pharmaceutical companies because of the stringent temperature and humidity requirements to maintain product integrity, which places a high demand for energy and water. We also need to ensure packaging materials do not compromise the safety and efficacy of our products, especially when transitioning to sustainable packaging. These are among the perennial issues Duopharma Biotech seeks to address while supporting business growth.

As part of our net zero journey, we work assiduously to decarbonise our operations through the adoption of more energy-efficient systems and processes while optimising the use of renewable energy ("RE"). Having already installed solar roof panels on all our plants, we are strengthening our energy transition through an EEP, which includes the use of high-efficiency HVAC chillers, while working towards the adoption of an Energy Management System in line with the Energy Efficiency and Conservation Act. As most of our emissions are from our supply chain.

Towards meeting our goal to replace 50% of single-use plastic with sustainable alternatives, we have started substituting certain secondary and tertiary plastics with biodegradable or lower-impact alternatives. We are now undertaking trials and stability studies for some primary packaging, such as blisters that are in direct contact with the products, to assess their viability while ensuring compliance with stringent pharmaceutical quality, safety and regulatory standards. At the same time, we are looking to reduce waste to landfills, and are working on a comprehensive Waste Management Strategy and sustainable packaging guidelines which should be completed in 2026.

In the area of human capital, we are making good progress in terms of diversity and inclusion, with almost all employees having undergone Unconscious Bias training and the recruitment of eight specially-abled employees across various functions. Our Employee Engagement Index improved significantly from 81% in 2024 to 88% in 2025, reflecting efforts to strengthen our workplace culture, employee engagement and well-being.

From a governance perspective, we remain committed to upholding strong ethical standards and sound corporate governance practices across the Group. During the year, we successfully completed the ISO 37001 ABMS Surveillance Audit, which recorded no Non-Conformities and only one Opportunity for Improvement, reflecting the robustness of our anti-corruption controls and processes. We also continue to roll out other governance-related initiatives to strengthen transparency, accountability and integrity in the way we conduct our business.

We are conscious of the need to report on our sustainability initiatives in a manner that is meaningful to our stakeholders. Accordingly, this year we have begun enhancing our disclosures in meeting the National Sustainability Reporting Framework, including transitioning our climate-related disclosures to the IFRS S2. As we continue to strengthen our sustainability journey, we will also be advancing several key initiatives in 2026. Among others, we will undertake a more comprehensive climate risk assessment and scenario analysis as a basis for a NZTP 2.0, while further strengthening our strategies on waste reduction, sustainable packaging and water stewardship to support the Group's long-term resilience and responsible growth.



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY FRAMEWORK

Sustainability at Duopharma Biotech is guided by a framework geared towards achieving our purpose of being a responsible pharmaceutical company, ensuring we create positive environmental and societal value through a sustainability-conscious workforce and business that is aligned with sustainability objectives. This framework is built on our five key focus areas – Climate Performance, Sustainable Supply Chain, Access to Medicine, Diversity & Inclusion, and Governance – each focused on matters that have been determined to be material to the Group and our stakeholders.



Our sustainability initiatives are governed by a structured Sustainability Governance oversight and guided by our Sustainability Policy and other relevant policies and guidelines.



A full list of policies are available on our corporate website, at <https://duopharmabiotech.com/esg/governance-and-policies/>

## SUSTAINABILITY STATEMENT

### OUR CONTRIBUTIONS TO THE SUSTAINABLE DEVELOPMENT GOALS

Our material matters have been determined based on our ability to contribute positively to global issues in a way that also enhances our operations. The contributions of each material matter to the UN SDGs are summarised below:

ESG Strategy	Link to Top Material Matters	Sustainable Development Goals (“SDGs”)																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Climate Performance	5 Climate Risk							✓						✓	✓			
	8 Waste & Material Management												✓					
Access to Medicine	1 Product Quality, Safety & Responsibility	✓																
	2 Accessibility of Medicines	✓		✓						✓								✓
	6 Research & Development	✓		✓						✓								✓
	9 Business Innovation & Model			✓						✓								✓
	11 Halal Commitment									✓								
Sustainable Supply Chain	3 Supply Chain Management	✓						✓										
	4 Health & Safety			✓		✓			✓									
Diversity & Inclusion	10 Labour Practices & Standards				✓	✓			✓		✓							
Governance	7 Anti-Corruption																	✓

## SUSTAINABILITY STATEMENT

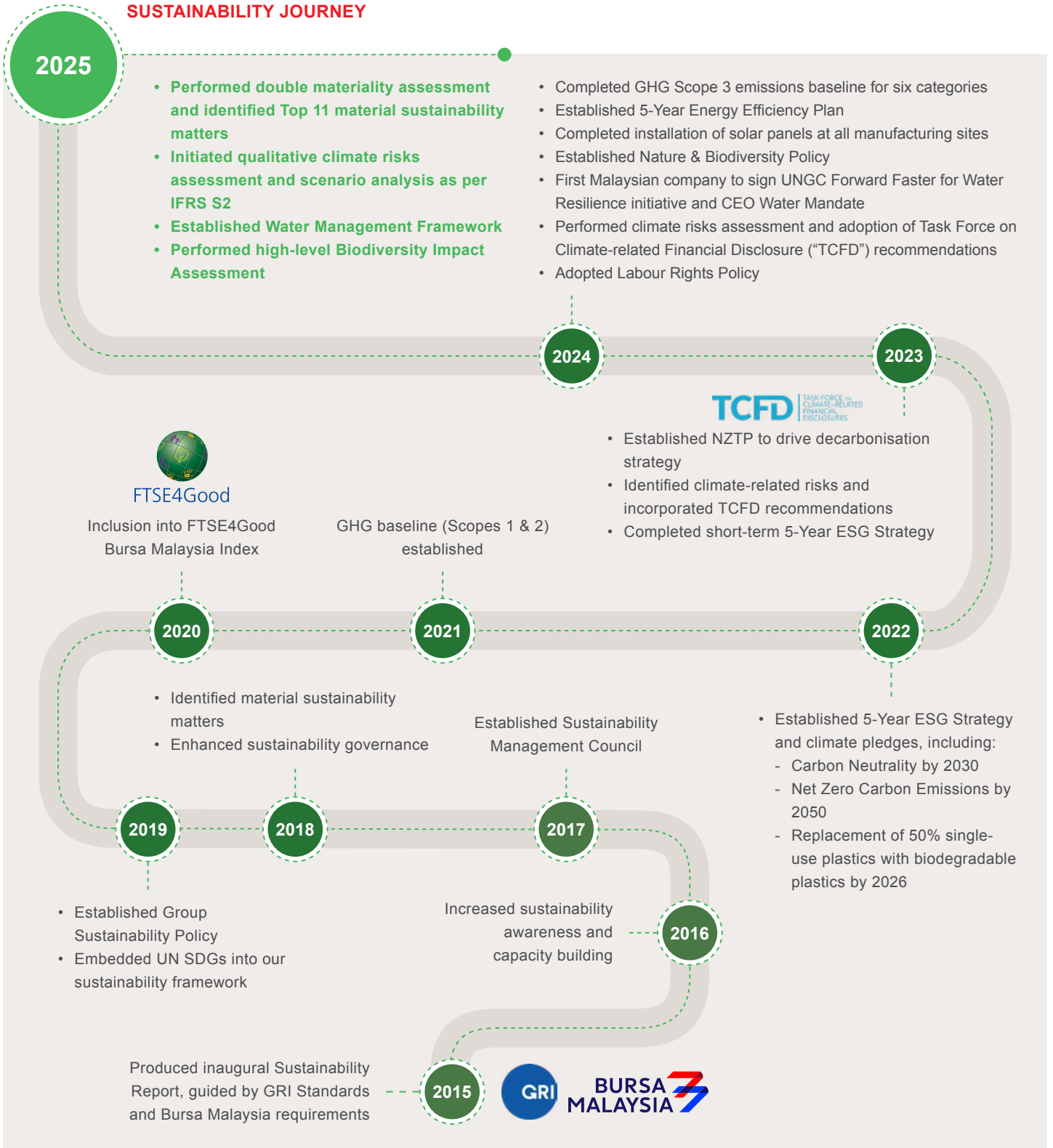
### SUSTAINABILITY GOVERNANCE

Sustainability at Duopharma Biotech is governed by the Board, which plays a crucial role in integrating sustainability into the Company's strategic direction. The Board oversees the implementation of sustainability initiatives and is ultimately responsible for ensuring we have the resources and capability to manage our commitments to create long-term value for our stakeholders. The Board's sustainability oversight is supported by Management, a cross-functional Sustainability Council comprising representatives from key departments, and operational teams.



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY JOURNEY





# SUSTAINABILITY STATEMENT

## SUSTAINABILITY STRATEGY & PERFORMANCE

In 2023, we established a 5-Year ESG Strategy to guide our sustainability agenda, ensuring that we focus on areas that are material to us and society. Under this strategy, we outlined short, mid and end-term targets based on our five sustainability focus areas of Climate Performance, Sustainable Supply Chain, Access to Medicine, Diversity and Inclusion, and Governance. In 2025, the Group is focused on achieving our mid-term targets through structured implementation and performance monitoring. Out of the total of 34 targets, 85% were completed as at 31 December 2025.



## SUSTAINABILITY STATEMENT

In anticipation of the next strategic phase, the Group has commenced a structured review of our current ESG Strategy and the formulation of a new post-2026 roadmap. This process includes engagement with the Sustainability Council and GMC to assess progress, refine priorities and formulate future targets. The refreshed ESG Strategy, guided by the 2025 Double Materiality Assessment, is targeted for finalisation by Q3 2026.



# SUSTAINABILITY STATEMENT



## Climate Performance

### Capitals:

N M

### Top 11 Material Matters:

- 5 Climate Risk
- 8 Waste & Material Management

### Stakeholder Groups Impacted:

S1 S2 S3 S5 S7


### Why It Matters:

Managing climate risks and minimising environmental impacts are essential to strengthening operational resilience and sustainability performance. Effective practices improve resource efficiency, ensure regulatory compliance, protect business continuity, and support responsible operations while enhancing stakeholder confidence in our environmental stewardship.

Our Approach	Progress in 2026	Outcomes
<b>Assessing climate-related risks</b>	<ul style="list-style-type: none"> <li>Continuous monitoring of climate-related risks and opportunities at the Group and business unit level, in line with National Sustainability Reporting Framework ("NSRF") and IFRS S2.</li> <li>Initiated qualitative climate risk assessment as per IFRS S2.</li> </ul> <p><a href="#">Details of our climate-related risks and opportunities and actions implemented in FY2025 are discussed further in our Sustainability Report 2025 in the "Climate Performance" section on pages 51 to 59.</a></p>	<ul style="list-style-type: none"> <li>Identified and integrated climate-related risks into Group and regional risk profiles</li> </ul>
<b>GHG and Energy Management</b>	<ul style="list-style-type: none"> <li>Continuously review and monitor year-on-year performance of our GHG emissions and energy consumption against our climate commitments and targets. This includes monthly tracking of energy usage, identifying high-consumption areas and implementing reduction initiatives across our operations.</li> <li>Installed high-efficiency HVAC chiller as part of EEP.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced total GHG emissions (Scope 1 &amp; 2) by 2% compared to 2024</li> <li>Reduced GHG emissions (Scope 1 &amp; 2) intensity by 14% compared to 2024</li> <li>3.2 GWh generated from solar power generation in Bangi, Klang and Glenmarie</li> </ul>
<b>Waste and Material Management</b>	<ul style="list-style-type: none"> <li>Scheduled waste is managed in compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005, with safe handling, transportation and disposal by DOE-approved licensed contractors.</li> <li>Non-scheduled waste is minimised through improved segregation, recycling initiatives and waste flow assessments (Gemba Walks), supporting circular economy practices and preparation for EPR implementation.</li> <li>Progressively implemented single-use plastic substitution with biodegradable plastics (for secondary and tertiary packaging) since 2022.</li> <li>Implemented e-labelling on selected products manufactured in Klang and Bangi by replacing printed product leaflets with QR codes.</li> </ul>	<ul style="list-style-type: none"> <li>Increased recycling rate by 9% compared to FY2024</li> <li>Replaced 28% single-use plastics with biodegradable plastics</li> <li>Implemented e-labelling on 117 products in Klang and Bangi</li> </ul>
<b>Responsible Water Use</b>	<ul style="list-style-type: none"> <li>Continuously monitor water consumption to improve efficiency and manage water use responsibly across operations. Wastewater is properly treated before discharge as per regulations.</li> <li>Performed high-level water consumption pattern study to identify hotspots and improvement opportunities.</li> <li>Strengthen water stewardship through the establishment of Water Management Framework which provides an overview of the key sites water profile, governance structure and performance indicators.</li> </ul>	<ul style="list-style-type: none"> <li>Established Water Management Plan and Framework</li> <li>Water consumption increased by 60% compared to 2024</li> <li>Recycled 6,116 m<sup>3</sup> of water from our operations (15% increase from FY2024)</li> </ul>

## SUSTAINABILITY STATEMENT

Our Approach	Progress in 2026	Outcomes
<b>Biodiversity</b>	<ul style="list-style-type: none"> <li>Performed high-level biodiversity impact assessment for our manufacturing sites in Klang, Bangi and Glenmarie to assess the potential impacts of our operations on biodiversity, ensuring risks are understood and minimised.</li> <li>The assessment indicates that our operations currently pose minimal direct risks to biodiversity.</li> </ul>	<ul style="list-style-type: none"> <li>Completed high-level biodiversity impact assessment at our key manufacturing sites</li> </ul>



**Sustainable Supply Chain**

**Capitals:**

**H S**

**Top 11 Material Matters:**

- 3 Supply Chain Management
- 4 Health & Safety

**Stakeholder Groups Impacted:**

**S2 S3 S5 S6**

**Why It Matters:**

Effective supply chain management and strong health and safety practices are essential to ensure reliable operations, regulatory compliance, and business continuity. By safeguarding employees and strengthening supply resilience, we support efficient manufacturing, protect workforce wellbeing, and sustain long-term operational performance.

Our Approach	Progress in 2026	Outcomes
<b>Procurement Practices &amp; Vendor Management</b>	<ul style="list-style-type: none"> <li>Implement structured procurement and vendor management processes to ensure reliable, quality supply and business continuity.</li> <li>Conduct supplier due diligence and quality audits, with vendor performance monitored through annual Vendor Performance Evaluations.</li> </ul>	<ul style="list-style-type: none"> <li>48% of spending was allocated to local suppliers (8% increase compared to 2024).</li> <li>All vendors achieved a score of 85% or above in the Vendor Performance Evaluation, meeting or exceeding the set target.</li> </ul>
<b>Vendor Engagement and Capacity Building</b>	<ul style="list-style-type: none"> <li>Organise supplier engagement sessions and webinars on ESG and climate change awareness.</li> <li>Conduct ESG maturity assessments for key suppliers since 2024, covering environmental, social and governance practices.</li> </ul>	<ul style="list-style-type: none"> <li>8 key suppliers assessed on ESG maturity in 2025</li> </ul>
<b>Ensuring Safety Across Operations</b>	<ul style="list-style-type: none"> <li>Continuously enhance occupational health and safety management through the implementation of ISO 14001 and ISO 45001 standards.</li> <li>Performed Hazard Identification, Risk Assessment and Control (“HIRAC”) assessment to identify, assess and manage workplace hazards through routine inspections.</li> <li>Promote a strong safety culture through reporting platforms (UCUACT platform) and comprehensive safety training programmes such as Safety Boot Camps, fire drills, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Achieved Total Recordable Case Frequency (TRCF) of 0.94 (target: 1.28).</li> <li>Zero fatalities recorded in 2025.</li> <li>1,250 employees participated in safety and health training programmes (increased by 5% from 2024)</li> </ul>

# SUSTAINABILITY STATEMENT



## Access to Medicine

### Capitals:

**F M I**

### Top 11 Material Matters:

- 1** Product Quality, Safety & Responsibility
- 2** Accessibility of Medicines
- 6** Research & Development
- 9** Business Innovation & Model
- 11** Halal Commitment

### Stakeholder Groups Impacted:

**S1 S2 S4 S7 S8**

### Why It Matters:

Ensuring product quality, medicine accessibility, continuous innovation and halal assurance is essential to delivering safe, effective and reliable medicines. These priorities strengthen regulatory compliance, support public healthcare, and reduce reliance on imported medicines while ensuring patients receive timely and affordable treatment. Through ongoing research and innovation, we expand treatment options and enhance the value of our pharmaceutical offerings. Business innovation enables us to adapt to evolving healthcare needs and remain competitive in a dynamic market. Our halal commitment further reinforces trust by upholding high standards of safety, quality and assurance, strengthening our credibility and supporting Malaysia's position as a global halal pharmaceutical hub.

Our Approach	Progress in 2025	Outcomes
<b>Responsibility Towards Quality &amp; Safe Products</b>	<ul style="list-style-type: none"> <li>• We continuously maintain Quality Management System aligned with international standards (ISO 9001, ISO 13485, GMP, Good Distribution Practice for Medical Devices ("GDPMD") and regulatory requirements to ensure product quality and safety.</li> <li>• Strengthen GMP and GDP compliance through biannual management reviews, employee training, facility and equipment monitoring and maintenance, mock recalls exercises, and incorporation of mandatory GMP and GDP responsibilities in supplier quality agreements.</li> <li>• Enhance product safety and consumer protection through dedicated pharmacovigilance team that monitors product safety and reports adverse drug reactions to NPRA, while anti-counterfeit measures include secure NPRA registration, market surveillance and reporting channels for suspected counterfeit products.</li> <li>• Customer feedback is actively collected through CRM systems and surveys, enabling analysis and timely actions to improve product quality, services and overall customer experience.</li> </ul>	<ul style="list-style-type: none"> <li>• Zero non-conformance in ISO 9001, ISO 13485 and GDPMD audits for related manufacturing sites</li> <li>• No critical or major findings in NPRA GMP audit</li> <li>• EU GMP certification obtained for Duopharma HAPI Sdn Bhd in February 2025</li> </ul>

## SUSTAINABILITY STATEMENT

Our Approach	Progress in 2025	Outcomes
<b>Expanding Access to Medicines</b>	<ul style="list-style-type: none"> <li>• Our 10-Year Corporate Strategy (2024-2033) focuses on expanding access to affordable medicines through targeted strategic initiatives.</li> <li>• We optimise operational processes and implement cost-reduction initiatives to improve efficiency and support more affordable product pricing.</li> <li>• Strengthen product portfolio by prioritising generics and biosimilars aligned with the National Essential Medicines List (NEML).</li> <li>• Expand access through strategic partnerships, collaborations and public healthcare procurement programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• Secured additional offers under MOH's APPL, bringing total products supplied to 100 (pharmaceutical and non-pharmaceutical) until end-2026</li> <li>• ERYSAA® became the first biosimilar in the world to receive official halal certification from JAKIM on 16 February 2025</li> </ul>
<b>R&amp;D</b>	<ul style="list-style-type: none"> <li>• Guided by our Beyond 2025 Corporate Strategy, we advance access to medicines through in-house R&amp;D, in-licensing initiatives and collaborations with contract research organisations.</li> <li>• Focus on developing innovative therapies and alternative formulations to enhance treatment effectiveness and patient safety.</li> </ul>	<ul style="list-style-type: none"> <li>• Successfully developed and submitted eight new pharmaceutical products for registration, related to cardiovascular and antidiabetic, central nervous system (CNS) and pain management</li> <li>• Developed and launched three food supplement products focused on beauty and wellness</li> </ul>
<b>Business Innovation &amp; Model</b>	<ul style="list-style-type: none"> <li>• Expand healthcare and preventive care offerings by growing consumer healthcare, food supplement and women's health products to meet evolving patient needs.</li> <li>• Drive innovation and pipeline development through product development, technology transfer and strategic partnerships to support sustainable growth.</li> <li>• Strengthen portfolio diversification and brand engagement by expanding into higher-value therapeutic areas while promoting patient-centric programmes through partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>• Successfully developed and launched products featuring natural-derived ingredients (e.g., CHAMPS® Nutribar, FLAVETTES® MsRange, etc)</li> <li>• Expanded selected brands such as IRORO into international markets including Australia, with further expansion planned in Indonesia, the Philippines and China</li> </ul>
<b>Driving Halal Pharmaceuticals Market</b>	<ul style="list-style-type: none"> <li>• Implement the Group's Halal Policy based on the principle of "Halal Built-In, Not Tested For", ensuring integrity across the halal pharmaceutical supply chain.</li> <li>• Ensure compliance with Malaysian Standard for Halal Pharmaceuticals (MS 2424:2019) and promote awareness of halal medicines through industry engagement and training programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• ERYSAA® certified by JAKIM as the first halal ESA</li> <li>• Received Technology and Innovation Excellence Award at the World Halal Excellence Awards (WHEA) 2024</li> </ul>

## SUSTAINABILITY STATEMENT



### Diversity & Inclusion

#### Capitals:



#### Top 11 Material Matters:

10 Labour Practices & Standards

#### Stakeholder Groups Impacted:



#### Why It Matters:

Strong labour practices and standards ensure ethical operations, protect employee well-being, and foster an inclusive workplace where talent feels valued and engaged, enabling the Company to achieve its business objectives and sustainability goals.

Our Approach	Progress in 2025	Outcomes
<b>Driving Good Labour Practices</b>	<ul style="list-style-type: none"> <li>• Ensure compliance with applicable local and international labour laws and regulations, with specific reference to the International Labour Organization (ILO) Conventions, 10 Principles of the UN Global Compact, and Malaysia's Employment Act 1955.</li> <li>• Enforce Duopharma Biotech's Labour Rights Policy prohibiting forced labour, child labour and modern slavery across operations.</li> <li>• Promote fair labour practices through regular monitoring of working hours, employee engagement and constructive dialogue with union representatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Zero non-compliance with labour standards and regulations</li> <li>• Achieved Employee Engagement Index score of 88%</li> <li>• 93% completion of Unconscious Bias training among supervisory-level employees (Target: 80%)</li> </ul>
<b>Building Workforce Capabilities</b>	<ul style="list-style-type: none"> <li>• Provide continuous learning and development opportunities to support employees' professional growth and leadership capabilities.</li> <li>• Implement structured training programmes, including onboarding which introduces them to Corporate Culture and values, technical skills, leadership development and career advancement pathways.</li> <li>• Facilitate employee participation in career development initiatives and industry engagement programmes.</li> </ul>	
<b>Employee Benefits &amp; Recognition</b>	<ul style="list-style-type: none"> <li>• Offer competitive employee benefits that support work-life balance and employee well-being.</li> <li>• Recognise employee contributions through initiatives such as Long Service Awards and other appreciation programmes.</li> </ul>	

## SUSTAINABILITY STATEMENT

Our Approach	Progress in 2025	Outcomes
<p><b>Promoting Diversity and Inclusive Workplace</b></p>	<ul style="list-style-type: none"> <li>• Review of Diversity, Anti-Discrimination and Anti-Harassment policies. Initiatives supported by guidelines, grievance channels and awareness training to promote a respectful and inclusive workplace.</li> <li>• Ensure fair and merit-based employment practices, including recruitment, promotion and performance management, with equal opportunities regardless of gender, age, religion, disability or nationality.</li> <li>• Foster an inclusive workplace culture through employee engagement programmes, awareness initiatives and well-being activities that support diversity, belonging and employee development.</li> </ul>	<ul style="list-style-type: none"> <li>• Eight specially-abled individuals recruited</li> <li>• 44% GMC members are female, and 22% are non-Bumiputera</li> </ul>
<p><b>Uplift Community Well-being</b></p>	<ul style="list-style-type: none"> <li>• Implement community investment initiatives aligned with the Group's Corporate Social Responsibility ("CSR") Policy and Grant, Charitable Donations and External Sponsorship Policy.</li> <li>• Committed to supporting communities through financial and non-financial contributions that promote well-being and sustainable development.</li> <li>• Our investments focus on areas where we can deliver meaningful impact through our expertise, resources and partnerships. We address needs related to healthcare access, education and community welfare, in alignment with our core business.</li> </ul>	<ul style="list-style-type: none"> <li>• Total contribution to community development programmes: RM4,110,647</li> <li>• Total number of beneficiaries: 236</li> </ul>

## SUSTAINABILITY STATEMENT



## Governance

## Capitals:

F S I

## Top 11 Material Matters:

7 Anti-Corruption

## Stakeholder Groups Impacted:

S1 S2 S3 S4 S5 S6

## Why It Matters:

Effective anti-corruption systems ensure ethical conduct, legal compliance and accountability, safeguarding the Company's reputation, mitigating legal and financial risks, and strengthening stakeholder trust in our business practices and partnerships.

Our Approach	Progress in 2025	Outcomes
<b>Governing Ethical Practices</b>	<ul style="list-style-type: none"> <li>Anti-Corruption Policy updated in FY2025, endorsed by the Risk Management Committee ("RMC") and approved by the Board. The anti-corruption, ethics and ABMS policies are publicly available in English and Bahasa Malaysia and communicated across all locations and business partners.</li> <li>All parties engaging with Duopharma Biotech are required to sign the Integrity Pact, ensuring adherence to anti-corruption standards in line with our policy and the MACC Act.</li> <li>Implemented the Organisation Anti-Corruption Plan ("OIACP") to strengthen governance, internal controls, training, reporting channels, third-party management and continuous monitoring of corruption risks.</li> </ul>	<ul style="list-style-type: none"> <li>Zero corruption involving employees or external parties</li> <li>100% of operations completed Corruption Risk Register review</li> <li>Completed ISO 37001 ABMS Surveillance Audit with no Non-Conformity (NC) and only one Opportunity for Improvement (OFI)</li> <li>Received Gold Medal in Prime Minister's Award 2025: Integrity, Governance and Anti-Corruption Awards (AIGA)</li> </ul>
<b>Managing Anti-Bribery &amp; Anti-Corruption Risks</b>	<ul style="list-style-type: none"> <li>Maintained ISO 37001:2016 ABMS through SIRIM surveillance audit and internal compliance audits across operations.</li> <li>Conducted annual corruption risk assessments across all departments through the corruption risk management framework and strengthened due diligence using MACC's <i>E-Sistem Tapisan Keutuhan</i> (eSTK) screening.</li> <li>Strengthened whistleblowing practices through the whistleblowing channel, i.e., Speak-Up-Pharma to report unethical conduct, fraud or corruption.</li> </ul>	

## SUSTAINABILITY STATEMENT

Our Approach	Progress in 2025	Outcomes
<p><b>Promoting Integrity Across Value Chain</b></p>	<ul style="list-style-type: none"> <li>• Conducted integrity briefings for business associates and promote adherence to the Integrity Pact and Anti-Corruption Policy.</li> <li>• Maintain regulatory engagement with MACC, including submission of semi-annual declarations on business transactions involving public officials, among others. Beyond regulatory compliance, we participate in integrity and anti-corruption programmes organised in collaboration with MACC and other agencies such as the Institute of Integrity Malaysia and Business Ethics Institute of Malaysia.</li> <li>• Participated in regional and cross-border integrity initiatives with agencies such as Indonesia’s Corruption Eradication Commission (KPK) and Singapore’s Corrupt Practices Investigation Bureau (CPIB), to promote knowledge sharing and best practices.</li> </ul>	

[↗](#) For more details of our sustainability approach and initiatives (including materiality assessment process and 3-years performance data), please refer to our standalone Sustainability Report 2025 (Our Sustainability Performance – pages 50 to 169).

### BURSA MALAYSIA PRESCRIBED TABLE

- The Bursa Malaysia Prescribed Table is generated based on our data submission in Bursa Malaysia CSI Platform. No changes were made to the PDF report generated from the system.
- To ensure the accuracy and integrity of reported data, independent assurance (limited assurance) has been obtained from Carbon Check (I) Pvt. Ltd., verifying that our disclosures have been prepared with reference to the selected topic-specific GRI indicators and Bursa Malaysia's Sustainability Reporting Guide (3<sup>rd</sup> Edition) using the International Standard on Assurance Engagements 3000 (“ISAE3000”).
- Our performance data has also been internally reviewed and audited by the Duopharma Biotech Berhad Group Internal Audit, which has verified Social and Governance-related data disclosed are accurate and acceptable.
- Details of our Assurance Statement for both independent assurance and internal assurance are available in our Sustainability Report 2025.

## BURSA MALAYSIA PRESCRIBED TABLE

Date & Time: 2026-04-16 18:01:00  
FYE 31/12/2025

Duopharma Biotech Berhad  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	88	—	Internal
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	85	—	Internal
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Non-executive/ Technical Staff	Percentage	78	—	Internal
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - General Workers	Percentage	88	—	Internal
Anti-Corruption	Percentage of operations assessed for corruption -related risks	Percentage	100	—	Internal
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	—	Internal
Community Outreach	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	4,110,647	—	Internal
Community Outreach	Total number of beneficiaries of the investment in communities	Number	236	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Management Under 30)	Percentage	6	—	Internal

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-16 18:01:00

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BURSA MALAYSIA PRESCRIBED TABLE

Date & Time: 2026-04-16 18:01:00  
FYE 31/12/2025

Duopharma Biotech Berhad  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Management Between 30-50)	Percentage	75	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Management Above 50)	Percentage	19	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Executive Under 30)	Percentage	35	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Executive Between 30-50)	Percentage	56	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Executive Above 50)	Percentage	9	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Non-executive/Technical Staff Under 30)	Percentage	33	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Non-executive/Technical Staff Between 30-50)	Percentage	54	—	Internal

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This report was generated on the Bursa Malaysia CSI Platform on 2026-04-16 18:01:00



# BURSA MALAYSIA PRESCRIBED TABLE

Duopharma Biotech Berhad BMLR Transition Period		Date & Time: 2026-04-16 18:01:00 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (Non-executive/Technical Staff Above 50)	Percentage	13	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (General Workers Under 30)	Percentage	46	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (General Workers Between 30-50)	Percentage	46	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category (General Workers Above 50)	Percentage	8	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category (Management Male)	Percentage	38	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category (Management Female)	Percentage	62	—	Internal

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BURSA MALAYSIA PRESCRIBED TABLE

Date & Time: 2026-04-16 18:01:00  
 FYE 31/12/2025

Duopharma Biotech Berhad  
 BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category (Executive Male)	Percentage	41	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category (Executive Female)	Percentage	59	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category (Non-executive/Technical Staff Male)	Percentage	49	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category (Non-executive/Technical Staff Female)	Percentage	51	—	Internal
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category (General Workers Male)	Percentage	66	—	Internal

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-16 18:01:00

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# BURSA MALAYSIA PRESCRIBED TABLE

Duopharma Biotech Berhad BMLR Transition Period		Date & Time: 2026-04-16 18:01:00 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity & Inclusion	Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category (General Workers: Female)	Percentage	34	—	Internal
Diversity & Inclusion	Percentage of directors by gender and age group - Gender (Male)	Percentage	60	—	Internal
Diversity & Inclusion	Percentage of directors by gender and age group - Gender (Female)	Percentage	40	—	Internal
Diversity & Inclusion	Percentage of directors by gender and age group - Age (Under 30)	Percentage	0	—	Internal
Diversity & Inclusion	Percentage of directors by gender and age group - Age (Between 30-50)	Percentage	10	—	Internal
Diversity & Inclusion	Percentage of directors by gender and age group - Age (Above 50)	Percentage	90	—	Internal
Climate Risk	Total energy consumption	GJ	211,296	—	External (Limited)
Health & Safety	Number of work-related fatalities	Number	0	—	External (Limited)
Health & Safety	Lost time incident (LTI)	Number	4	—	External (Limited)
Health & Safety	Number of employees trained on health and safety standards	Number	1,250	—	External (Limited)
Labour Practices & Standards	Total hours of training by employee category - Management	Hours	12,560	—	Internal

## BURSA MALAYSIA PRESCRIBED TABLE

Date & Time: 2026-04-16 18:01:00  
FYE 31/12/2025

Duopharma Biotech Berhad  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labour Practices & Standards	Total hours of training by employee category - Executive	Hours	6,777	—	Internal
Labour Practices & Standards	Total hours of training by employee category - Non-executive/Technical Staff	Hours	7,406	—	Internal
Labour Practices & Standards	Total hours of training by employee category - General Workers	Hours	6,230	—	Internal
Labour Practices & Standards	Percentage of employees that are contractors or temporary staff	Percentage	21	—	Internal
Labour Practices & Standards	Total number of employee turnover by employee category - Management	Number	40	—	Internal
Labour Practices & Standards	Total number of employee turnover by employee category - Executive	Number	48	—	Internal
Labour Practices & Standards	Total number of employee turnover by employee category - Non-executive/Technical Staff	Number	35	—	Internal
Labour Practices & Standards	Total number of employee turnover by employee category - General Workers	Number	51	—	Internal
Labour Practices & Standards	Number of substantiated complaints concerning human rights violations	Number	0	—	Internal
Supply Chain Management	Proportion of spending on local suppliers	Percentage	48	—	Internal
Cybersecurity	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	Internal

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# BURSA MALAYSIA PRESCRIBED TABLE

Duopharma Biotech Berhad BMLR Transition Period		Date & Time: 2026-04-16 18:01:00 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Water & Effluent Management	Total volume of water used	Megalitres	124	—	External (Limited)
Waste & Material Management	Total waste generated	Tonne	1,620	—	External (Limited)
Waste & Material Management	Total waste diverted from disposal	Tonne	373	—	External (Limited)
Waste & Material Management	Total waste directed to disposal	Tonne	1,247	—	External (Limited)
Climate Risk	Scope 1 emissions in tonnes of CO2e	tCO2-e	1,852	—	External (Limited)
Climate Risk	Scope 2 emissions in tonnes of CO2e	tCO2-e	37308	—	External (Limited)
Climate Risk	Scope 3 emissions in tonnes of CO2e (for 3 categories of Category 5: Waste Generated in Operations; Category 6: Business Travel; and Category 7: Employee Commuting)	tCO2-e	3,925	—	External (Limited)

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# SECTION 05:

# OUR GOVERNANCE

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Report of the Nomination and Remuneration Committee	137
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Statement on Risk Management and Internal Control	150



## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

**01 DATIN PADUKA KARTINI BINTI HJ ABDUL MANAF**

Non-Independent, Non-Executive Chairman

**02 DATUK WIRA ARHAM BIN ABDUL RAHMAN**

Senior Independent, Non-Executive Director

**03 DATUK MOHD RADZIF BIN MOHD YUNUS**

Non-Independent, Non-Executive Director

**04 PUAN NIK FAZILA BINTI NIK MOHAMED SHIHABUDDIN**

Independent, Non-Executive Director

**05 DATO' ADNAN HISHAM BIN PAWANTEH**

Independent, Non-Executive Director

**06 DR. SHARMILA A/P RAMACHANDRAN**

Independent, Non-Executive Director

**07 DR. HASNITA BINTI HASHIM**

Independent, Non-Executive Director

**08 ENCIK MOHAMAD IDROS BIN MOSIN**

Non-Independent, Non-Executive Director

**09 ENCIK MUHAMMAD SHUKRI BIN ISMAIL**

Non-Independent, Non-Executive Alternate Director to Mohamad Idros Bin Mosin

01



02



**EXPERIENCED,**

06



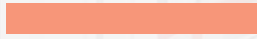
## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

### BOARD AT A GLANCE

#### Board Composition

INED: 55.56%



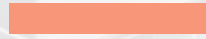
NINED: 44.44%



### BOARD AT A GLANCE

#### Board Gender

Female: 44.44%

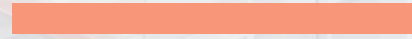


Male: 55.56%



#### Board Tenure

Below 3 Years: 88.89%



7-9 Years: 11.11%



## EFFECTIVE AND ENERGETIC LEADERSHIP



## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

**9/10\***   

**DATIN PADUKA KARTINI BINTI HJ ABDUL MANAF**  
Non-Independent,  
Non-Executive Chairman



Board meetings attended:

### Date of Appointment:

1 June 2023  
(Redesignated as Chairman on 7 June 2024)

### Length of Service:

(as of 31 March 2026)  
2 years 10 months

### Date of Last Re-election:

6 June 2024

### Board Committee Membership(s):

NONE

\* Away for Hajj pilgrimage

### Other Directorships in Public Companies, Listed Issuers and Statutory Corporations:

#### Listed Entities

- TMK Chemical Bhd
- Syarikat Takaful Malaysia Keluarga Berhad

#### Non-Listed Public Companies

- Perumahan Kinrara Berhad

#### Statutory Corporation

- Lembaga Tabung Haji

### Details of Any Interest in the Securities of the Company or Its Subsidiaries:

None

### Academic/Professional Qualifications/ Memberships:

- Master of Business Administration, Ohio University, United States of America
- Bachelor of Business Administration, Ohio University, United States of America
- Diploma in Banking Studies, Universiti Teknologi MARA, Malaysia

### Past Appointments/Experience:

- Former Deputy President of Strategic Investments at Permodalan Nasional Berhad ("PNB") and in various other capacities, primarily in the areas of

investment management and corporate finance, including mergers and acquisitions, corporate restructuring and investment analysis, portfolio management, property investment, and business development for over 30 years until her retirement on 31 December 2019

- Director, Projek Lintasan Kota Holdings Sdn Bhd
- Non-Independent Non-Executive Director, Sime Darby Berhad
- Non-Independent Non-Executive Director, Chemical Company of Malaysia Berhad
- Director, Unilever (Malaysia) Holdings Sdn Bhd
- Non-Independent Non-Executive Director, Sapura Energy Berhad
- Director, UiTM Holdings Sdn Bhd
- Director, Universiti Malaysia Kelantan
- Non-Independent Non-Executive Director, See Sen Chemical Berhad
- Non-Independent Non-Executive Director, UMW Holdings Berhad

### Other Present Appointment(s):

- Director, VentureTECH Sdn Bhd
- Director, VentureTECH-SBI Sdn Bhd
- Director, I&P Kota Bayuemas Sdn Bhd
- Director, TH Properties Sdn Bhd
- Non Independent Non-Executive Director, Express Rail Link Sdn Bhd

AC

Audit Committee

NRC

Nomination and Remuneration Committee

RMC

Risk Management Committee

## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

Board meetings attended:

7/7

M

62

**DATUK WIRA ARHAM BIN ABDUL RAHMAN**  
 Senior Independent,  
 Non-Executive Director

<p><b>Date of Appointment:</b> 22 May 2025</p> <p><b>Length of Service:</b> (as of 31 March 2026) 10 months</p> <p><b>Date of Last Re-election:</b> N/A</p> <hr style="border: 0.5px solid black; margin: 10px 0;"/> <p><b>Board Committee Membership(s):</b></p> <div style="margin-bottom: 5px;"> <span style="background-color: #f08080; border-radius: 10px; padding: 2px 5px; font-weight: bold;">RMC</span> Chairman         </div> <div> <span style="background-color: #808080; border-radius: 10px; padding: 2px 5px; font-weight: bold;">NRC</span> Member         </div>	<p><b>Other Directorships in Public Companies and Listed Issuers:</b></p> <p><b>Listed Entities</b></p> <ul style="list-style-type: none"> <li>• Mudajaya Group Berhad</li> <li>• Malaysian Pacific Industries</li> </ul> <p><b>Non-Listed Public Companies</b></p> <ul style="list-style-type: none"> <li>• Delloyd Technology Berhad</li> <li>• Invest Sabah Berhad</li> </ul> <p><b>Details of Any Interest in the Securities of the Company or Its Subsidiaries:</b> None</p> <p><b>Academic/Professional Qualifications/ Memberships:</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Economics, National University of Malaysia</li> <li>• Senior Executive Course, Kennedy School of Government Harvard University</li> <li>• Leading Economic Growth (LEG) Online Program, Harvard University</li> </ul> <p><b>Past Appointments/Experience:</b></p> <ul style="list-style-type: none"> <li>• Economic Affairs Officer within the Resource-Based Industry Division and Foreign Investment Division, Malaysian Investment Development Authority (“MIDA”) from 1989 to 1994</li> </ul>	<ul style="list-style-type: none"> <li>• Deputy Director of Malaysian Investment Development Authority (“MIDA”) Cologne, Germany from 1994 to 2000</li> <li>• Lead, MIDA in New York from 2009 to 2013</li> <li>• Executive Director (Investment Promotion) of MIDA from 2015 to 2019</li> <li>• Deputy Chief Executive Officer, MIDA from 2019 to 2021</li> <li>• Chief Executive Officer, MIDA from 2021 to 2024</li> <li>• Chairman of the Board of Collaborative Research in Engineering, Science and Technology (CREST) from 2021 to 2024</li> <li>• Director, InvestKL Corporation from 2023 to 2024</li> <li>• Director, Malaysia Petroleum Resources Corporation (MPRC) from 2021 to 2024</li> <li>• Director, Malaysia Automotive Robotics &amp; IoT Institute (MARii) from 2019 to 2024</li> <li>• Director, Invest Sarawak Sdn. Bhd. from 2023 to 2024</li> <li>• Director, Regional Corridor Development Authority (RECODA), Sarawak from 2021 to 2024</li> </ul> <p><b>Other Present Appointment(s):</b></p> <ul style="list-style-type: none"> <li>• Director, Kulim Technology Park Corporation Sdn Bhd</li> </ul>
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## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

Board meetings attended:

10/10

M

67

**DATUK MOHD RADZIF  
BIN MOHD YUNUS**

Non-Independent,  
Non-Executive Director

**Date of Appointment:**

8 March 2018

**Length of Service:**

(as of 31 March 2026)

8 years

**Date of Last Re-election:**

6 June 2024

**Board Committee Membership(s):**

**IC** Chairman

**HSC** Member

**Other Directorships in Public Companies, Listed Issuers and Statutory Corporations:**

**Listed Entities**

- None

**Non-Listed Public Companies**

- Amanah Raya Berhad

**Statutory Corporation**

- Perbadanan Pembangunan Kampong Bharu

**Details of Any Interest in the Securities of the Company or Its Subsidiaries:**

- Duopharma Biotech Berhad – 3 shares (0.000%)

**Academic/Professional Qualifications/ Memberships**

- Bachelor in Science Property Resource Management with Finance, University of South Australia, Australia
- Diploma in Land Survey, Universiti Teknologi Malaysia, Malaysia
- Registered Valuer Real Estate Professional and Property Manager, Board of Valuers Malaysia
- Certified Risk Director by Institute Enterprise Risk Management
- Fellow of the Institute of Corporate Directors Malaysia (ICDM)

**Past Appointments/Experience:**

- Managerial positions in Perwira Affin Bank from 1988 to October 1992
- Chief Executive Officer (“CEO”), Shapadu Properties Sdn Bhd from November 1992 to April 1996
- Consultant, Ruang Properties from May 1996 to January 2002

- Director, Core Resources Sdn Bhd from May 1996 to January 2002
- CEO, TH Properties Sdn Bhd from January 2002 to August 2003
- CEO, TH NSTC Sdn Bhd from May 2002 to August 2003
- CEO, Institut Jantung Negara Sdn Bhd from August 2003 to October 2009
- Group Managing Director, IJN Holdings Sdn Bhd from May 2006 to March 2010
- CEO, IJN College Sdn Bhd from January 2007 to March 2010
- Group Managing Director, Small Medium Enterprise Development Bank Malaysia (SME Bank) from July 2010 to June 2017
- Chairman, Association of Development Finance Institutions of Malaysia (ADFIM) from 2011 to 2017
- Vice Chairman, Association of National Development Finance Institutions in Member Countries of The Islamic Development Bank (ADFIMI) from 2013 to 2017
- Board member of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) from 2013 to 2017
- Independent Non-Executive Director, Bina Darulaman Berhad from November 2017 to September 2020
- Independent Non-Executive Director, SMRT Holdings Berhad from September 2019 to July 2020
- Chairman, Board of Trustees of Yayasan Pembangunan Ekonomi Islam Malaysia (YaPEIM)
- Independent Non-Executive Chairman, UM Holdings Sdn Bhd

**Other Present Appointment(s):**

- Non-Independent Non-Executive Chairman, Amanah Raya Kenedix REIT Managers Sdn Bhd



**AC** Audit Committee

**NRC** Nomination and Remuneration Committee

**RMC** Risk Management Committee


## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

**10/10**   

**Board meetings attended:**

**NIK FAZILA BINTI NIK MOHAMED SHIHABUDDIN**  
Independent,  
Non-Executive Director



**Date of Appointment:**  
7 June 2024

**Length of Service:**  
(as of 31 March 2026)  
1 year 9 months

**Date of Last Re-election:**  
21 May 2025

**Board Committee Membership(s):**

**AC** Chairman

**HSC** Member

**Other Directorships in Public Companies and Listed Issuers:**  
**Listed Entities**

- MBM Resources Berhad
- Farm Fresh Berhad

**Non-Listed Public Companies**  
None

**Details of Any Interest in the Securities of the Company or Its Subsidiaries:**  
None

**Academic/Professional Qualifications/ Memberships**

- Bachelor of Economics (Accounting), Flinders University of South Australia, Adelaide, Australia
- Chartered Accountant, Malaysian Institute of Accountants
- Certified Public Accountants, Malaysian Institute of Certified Public Accountants

**Past Appointments/Experience:**

- Senior Manager, Audit & Business Advisory, PricewaterhouseCoopers from February 1988 to August 1998
- General Manager, Corporate Audit Division, Sapura Telecommunications Berhad from August 1998 to December 2000

- Group General Manager, Group Finance Division, KUB Malaysia Berhad from January 2001 to March 2006
- Chief Financial Officer, UDA Holdings Berhad from April 2006 to March 2007
- Chief Financial Officer, Biotropics Malaysia Berhad from April 2007 to March 2012
- Chief Financial Officer, Chemical Company of Malaysia Berhad from March 2012 to December 2017
- Group Managing Director, Chemical Company of Malaysia Berhad from December 2017 to December 2021
- Independent Non-Executive Director, FGV Holdings Berhad from 1 July 2021 to 1 July 2024
- Non-Independent Non-Executive Director, MSM Malaysia Holdings Berhad from October 2021 to June 2024

**Other Present Appointment(s):**

- Independent Non-Executive Director, Prolintas Managers Sdn Bhd
- Independent Non-Executive Director, TH Properties Sdn Bhd
- Director, TH Universal Builders Sdn Bhd

## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

**7/7**  **M** **64**

**Board meetings attended:**

**DATO' ADNAN HISHAM BIN PAWANTEH**  
Independent,  
Non-Executive Director



**Date of Appointment:**  
22 May 2025

**Length of Service:**  
(as of 31 March 2026)  
10 months

**Date of Last Re-election:**  
N/A

**Board Committee Membership(s):**

**HSC** Chairman

**IC** Member

**AC** Member

**Other Directorships in Public Companies and Listed Issuers:**

**Listed Entities**

- DRB-Hicom Berhad

**Non-Listed Public Companies**

None

**Details of Any Interest in the Securities of the Company or Its Subsidiaries:**

None

**Academic/Professional Qualifications/ Memberships:**

- Master in Business Administration (MBA), Ohio University, United States of America
- Bachelor Degree in Engineering, Loughborough University, United Kingdom

**Past Appointments/Experience:**

- Various positions in Engineering, Nestlé Malaysia/ Singapore from 1984 to 2000
- Industrial Performance & Production Manager, Nestlé Australia from 2000 to 2002
- Factory Manager, Nestlé Malaysia from 2002 to 2010
- Technical & Production Director, Nestlé Turkey from 2010 to 2012
- Technical & Production Director, Nestlé Malaysia/ Singapore from 2012 to 2017
- Technical & Production Director, Nestlé Philippines from 2017 to 2020
- Executive Director, Group Corporate Affairs, Nestlé Malaysia/Singapore from 2020 to 2024

**Other Present Appointment(s):**

None

**AC** Audit Committee

**NRC** Nomination and Remuneration Committee

**RMC** Risk Management Committee

## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

Board meetings attended:

7/7

F

61

**DR. SHARMILA A/P RAMACHANDRAN**

Independent,  
Non-Executive Director

<p><b>Date of Appointment:</b> 22 May 2025</p> <p><b>Length of Service:</b> (as of 31 March 2026) 10 Months</p> <p><b>Date of Last Re-election:</b> N/A</p> <hr/> <p><b>Board Committee Membership(s):</b></p> <ul style="list-style-type: none"> <li style="margin-bottom: 5px;"><span style="background-color: red; color: white; border-radius: 10px; padding: 2px 5px; font-weight: bold; font-size: 10px;">AC</span> Member</li> <li><span style="background-color: orange; color: white; border-radius: 10px; padding: 2px 5px; font-weight: bold; font-size: 10px;">RMC</span> Member</li> </ul>	<p><b>Other Directorships in Public Companies and Listed Issuers:</b></p> <p><b>Listed Entities</b> None</p> <p><b>Non-Listed Public Companies</b> None</p> <p><b>Details of Any Interest in the Securities of the Company or Its Subsidiaries:</b> None</p> <p><b>Academic/Professional Qualifications/ Memberships:</b></p> <ul style="list-style-type: none"> <li>Digital Marketing Course, National University of Singapore</li> <li>INSEAD Business School, Product Manager Development Course</li> <li>Pharmacoeconomics Training, National University of Singapore</li> <li>International Council of Ophthalmology Examinations</li> <li>Bachelor of Medicine and Bachelor of Surgery (MBBS), Mangalore University, India</li> </ul>	<p><b>Past Appointments/Experience:</b></p> <ul style="list-style-type: none"> <li>Resident Medical Officer, Ministry of Health from 1990 to 2001</li> <li>Medical Director, Pantai Medicare from 2001 to 2002</li> <li>Product Physician Malaysia/Singapore/Brunei, Pfizer Inc from 2003 to 2005</li> <li>Country Medical Director Malaysia/Singapore/Brunei from 2006 to 2010</li> <li>AP Therapy Area Head Cardiovascular Metabolic, Malaysia from 2011 to 2012</li> <li>VP Area Medical Director Asia Pacific (AP), Malaysia from 2012 to 2013</li> <li>VP Global Medical Head, Classic Established Products (CEP), London/Singapore from 2013 to April 2022</li> </ul> <p><b>Other Present Appointment(s):</b></p> <ul style="list-style-type: none"> <li>Chief Medical Officer, Global Regions and Vice President, Clinical Research and Medical Sciences, Medtronic PLC</li> </ul>
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## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

Board meetings attended:

7/7

F

64

**DR. HASNITA BINTI HASHIM**  
Independent,  
Non-Executive Director

### Date of Appointment:

1 June 2025

### Length of Service:

(as of 31 March 2026)

9 months

### Date of Last Re-election:

N/A

### Board Committee Membership(s):

**NRC** Chairman

**IC** Member

### Other Directorships in Public Companies and Listed Issuers:

#### Listed Entities

- Allianz Malaysia Berhad

#### Non-Listed Public Companies

- Maybank Investment Bank Berhad
- Maybank Asset Management Group Berhad

### Details of Any Interest in the Securities of the Company or Its Subsidiaries:

None

### Academic/Professional Qualifications/ Memberships:

- PhD in Nuclear Physics, Oxford University, United Kingdom
- Bachelor of Science in Physics, Surrey University, United Kingdom
- Associate of the Institute of Actuaries, Staple Inn, London, United Kingdom

### Past Appointments/Experience:

- Actuary, Coopers and Lybrand Deloitte, London, United Kingdom from 1988 to 1992
- Fund Manager, Rashid Hussain Asset Management from 1992 to 1994
- Chief Executive Officer, Commerce MGI Sdn Bhd from 1994 to 1998

- Chief Executive Officer, IslamiQ from 1998 to 2001
- Head, Institutional Business, Guidance Financial Group from 2002 to 2011
- Director and Chief Executive Officer, Guidance Investments Sdn Bhd from May 2012 to December 2016
- Director, Guidance SEARE Advisors GP Limited from April 2014 to May 2018
- Chairman, Maybank Asset Management Sdn Bhd from 15 January 2017 to 1 November 2020
- Chairman, Maybank Asset Management Group Berhad from 1 January 2017 to 1 November 2020
- Chairman, Maybank Islamic Asset Management Sdn Bhd from 2 May 2018 to 1 January 2020
- Chairman, Majlis Amanah Rakyat (MARA) from October 2018 to March 2020
- Member, National Economic Action Council from February 2019 to March 2020
- Chairman, Maybank Asset Management Singapore Pte Ltd from 3 April 2020 to 1 April 2020
- Chairman, Maybank IBG Holdings Limited from 2 November 2020 to 31 January 2024
- Director, Redachem Malaysia Sdn Bhd

### Other Present Appointment(s):

- Chairman of Maybank Asset Management Sdn Bhd
- Chairman of Maybank International Holdings Sdn Bhd

**AC** Audit Committee

**NRC** Nomination and Remuneration Committee

**RMC** Risk Management Committee

## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

Board meetings attended: **4/4**

 **M** **53**

**MOHAMAD IDROS BIN MOSIN**  
Non-Independent,  
Non-Executive Director



**Date of Appointment:**  
22 August 2025

**Length of Service:**  
(as of 31 March 2026)  
7 months

**Date of Last Re-election:**  
N/A

**Board Committee Membership(s):**

**NRC** Member

**RMC** Member

**Other Directorships in Public Companies and Listed Issuers:**

**Listed Entities**

None

**Non-Listed Public Companies**

None

**Details of Any Interest in the Securities of the Company or Its Subsidiaries:**

None

**Academic/Professional Qualifications/ Memberships:**

- Bachelor of Business Administration, International Islamic University Malaysia
- Executive Diploma in Investment Analysis, Universiti Teknologi MARA
- Advanced Diploma in Applied Finance and Investment, Securities Institute, Australia
- Malaysia-China Economic Programme, Tsinghua University
- Advanced Management Program, Harvard Business School

**Past Appointments/Experience:**

- Various positions including Assistant Vice President, Corporate Finance Department, Permodalan Nasional Berhad ("PNB") from July 1995 to December 2010
- Various positions including Vice President, Office of President & Group Chief Executive, PNB from January 2011 to November 2017
- Various positions including Senior Vice President, Public Equity Department, PNB from December 2017 to December 2019
- Group Head, Strategic Investments, PNB from January 2020 to November 2021
- Group Head, Real Estate, PNB from December 2021 to August 2024
- Executive Director, Projek Lintasan Kota Holdings Sdn Bhd from August 2024 to July 2025

**Other Present Appointment(s):**

- Chief Executive Officer, Prolintas Managers Sdn Bhd

## BOARD OF DIRECTORS' PROFILES

(Information as of 31 March 2026)

**4/4**  **M** **34**

**MUHAMMAD SHUKRI BIN ISMAIL**  
 Non-Independent Non-Executive Alternate Director to  
 Encik Mohamad Idros Bin Mosin



Board meetings attended:

**Date of Appointment:**  
22 August 2025

**Length of Service:**  
(as of 31 March 2026)  
7 months

**Date of Last Re-election:**  
N/A

**Other Directorships in Public Companies and Listed Issuers:**  
**Listed Entities**  
None

**Non-Listed Public Companies**  
None

**Board Committee Membership(s):**  
None  
*(Encik Muhammad Shukri will be the Alternate Director to Encik Mohamad Idros at Board meetings and Board Committee meetings where Encik Mohamad Idros is a member. Currently, Encik Mohamad Idros is a member of the Nomination and Remuneration Committee and Risk Management Committee)*

**Details of Any Interest in the Securities of the Company or Its Subsidiaries:**  
None

**Academic/Professional Qualifications/ Memberships:**

- Bachelor of Accounting and Finance, University of Warwick, United Kingdom

**Past Appointments/Experience:**

- Associate in Research and Technology Analysis, Permodalan Nasional Berhad (“PNB”) from April 2015 to October 2015
- Has held various positions, including Analyst, Senior Analyst, Associate Manager, and Manager in Corporate Services & Strategic Investments, PNB from 2015 to present

**Other Present Appointment(s):**

- Assistant Vice President in Strategic Investments, PNB

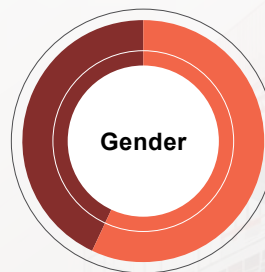
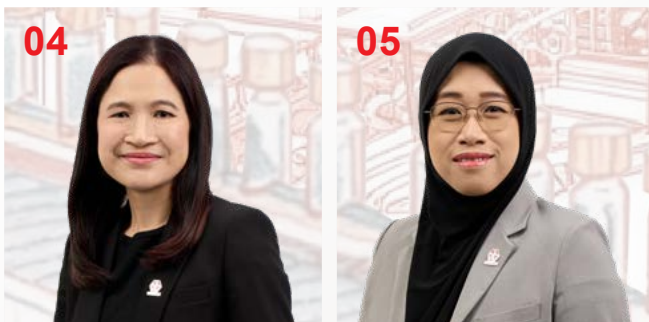
### ADDITIONAL INFORMATION

1. None of the Directors have any family relationship with any Director and/or major shareholder of Duopharma Biotech Berhad.
2. Save for the potential conflict of interest that may arise from those Directors who are nominee directors of Permodalan Nasional Berhad (“PNB”), a major shareholder of Duopharma Biotech, none of the Directors have any conflict of interest or potential conflict of interest, including any interest in any competing business with Duopharma Biotech or its subsidiaries. The aforesaid potential conflict of interest is mitigated by way of such nominee directors abstaining from deliberation and voting on any transaction involving any member of the Duopharma Biotech Group that involves the interest of PNB or persons connected to PNB.
3. None of the Directors have been convicted of any offence within the past five years or imposed a public sanction or penalty by a regulatory body during the financial year 2025.
4. All the Independent Non-Executive Directors satisfy the criteria of an independent director as defined under Bursa Malaysia Securities Berhad’s Main Market Listing Requirements.

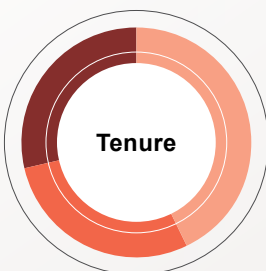
## SENIOR MANAGEMENT TEAM'S PROFILES



- 01 WAN AMIR-JEFFERY BIN WAN ABDUL MAJID**  
Group Chief Executive Officer
- 02 KRISNAKUMARA-REDDI A/L KESAVA-REDDI**  
Chief Manufacturing & Sustainability Officer
- 03 IBRAHIM HUSSIN SALLEH**  
Chief Legal Officer and Group Company Secretary
- 04 ROHAYU ROSNANI BINTI MOHD ADANAN**  
Chief Financial Officer
- 05 SABRINA BINTI HARON**  
Chief Compliance Officer
- 06 PRIYA DARSHINI A/P ASOKAN**  
Chief Innovation Officer
- 07 NOOR AIDA BINTI JAAFAR**  
Chief Commercial Officer



Female : 4  
Male : 3



More than 5 years : 3  
More than 1 year but less than 5 years : 2  
Less than 1 year : 2



## SENIOR MANAGEMENT TEAM'S PROFILES

**WAN AMIR-JEFFERY BIN  
WAN ABDUL MAJID**  
Group Chief Executive Officer



<b>Date of first appointment to Duopharma Biotech:</b>	21 September 2020
<b>Date of appointment as the Group Chief Executive Officer:</b>	1 October 2025
<b>Date of appointment as the Chief Executive*:</b>	1 December 2025

**Qualifications/Memberships:**

- Bachelor of Business Administration – International Trade, University of Central Arkansas, United States of America
- Senior Management Development Program, Harvard Business School, United States of America
- Qualified Risk Director (QRD) Program, Institute of Enterprise Risk Practitioners
- Member of the Institute of Corporate Directors Malaysia (ICDM)

**Relevant Working Experience:**

With over 25 years of experience in biotechnology, pharmaceuticals and business development, he brings extensive leadership expertise to the Group. Prior to joining Duopharma Biotech in 2016, he served as Chief Executive Officer of Johor Biotechnology & Biodiversity Corporation (J-Biotech) from 2013 to 2016. Within the Group, he has held several strategic leadership roles, including Chief Strategy Officer, Chief Operating Officer, Chief Commercial Officer and Chief Executive Officer – Commercial, before being redesignated as Chief Executive Officer – Group Operations in October 2024. In October 2025, he was appointed Group Chief Executive Officer following the leadership transition and retirement of the Group Managing Director in December 2025.

**Other Current Appointment(s):**

- Chairman of Duopharma Biotech's Group Management Committee
- Director of the Executive Council of the Malaysian Organisation of Pharmaceutical Industries (MOPI)
- INTI University Advisory Board Member

**Directorships in Public Companies and Listed Issuers:****Listed Entities**

None

**Non-Listed Public Companies**

- Malaysian Organisation of Pharmaceutical Industries (MOPI)

**Details of Any Interest in the Securities of the Company or Its Subsidiaries:**

None

\* 'Chief Executive' means the principal executive officer of the corporation for the time being, by whatever name called, and whether or not he is a director. In relation thereto, Encik Wan Amir-Jeffery took over the role as Chief Executive of Duopharma Biotech Berhad from the former Group Managing Director on 1 December 2025.



Link to full profile on DDB website:  
<https://duopharmabiotech.com/our-people/wan-amir-jeffery-bin-wan-abdul-majid/>

**ADDITIONAL INFORMATION**

1. None of the Senior Management team members have any family relationship with any Director and/or major shareholder of Duopharma Biotech Berhad.
2. None of the Senior Management team members have any conflict of interest with Duopharma Biotech Berhad.
3. None of the Senior Management team members have been convicted of any offence within the past five years.

## SENIOR MANAGEMENT TEAM'S PROFILES

**KRISNAKUMARA-REDDI  
A/L KESAVA-REDDI**Chief Manufacturing &  
Sustainability Officer

56

M

**Date of Appointment:**

6 October 2022

**Qualifications/Memberships:**

- Bachelor of Pharmacy (Hons), University of Science Malaysia
- Senior Management Development Program, Harvard Business School, United States of America
- Certified Lean Six Sigma – Black Belt

**Relevant Working Experience:**

With over 30 years of experience in the pharmaceutical industry, he began his career at the National Pharmaceutical Regulatory Agency (NPRA) before transitioning to the private sector. Since joining Duopharma Biotech in 1997, he has built a nearly three-decade career in pharmaceutical manufacturing with the company, holding key roles across production, quality assurance and operations before advancing into leadership positions and leading the Group's Manufacturing Division since 2016.

**Other Current Appointment(s):**

- Member of Duopharma Biotech's Group Management Committee



Link to full profile on DBB website:  
<https://duopharmabiotech.com/our-people/krisnakumara-reddi-a-l-kesava-reddi/>

**IBRAHIM HUSSIN  
SALLEH**Chief Legal Officer and  
Group Company Secretary

58

M



Permanent Resident of Malaysia

**Date of Appointment:**

28 December 2017

**Qualifications/Memberships:**

- Bachelor of Laws (LL.B) (Hons), International Islamic University Malaysia, Malaysia
- Master of Laws (LL.M), University of Malaya, Malaysia
- Advocate & Solicitor of the High Court of Malaya (Non-Practising)
- Company Secretary License, Companies Commission of Malaysia
- Qualified Risk Director (QRD) Program, Institute of Enterprise Risk Practitioners ("IERP")
- Senior Management Development Program, Harvard Business School, United States of America
- Affiliate Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)
- Member of the Inns of Court Malaysia
- Member of the Association of Muslim Lawyers of Malaysia
- Member of the IERP
- Associate Member of the Harvard Business School Alumni Club of Malaysia
- Sustainability and Climate Risk (SCR) Certificate administered by the Global Association of Risk Professionals (GARP) and an Affiliate Member of GARP

**Relevant Working Experience:**

With more than three decades of experience in legal and corporate governance, he has held pivotal roles in legal advisory, corporate secretarial, and regulatory compliance across diverse industries. Prior to joining Duopharma Biotech Berhad following its demerger, he spent 11 years with Chemical Company of Malaysia Berhad.

**Other Current Appointment(s):**

- Member of Duopharma Biotech's Group Management Committee



Link to full profile on DBB website:  
<https://duopharmabiotech.com/our-people/ibrahim-hussin-salleh/>

4. None of the Senior Management team members have been imposed any public sanction or penalty by any regulatory body during the financial year ended 31 December 2025.
5. Save for Wan Amir-Jeffery and Sabrina, who hold directorships in MOPI, a public company limited by guarantee, none of the other Senior Management Team members hold directorships in other public companies or listed entities.

## SENIOR MANAGEMENT TEAM'S PROFILES

**ROHAYU ROSNANI BINTI  
MOHD ADANAN**  
 Chief Financial Officer

**Date of Appointment:** 1 December 2025

**Qualifications/Memberships:**

- Bachelor's Degree in Accountancy (Hons) – University Tenaga Nasional, Malaysia
- Advanced Diploma of Applied Finance & Investment – Securities Institute, Australia
- Member of the Association of Chartered Certified Accountants (ACCA)
- Chartered Accountant and Member of the Malaysian Institute of Accountants

**Relevant Working Experience:**

With over 24 years of experience in finance, taxation, audit, and corporate leadership, she has held key roles across consulting firms and multinational organisations. She joined Duopharma Biotech as Deputy Chief Financial Officer in October 2025 before assuming the role of Chief Financial Officer, overseeing the Group's financial strategy, governance, procurement, information technology and controls.

**Other Current Appointment(s):**

- Member of Duopharma Biotech's Group Management Committee



Link to full profile on DBB website:  
<https://duopharmabiotech.com/our-people/rohayu-rosnani-binti-mohd-adanan/>

**SABRINA BINTI  
HARON**  
 Chief Compliance Officer

**Date of Appointment:** 1 July 2023

**Qualifications/Memberships:**

- Bachelor of Pharmacy (Hons), National University of Malaysia (UKM)
- Master in Business Administration Executive, Universiti Teknologi MARA (UiTM)
- Oxford Executive Leadership Programme, Saïd Business School, University of Oxford
- Member of the Malaysian Pharmacists Society
- Member of the Malaysian Affiliate of the International Society for Pharmaceutical Engineering

**Relevant Working Experience:**

With over two decades of experience in regulatory affairs and compliance in the pharmaceutical industry, she began her career as a pharmacist in the public sector before transitioning into regulatory affairs. Since joining Duopharma Biotech in 2009, she has built extensive experience across regulatory affairs and technical compliance, progressing into leadership roles overseeing the Group's compliance and quality standards.

**Other Current Appointment(s):**

- Director of the Executive Council of the Malaysian Organisation of Pharmaceutical Industries (MOPI)
- Member of the National Medicine Policy (DUNAS), Technical Committee of Quality, Safety & Efficacy Component
- Member of Biosimilars Committee of International Generic and Biosimilar Medicines Association (IGBA)
- Member of Duopharma Biotech's Group Management Committee
- Member of Malaysia Pharmacy Board Investigation Committee



Link to full profile on DBB website:  
<https://duopharmabiotech.com/our-people/sabrina-binti-haron/>

**ADDITIONAL INFORMATION**

1. None of the Senior Management team members have any family relationship with any Director and/or major shareholder of Duopharma Biotech Berhad.
2. None of the Senior Management team members have any conflict of interest with Duopharma Biotech Berhad.
3. None of the Senior Management team members have been convicted of any offence within the past five years.

## SENIOR MANAGEMENT TEAM'S PROFILES

**PRIYA DARSHINI A/P ASOKAN**

Chief Innovation Officer



43

F

**Date of Appointment:**

6 October 2024

**Qualifications/Memberships:**

- Master of Business Administration (MBA), Monash University, Australia
- Bachelor of Medical and Pharmaceutical Biotechnology, University of South Australia, Australia

**Relevant Working Experience:**

With over 17 years of experience in biotechnology and pharmaceutical business development, she joined Duopharma Biotech Berhad in 2010 and has since progressed into leadership roles driving strategic growth and innovation. She currently oversees Corporate Strategy, Business Development and Research & Development.

She has led the Group's expansion into biosimilars and oncology through strategic partnerships with local and international organisations. She led the local Phase III clinical trial for Malaysia's first biosimilar erythropoietin and led the initiation and establishment of Malaysia's first Highly Potent Active Pharmaceutical Ingredient (HAPI) facility for generic oncology.

She continues to drive the Group's innovation agenda, including advancing the product portfolio, strengthening research and development capabilities, enhancing intellectual property strategy, and building technology platforms through strategic partnerships and investments. In 2024, she represented Duopharma Biotech at the WHO-WIPO-WTO 11<sup>th</sup> Trilateral Technical Symposium in Geneva, where she shared insights on efforts to address non-communicable diseases.

**Other Current Appointment(s):**

- Industry Advisor for Ministry of Science, Technology and Innovation (MOSTI)
- Member of Together Against Cancer (TAC)
- Member of Duopharma Biotech's Group Management Committee



Link to full profile on DBB website:

<https://duopharmabiotech.com/our-people/priya-darshini-asokan/>**NOOR AIDA BINTI JAAFAR**

Chief Commercial Officer



51

F

**Date of Appointment:**

14 November 2025

**Qualifications/Memberships:**

- Bachelor of Information Technology, Northern University of Malaysia
- Oxford Executive Leadership Programme, Saïd Business School, University of Oxford

**Relevant Working Experience:**

With over two decades of experience in the pharmaceutical industry, she has built her career in driving businesses, sales, marketing, business development and product leadership since 2000. She joined Duopharma Biotech in 2014, where she spearheaded the Ethical Marketing and later built Specialty Pharmaceutical business and led the Company's operations in the Philippines. She now leads the Group's Commercial teams, including international business and regional offices, Group's Corporate Communication and Halal & Government Relations departments.

**Other Current Appointment(s):**

- Member of Duopharma Biotech's Group Management Committee
- Alternate member of the Executive Council of the Malaysian Organisation of Pharmaceutical Industries (MOPI)



Link to full profile on DBB website:

<https://duopharmabiotech.com/our-people/noor-aida-binti-jaafar/>

4. None of the Senior Management team members have been imposed any public sanction or penalty by any regulatory body during the financial year ended 31 December 2025.
5. Save for Wan Amir-Jeffery and Sabrina, who hold directorships in MOPI, a public company limited by guarantee, none of the other Senior Management Team members hold directorships in other public companies or listed entities.

## OTHER KEY MANAGEMENT TEAM'S PROFILES

### RAMA SOCKALINGAM A/L NAGAPPAN

General Manager,  
Group Internal Audit



**Date of Appointment:** 28 December 2017

#### Qualifications/Memberships:

- Bachelor of Business (Accounting & Management), La Trobe University, Australia
- Certified Practising Accountant (CPA), Australia
- Certified Internal Auditor (CIA)
- Chartered Member, Institute of Internal Auditors Malaysia
- Certified Integrity Officer (CeIO), Malaysian Anti-Corruption Academy
- ISO 37001 (Anti-Bribery Management System) Lead Implementer Certification from Professional Evaluation and Certification Board (PECB), Canada
- ISO 37001 Lead Auditor Certification from Exemplar Global, Australia
- Oxford Executive Leadership Programme, Saïd Business School, University of Oxford

#### Relevant Working Experience:

Bringing 20 years of experience in audit and integrity, he has held key internal audit roles across multiple industries. After five years in audit and assurance at CCM Berhad following its demerger, he joined Duopharma Biotech in 2018 to lead the audit and integrity function, championing the company's journey towards ISO 37001 Anti-Bribery Management System certification.

#### Other Current Appointment(s):

- Secretary, Association of Anti-Bribery Management System Practitioners Malaysia
- Appointed Member of the Malaysian Institute of Integrity (INTEGRITI)
- Member of the National Standards Committee on Governance of Organisations (NSC25/TC6)



Link to full profile on DBB website:  
<https://duopharmabiotech.com/our-people/rama-sockalingam-a-l-nagappan/>

### WAN AHMAD NIZAM BIN WAN MOHD. SALLEH

Head, Group Risk Management  
& Integrity



**Date of Appointment:** 27 January 2023

#### Qualifications/Memberships:

- Degree in Accountancy, Universiti Teknologi MARA, Malaysia
- Diploma in Accountancy, Universiti Teknologi MARA, Malaysia
- Certified Integrity Officer (CeIO), Malaysia Anti-Corruption Academy

#### Relevant Working Experience:

With more than 25 years of experience in audit and risk management, he has built a distinguished career leading risk functions across various industries. Prior to joining Duopharma Biotech in 2023, he led risk management, internal audit, compliance and corporate initiatives at several public-listed companies. His role was later expanded to include Integrity, further strengthening the organisation's commitment to sound governance and compliance.

#### Other Current Appointment(s):

None



Link to full profile on DBB website:  
<https://duopharmabiotech.com/our-people/wan-ahmad-nizam/>

#### ADDITIONAL INFORMATION

1. None of the Key Management team members have any family relationship with any Director and/or major shareholder of Duopharma Biotech Berhad.
2. None of the Key Management team members have any conflict of interest with Duopharma Biotech Berhad.
3. None of the Key Management team members have been convicted of any offence within the past five years.
4. None of the Key Management team members have been imposed any public sanction or penalty by any regulatory body during the financial year ended 31 December 2025.
5. None of the Key Management team members hold any directorship in other public companies or listed entities.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT



The Corporate Governance Overview Statement (“CGOS”) describes the governance framework adopted by the Group for the financial year ended 31 December 2025. It summarises the Board’s application of the MCCG and the Group’s compliance with applicable requirements by Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The CGOS, together with the detailed Corporate Governance Report, sets out the Group’s approach to governance in accordance with Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia and Practice Note 9. The Corporate Governance Report is also prepared with reference to the Corporate Governance Guide (4th Edition) issued by Bursa Malaysia.

The Board is committed to maintaining high standards of governance to support long-term value creation and sustainable performance. It oversees the Group’s strategic direction, risk management and internal control frameworks, and regularly reviews governance policies to ensure they remain effective and aligned with evolving stakeholder expectations. The Board seeks to ensure decisions are well-informed and that governance arrangements promote accountability, transparency and the preservation of shareholder value.

In order to provide stakeholders with a comprehensive view of governance and performance, the CGOS is presented alongside the Company’s Integrated Annual Report 2025. Stakeholders should consult the Corporate Governance Report and the following related statements: Statement on Risk Management and Internal Control (“SORMIC”), Audit Committee Report, Nomination and Remuneration Committee Report, Risk Management Committee Report, Halal and Sustainability Committee

Report, Medical and Research Committee Report, Investment Committee Report and the standalone Sustainability Report. These documents are available in the Integrated Annual Report section of the Company’s website (<https://duopharmabiotech.com/investor-relations/shareholders-meeting-and-reports/>) and on Bursa Malaysia’s portal.

During FY2025, the Company received the Prime Minister’s Award in the public and private sector categories at the 2025 Integrity, Governance and Anti-Corruption Awards (AIGA). More recently, the Company won two awards at the National Corporate Governance & Sustainability Awards 2025, namely the Overall Excellence Award – Top 20 (ranking No. 12) and the Mid Cap Excellence Award (for companies with a market capitalisation between RM1 billion and RM2 billion). Additionally, at the CSIA Global Governance Awards 2026 in Mumbai, India, organised by the Corporate Secretaries International Association Limited, the Company received the Excellence in Governance – ESG Award 2026. These awards reflect the Board’s continuing emphasis on governance, integrity and sustainability.

The Board remains committed to enhancing disclosure and to progressively embedding IR practices to improve stakeholder insight into the Group’s governance, strategy and performance.



**IBRAHIM HUSSIN SALLEH**  
Chief Legal Officer &  
Group Company Secretary



CORPORATE GOVERNANCE OVERVIEW STATEMENT

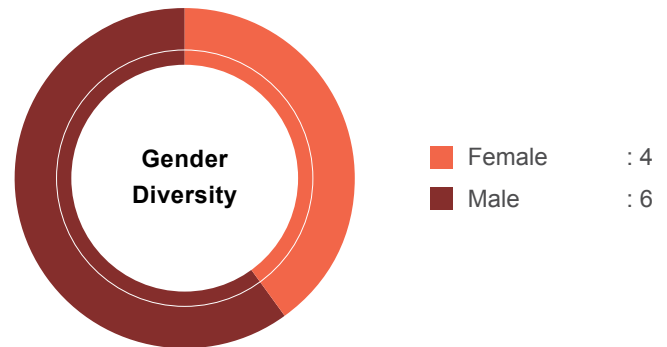
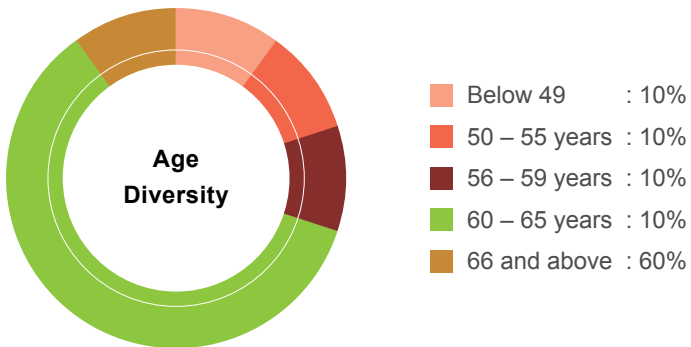
# BOARD AT A GLANCE

## Board Composition

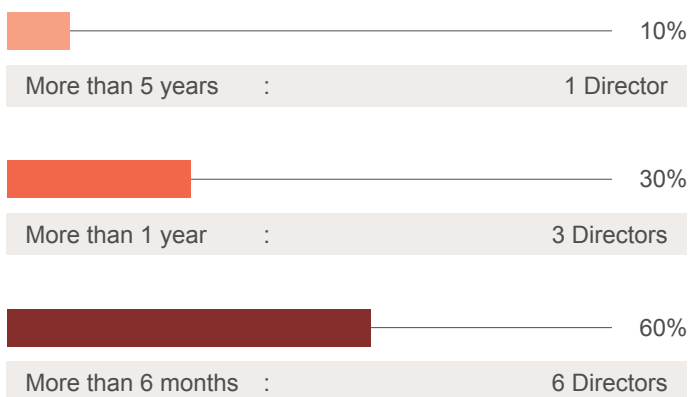
In FY2025, the Board underwent a structured refresh and reconstitution, resulting in a balanced composition of Independent, Non-Independent and Executive Directors, reinforcing succession planning and overall Board effectiveness.

Independent Non-Executive Directors <b>4</b>	Non-Independent Non-Executive Directors <b>3</b>	Senior Independent Non-Executive Director <b>1</b>	Executive Director <sup>1</sup> <b>1</b>	Non-Independent Non-Executive Alternate Director <b>1</b>
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<sup>1</sup> Encik Leonard Ariff Bin Abdul Shatar ceased to serve as Executive Director with effect from 31 December 2025, following the expiry of his employment agreement as GMD of Duopharma Biotech.



## Board Tenure



## Board Skills and Experiences

- Corporate Finance & Strategy
- Banking Investment & Funds
- Finance, Accounting & Economics
- Production & Engineering
- Consumer & Industrial Products
- Healthcare & Life Sciences
- Public Administration

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**OUR CORPORATE GOVERNANCE APPROACH**

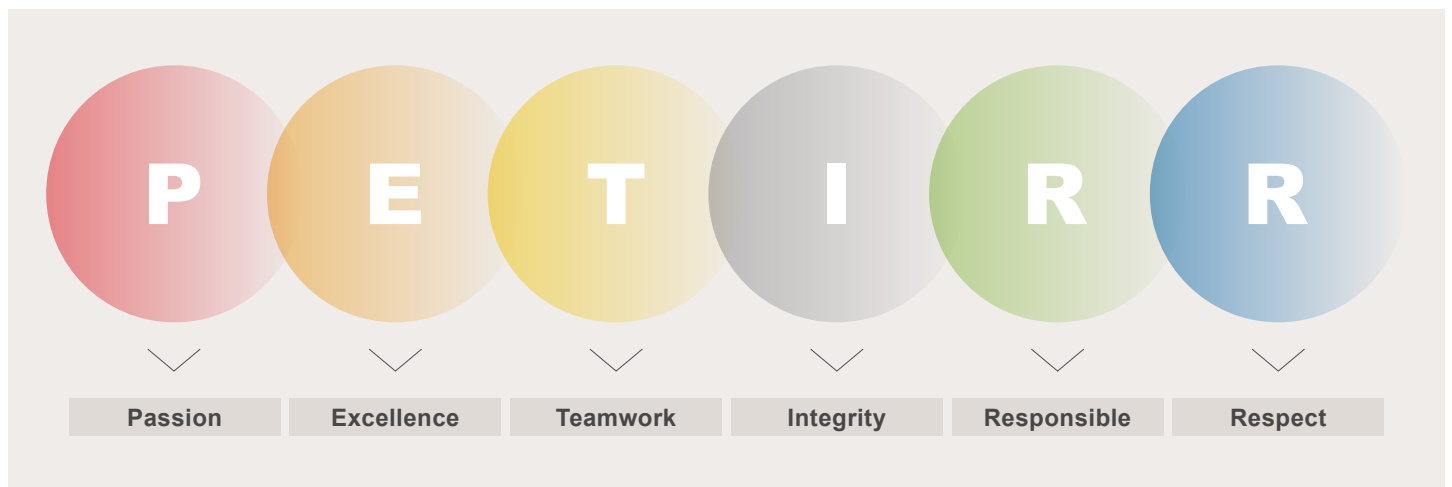
In 2025, Duopharma Biotech continued to apply IR principles as a core element of its corporate governance framework, marking a further year of maturity in the Group's reporting journey. The Company's approach remains aligned with the International Integrated Reporting Framework, which resides under the oversight of the IFRS Foundation.

The Board recognises that IR plays a critical role in articulating how the Group creates, preserves and sustains value over time. Governance is therefore positioned as a foundational enabler of value creation, providing clear oversight of strategy execution, risk management and performance outcomes across the organisation.

Consistent with the IR Framework, the Group's governance practices are structured around the six (6) capitals, i.e., Financial Capital, Manufactured Capital, Intellectual Capital, Human Capital, Social & Relationship Capital, and Natural Capital – reflecting how resources and relationships are managed and transformed through the Company's business activities. This perspective allows the Board to assess the effectiveness of governance arrangements in supporting decision-making, stewardship and long-term sustainability, while ensuring that stakeholder interests remain appropriately balanced.

The application of governance across the six capitals is closely integrated with Duopharma Biotech's six core values. These values underpin the Group's leadership culture, guide behavioural expectations and inform governance decisions at all levels of the organisation. Together, the six capitals and six core values provide a coherent framework through which governance practices are embedded, monitored and continuously strengthened.

Duopharma Biotech's six core values:



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Integrated Reporting & Six Capitals



- During the year, Duopharma Biotech operated against a backdrop of normalising API prices, recent OPR adjustments and new product launches across consumer healthcare, functional foods and ethical pharmaceutical segments.
- Despite the financial outlook, Duopharma Biotech continued to strengthen its financial base through long-term government supply arrangements, including Letters of Offer to supply 100 pharmaceutical and non-pharmaceutical products to MOH facilities with an estimated value of approximately RM684.15 million until 31 December 2026.
- In parallel, the Company maintained financial flexibility through its RM2.0 billion Sukuk Wakalah Programme, ensuring liquidity headroom for operational needs and potential investments.
- Duopharma Biotech continued to maintain oversight over its strategic minority investment portfolio in selected biotechnology and healthcare-related ventures, i.e., Poongjeon, PanGen, Naluri, TLGG, and Alryxo Biotherapeutics, with ongoing monitoring to ensure alignment with long-term value creation and prudent capital allocation objectives.
- In February 2026, the Government accepted the Company's tender offers to supply RHI injections to the MOH's facilities until 15 May 2026, and insulin injections until 5 February 2028.

## Manufactured Capital



- In 2025, Duopharma Biotech continued to operate GMP-compliant manufacturing facilities with halal-compliant processes, underpinned by long-standing adherence to the Halal Built-In Policy.
- Following the NPRA's approval of a new product registration, whether in-licensed or developed in-house, the Company advanced its manufacturing readiness, with process validation batches scheduled during the year. Manufacturing operations during the year supported the scale-up and production of newly launched SKUs, including functional food products such as CHAMPS® Nutribars.

## Intellectual Capital



- In 2025, Duopharma Biotech continued to build its biopharmaceutical and niche product capabilities through ongoing research, development and technology partnerships.
- The Company advanced the development of halal active pharmaceutical ingredient capabilities, completing pilot studies for a third molecule and progressing process validation and stability studies.
- During the year, ERYSAA®, a biosimilar erythropoietin co-developed with PanGen, obtained the first biosimilar halal certification from the JAKIM, adding to prior regulatory approvals and commercialisation milestones. This represents a remarkable achievement for Duopharma Biotech.
- The Group also continued to expand its intellectual property base through product development collaborations, including IRORO Nutreatment distribution, and functional ingredients development with TLGG.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Human Capital



- In 2025, Duopharma Biotech implemented structured succession planning to ensure continuity of leadership and operational stability, including the appointment of Encik Wan Amir-Jeffery Bin Wan Abdul Majid as GCEO effective 1 October 2025. Encik Wan Amir-Jeffery took over from Encik Leonard Ariff Bin Abdul Shatar (the former GMD) as the chief executive of Duopharma Biotech on 1 December 2025.
- The leadership transition followed the scheduled expiry of the employment agreement of the GMD at the end of 2025 and formed part of the Board's ongoing talent and leadership planning.
- Throughout the year, Management efforts remained focused on executing the Group's four-pronged strategy covering portfolio expansion, manufacturing upgrades, regional growth and diversification into biologicals and niche products.
- The Company's robust Succession Plan Framework was applied during the year to identify and appoint new Directors in place of those retiring at the AGM, underpinned by a structured, multi-year approach encompassing phased retirements, internal talent development, emergency contingency planning, clearly defined Board composition principles and a formal four-step process (Needs Analysis, Search, Selection and Appointment) to ensure continuity, diversity and governance effectiveness.
- Following the Board refresh, women representation stands at four (4) out of ten (10) Directors (excluding the Alternate Director), representing 40% women participation at the Board level.
- Datuk Wira Arham Bin Abdul Rahman was redesignated as Senior Independent Non-Executive Director effective 16 November 2025.
- During the year, the leadership team structure was strengthened with the appointment of a new CFO and Chief Commercial Officer to support the Group's strategic execution.
- The Diversity, Anti-Discrimination and Anti-Harassment Policy was reviewed and enhanced for the Board's consideration and approval to reinforce the Group's governance and culture commitments.
- The Company undertook several initiatives to enhance organisational effectiveness and employee compensation. The triennial Salary Band Review was completed and approved by the Board in November 2025 for implementation in 2026, ensuring that Duopharma employees' salaries remain aligned with the Group's internal compensation philosophy and market competitiveness.
- The unions' Collective Agreement bargaining exercise concluded in November for the Klang plant, with the Bangi plant finalising the terms.
- An Organisation Design exercise for the regional offices was completed and approved by the Board in November 2025. This exercise established the job grading scale, salary bands and promotion guidelines for each market, aligning practices across the Duopharma Biotech Group and within each respective market.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Social & Relationship Capital



- In 2025, Duopharma Biotech deepened its stakeholder relationships by fulfilling its government contracts and expanding access to essential medicines across Malaysia.
- The Company maintained and strengthened strategic relationships across its value chain, encompassing government procurement, international distribution arrangements and research and manufacturing collaborations.
- Duopharma Biotech also showcased Malaysia's halal pharmaceutical capabilities at World Expo 2025 in Osaka and hosted Standards and Metrology Institute for Islamic Countries ("SMIIC") delegates at the Klang facility, promoting collaboration, knowledge sharing, and best practices in halal pharmaceuticals.
- During the year, the Group received recognition for integrity, governance and transparency by winning the Prime Minister's Award (private sector category) at the 2025 Integrity, Governance and Anti-Corruption Awards (AIGA), underscoring its strong commitment to ethical conduct and accountability.
- The Group strengthened anti-corruption awareness through training and engagement sessions with anti-corruption authorities across its key operating markets. This included awareness programmes with the MACC for the Board and employees, engagement with the Corrupt Practices Investigation Bureau of Singapore to enhance understanding of the Prevention of Corruption Act 1960, and collaboration with Indonesia's Corruption Eradication Commission (KPK) to provide targeted anti-corruption training to the Board, Management, staff and relevant stakeholders of PT DHI.

### Natural Capital



- In 2025, Duopharma Biotech continued to implement its NZTP, which targets Carbon Neutrality by 2030 and Net Zero Carbon Emissions by 2050.
- Duopharma Biotech operated against an established GHG emissions baseline covering Scope 1, Scope 2 and selected Scope 3 categories, supported by its 5-Year ESG Strategy, 5-Year Energy Efficiency Plan and NZTP 1.0.
- Sustainability initiatives during the year included the full installation of solar panels at manufacturing sites, supplier ESG assessments and the continued application of climate-related risk management practices.
- The Group also maintained commitments to reduce single-use plastics through biodegradable alternatives and to remain listed on the FTSE4Good Bursa Malaysia Index.
- Duopharma Biotech continued to demonstrate environmental stewardship through recognition in ESG and sustainability awards, including the Sustainability & CSR Malaysia Awards for ESG leadership and long-standing excellence.
- The Sustainability Department has developed and completed a Water Management Framework that provides a comprehensive overview of the Group's water profile, covering the scope and approach, existing water consumption patterns across all sites, and the end-to-end flow of water from intake to discharge. This has enabled the identification of key operational challenges and hotspots, as well as the prioritisation of high-potential opportunities for future water efficiency and water-saving initiatives through close engagement with internal stakeholders.
- As part of the Framework, a high-level water consumption study was conducted to map operational water flows and identify hotspots. Data was gathered through close engagement with Engineering, Production and Technical Support, and the exercise highlighted priority areas with strong potential for future water-saving and water-efficiency projects.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

An overarching summary of how Duopharma Biotech transformed inputs and business activities into outputs and outcomes across the six capitals to provide value creation in the short, medium and long term is depicted in the International Integrated Reporting Council (IIRC) chart on the ensuing page.



## F Financial Capital

- Secured Letter of Offer to supply 100 products to MOH facilities (estimated value of RM684.15 million) until 31 December 2026.
- Operated a RM2.0 billion Sukuk Wakalah Programme to preserve cash availability for investments.
- Held minority equity stakes in strategic partners: Poongjeon (1.24%), PanGen (5.98%), Naluri (2.41%), Alryxo Biotherapeutics (1.67%) and TLGG (0.705%).
- Pursued renewal of RHI tender following expiry of extended RHI contract on 28 October 2025.
- Monitored favourable API prices and OPR movement as financial tailwinds.

### Outcomes:

- Delivered year-to-date revenue and profit growth in FY2025 supported by public-sector contracts and normalising API costs.
- Maintained liquidity and funding optionality through sukuk capacity to support strategic investments and working capital needs.
- Preserved optionality for future upside from portfolio investments and commercialisation of partner products.

## M Manufactured Capital

- Operated Halal-certified, GMP-compliant manufacturing sites (including Klang and HAPI facilities).
- Advanced process validation (PV) planning after NPRA Change of Manufacturing Site approval with PV batches planned by Q3 2025.
- Implemented manufacturing support for new SKUs including functional foods (e.g., CHAMPS® NutriBar) and expanded product lines.

### Outcomes:

- Sustained product supply and regulatory compliance for domestic and export markets.
- Enabled scale-up and supply security for biologics and high-value product lines.
- Supported commercial launches of new consumer and ethical products in 2025.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**I Intellectual Capital**

- Continued development of HAPI pipeline; completed pilot studies for a third molecule with PV and stability studies underway.
- Commercialised ERYSAA® (EPO) with halal certification (JAKIM February 2025) and Philippines FDA approval (commercialised in Philippines since January 2023).
- Advanced IRORO Nutreatment commercialisation and geographic roll-out (Malaysia, Australia, Indonesia).
- Collaborated with digital health partner Naluri on pilot use cases in renal, oncology and diabetes care.

**Outcomes:**

- Progressed regulatory validations and market authorisations for biosimilars and HAPI-derived products.
- Expanded product portfolio in niche biologics, halal biologics and functional foods.
- Strengthened technical know-how and platform capabilities through partner collaborations.

**H Human Capital**

- Implemented structured succession planning with appointment of GCEO on 1 October 2025. GCEO took over from the former Group Managing Director as chief executive of Duopharma Biotech on 1 December 2025.
- Applied the Company's Succession Plan Framework to facilitate Board refreshment through a structured, multi-year approach covering phased retirements, internal talent development, emergency contingency planning and a formal four-step succession process to ensure continuity and governance effectiveness.
- Strengthened gender diversity at Board level, with women Directors comprising four (4) out of ten (10) members, representing 40% participation.
- Enhanced the leadership team structure through the appointment of a new CFO and Chief Commercial Officer to support strategic execution.
- Reviewed and enhanced the Diversity, Anti-Discrimination and Anti-Harassment Policy for the Board's consideration and approval to reinforce governance and culture commitments.
- Redesignated Datuk Wira Arham Bin Abdul Rahman as Senior Independent Non-Executive Director effective 16 November 2025.

**Outcomes:**

- Secured leadership continuity to oversee strategic execution and operational delivery.
- Positioned the organisation to execute multi-year strategic initiatives and scale new product lines.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**S Social & Relationship Capital**

- Maintained extensive engagement with regulators and standards bodies (JAKIM, NPRA, SMIIC, MOH); hosted SMIIC delegation and participated in halal symposiums and World Expo 2025.
- Sustained supply partnerships including distributorships for IRORO and long-term supply arrangements with MOH and Biocon.
- Achieved governance and ESG recognition including Prime Minister's Award 2025 (AIGA) and Sustainability & CSR Malaysia Awards 2025.

**Outcomes:**

- Reinforced access to public procurement pipelines and international markets.
- Enhanced credibility and market acceptance of halal and biologic products.
- Strengthened stakeholder trust and reputational capital with regulators, customers and partners.

**N Natural Capital**

- Adopted NZTP with targets: carbon neutrality by 2030 and net-zero by 2050; implemented Energy Efficiency Plan and installed solar panels at manufacturing sites.
- Established environmental pledges including 50% reduction of single-use plastics to biodegradable alternatives by 2026 and GHG baselining for Scopes 1, 2 and 3.
- Performed supplier ESG assessments and continued anti-corruption due diligence.

**Outcomes:**

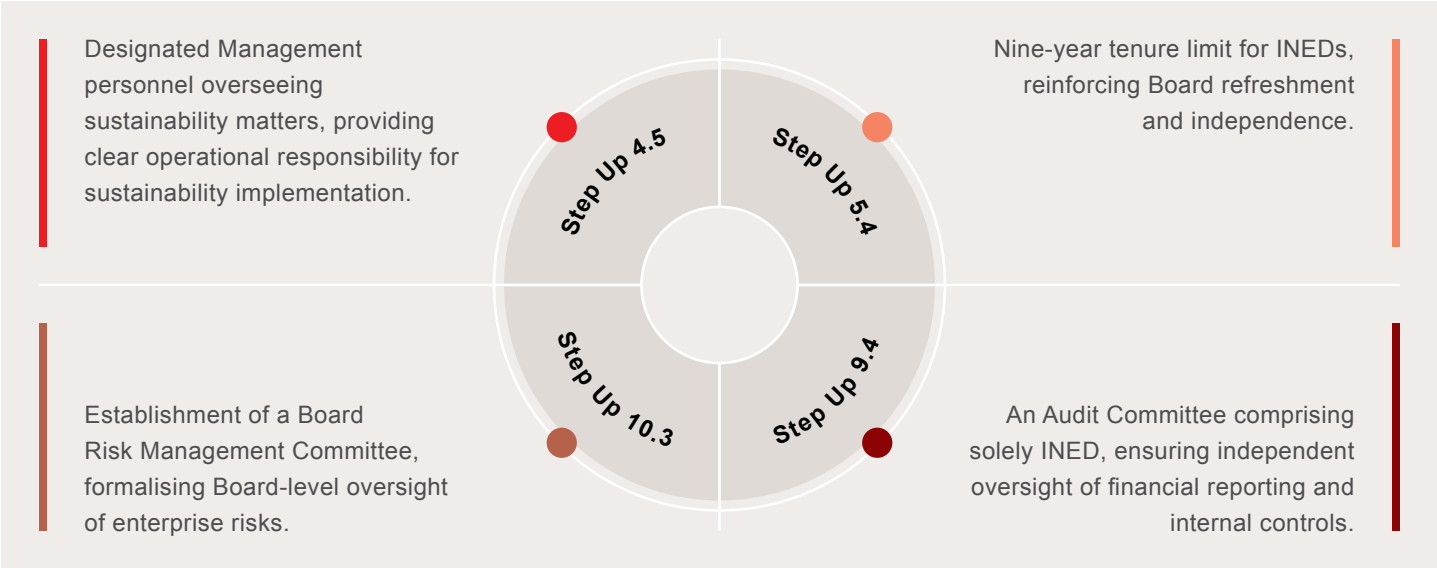
- Obtained external recognition for ESG performance and sustained FTSE4Good Bursa Malaysia Index inclusion.
- Embedded climate and supply chain resilience measures to support medium- and long-term operational sustainability.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## SUMMARY OF GOVERNANCE PRACTICES (MCCG)

Duopharma Biotech reaffirms its full commitment to the MCCG for the financial year ended 31 December 2025 and continues to apply enhanced governance measures voluntarily beyond the baseline MCCG requirements. Although the Company does not meet the MCCG definition of a Large Company, the Board has elected to report against expectations applicable to Large Companies and to maintain the following Step-Up Practices to strengthen its oversight and accountability:



The Board considers the continued adoption of these voluntary measures to be consistent with its aspirational governance approach. In addition, the Company has also taken into account some of the progressive elements encapsulated in the “Discussion Paper: Corporate Governance Framework by Securities Commission Malaysia” in December 2025. These practices demonstrate the Company’s commitment to transparency, accountability and integrity, and support the effective stewardship of the Group in pursuit of sustainable long-term value creation.

Further details on Duopharma Biotech’s application of each individual Practice under the MCCG are set out in the Corporate Governance Report, which is published on the Company’s corporate website and via announcement on Bursa Malaysia.

A summary of Duopharma Biotech’s corporate governance practices with reference to the MCCG is outlined below and in the ensuing pages of this Corporate Governance Overview Statement.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness****Board Responsibilities & Charter****A. Board**

In 2025, the Board continued to discharge its responsibilities in accordance with the Board Charter, which sets out the principal roles of the Board in providing strategic leadership and direction to Duopharma Biotech. These responsibilities include oversight of the Group's risk management and internal control systems, guidance on leadership succession planning, ensuring effective communication and engagement with stakeholders, and aligning the Group's strategies with sustainability priorities and stakeholder considerations. The Board also maintained oversight of financial reporting and other material disclosures to support transparency and accountability.

The Board Charter further delineates the respective roles and responsibilities of the Board, the Chairman, the GCEO and the Senior Independent Director, thereby promoting clarity of accountability and balanced leadership. The Board continued to review the Board Charter periodically during the year to ensure that it remains relevant and reflective of the Group's strategic direction, governance practices and regulatory expectations.

To assist in the discharge of its oversight responsibilities, the Board continued to be supported by five (5) Board Committees, namely the Audit Committee ("AC"), the Nomination and Remuneration Committee ("NRC"), the Risk Management Committee ("RMC"), the HSC and the IC. Each Board Committee operates within clearly defined terms of reference and reports to the Board on matters deliberated within its respective mandate. In addition, the establishment of Board Committees is augmented by the Medical and Research Council which comprises key opinion leaders to provide expert advice and professional guidance on pharmaceutical strategy, clinical development and research. The activities and deliberations of the Board Committees during the financial year under review are set out in their respective reports in the Integrated Annual Report.

On 15 May 2025, the Board of Duopharma Biotech approved the transformation of the Medical and Research Committee ("MRC"), previously constituted as a Board Committee, into a management-level Medical and Research Council, with effect from 22 May 2025. This restructuring was undertaken to enhance operational agility and deepen technical deliberations at the management level, while preserving clear governance oversight through structured and periodic reporting to the Board. The change reflects the Board's commitment to aligning governance structures with the evolving complexity of the Group's product pipeline and research agenda.

Under the revised structure, the Medical and Research Council (the "Council") operates at the management and operational level and comprises selected key Senior Management together with appointed KOLs, who are neither Directors nor employees of the Company, save for Dr. Sharmila A/P Ramachandran. This composition enables more focused, subject matter-driven discussions on clinical applications and product-specific professional matters relating to the Group's pipeline, while excluding broader healthcare policy developments. The composition and membership of the Council remain subject to periodic reviews by the Nomination and Remuneration Committee and the Board to ensure continued relevance, independence of perspective and alignment with the Group's strategic priorities.

During the year, the Council reviewed and deliberated on Management updates relating to the Group's strategies and ongoing projects, including insights from KOLs on the proposed pipeline, and provided recommendations to enhance research and development initiatives in light of emerging disease trends and treatment advancements. The Council also offered guidance across key therapeutic areas including diabetes, oncology, renal, vaccines, cardiovascular, consumer healthcare and respiratory to strengthen commercial positioning and market competitiveness.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Principle A Board Leadership & Effectiveness

The Board maintains overall supervision of the Board Committees and remains apprised of their activities through regular updates from the respective Board Committee Chairmen, where proposals and recommendations are tabled for the Board's consideration and approval. In addition, the Chairman of each Board Committee provides a quarterly update to the Board on salient matters deliberated during the reporting period.

In order to avoid instances of excessive self-review, the Board Chairman does not sit on any Board Committee. This practice underlines the Board's commitment to independence and objectivity in committee deliberations.

#### B. Executive Management

During FY2025, the Board maintained a direct line of communication with executive management and retained unrestricted access to information relating to the Group's business affairs. Encik Wan Amir-Jeffery Bin Wan Abdul Majid was appointed as GCEO on 1 October 2025 and, pursuant to the change in the Group's Leadership structure, he assumed the role of Chief Executive from Encik Leonard Ariff Bin Abdul Shatar on 1 December 2025. Encik Leonard Ariff subsequently ceased to hold the position of GMD on 31 December 2025 following the expiry of his contract of employment. The GCEO is responsible for the overall business operations, organisational effectiveness, and the implementation of the Group's strategies and policies.

The Senior Management team comprises professionals with expertise across finance, legal, corporate governance, pharmacy, business administration, consumer healthcare, biotechnology and business development, and includes 50% female representation. The Senior Management team supports the Board and executive leadership in implementing the strategies, plans, policies and budgets approved by the Board, and in monitoring operational performance.

#### C. Company Secretary

All Board and Board Committee proceedings are supported by a qualified Company Secretary. Encik Ibrahim Hussin Salleh holds a Company Secretary licence issued by the Companies Commission of Malaysia and is non-practising Advocate and Solicitor of the High Court of Malaya. He is an associate member of the Malaysian Institute of Chartered Secretaries and Administrators. Encik Ibrahim provides periodic updates on regulatory developments and acts as the corporate governance champion, facilitating information flow between Senior Management and the Board.

#### D. Board Charter

The Board Charter remains the principal governance document, delineating the roles, responsibilities and authorities of the Board, Board Committees, individual Directors, the chief executive and the Company Secretary. The Board Charter is accessible via the Company's corporate website. The Board conducts periodic reviews of the Board Charter and the Terms of Reference of Board Committees to ensure ongoing alignment with the Companies Act 2016, the MCGG and other relevant authoritative pronouncements, as well as with internal policies and industry practices.

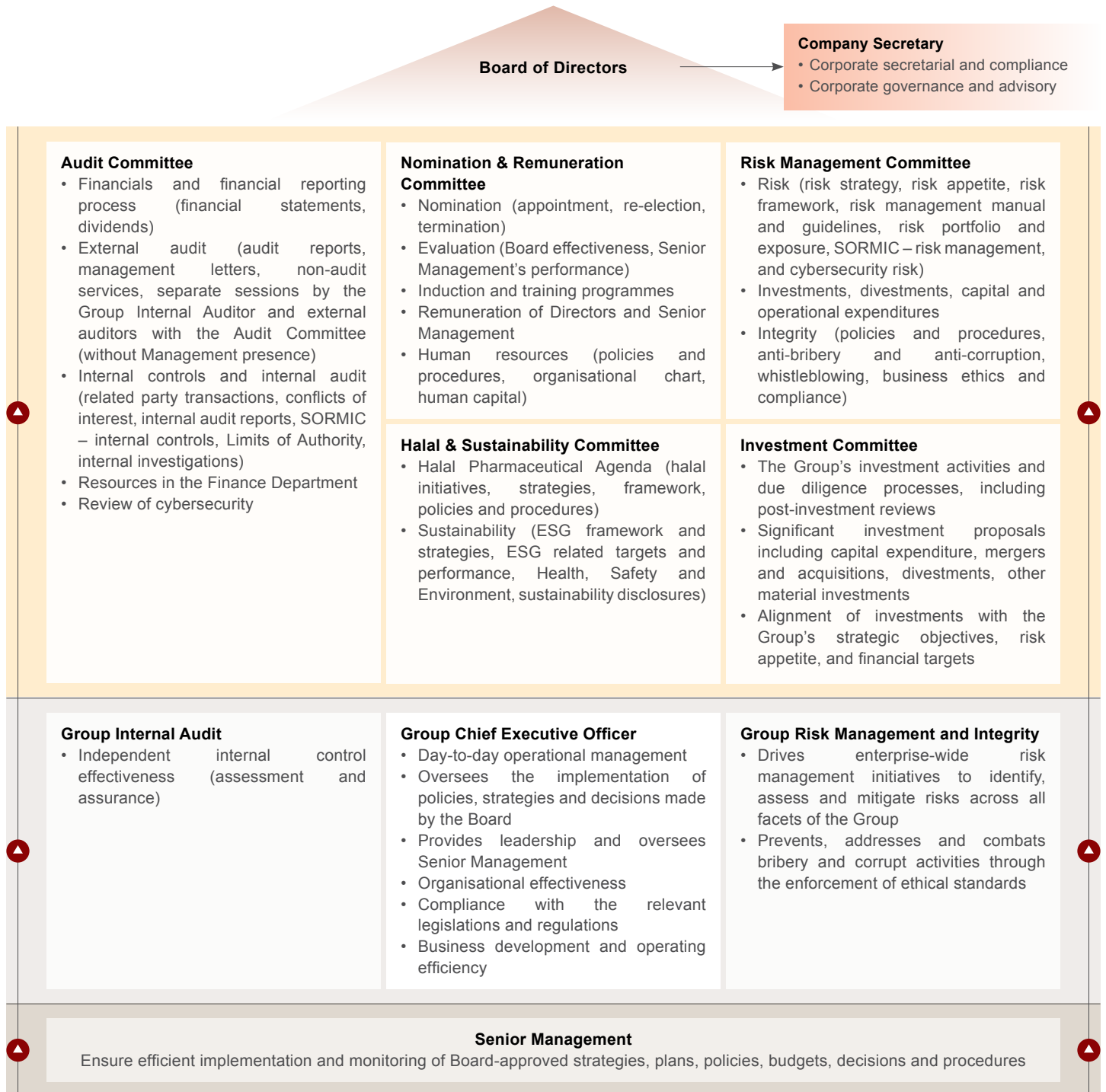
Duopharma Biotech continues to operate within a robust corporate governance framework, which is reviewed annually by the Board to ensure its continued relevance, effectiveness and alignment with best practices. The Board is supported by the respective Board Committees in exercising active oversight over the management of the Group, which in 2025 was led by the GMD and, following the leadership transition, the GCEO.

Details of key activities undertaken by each Board Committee during the financial year under review are provided in the respective Board Committee Reports in the Integrated Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Principle A Board Leadership & Effectiveness

#### Board Leadership Roles



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Principle A Board Leadership & Effectiveness

#### Board Composition and Expertise

During FY2025, the Board comprised a combination of INEDs, Non-Independent Non-Executive Directors and executive representation to reflect an appropriate balance of oversight and operational insight. As at 31 December 2025, half of the Board comprised INED. The Board's gender composition remains balanced with a symmetrical breakdown of four (4) female Directors and six (6) male Directors, including an Alternate Director. The average Board tenure at year end was below one (1) year and the average age was 59 years, reflecting the renewal agenda in terms of Board composition. The Directors collectively bring expertise across investment and corporate finance, foreign investment and economics, finance and accounting, banking and investment, medicine and healthcare, public administration, engineering and consumer products, and institutional fund management. Detailed profiles of each Director, including qualifications and other directorships, are set out in the Directors' Profile section of the Integrated Annual Report.

INED perform a pivotal role in protecting minority shareholder interests by providing impartial oversight, challenging Management proposals where appropriate and upholding standards of accountability and transparency in Board deliberations.

#### Board Appointment & Nomination Process

The NRC oversees a disciplined, transparent and merit-based appointment process. The NRC regularly reviews Board composition and identifies candidate requirements to address skills gaps and support the Company's strategic priorities. Appointments are governed by the Company's Fit & Proper Policy, Diversity Policy, Code of Ethics, Conflict of Interest ("COI") Framework and the Succession Plan Policy and Succession Plan Framework. The NRC applies objective selection criteria in the assessment of candidates, taking into consideration their integrity, competence, experience, time commitment and the capacity to effectively contribute to the deliberations of the Board and its Committees. Where necessary, the NRC engages independent search firms in addition to the Company's internal directors' registry, to broaden the candidate pool and to enhance the objectivity of the selection process. All Board appointments are recommended by the NRC, deliberated and approved by the Board.

The Board adheres to orderly renewal through the retirement-by-rotation mechanism under the Constitution, whereby one-third of Directors retire and stand for re-election at each Annual General Meeting ("AGM"). FY2025 saw scheduled retirements and the orderly replacement of long-tenured Non-Executive Directors in line with the Board Charter's cumulative nine-year tenure limit. The NRC monitors director tenure and succession plans to balance continuity with periodic refreshment of perspectives and skills. The information on Directors standing for re-election and is included in the Notice of AGM and the Directors' Profiles section of the Integrated Annual Report. The Senior Independent Director contributes to succession planning and supports continuity of governance during transition periods.

#### Board Leadership Structure

The Board maintains a clear separation between the roles of the Chairman and executive management to ensure appropriate checks and balances. The Senior Independent Director serves as an intermediary for shareholders and Directors on governance matters and provides an additional channel for escalation where required. The NRC is chaired by an Independent Director to reinforce impartial oversight of nomination, remuneration and succession matters.

#### Diversity Policy & Outcomes

The Board's Diversity Policy commits to diversity across gender, age, professional background and skills while remaining merit-based and non-discriminatory. The policy is guided by four (4) principles:

- |                           |                               |
|---------------------------|-------------------------------|
| • Focus on business needs | • Meritocracy                 |
| • Non-discrimination      | • Credibility of appointments |

As at 31 December 2025, the Board maintained a balanced composition with representation from both male and female Directors with six (6) male and four (4) female Directors – including an Alternate Director, reflecting gender diversity. During the year, the appointment of Dr. Sharmila A/P Ramachandran, in addition to strengthening the Board's expertise and experience in the areas of healthcare and medical devices, also contributed towards enhancing the ethnic diversity of the Board. The NRC continues to monitor diversity metrics as part of its ongoing oversight and incorporates diversity considerations into Board succession planning and candidate evaluation, consistent with the Group's broader ESG commitments.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A****Board Leadership & Effectiveness****Fit & Proper Policy**

All Directors are required to meet the Fit and Proper criteria, encompassing integrity, character, competence, experience and sound judgement. The Fit and Proper Policy is applied to new appointments as well as to Directors standing for re-election, ensuring that only individuals of appropriate calibre continue to serve on the Board.

The NRC assesses Directors against these criteria, taking into account performance, attendance, contribution to Board deliberations and compliance with ethical and governance standards. The Fit and Proper assessment is complemented by the annual Board Effectiveness Evaluation (“BEE”) exercise, which provides structured feedback on Board, Committee and individual Director effectiveness.

During the year, the BEE was conducted based on assessment criteria aligned with prevailing regulatory requirements, relevant governance guidelines and evolving leading practices. The evaluation process comprised a combination of self- and peer-assessment questionnaires completed by Directors. The assessment framework was structured around three key dimensions, namely: building and sustaining a high-performing Board; ensuring effective Board operations and dynamics; and discharging core Board roles and responsibilities in accordance with sound corporate governance principles.

In November 2025, the Board, upon the recommendation of the NRC resolved to adopt the BEE results for the year. The assessment identified opportunities for further enhancement, particularly in the areas of strengthening Board skillsets through targeted training, deepening the rigour of strategic discussions, and improving boardroom processes, including the timeliness and quality of information provided to the Board. The findings of the BEE exercise provide structured feedback to support continuous improvement in Board, Committee and individual Director effectiveness.

This integrated approach reinforces the Board’s commitment to maintaining high standards of governance and Board quality.

**Recommendation Criteria for Appointment**

In making recommendations for Board’s appointment or re-election, the NRC and Board consider objective factors including professional merit, demonstrated performance, independence of judgement, time availability and the need to maintain an appropriate mix of skills and experience. The Board ensures adherence to tenure limits for Independent Non-Executive Directors and preserves a predominantly non-executive composition to maintain strong oversight. Recommendations are made to support Board cohesion, continuity and the Company’s strategic direction while remaining firmly rooted in defensible, merit-based criteria.

**Meetings & Attendance**

During the financial year under review, the Board demonstrated a strong commitment to governance, with all Directors dedicating the necessary time and attention to discharge their responsibilities effectively. The attendance record reflects high participation across Board and Board Committee meetings, underscoring each Director’s diligence and accountability. At every Board meeting, the respective Committee Chairmen presented concise updates on matters deliberated within their committees, including key discussions, findings and recommendations. These updates were further deliberated at the Board level, ensuring that matters requiring decisions were fully considered and resolved with due care.

To facilitate planning and ensure Director availability, the meetings of the Board, Board Committees and the AGM were scheduled before the start of the new financial year, enabling Directors’ and Committees’ calendars to be booked in advance and assisting Management’s operational planning for the year.

In addition, as part of the Board’s oversight process, all Board Committees, together with their Chairmen, submitted verified and accurate minutes of their meetings for Board notation. This practice ensures transparency, maintains robust documentation of proceedings, and reinforces the Company’s adherence to high standards of corporate governance. The strong attendance across all meetings affirms the Board’s collective commitment to fulfilling its stewardship responsibilities.

All the Directors also complied with applicable regulatory attendance requirements; in particular, the minimum attendance threshold under Paragraph 15.05(3)(c) of Bursa Malaysia’s MMLR which requires a director to attend at least 50% of total board meetings held during a financial year. The strong attendance across all meetings affirms the Board’s collective commitment to fulfilling its stewardship responsibilities and to exercising effective oversight of the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness****Directors' Attendance of meetings held during the FY2025**

Director	Board Meeting	Annual General Meeting	Independent Directors Meeting	Non-Executive Directors Meeting	Non-Executive Directors' Meeting without Chairman	AC Meeting	NRC Meeting	RMC Meeting	HSC Meeting	IC Meeting	MRC Meeting
<b>Non-Independent Non-Executive Directors</b>											
YBhg. Datin Paduka Kartini Binti Hj Abdul Manaf (Chairman)	*9/10	1/1		1/1							
YBhg. Datuk Mohd Radzif Bin Mohd Yunus <sup>3</sup>	10/10	1/1		1/1	1/1			3/3	5/5	3/3	
Encik Mohd Haris Bin Mohd Arshad <sup>4</sup>	**4/6	1/1					5/5		2/3	1/1	
Encik Mohamad Idros Bin Mosin <sup>5</sup>	4/4			1/1	1/1		3/3	0/0			
<b>Senior Independent Non-Executive Directors</b>											
YBhg. Dato' Eisah Binti A. Rahman <sup>6</sup>	10/10	1/1	1/1	1/1	1/1		7/7	2/2			1/1
Datuk Wira Arham Bin Abdul Rahman <sup>7</sup>	7/7		1/1	1/1	1/1		4/4	2/2			
<b>Independent Non-Executive Directors</b>											
Encik Razalee Bin Amin <sup>8</sup>	4/4	1/1				3/3					
Puan Zaiton Binti Jamaluddin <sup>9</sup>	4/4	1/1				3/3		3/3			
YBhg. Datuk Nik Moustpha Bin Haji Nik Hassan <sup>10</sup>	4/4	1/1						3/3	3/3		
YBhg. Dato' Dr. Zaki Morad Bin Mohamad Zaher <sup>11</sup>	4/4	1/1					4/4				1/1
Puan Nik Fazila Binti Nik Mohamed Shihabuddin <sup>12</sup>	10/10	1/1	1/1	1/1	1/1	5/5			1/1		
Dato' Adnan Hisham Bin Pawanteh <sup>13</sup>	7/7		1/1	1/1	1/1	0/0			2/2	3/3	
Dr. Sharmila A/P Ramachandran <sup>14</sup>	7/7		1/1	1/1	1/1	2/2		2/2			
Dr. Hasnita Binti Hashim <sup>15</sup>	7/7		1/1	1/1	1/1	2/2	1/1		1/1	1/1	

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness**

Director	Board Meeting	Annual General Meeting	Independent Directors Meeting	Non-Executive Directors Meeting	Non-Executive Directors' Meeting without Chairman	AC Meeting	NRC Meeting	RMC Meeting	HSC Meeting	IC Meeting	MRC Meeting
<b>Non-Independent, Non-Executive Alternate Director</b>											
Encik Muhammad Shukri Bin Ismail <sup>16</sup>	4/4	1/1		1/1	1/1		3/3	0/0			
<b>Executive Director</b>											
Encik Leonard Ariff Bin Abdul Shatar <sup>17</sup>	10/10	1/1									

## Note:

- The IC was established and approved by the Board of Directors on 19 February 2025, and a total of three (3) meetings were held during the year.
- The MRC was restructured from a Board Committee into a management-level council and renamed the Medical and Research Council effective 15 May 2025. One (1) MRC meeting was held during the year.
- Datuk Mohd Radzif Bin Mohd Yunus had been appointed as Chairman of the IC on 19 February 2025 upon the establishment of the IC and subsequently resigned as Chairman on RMC on 21 May 2025. He remained a member of the HSC.
- Encik Mohd Haris Bin Mohd Arshad resigned as a Non-Independent Non-Executive Director ("NINED") on 22 August 2025. He also resigned as a member of the NRC, IC and the HSC.
- Encik Mohamad Idros Bin Mosin was appointed as a NINED on 22 August 2025. He was also appointed as a member of the NRC. On 16 November 2025, he was appointed as a member of the RMC.
- Dato' Eisah Binti A. Rahman resigned as a member of the MRC on 22 August 2025 and was appointed as a member of the RMC on 22 August 2025. Effective 16 November 2025, and in accordance with the Company's Board Charter, Dato' Eisah retired as a Senior Independent Non-Executive, as well as the Chairman of the NRC and as a member of the RMC.
- Datuk Wira Arham Bin Abdul Rahman was appointed as an INED on 22 May 2025. He was also appointed as the Chairman of the RMC and a member of the NRC. He was re-designated to Senior Independent Non-Executive Director on 16 November 2025 upon Dato' Eisah's retirement.
- Encik Razalee Bin Amin has retired in accordance with Article 100 of the Company's Constitution and the Company's Board Charter on 21 May 2025 upon the conclusion of the 24th AGM, as well as the Chairman of the AC.
- Puan Zaiton Binti Jamaluddin has retired in accordance with Article 100 of the Company's Constitution and the Company's Board Charter on 21 May 2025 upon the conclusion of the 24th AGM, as well as a member of both the AC and the RMC.
- Datuk Nik Moustpha Bin Haji Nik Hassan has retired in accordance with Paragraph 4.2.9 of the Company's Board Charter upon conclusion of the 24th AGM. He also retired as the Chairman of the HSC, and as a member of the RMC.
- Dato' Dr. Zaki Morad Bin Mohamad Zaher has retired in accordance with Article 100 of the Company's Constitution on 21 May 2025 upon the conclusion of the 24th AGM and retired as the Chairman of the MRC, and a member of the NRC.
- On 21 May 2025, Puan Nik Fazila Binti Nik Mohamed Shihabuddin was redesignated as the Chairman of the AC upon Encik Razalee's retirement. On 22 August 2025, she was appointed as a member of the HSC.
- Dato' Adnan Hisham Bin Pawanteh was appointed as an INED on 22 May 2025. He was also appointed as the Chairman of the HSC and a member of the IC. On 16 November 2025, he was appointed as a member of the AC.
- Dr. Sharmila A/P Ramachandran was appointed as an INED on 22 May 2025. She was also appointed as a member of the AC and RMC.
- Dr. Hasnita Binti Hashim was appointed as an INED on 1 June 2025 and as a member of the AC, and the HSC. Upon Encik Mohd Haris's resignation from the Board on 22 August 2025, Dr. Hasnita was appointed as a member of the IC and resigned as a member of HSC. On 16 November 2025, she resigned as a member of the AC and was appointed as the Chairman of the NRC.
- Encik Muhammad Shukri Bin Ismail ceased as a Non-Independent Non-Executive Alternate Director to Encik Mohd Haris Bin Mohd Arshad following his resignation on 22 August 2025 and was appointed as Non-Independent Non-Executive Alternate Director to Encik Mohamad Idros Bin Mosin on 22 August 2025. Encik Muhammad Shukri Bin Ismail attended the Board, NRC and HSC meetings by way of invitation.
- Encik Leonard Ariff Bin Abdul Shatar ceased as the GMD on 31 December 2025 upon the expiry of his employment agreement.

\* Absent due to Hajj pilgrimage.

\*\* Absent due to overseas travel.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness****DIRECTOR'S TRAINING IN FY2025**

In observing the requirements of Paragraph 15.08 and Practice Note 5 of Bursa Malaysia's MMLR, the Board continued to prioritise Directors' training and professional development in 2025, guided by a training needs analysis undertaken during the year. The training programmes completed reflected key focus areas aligned with the Group's priorities for the year under review, including governance, sustainability, digital transformation, regulatory developments, and medical and healthcare-related matters.

A forward-looking internal training calendar for 2025 was prepared and circulated to the Board in advance to facilitate planning and ensure adequate participation. The Company also continued to monitor compliance with the Mandatory Accreditation Programme and other relevant continuing education requirements, with updates presented to the Board on a periodic basis to ensure ongoing adherence to regulatory expectations.

A non-exhaustive list of the training programmes attended by the Directors during the financial year is set out below.

Directors' Training Programmes		
Date	Seminars/Conferences/Forums/Trainings	Attended By
6 January 2025	Seminar Leadership: Cybersecurity Awareness	• Datuk Wira Arham Bin Abdul Rahman
8 January 2025	Cyber Risk & Security Awareness Session by Malayan Banking Berhad	• Dr. Hasnita Binti Hashim
15 January 2025	PwC Corporate Directors Survey 2024 Update	• Nik Fazila Binti Nik Mohamed Shihabuddin
21 January 2025	Directors & Senior Management Training (No.01/2025) on Updates on Tax Matters & E-Invoicing by Moore Advent Tax Consultants Sdn Bhd	• Datin Paduka Kartini Binti Hj Abdul Manaf • Leonard Ariff Bin Abdul Shatar • Dato' Eisah Binti A. Rahman • Datuk Mohd Radzif Bin Mohd Yunus • Nik Fazila Binti Nik Mohamed Shihabuddin • Muhammad Shukri Bin Ismail
17 February 2025	Empowering Growth in AI: A Vision For the Future of My Company-Leader in Data and AI Services; Navigating Waves of Corporate Liability	• Datin Paduka Kartini Binti Hj Abdul Manaf
21 March 2025	HLB Market Update - Post FOMC + Trump Tariffs - Is the world heading towards recession?	• Nik Fazila Binti Nik Mohamed Shihabuddin
30 April 2025	Directors & Senior Management Training (No. 02/2025) on Key Considerations to Maximise Return on Investment in Product Development and Clinical Trials from a Pharmaceutical Perspective by Professor Tan Man-Wah, Vice President and Senior Fellow at Genentech Research and Early Development in South San Francisco, California	• Datin Paduka Kartini Binti Hj Abdul Manaf • Leonard Ariff Bin Abdul Shatar • Dato' Eisah Binti A. Rahman • Datuk Mohd Radzif Bin Mohd Yunus • Nik Fazila Binti Nik Mohamed Shihabuddin • Muhammad Shukri Bin Ismail
7 May 2025	Directors' Training on Annual Risk & Compliance Awareness 2025	• Datin Paduka Kartini Binti Hj Abdul Manaf

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness**
**Directors' Training Programmes**

Date	Seminars/Conferences/Forums/Trainings	Attended By
4 June 2025	The Journey into the AI Age: Game Changer for Your Digital Transformation Era by Bursa Malaysia	<ul style="list-style-type: none"> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> </ul>
11 June 2025	Sustainability Reporting by PWC	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>
17 June 2025	The Journey into the AI Age: Game Changer for Your Digital Transformation Era by Bursa Malaysia	<ul style="list-style-type: none"> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> </ul>
18 June 2025	Directors & Senior Management Training (No. 03/2025) on ESG: Risks and Opportunities? by Skrine	<ul style="list-style-type: none"> <li>Leonard Ariff Bin Abdul Shatar</li> <li>Dato' Eisah Binti A. Rahman</li> <li>Datuk Mohd Radzif Bin Mohd Yunus</li> <li>Datuk Wira Arham Bin Abdul Rahman</li> <li>Dr. Sharmila A/P Ramachandran</li> <li>Dato' Adnan Hisham Bin Pawanteh</li> <li>Dr. Hasnita Binti Hashim</li> <li>Muhammad Shukri Bin Ismail</li> </ul>
19 June 2025	Insights Discovery Workshop	<ul style="list-style-type: none"> <li>Dr. Sharmila A/P Ramachandran</li> </ul>
8 July 2025	Technology, Cyber & Financial Risk Management	<ul style="list-style-type: none"> <li>Datuk Mohd Radzif Bin Mohd Yunus</li> </ul>
9 July 2025	ESG as Organisational Sustainability – ESG Risk, Global Warming, Climate Change Risk to Businesses	<ul style="list-style-type: none"> <li>Datuk Mohd Radzif Bin Mohd Yunus</li> </ul>
9 July 2025	PDPA Amendment Act 2024: Implementing PDPA Amendments and Principles	<ul style="list-style-type: none"> <li>Datuk Mohd Radzif Bin Mohd Yunus</li> </ul>
21 July 2025	Directors & Senior Management Training (No. 04/2025) on AI and Digital Health and How it is Impacting the Pharma Industry by Associate Professor Caroline Lee and Dr. Xavier Chee	<ul style="list-style-type: none"> <li>Datin Paduka Kartini Binti Hj Abdul Manaf</li> <li>Leonard Ariff Bin Abdul Shatar</li> <li>Dato' Eisah Binti A. Rahman</li> <li>Datuk Mohd Radzif Bin Mohd Yunus</li> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> <li>Datuk Wira Arham Bin Abdul Rahman</li> <li>Dr. Sharmila A/P Ramachandran</li> <li>Dato' Adnan Hisham Bin Pawanteh</li> <li>Muhammad Shukri Bin Ismail</li> </ul>
22 – 23 July 2025	Bursa Malaysia Mandatory Accreditation Programme (MAP) Part I by Institute of Corporate Directors Malaysia (ICDM)	<ul style="list-style-type: none"> <li>Dato' Adnan Hisham Bin Pawanteh</li> </ul>
23 July 2025	Cybersecurity and Impact of Artificial Intelligence by Allianz Malaysia Berhad ("AMB")	<ul style="list-style-type: none"> <li>Dr. Hasnita Binti Hashim</li> </ul>
28 July 2025	Strategic Oversight in strategy implementation: Getting execution right at the board level	<ul style="list-style-type: none"> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> </ul>
28 July 2025	Unlocking Capital for Sustainability 2025 – Malaysia	<ul style="list-style-type: none"> <li>Dato' Adnan Hisham Bin Pawanteh</li> </ul>
31 July 2025	Director's Programme Maybank Annual Board Risk Workshop 2025 by Malayan Banking Berhad	<ul style="list-style-type: none"> <li>Dr. Hasnita Binti Hashim</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A****Board Leadership & Effectiveness****Directors' Training Programmes**

<b>Date</b>	<b>Seminars/Conferences/Forums/Trainings</b>	<b>Attended By</b>
<b>20 August 2025</b>	Qualified Risk Directors: Series 1 Board Risk Oversight Best Practices: A Strategic Approach by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>
<b>20 August 2025</b>	Qualified Risk Directors: Series 2 The Directors' Guide to Driving Corporate Culture and Enterprise Risk Management (ERM) by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>
<b>25 August 2025</b>	Directors & Senior Management Training (No. 05/2025) on Anti-Corruption & The National Anti-Corruption Strategy (NACS) by Superintendent Thilak Munusamy, Private Sector Officer Community Education Division, MACC and Briefing on Duopharma Biotech: Director and Officers Liability Takaful by Etiqa Takaful General Berhad	<ul style="list-style-type: none"> <li>Datin Paduka Kartini Binti Hj Abdul Manaf</li> <li>Dato' Eisah Binti A. Rahman</li> <li>Datuk Mohd Radzif Bin Mohd Yunus</li> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> <li>Datuk Wira Arham Bin Abdul Rahman</li> <li>Dato' Adnan Hisham Bin Pawanteh</li> <li>Dr. Sharmila A/P Ramachandran</li> <li>Muhammad Shukri Bin Ismail</li> </ul>
<b>27 – 28 August 2025</b>	Bursa Malaysia Mandatory Accreditation Programme (MAP) by Institute of Corporate Directors Malaysia (ICDM)	<ul style="list-style-type: none"> <li>Dr. Sharmila A/P Ramachandran</li> </ul>
<b>4 September 2025</b>	Directors & Senior Management Training (No. 06/2025) on Malaysia Pharmaceutical Regulatory Landscape (Past, Present, Future) by Puan Sabrina Binti Haron, Chief Compliance Officer of Duopharma Biotech Berhad	<ul style="list-style-type: none"> <li>Datin Paduka Kartini Binti Hj Abdul Manaf</li> <li>Leonard Ariff Bin Abdul Shatar</li> <li>Dato' Eisah Binti A. Rahman</li> <li>Datuk Mohd Radzif Bin Mohd Yunus</li> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> <li>Datuk Wira Arham Bin Abdul Rahman</li> <li>Dato' Adnan Hisham Bin Pawanteh</li> <li>Dr. Sharmila A/P Ramachandran</li> <li>Mohamad Idros bin Mosin</li> <li>Muhammad Shukri Bin Ismail</li> </ul>
<b>9 September 2025</b>	Balancing Risks & Opportunity in Sustainability Leadership by Business Council for Sustainable Development Malaysia	<ul style="list-style-type: none"> <li>Dato' Adnan Hisham Bin Pawanteh</li> </ul>
<b>10 September 2025</b>	The Audit Committee Chair of the Future	<ul style="list-style-type: none"> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> </ul>
<b>10 September 2025</b>	Qualified Risk Director: Series 11 – Director's guide to machine learning and AI by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>
<b>10 September 2025</b>	Qualified Risk Director: Series 12 – Director's guide to Cybersecurity oversight by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness****Directors' Training Programmes**

<b>Date</b>	<b>Seminars/Conferences/Forums/Trainings</b>	<b>Attended By</b>
<b>11 September 2025</b>	Challenges in the Business World: Risk and Compliance Posed by Volatility, Uncertainty, Complexity, and Ambiguity (V.U.C.A.) by MSWG	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>
<b>12 September 2025</b>	Strengthening Cyber Resilience: A Strategic Priority for Boards and Senior Management	<ul style="list-style-type: none"> <li>Mohamad Idros Bin Mosin</li> </ul>
<b>22 – 23 September 2025</b>	Bursa Malaysia Mandatory Accreditation Programme Part II: Leading for Impact (LIP) (MAP II) by the Institute of Corporate Directors Malaysia (ICDM)	<ul style="list-style-type: none"> <li>Dato' Adnan Hisham Bin Pawanteh</li> </ul>
<b>23 September 2025</b>	Financial Acumen for Healthcare	<ul style="list-style-type: none"> <li>Dr. Sharmila A/P Ramachandran</li> </ul>
<b>29 September 2025</b>	Audit Committee Conference 2025 by Malaysian Institute of Accountants	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>
<b>30 September 2025</b>	Preparing, Approving and Communicating Financial Statements	<ul style="list-style-type: none"> <li>Datuk Mohd Radzif Bin Mohd Yunus</li> </ul>
<b>1 October 2025</b>	Qualified Risk Director: Series 13 – Director's guide to COSO 2013 and empowered Audit Committees by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>
<b>1 October 2025</b>	Qualified Risk Director: Series 14 – Director's guide to Governance, Risk and Compliance (GRC) and Climate change and principles-based taxonomy (CCPT) by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> </ul>
<b>6 &amp; 7 October 2025</b>	Khazanah Megatrends Forum (KMF) 2025: Debugging Uncertainty	<ul style="list-style-type: none"> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> </ul>
<b>9 October 2025</b>	Integrity insights for directors: Tackling Criminal Breach of Trust (CBT), Conflict of Interest, RPT and Corruption	<ul style="list-style-type: none"> <li>Nik Fazila Binti Nik Mohamed Shihabuddin</li> <li>Mohamad Idros Bin Mosin</li> </ul>
<b>14 – 15 October 2025</b>	The Nominee Directors Training Programme 2025 – Stewarding Governance Excellence: Balancing Judgement, Integrity, and Foresight	<ul style="list-style-type: none"> <li>Datin Paduka Kartini Binti Hj Abdul Manaf</li> </ul>
<b>21 October 2025</b>	PNB Knowledge Forum: Transformation - A Defining Question of Our Times	<ul style="list-style-type: none"> <li>Dato' Adnan Hisham Bin Pawanteh</li> </ul>
<b>24 October 2025</b>	Navigating Climate Risk: How Insurance Companies Prepare for it and the Board's Strategic Role by AMB	<ul style="list-style-type: none"> <li>Dr. Hasnita Binti Hashim</li> </ul>
<b>29 October 2025</b>	Qualified Risk Director: Series 5 - Directors guide to Emerging Risk and Black Swans by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>Datuk Wira Arham Bin Abdul Rahman</li> <li>Dr. Sharmila A/P Ramachandran</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness****Directors' Training Programmes**

<b>Date</b>	<b>Seminars/Conferences/Forums/Trainings</b>	<b>Attended By</b>
<b>29 October 2025</b>	Qualified Risk Director: Series 6 - Directors guide to the role of board in fraud risk management by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>• Datuk Wira Arham Bin Abdul Rahman</li> <li>• Dr. Sharmila A/P Ramachandran</li> </ul>
<b>30 October 2025</b>	Qualified Risk Director: Series 8 - Directors guide to Opportunity in Risk by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>• Dr. Sharmila A/P Ramachandran</li> </ul>
<b>30 October 2025</b>	Qualified Risk Director: Series 10 - Directors Guide to Crisis Management and Leadership by the Institute of Enterprise Risk Practitioners (IERP®)	<ul style="list-style-type: none"> <li>• Dr. Sharmila A/P Ramachandran</li> </ul>
<b>12 November 2025</b>	Sustainability Reporting IFRS S1 and IFRS S2 & E-Invoicing by KPMG	<ul style="list-style-type: none"> <li>• Datuk Wira Arham Bin Abdul Rahman</li> </ul>
<b>20 November 2025</b>	Fireside Chat with PNB Investee Companies' Board of Directors	<ul style="list-style-type: none"> <li>• Datin Paduka Kartini Binti Hj Abdul Manaf</li> </ul>
<b>25 November 2025</b>	Security Commission Malaysia's Audit Oversight Board Conversation with Audit Committees	<ul style="list-style-type: none"> <li>• Datin Paduka Kartini Binti Hj Abdul Manaf</li> </ul>
<b>2 December 2025</b>	MBMR Leadership Summit 2025	<ul style="list-style-type: none"> <li>• Datin Paduka Kartini Binti Hj Abdul Manaf</li> </ul>
<b>2 December 2025</b>	AI-Powered – Leadership Conference	<ul style="list-style-type: none"> <li>• Mohamad Idros Bin Mosin</li> </ul>
<b>10 December 2025</b>	Presentation Skills & Coaching Lab by Vantage Partners	<ul style="list-style-type: none"> <li>• Dr. Sharmila A/P Ramachandran</li> </ul>
<b>17 December 2025</b>	Trust on Trial: Fiduciary Duties in the Modern Boardroom	<ul style="list-style-type: none"> <li>• Datin Paduka Kartini Binti Hj Abdul Manaf</li> </ul>
<b>18 December 2025</b>	Cybersecurity Awareness	<ul style="list-style-type: none"> <li>• Datin Paduka Kartini Binti Hj Abdul Manaf</li> </ul>

Concurrently, the Company Secretary also undertook relevant continuing professional development programmes during the financial year to enhance competencies and stay abreast of regulatory and governance developments. A non-exhaustive list of the training programmes attended is set out in the table below:

**Company Secretary's Training Programmes Attended in 2025**

<b>Date</b>	<b>Seminars/Conferences/Forums/Trainings</b>
<b>21 January 2025</b>	Directors' & Senior Management Training (No. 01/2025) on Updates on Tax Matters & E-Invoicing by Moore Advent Tax Consultants Sdn Bhd
<b>30 April 2025</b>	Directors' & Senior Management Training (No. 02/2025) on Key Considerations to Maximise Return on Investment in Product Development and Clinical Trials from a Pharmaceutical Perspective by Professor Tan Man-Wah, Vice President and Senior Fellow at Genentech Research and Early Development in South San Francisco, California
<b>18 June 2025</b>	Directors' & Senior Management Training (No. 03/2025) on ESG: Risks and Opportunities? by Skrine

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness****Company Secretary's Training Programmes Attended in 2025**

Date	Seminars/Conferences/Forums/Trainings
21 July 2025	Seminars/Conference/ Forums/Trainings: Directors' & Senior Management Training (No. 04/2025) on AI And Digital Health and How It Is Impacting the Pharma Industry by Associate Professor Caroline Lee & Dr. Xavier Chee
25 August 2025	Directors' & Senior Management Training (No. 05/2025) on Anti-Corruption & The National Anti-Corruption Strategy (NACS) by Superintendent Thilak Munusamy, Private Sector Officer Community Education Division, MACC and Briefing on Duopharma Biotech: Director and Officers Liability Takaful by Etiqa Takaful General Berhad
4 September 2025	Directors' & Senior Management Training (No. 06/2025) on Malaysia Pharmaceutical Regulatory Landscape (Past, Present, Future) by Puan Sabrina Binti Haron, Chief Compliance Officer of Duopharma Biotech Berhad
8 September 2025	Legal Engagement Session 2025
23-24 September 2025	MAICSA Annual Conference 2025 - Future Governance
9 October 2025	Intellectual Property Workshop on Trademark by Raja Darryl & Loh
6 November 2025	Managing Employees in Line with Malaysia's Amended Employment Act, IR Act & Trade Union Act Training by LS Human Capital Sdn Bhd

**Board and Senior Management Remuneration**

Remuneration is provided to the Non-Executive Directors, save for the Alternate Director, to support their effectiveness in discharging fiduciary responsibilities and to align leadership efforts with the Company's short-, medium- and long-term strategic objectives. The Board adopts a remuneration philosophy below:

<b>PETIRR</b>	Drive behaviour that is consistent with Duopharma Biotech's core values
<b>Prudent Risk Taking</b>	Promote symmetric outcomes with a risk appetite of Duopharma Biotech by encouraging prudent risk taking in decision making and undertaking of business activities
<b>Affordable Yet Fair</b>	Deliver a total reward proposition that is affordable yet fair and justifiably differentiated
<b>Competitive Benchmarking</b>	Compensation is structured to remain competitive within the market and industry to attract and retain top talent while ensuring alignment with the Company's financial resources and performance
<b>Attract and Retain Exceptional Talent</b>	Attract and retain high quality individuals with the optimum mixture of competencies, abilities, experience and skill sets to drive strategy
<b>Fostering a Performance Centric Culture</b>	Promote a culture that values organisational, team and individual performance, while offering substantial incentives for those who consistently achieve strategic goals
<b>Equity &amp; Transparency</b>	Ensure fairness and transparency in compensation practices by promoting equal pay and providing clear disclosure of executive pay structures to shareholders

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle A Board Leadership & Effectiveness**

Non-Executive Directors receive fees and allowances that are commensurate with the scope of their responsibilities on the Board and Board Committees. The remuneration policy for Non-Executive Directors is structured to reflect their qualifications, experience and competencies, as well as the time commitment and level of engagement required. Remuneration is determined with reference to annual evaluations undertaken by the NRC and prevailing market practices. Non-Executive Directors are paid fixed Directors' fees, Board Committee fees, meeting allowances and other benefits, with no distinction between physical attendance and participation through electronic modalities.

To ensure consistency and governance discipline in the payment of meeting allowances, the Board continues to apply a structured approach in distinguishing between formal and informal meetings. Meetings attended by the Company Secretary and supported by formal minutes are classified as formal meetings and are eligible for meeting allowances. Other engagements of an informal nature do not attract allowances. The Board and the NRC periodically review the Remuneration Policy and Procedures for Directors and Senior Management, with reference to external benchmarks and professional advice where appropriate, to ensure continued relevance and competitiveness. Disclosure of individual Directors' remuneration is provided in the Corporate Governance Report 2025 under Practice 8.1.

For the GMD (until 31 December 2025), the GCEO (appointed with effect from 1 October 2025), and other members of Senior Management, remuneration packages are structured to be market-competitive and aligned with performance. Pursuant to the Group's succession plan, Encik Wan Amir-Jeffery Bin Wan Abdul Majid assumed the role of GCEO of Duopharma Biotech on 1 October 2025. On 1 December 2025, he took over from Encik Leonard Ariff Bin Abdul Shatar as the chief executive of Duopharma Biotech. Encik Leonard Ariff subsequently ceased to hold the position of GMD on 31 December 2025 upon the expiry of his contract of employment.

The framework is designed to attract, retain and motivate executives with the capability to manage the Group effectively in an increasingly complex operating environment. Remuneration is linked to the achievement of clearly defined key performance indicators and the delivery of strategic priorities, thereby reinforcing accountability and performance outcomes.

In line with good governance practice, Directors and Officers of the Company and the Group are covered under Directors' and Officers' liability takaful in respect of liabilities arising from the discharge of their duties, subject to the terms and conditions of the coverage.



The Remuneration Policy and Procedures for Directors and Senior Management are available on Duopharma Biotech's corporate website at <https://duopharmabiotech.com/esg/governance-and-policies/>

**Directors' Code of Ethics**

During the financial year under review, the Directors have upheld and demonstrated full adherence to the Company's Directors' Code of Ethics, conducting themselves with integrity, accountability and professionalism in all deliberations and decision-making processes. They continued to act in the best interests of the Company and its stakeholders, complied with all applicable laws, regulations and internal policies, and exercised their duties with due care, diligence and good faith. The Board collectively affirmed its commitment to maintaining high standards of ethical behaviour and corporate governance throughout the year.

**PRINCIPLE B****Effective Audit & Risk Management****Audit Committee Membership and Attendance**

The AC comprised solely INED throughout FY2025 in line with Paragraphs 15.09 and 15.10 of the MMLR and Step-Up Practice 9.4 of the MCCG, with the committee Chair distinct from the Board Chair. The committee Chair, Puan Nik Fazila Binti Nik Mohamed Shihabuddin, is a certified public accountant and member of the Malaysian Institute of Accountants, satisfying the accountant-qualification requirement under the MMLR. During the year, the committee reviewed quarterly and annual financial statements, assessed the external auditor's independence and audit plan, held private sessions with the external auditors, and considered the appropriateness of audit and permitted non-audit services. The committee also reviewed and recommended the AC Report and the SORMIC for inclusion in the Integrated Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**PRINCIPLE B****Effective Audit & Risk Management**

The committee oversaw the Internal Audit function and reviewed the Group Internal Audit (“GIA”)’s work programme and outcomes. In 2025, the GIA issued sixteen (16) audit reports covering a range of operational, compliance and ICT matters, including recurrent related party transactions, quality control, cybersecurity risk assessments, contract and asset management, and governance reviews. The AC considered significant internal audit findings, management action plans and implementation status, and reported on these matters to the Board. The AC also evaluated and endorsed policies relating to external auditors, cybersecurity and the Group’s Limits of Authority, and reviewed finance-related matters and Directors’ and Officers’ liability takaful arrangements.

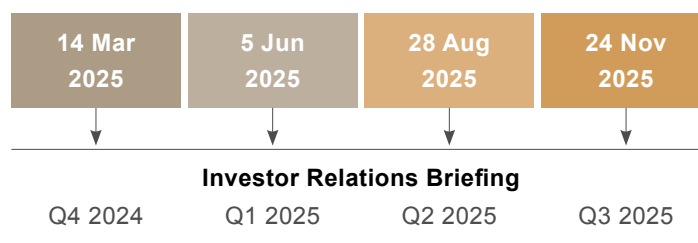
**Risk Management and Internal Control Framework**

The Board, through its committees, maintained oversight of the Group’s risk management and internal control framework, with the AC and RMC playing complementary roles. Both AC and RMC reviewed the SORMIC and the Annual Assurance Statement, which were supported by management sign-off. The GRMI function drives the continuous enhancement and implementation of Duopharma Biotech’s Risk Management Framework, anti-bribery and anti-corruption initiatives along with integrity practices across the Group. It undertakes risk assessments to support committee deliberations and to inform investment and operational decisions presented to the RMC and the Board.

COI matters and related-party transactions are reviewed under established frameworks and, where applicable, mitigated through abstentions and procedural safeguards. The AC also monitors strategic and litigation matters as part of its risk oversight responsibilities. The Board ensures that internal control weaknesses identified by GIA are tracked and remediated through agreed management action plans. Material risk exposures, including cybersecurity and operational risks, are subject to periodic reviews and escalation in line with the Group’s governance processes.

**PRINCIPLE C****Integrity in Corporate Reporting & Meaningful Relationships****Corporate Reporting**

Duopharma Biotech maintains transparent and timely communications with its stakeholders through a combination of formal disclosure channels and direct engagement. The Company issues announcements to Bursa Malaysia in accordance with regulatory requirements, publishes the Integrated Annual Report with balanced financial and non-financial information, and maintains investor and corporate information on its website to facilitate stakeholder access to key disclosures. The Company also utilises briefings, roadshows, media releases and social media to provide updates and to enable two-way feedback where appropriate.

**Investor Relations Briefing**

In 2025, the Company conducted quarterly Investor Relations (IR) briefings to provide timely updates on financial performance and strategic developments, namely: Q4 2024 (14 March 2025), Q1 2025 (5 June 2025), Q2 2025 (28 August 2025) and Q3 2025 (24 November 2025). These briefings provided analysts and investors with direct access to Management for performance discussions and clarification of key operational matters. Stakeholders may contact the IR function at +603-3323 2759 or +603-3323 3923, or via email at vinc-choong@duopharmabiotech.com for any investor-related enquiries.

To further support effective stakeholder communication, the Board has also designated Datuk Wira Arham Bin Abdul Rahman as the Senior Independent Non-Executive Director to act as an additional point of contact for stakeholders, including employees and minority shareholders, where concerns cannot be appropriately addressed through the usual communication channels.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle C****Integrity in Corporate Reporting & Meaningful Relationships****Annual General Meeting**

The AGM remains the principal forum for shareholder engagement. The Twenty-Fourth (24th) AGM was convened as a physical meeting at the Grand Acmar Ballroom, Level 1, Wyndham Acmar Klang Hotel, Klang, Selangor Darul Ehsan on Wednesday, 21 May 2025 at 9.00 a.m. The Company conducted all resolutions by poll in accordance with best practice, with Tricor Investor & Issuing House Services Sdn. Bhd. appointed as Poll Administrator, represented by Puan Nur Qaisara Naaila @ Nella Nyoyew and Ms Samantha Goh, and Scrutineer Solutions Sdn. Bhd. appointed as Independent Scrutineer, represented by Ms Melissa Liew Lay Kim. Voting results were validated by the appointed scrutineer and announced by the Chairman at the meeting.

The Board encourages active shareholder participation and transparency at general meetings. Shareholders are invited to submit questions in advance and to raise questions during the meeting, with the Company Secretary recording queries and responses. At the 24th AGM of Duopharma Biotech, the Company demonstrated good engagement practice by providing answers to all questions raised during the meeting. The Company issues notices of general meetings at least 28 days in advance and makes minutes available in line with regulatory timelines.

The Company continues to uphold high standards of corporate reporting and stakeholder engagement, supported by clear policies and procedures governing disclosure, investor relations and shareholder communications. Further information on investor engagement is available in the Investor Relations section of the Company's website and in the Integrated Annual Report.

**FOCUS AREAS DURING FY2025  
(AND PRIOR YEAR FOUNDATIONS)****Investment Oversight**

In FY2025, the Board strengthened governance of strategic capital allocation through formal investment oversight. The Board approved the establishment of a Board-level IC and the committee's Terms of Reference were subsequently approved on 15 May 2025. The IC assumed responsibility for investment matters formerly overseen by the RMC, while the Group Risk Management and Integrity Department continued to perform independent risk assessments for projects presented to the committee. The Group continues to strengthen its M&A governance, with the Board approving significant enhancements to the M&A Framework in 2025. This follows the previous revision in 2022 and reflects the Group's commitment to disciplined investment evaluation.

During the year, the IC served as the primary gatekeeper for screening acquisition targets and early-stage investment proposals, reviewing initial screening outcomes before determining whether opportunities would proceed to due diligence to strengthen oversight over inorganic growth and strategic alignment. The Committee also oversaw the Group's strategic capital allocation across M&A, investment pipelines, and capital expenditure initiatives to support sustainable growth and operational resilience. Key strategic investments reviewed and endorsed included targeted acquisition opportunities and manufacturing capacity expansions at the Klang 3 and Bangi 2 plants.

The Group also continued to pursue strategic collaboration opportunities within the pharmaceutical value chain to support national healthcare sustainability objectives, including initiatives for localisation of off-patent pharmaceutical production leveraging existing manufacturing capabilities. Portfolio investments, non-core asset optimisation opportunities, and strategic infrastructure expansion plans were also reviewed to support long-term operational growth.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Principle C****Integrity in Corporate Reporting & Meaningful Relationships**

The committee also endorsed the Duopharma Beyond 2025 10-Year Corporate Strategy: M&A and Investment Strategy Playbook, reinforcing accountability, sustainable value creation, and alignment with the Group's ESG and corporate governance commitments. The RM2.0 billion Sukuk Wakalah Programme remained available as a strategic funding source to support selective investment opportunities.

**Leadership Transition**

In 2025, the Board implemented a staged and deliberate leadership transition and Board renewal programme, sequencing appointments and retirements across May, June, August and November to preserve institutional knowledge while introducing new perspectives. The NRC led the process in accordance with the Board Charter, applying Fit and Proper criteria, the Board Diversity Policy and tenure provisions when assessing candidate suitability and committee fit. New Directors were onboarded under the Company's induction framework, coordinated by the Company Secretary, and supported through regulatory briefings, governance orientation and committee allocations.

Executive succession was successfully completed later in the year. In line with the Group's leadership transition, Encik Wan Amir-Jeffery was appointed as GCEO on 1 October 2025. He subsequently assumed the full responsibilities of the chief executive role from Encik Leonard Ariff on 1 December 2025. Encik Leonard Ariff thereafter ceased to hold office as GMD of Duopharma Biotech on 31 December 2025 upon the expiry of his employment contract. The Board approved updated appointment documentation and revised the Group's Limits of Authority ("LOA") in late 2025 to reflect the changed executive mandate, with further LOA refinements planned for 2026. The NRC continues to refine Board succession planning, including a phased retirement plan to avoid concentrated turnover and to preserve governance continuity.

The NRC is committed to regularly monitor tenure, diversity and succession metrics, and the Board has retained a deliberate, staggered approach to renewal to avoid single-point governance change and to maintain continuity of oversight.

**Operational governance**

Procurement governance continued its evolution from predominantly transactional purchasing towards a more strategic procurement model. The Group emphasised supply stability and continuity alongside cost discipline, recognising the importance of resilient supplier relationships for operational reliability and patient access. Strategic supplier partnerships were prioritised where these support long-term supply security, quality assurance and sustainability objectives, even where short-term cost considerations may not be the lowest option available.

Integrity and internal assurance remained priorities under the Board's oversight during the year under review. The Board noted progress on the ABMS and independent audit findings in 2025 and directed management to address identified gaps in advance of the next recertification cycle. The AC maintained oversight of internal assurance activities, reviewed internal audit findings and remediation plans, and received periodic reports on control status, finance function performance and cybersecurity matters for Board consideration.

**FUTURE PRIORITIES FOR 2026 AND BEYOND****AI governance**

In the upcoming Financial Year, Duopharma will implement a phased and risk-based approach to establish the Group's artificial intelligence ("AI") Governance Framework. An AI Task Force Committee will be formed, comprising representatives from IT, Corporate Strategy, Risk, Compliance, Regulatory, Quality, HR and business units, to oversee the development and implementation of AI governance policies and controls. A formal AI Governance Policy will be developed to set enterprise-wide standards covering data governance, model validation, cybersecurity, vendor due diligence, regulatory compliance and ethical risk management.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Principle C

### Integrity in Corporate Reporting & Meaningful Relationships

Documented processes, including risk assessments, validation requirements and escalation protocols, will be established for priority AI initiatives. The AC and the Group Risk Management and Integrity function will provide independent oversight, with material updates and policy approvals tabled to the Board to ensure effective governance and risk management of AI adoption across the Group.

#### Environmental, Social, and Governance (ESG)

Duopharma Biotech is advancing into the final stage of its current ESG Strategy under the long-term roadmap. In anticipation of the next strategic cycle, the Group has commenced a structured review of the existing ESG Strategy and the formulation of a new roadmap, i.e., ESG Strategy (Beyond 2026), underpinned by the Group's 11 prioritised material sustainability matters. In FY2025, the Board confirmed continued prioritisation of these objectives and directed management to accelerate implementation plans and reporting arrangements for the forthcoming phase.

On the environmental agenda, the Company progressed energy-efficiency initiatives, including the appointment of an internal energy manager and the engagement of specialist consultants to conduct energy audits and advise on energy-saving technologies. Water-saving programmes were implemented across operations to address regulatory expectations and resource management priorities. In line with the NZTP, management is documenting and sequencing energy and resource projects for oversight and future disclosure.

On social matters, Duopharma Biotech continued to emphasise diversity, equity and inclusion across the workforce and to align employee welfare objectives with stakeholder standards, including consideration of living wage principles consistent with major shareholder expectations. The Employee Relief Fund (ERF) remained in place in FY2025 to provide targeted support for employees affected by natural disasters or serious illness.

From a governance and reporting perspective, the Group continue on strengthening oversight on ethical conduct, compliance, and anti-corruption management. The Group also

maintained a disciplined approach to tracking ESG objectives and performance, with Management continued to capture progress against agreed initiatives and to prepare more detailed targets and disclosures for upcoming sustainability reporting cycles. The HSC retains primary oversight of ESG delivery and will report progress, key risks and milestone achievements to the Board on a regular basis.

#### Product and Customer Risk Management

Duopharma Biotech will strengthen its product and customer risk management framework as the Group pursues geographic expansion and product diversification. Management will formalise enhanced market-entry protocols requiring upfront regulatory mapping, local compliance checks and market due-diligence prior to commercial launch.

To reduce concentration risk, the Board has requested deliberate measures to broaden the customer base and to manage reliance on any single large purchaser. These measures will include tighter approval gates for large orders, staged fulfilment arrangements, and commercial terms that mitigate credit and operational exposure. All product and customer risk initiatives will be integrated into the Group's enterprise risk register and subject to periodic review by the RMC. The IC will be engaged where strategic commercial decisions or inorganic options are implicated.

#### Statement of Board Approval

The Board, having reviewed the Company's corporate governance framework, is satisfied that the Group has applied and maintained appropriate governance practices throughout the financial year ended 31 December 2025, in accordance with the MCCG 2021. The Board is of the view that the Group's governance structures, policies and processes have been operating effectively to support accountability, transparency and ethical business conduct across the organisation.

The CGOS has been approved by the Board of Directors at its meeting on 17 March 2026.



## REPORT OF THE AUDIT COMMITTEE

reported to the AC during the year under review, save for the following:

A COI involving an employee relating to services provided by vendors to a subsidiary of the Company was identified. The matter has been addressed through the application of consequence management, and measures were taken to strengthen compliance with established processes and tighten internal controls.

Potential COI due to Permodalan Nasional Berhad (“PNB”), a major shareholder of Duopharma Biotech, having nominee directors on Duopharma Biotech’s Board. This is mitigated by their abstaining from deliberations and voting on any transaction involving PNB or persons connected to PNB.

### SUMMARY OF WORK DONE IN 2025


#### A Financial Reporting Matters

- i. Reviewed the Company’s quarterly reports in respect of the results for the quarters ended 31 December 2024, 31 March 2025, 30 June 2025 and 30 September 2025 to ensure compliance with the Malaysian Financial Reporting Standards and regulatory requirements, subsequently recommending that the Board release these to Bursa Malaysia.
- ii. Reviewed the notes to the draft announcements of the audited and unaudited financial statements to Bursa Malaysia, ensuring compliance with regulatory requirements.
- iii. Reviewed the audited financial statements of the Company and its subsidiaries as well as the external auditors’ report for the financial year ended 31 December 2024, including matters relating to adjustments arising from the external audit review and adequacy of disclosures, prior to recommending to the Board for approval. No significant adjustments were required to the financial statements, which according to the external auditors gave a true and fair view of the financial position of the Group.

#### B External Audit Matters

- i. During the year, two (2) formal private sessions were held with the external auditors on 6 March 2025 and 12 November 2025 without the presence of Management to discuss and review matters of concern as well as deliberate on observations highlighted by the external auditors, and the respective Management action plans and status updates. No major concerns were raised by the external auditors at these meetings.
- ii. Deliberated on issues and reservations arising from the interim and final audits, and any matters that the external auditor wished to discuss without the presence of Management.
- iii. Reviewed and endorsed the external auditors’ audit plan and engagement strategy for the financial year ended 31 December 2025, covering the independence, materiality, audit scope, audit methodology and timing of audit, key milestones, audit fees, etc., and reported the same to the Board.
- iv. Reviewed and approved the extent and nature of non-assurance services that can be carried out by the external auditor and ensured adequacy of checks and balances on the provision of such non-assurance services.

During the year, the Company engaged the external auditors and/or its affiliates for consultancy and/or advisory services on: 1) the Green Investment Tax Allowance (GITA) under the Income Tax Act 1967; 2) reviewing the Statement on Risk Management and Internal Control; and 3) facilitating the submission of audited financial statements via the Malaysian Business Reporting System (MBRS). These are not considered prohibited non-assurance services under the Company’s Policy on External Auditor.

 The audit and non-assurance fees paid are disclosed in the Other Disclosures on page 243.

- v. Evaluated the suitability, independence and performance of the Group’s external auditors in accordance with the Policy on External Auditors and made recommendations to the Board on their reappointment, which was approved.

Assessment of the external auditors’ independence and objectivity is performed on an annual basis anchored on a set of criteria set out in the Company’s Policy on External Auditor which can be found on the Company’s website at <https://duopharmabiotech.com/esg/governance-and-policies/>.

## REPORT OF THE AUDIT COMMITTEE

- The assessment of the external auditor also considers information presented in the audit firm's Annual Transparency Report including its governance and leadership structure as well as measures undertaken by the firm to uphold audit quality and manage risks as advocated in Guidance to Practice 9.3 of MCCG.
- vi. Reviewed and recommended the revised Policy on External Auditors, which delegates authority to the Chief Executive to review and approve the provision of non-assurance services, in compliance with the MIA By-Laws on Professional Ethics, Conduct and Practice, and the International Ethics Standards Board for Accountants (IESBA) Code of Ethics requirements. The policy also adopts the requirement for rotation of the audit engagement partner after a maximum tenure of seven years in line with the MIA By-Laws and IESBA provisions.
  - vii. Reviewed the external auditors' written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
  - vi. Monitored the corrective actions taken by Management to ensure all internal audit issues and concerns were adequately addressed within the stipulated timelines.
  - vii. Held private meetings and discussions with the Head of GIA on significant audit and internal control matters.
  - viii. Reviewed and approved Duopharma Biotech's 2026 Internal Audit Plan and Operational Budget, GIA Scorecard 2025 and Proposed Scorecard 2026.
  - ix. Reviewed and recommended to the Board Duopharma Biotech's Group Limits of Authority.
  - x. Reviewed the findings of internal investigations and ad hoc reviews conducted by GIA, assessed Management's responses, and provided recommendations for rectification and improvement. The AC monitored the implementation of these measures to ensure that appropriate corrective actions were taken and preventive controls were strengthened to safeguard the Company's governance standards.

**C Internal Audit Matters**

- i. Oversaw the performance and effectiveness of the Internal Audit function based on approved key performance indicators; assessed the competency and experience of the GIA staff as well as the adequacy of resources in order for Internal Audit to carry out its work effectively. The AC also ensured the GIA had the authority to carry out its work objectively and independently, free from any relationships or conflicts of interest.
- ii. Reviewed and approved Duopharma Biotech's Internal Audit Charter and Management Control Policy.
- iii. Reviewed and monitored Duopharma Biotech's 2025 Internal Audit Plan and Budget.
- iv. Reviewed the status report of internal audit activities for the year to ensure all the planned activities for Duopharma Biotech were carried out properly.
- v. Reviewed the summary of the internal audit report prepared by the GIA and deliberated on significant audit issues, audit recommendations, Management action plans and the agreed timelines. Where necessary, provided input on improving processes and operations.

**D Strategic and Litigation Matters**

- i. Reviewed Duopharma Biotech's strategic projects and ongoing litigation cases, and deliberated on the internal audit findings to determine the way forward.

**E Other Related Matters**

- i. Reviewed the Report of the AC and SORMIC prior to their submission to the Board for its approval on the statements' inclusion in the Integrated Annual Report 2024. SORMIC was supported by the Annual Assurance Statement on Risk Management and Internal Controls, which was signed off by the GMD and the CFO.
- ii. In accordance with the COI Framework, reviewed and reported to the Board on whether any COI or potential/perceived COI was identified.
- iii. In accordance with the Related Party Transaction Framework, reviewed related party transactions and recurrent related party transactions entered into by Duopharma Biotech and its Group and the disclosure of such transactions in the annual report.

## REPORT OF THE AUDIT COMMITTEE

- iv. Reviewed and recommended to the Board for approval dividends to be declared to the shareholders of Duopharma Biotech.
- v. Reviewed and monitored the Finance function of Duopharma Biotech as advocated by MCGG and provided input on improving processes and operations.
- vi. Reviewed and recommended to the Board for approval the Directors' and Officers' Liability Takaful in accordance with provisions under Section 289 of the Companies Act 2016.

### INTERNAL AUDIT FUNCTION

#### A Roles and Responsibilities

The AC is supported by the GIA in the discharge of its duties and responsibilities. Internal Audit is responsible for providing independent assessments of compliance with existing laws/regulations, policies and procedures, as well as reviewing the adequacy and effectiveness of the risk management systems, internal controls and governance processes. The purpose, authority and responsibilities of the Internal Audit function are stated in the Internal Audit Charter, which is approved by the AC. The Internal Audit function is also responsible for undertaking regular and systematic risk-based assessments of the internal control of the Duopharma Biotech Group so as to provide reasonable assurance that such systems are adequate and continue to operate effectively in managing the Group's key risks.

#### B Reporting Line

The Head of GIA reports directly to the AC to promote independence and to enable it to maintain objectivity in rendering unbiased judgements.

[The profile of the Head of GIA is set out on page 104 of this Integrated Annual Report.](#)

#### C Audit Planning and Work Done

In 2025, the GIA issued 16 audit reports covering operational and ad hoc matters, including:

- i. Recurrent Related Party Transactions Compliance Review
- ii. Kelab PETIRR Duopharma Biotech (Financial & Compliance)
- iii. Sustainability Statement Assurance Review
- iv. Contractual Management of Business Partners
- v. Follow-Up Audits on Management Corrective Actions
- vi. Trademark Audit
- vii. Follow-up review on Group Human Resources
- viii. Engineering Audit in Bangi
- ix. Duopharma HAPI Sdn Bhd
- x. Special Review on Duopharma Biotech's Investments
- xi. Cyber Security Risk & Control Assessment
- xii. Follow-Up Review on Ethical Classic Business
- xiii. Corporate Governance

Internal Audit Reports, which included issues and action plans, were presented to and discussed with Management. GIA subsequently monitored the implementation of the agreed action plans to ensure full compliance. The reports, together with follow-up action plans and implementation status, were presented to the AC for its deliberation and subsequent approval. The performance of the GIA function was presented to the AC on a quarterly basis.

#### D Internal Audit Cost

The total expenditure incurred by the GIA for the financial year was estimated at RM1,067,430.

[Further details of the activities of the Group GIA are set out in the Statement on Risk Management and Internal Control on pages 150 to 162 of this Integrated Annual Report.](#)

# REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE



## DR. HASNITA BINTI HASHIM

Chairman,  
Independent Non-Executive Director

The attendance of each NRC member during the year is as follows:

### Dr. Hasnita Binti Hashim

Chairman, Independent Non-Executive Director  
(Appointed with effect from 16 November 2025)

1/1

### Datuk Wira Arham Bin Abdul Rahman

Member, Senior Independent Non-Executive Director  
(Appointed with effect from 22 May 2025)

4/4

### Encik Mohamad Idros Bin Mosin

Member, Non-Independent Non-Executive Director  
(Appointed with effect from 22 August 2025)

3/3

### Dato' Eisah Binti A. Rahman

Chairman, Senior Independent Non-Executive Director  
(Retired with effect from 16 November 2025)

7/7

### Encik Mohd Haris Bin Mohd Arshad

Member, Non-Independent Non-Executive Director  
(Resigned with effect from 22 August 2025)

5/5

### Dato' Dr. Zaki Morad Bin Mohamad Zaher

Member, Independent Non-Executive Director  
(Retired with effect from 21 May 2025)

4/4

## KEY ROLES

The NRC assumes responsibility for the following duties on behalf of the Board:

The nomination and appointment of Board members and Senior Management of the Group.

The Board evaluation process, induction and training programmes, remuneration and human resources function.



The roles and responsibilities of the NRC are set out in its Terms of Reference which can be found on the Company's website at [https://duopharmabiotech.com/esg/governance\\_and\\_policies/](https://duopharmabiotech.com/esg/governance_and_policies/)

## SUMMARY OF WORK DONE IN 2025

### A Nomination-Related Matters

- i. Reviewed the Annual Declaration and Due Diligence, including the Fit and Proper and COI assessments performed on the Board of Directors of the Group.
- ii. Reviewed and recommended the retirement by rotation of Directors and the re-election of those who are eligible, in accordance with the Company's Board Charter and Practice 5.5 of the MCCG.
- iii. Evaluated, assessed and recommended to the Board, the appointment of the following Directors:
  - (a) Datuk Wira Arham Bin Abdul Rahman as an Independent, Non-Executive Director
  - (b) Dato' Adnan Hisham Bin Pawanteh as an Independent, Non-Executive Director
  - (c) Dr. Sharmila A/P Ramachandran as an Independent, Non-Executive Director
  - (d) Dr. Hasnita Binti Hashim as an Independent, Non-Executive Director

## REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

- in place of retiring Directors, namely Encik Razalee Bin Amin, Puan Zaiton Binti Jamaluddin, Datuk Nik Moustpha Bin Haji Nik Hassan and Dato' Dr. Zaki Morad Bin Mohamad Zaher, who retired at the conclusion of the 24th AGM of the Company.
- iv. Evaluated, assessed and recommended to the Board the appointment of members of the Medical and Research Council following the Board's decision to transform the Medical and Research Committee of the Board into an operational-level Medical and Research Council.
  - v. Reviewed and recommended the composition of the Board Committees of Duopharma Biotech.
  - vi. Reviewed and recommended changes to the leadership team structure and implementation plan.
  - vii. Evaluated and reviewed the proposed successors to key senior management positions, including the GCEO, the CFO and the Chief Commercial Officer.
  - viii. Reviewed updates on HR related matters, including results of the Employee Engagement Index ("EEI") survey and the Focus Group Discussion in relation to action plans arising from the EEI Survey.
  - ix. Ensured that all Directors took part in appropriate continuing education programmes in order to keep abreast with developments in related industries and changes in relevant statutory requirements.
  - x. Reviewed Duopharma Biotech's talent updates and succession planning for Management, and engaged with selected talents for better assessment.
  - xi. Reviewed and recommended the Diversity, Anti-Discrimination and Anti-Harassment Policy for the Board's approval.
  - xii. Recommended that the Board Effectiveness Evaluation ("BEE") 2025 for the Board of Directors, Board Committees, individual Directors and Independent Directors be conducted internally; and reviewed the outcomes and recommendations of BEE 2025 for the Board's adoption and Management's actions.
  - xiii. Reviewed and deliberated on the Succession Plan Framework for Non-Executive Directors, including the updated Board Needs Analysis, and endorsed the proposal to engage an independent search firm for external sourcing of potential Board candidates to succeed Directors retiring pursuant to the said framework.
  - xiv. Pursuant to the Succession Plan Framework for Non-Executive Directors, assessed, interviewed and recommended candidates for appointment as new Directors of the Company; and pursuant to the Succession Plan for Senior Management of the Company, assessed, interviewed and recommended candidates (external and internal) for appointment as the new GCEO of the Company.
  - xv. Reviewed and recommended to the Board the composition of the Board of Directors of the subsidiary companies of Duopharma Biotech and training requirements for candidates to be appointed to the boards.
  - xvi. Reviewed and recommended to the Board the resignation of Encik Mohd Haris Bin Mohd Arshad as a Non-Independent Non-Executive Director; cessation of appointment of Encik Muhammad Shukri Bin Ismail as the Non-Independent Non-Executive Alternate Director to Encik Mohd Haris; appointment of Encik Mohamad Idros Bin Mosin as a Non-Independent Non-Executive Director; and the appointment of Encik Muhammad Shukri Bin Ismail as the Non-Independent Non-Executive Alternate Director to Encik Mohamad Idros Bin Mosin.
  - xvii. Reviewed, assessed and recommended to the Board the re-designation of Datuk Wira Arham Bin Abdul Rahman as a Senior Independent Non-Executive Director in place of Dato' Eisah Binti A. Rahman, who retired on 16 November 2025.

## REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

- xviii. Reviewed and recommended to the Board the proposed appointment of Dr. Sharmila A/P Ramachandran as a Member and a key opinion leader to the Medical and Research Council.
- xix. Reviewed and recommended to the Board the proposed contract of employment for the new GCEO of the Company taking over from the GMD as the chief executive of the Company in view of the expiry of the GMD's contract of employment and pursuant to the Company's succession plan.
- xx. Evaluated, assessed and recommended to the Board the appointment of the Chief Commercial Officer and her election to the GMC.
- xxi. Evaluated, assessed and recommended to the Board the appointment of a new CFO following the cessation of employment of the previous CFO on 30 November 2025 pursuant to a Mutual Separation Agreement.
- iv. Reviewed and recommended to the Board the annual increment and bonus package of Duopharma Biotech employees.
- v. Reviewed and recommended the renewal of the Directors and Officers (D&O) Liability Takaful.
- vi. Reviewed and recommended to the Board the establishment of an Organisation Design Framework for regional subsidiaries.
- vii. Reviewed and recommended to the Board the Performance Management Framework for the GMD and GCEO.
- viii. Reviewed and recommended to the Board the Union Collective Agreement mandate for collective bargaining negotiation.

### **B Remuneration-Related Matters**

- i. Reviewed the GMD's KPIs and 2024 KPIs achievements.
- ii. Reviewed and recommended to the Board the Directors' remuneration for shareholders' approval at the AGM of the Company in 2025.
- iii. Reviewed and recommended to the Board the Salary Band Review for Red and Blue Book employees in Duopharma Biotech Group.

### **C Annual Report Matters**

Reviewed the Report of the NRC prior to its submission to the Board for approval and inclusion in the Integrated Annual Report 2024.

# REPORT OF THE RISK MANAGEMENT COMMITTEE



**DATUK WIRA ARHAM  
BIN ABDUL RAHMAN**  
Chairman,  
Senior Independent Non-  
Executive Director

The attendance of each RMC member during the year is as follows:

<b>Datuk Wira Arham Bin Abdul Rahman</b> Chairman, Senior Independent Non-Executive Director (Appointed with effect from 22 May 2025)	2/2
<b>Dr. Sharmila A/P Ramachandran</b> Member, Independent Non-Executive Director (Appointed with effect from 22 May 2025)	2/2
<b>Encik Mohamad Idros Bin Mosin</b> Member, Non-Independent Non-Executive Director (Appointed with effect from 16 November 2025)	0/0
<b>Dato' Eisah Binti A. Rahman</b> Member, Senior Independent Non-Executive Director (Appointed with effect from 21 May 2025 and retired with effect from 16 November 2025)	2/2
<b>Datuk Mohd Radzif Bin Mohd Yunus</b> Chairman, Non-Independent Non-Executive Director (Resigned as Chairman with effect from 21 May 2025)	3/3
<b>Puan Zaiton Binti Jamaluddin</b> Member, Independent Non-Executive Director (Retired with effect from 21 May 2025)	3/3
<b>Datuk Nik Moustpha Bin Haji Nik Hassan</b> Member, Independent Non-Executive Director (Retired with effect from 21 May 2025)	3/3

## KEY ROLES

The RMC assists the Board by assuming responsibility for the following duties:

- The risk oversight function
- The investment oversight function
- The integrity oversight function



The roles and responsibilities of the RMC are set out in its Terms of Reference, which were updated and approved by the Board during the period under review. The updated Terms of Reference can be found on the Company's website at <https://duopharmabiotech.com/esg/governance-and-policies/>.

## MEMBERSHIP

At the end of the financial year 2025, the RMC consisted of three (3) members, a majority of whom are Independent Non-Executive Directors, in line with adoption of Step Up Practice 10.3 of the MCCG.

## SUMMARY OF WORK DONE IN 2025

### A Risk Management-Related Matters

- i. Reviewed the status report on risk management activities for the year to ensure all planned activities for the Group were properly carried out.
- ii. Reviewed the summary of the risk assessment report prepared by the Group Risk Management and Integrity Department ("GRMI").
- iii. Monitored the status of mitigation actions taken by Management to ensure all risk management issues and concerns were adequately resolved on a timely basis.

## REPORT OF THE RISK MANAGEMENT COMMITTEE

- iv. Monitored the potential impact of tariff measures introduced under the administration of US President Donald Trump, recognising the associated risks to the pharmaceutical industry and providing oversight of exposures that may affect supply chains, cost structures and business continuity.
- v. Monitored operational risks related to the adoption of emerging technologies, including AI applications and public cloud use, with emphasis on confidentiality, compliance and reputational considerations.
- vi. Reviewed and recommended to the Board the adoption of the Cybersecurity Framework and IT General Policy to strengthen governance, safeguard information assets, and enhance overall risk management practices.
- vii. Reviewed and recommended to the Board the revised Enterprise Risk Management Framework to ensure a more robust and comprehensive risk management approach, enhancing the Group's ability to identify, assess and manage emerging risks.
- viii. Reviewed and recommended the KPIs for the Head of GRMI for the year 2025.
- ix. Monitored risks associated with legacy facilities and systems, and their implications on business resilience, continuity of support, and readiness for digital transformation.
- x. Reviewed the impact, risks and opportunities arising from national budget measures (Malaysia Budget 2026) and the Group's plans to address them.
- xi. Reviewed identified climate risks across Malaysia and regional offices, and engaged with key stakeholders for continuous monitoring to minimise any impact on Duopharma Biotech.
- xii. Monitored potential supply chain risks arising from geopolitical developments, with oversight of short-term relief measures and long-term continuity planning for local production capacity.
- xiii. Monitored proposals for new products for upcoming tender cycles and assessed the Group's ability to meet high volume demand, recognising potential capacity constraints and their impact on future tender opportunities.

**B Investment and Strategy-Related Matters**

- i. Reviewed and recommended to the Board a revised 10-year Strategy Roadmap (2026-2035), providing strategic guidance on long-term growth and resilience while assessing potential risks and uncertainties that may impact the Group's direction in light of anticipated opportunities and challenges.
- ii. Reviewed and recommended to the Board the Group's 2026 Annual Budget Review and Operational Plan with emphasis on identifying and evaluating financial, operational and strategic risks, ensuring that resource allocation and planned initiatives are aligned with the Group's risk appetite and resilience objectives.

**C Integrity-Related Matters**

- i. Reviewed and monitored the ABMS surveillance audit under ISO 37001.
- ii. Reviewed and monitored progress of integrity and anti-corruption initiatives, including the ABMS ISO 37001:2016 recertification, integrity structure, and integrity initiatives dashboard.
- iii. Reviewed and monitored the transition from ISO 37001:2016 to ISO 37001:2025 to ensure compliance with the revised standard and readiness for the ABMS re-certification audit, tentatively scheduled for Q3 2026.
- iv. Reviewed and recommended to the Board the revised Whistleblowing Policy and Code of Conduct.
- v. Reviewed and recommended to the Board the revised ABMS Manual.
- vi. Reviewed and approved the Guide on Attending Malaysian Anti-Corruption Commission Whistleblowing Cases.
- vii. Reviewed and recommended the Governing Body Review for 2025.

## REPORT OF THE RISK MANAGEMENT COMMITTEE

### D Other Matters

- i. Reviewed and recommended to the Board the revised Terms of Reference of the RMC to reflect the transfer of responsibility for investment oversight to the newly established Investment Committee.
- ii. Reviewed and recommended the Report of the RMC for inclusion in the Integrated Annual Report 2024.
- iii. Reviewed the SORMIC prior to submission to the Board for approval on its inclusion in the Integrated Annual Report 2024, supported by the Annual Assurance Statement signed by the GMD and CFO, as well as the review statement from the external auditors.

### GROUP RISK MANAGEMENT & INTEGRITY (“GRMI”) FUNCTION

#### A Roles and Responsibilities

The GRMI is responsible for continuously reviewing, developing and coordinating Duopharma Biotech’s Risk Management Framework, overseeing anti-bribery and corruption measures, and ensuring the implementation of risk management and integrity processes across the organisation.

#### B Key Work Done in FY2025

- Conducted independent risk assessments and issued profiles of risk reports for projects and capital expenditures.
- Provided and presented quarterly reports on the Group’s Key Risk Profile, including regional companies, to the respective regional Boards of Directors and RMC, highlighting key and emerging risks, as well as updates to risk assessments.
- Reviewed and revised the Enterprise Risk Management Framework (“ERMF”), Risk Appetite and SOP for Risk Register.
- Facilitated a talk for heads of department and senior management, strengthening leadership awareness of policy-driven industry dynamics.
- Conducted virtual and physical awareness sessions to strengthen enterprise risk management and integrity, featuring interactive activities and guideline exhibitions, in collaboration with the Sustainability, Halal and Government Relations Department.
- Issued a weekly market monitoring report for the Board and employees featuring relevant key developments, emerging risks and opportunities, and Duopharma Biotech’s proposed mitigation measures.
- Organised awareness training and workshops by MACC for the Board and employees on anti-corruption.
- Engaged with the Corrupt Practices Investigation Bureau (CPIB) via Webex to gain insights into the Prevention of Corruption Act 1960 (PCA) and its enforcement, with participation from the Board of Directors and employees of wholly owned subsidiary DSPL, the ABMS Committee, and representatives from Legal, Sustainability, and GRMI.
- Engaged with the Gratification & Public Services team from Corruption Eradication Commission (KPK) to provide training for PT DHI’s Board of Commissioners, Board of Directors, staff and relevant stakeholders on anti-corruption measures in the pharmaceutical industry.
- Managed the ISO 37001:2016 ABMS internal compliance review of all business functions across the Group and attended to findings raised, while ensuring the successful outcome of SIRIM QAS International Sdn. Bhd.’s surveillance audit for maintenance of the ABMS certification.
- Reviewed key changes in the ISO 37001:2025 standard, including updated clauses, new requirements, clarified requirements, and the splitting of sub-clauses, to ensure the Group’s ABMS remains aligned with the revised standard.
- Reviewed and finalised the Corruption Risk Management profiles across all Group functions to assess risk exposure, determine corruption risk levels, and ensure appropriate mitigating strategies.

## REPORT OF THE RISK MANAGEMENT COMMITTEE

- Oversaw whistleblowing cases, ensuring they were investigated and reported in accordance with the Whistleblowing Policy and Whistleblowing Investigation Procedure.
- Reviewed sponsorship requests by external parties in line with the Grant, Charitable Donations and External Sponsorship Policy.
- Maintained records for Declaration of Interest, Gift & Hospitality; Integrity Pact; Honorarium and Whistleblowing cases reported.
- Conducted assessments using eSTK, an MACC tool to evaluate the integrity of employees and directors prior to their joining or appointment.
- Submitted twice yearly updates to the Bahagian Pengurusan Integriti Agensi (BPIA) of MACC, providing Company information and reporting initiatives implemented to prevent and combat corruption.
- Won two awards at the 2025 Integrity, Governance and Anti-Corruption Awards (AIGA) organised by the Malaysian Institute of Integrity, namely Gold Award (Private Sector) and Prime Minister's Award (Private Sector).
- Completed all initiatives outlined in the Organisational Integrity & Anti-Corruption Plan 2025.
- Prepared required disclosures for the Integrated Annual Report, Sustainability Report and Corporate Governance Report.
- Attended Certified Integrity Officer programme conducted by the Malaysia Anti-Corruption Academy for certification purposes.
- Undertook continuous professional development through trainings, webinars, talks and forums on risk management, governance, supply chain resilience, and emerging risks conducted by professional bodies, regulators and industry associations.

# REPORT OF THE HALAL AND SUSTAINABILITY COMMITTEE



**DATO' ADNAN HISHAM BIN PAWANTEH**  
Chairman,  
Independent Non-Executive Director

The attendance of each HSC member during the year is as follows:

#### **Dato' Adnan Hisham Bin Pawanteh**

Chairman, Independent Non-Executive Director  
(Appointed with effect from 22 May 2025)

2/2

#### **Datuk Mohd Radzif Bin Mohd Yunus**

Member, Non-Independent Non-Executive Director

5/5

#### **Puan Nik Fazila Binti Nik Mohamed Shihabuddin**

Member, Independent Non-Executive Director  
(Appointed with effect from 22 August 2025)

1/1

#### **Dr. Hasnita Binti Hashim**

Member, Independent Non-Executive Director  
(Appointed with effect from 1 June 2025 and resigned with effect from 22 August 2025)

1/1

#### **Encik Mohd Haris Bin Mohd Arshad**

Member, Non-Independent Non-Executive Director  
(Resigned with effect from 22 August 2025)

2/3

#### **Datuk Nik Moustpha Bin Haji Nik Hassan**

Chairman, Independent Non-Executive Director  
(Retired with effect from 21 May 2025)

3/3

## KEY ROLES

The HSC is responsible for carrying out duties in relation to the following, on behalf of the Board:

The Group's Halal Pharmaceuticals Agenda ("HPA")

The Group's sustainability matters



The roles and responsibilities of the HSC are set out in its Terms of Reference which can be found on the Company's website at [https://duopharmabiotech.com/esg/governance\\_and\\_policies/](https://duopharmabiotech.com/esg/governance_and_policies/)

## SUMMARY OF WORK DONE IN 2025

### A Strategy and Conformance to Halal Standards

- i. Monitored the status of the Company's halal-certified products in compliance with Malaysian Standard MS 2424, *Halal Pharmaceuticals – General Requirements*, MS 2636, *Halal medical device – General requirements*, and Malaysian Halal Certification requirements.
- ii. Reviewed and monitored the Company's HPA, including initiatives to enhance the halal pharmaceuticals sector.
- iii. Reviewed and assessed the Duopharma Biotech Halal Blueprint (2025–2033) ensuring measurable outcomes, sustainable growth, and alignment with the Company's Corporate Strategy.
- iv. Endorsed the successful halal certification of ERYSAA® as the first JAKIM-certified biosimilar, and ensured measures are in place to maintain halal compliance for future biosimilar products.
- v. Monitored developments and provided supporting guidance to government-led policies, directives and standards advancing Malaysia's halal innovation, strengthening governance capabilities and global leadership in the halal pharmaceuticals sphere.
- vi. Reviewed and deliberated on key industry trends, business sustainability, and halal strategies to support long-term growth.
- vii. Provided guidance to assess the halal pharmaceutical market size and determine the Company's market value.

## REPORT OF THE HALAL AND SUSTAINABILITY COMMITTEE

### B Organisational Core Resources and Capabilities

- i. Exercised oversight on the formulation of the Group's halal initiatives and KPIs for 2025, and endorsed their strategic alignment with the Company's long-term business direction.
- ii. Reviewed and evaluated the Group's performance against 2024 achievements, assessing consistency with the Company's business activities and intended outcomes.
- iii. Monitored and deliberated on reports relating to Duopharma Biotech's halal initiatives and KPIs for 2025, including proposed action plans and the indicative budget for planned initiatives.
- iv. Reviewed and monitored halal compliance, sustainability performance, and continuous improvement of related initiatives.

### C External Stakeholder Matters

- i. Provided guidance on the principles and approach for halal awareness materials and communication as well as promotional programmes that seek to facilitate access to halal certified healthcare products and medicines.
- ii. Reviewed the strategic collaborations with government bodies and agencies, research institutions and industry associations to strengthen the Company's halal pharma ecosystem and support sustainable business growth.
- iii. Monitored and deliberated on market research findings, addressing industry-driven issues in halal pharmaceuticals that improve accessibility to halal certified healthcare products and medicines.
- iv. Reviewed and endorsed the approach to strategic collaborations, with emphasis on strengthening advocacy for halal pharmaceuticals and promoting inclusive growth.

### D Sustainability / ESG-Related Matters

- i. Reviewed and deliberated on progress of Duopharma Biotech's 5-Year ESG Strategy and key initiatives for the financial year 2025.

- ii. Deliberated on regulatory developments in sustainability reporting, including amendments to Bursa Malaysia's Main Market Listing Requirements, the introduction of the National Sustainability Reporting Framework ("NSRF"), and mandatory disclosures in line with IFRS S1 and S2 starting from the financial year ending 2028.
- iii. Reviewed the Company's 2024 FTSE4Good score and discussed aligning the criteria with the Company's business needs and sustainability metrics to strengthen the impact of sustainability initiatives.
- iv. Informed the Board of the revisions to the Sustainability Policy and the development of a new Nature and Biodiversity Policy.
- v. Reviewed and recommended to the Board the Company's Sustainability Report 2024 ("SR2024") and the Performance Data Table for Bursa Malaysia's ESG Reporting Platform for the financial year 2024, for inclusion in the SR2024 and Integrated Annual Report 2024. This includes an update on the internal and external assurance processes, scope and progress for SR2024.
- vi. Deliberated and monitored key initiatives and advances made in achieving the Company's goals of Carbon Neutrality by 2030 and Net Zero Carbon Emissions by 2050, in line with the Company's Net Zero Transition Plan. This includes updates on gaps in relation to the Group's GHG Scope 3 data review and action plans moving forward.
- vii. Deliberated on forthcoming Extended Producer Responsibility (EPR) requirements and their implications for Duopharma Biotech was briefed on the Waste Management Plan initiatives and discussed the feasibility of Duopharma Biotech moving towards a zero-waste-to-landfill target.
- viii. Reviewed and monitored the Company's Water Management Strategy and the establishment of a comprehensive Water Management Framework, based on detailed water audit analysis, to optimise water use, enhance efficiency, and support the Company's sustainability objectives.

### E Annual Report Matters

Reviewed and recommended the report of the HSC for inclusion in the Integrated Annual Report 2024.

# REPORT OF THE MEDICAL AND RESEARCH COMMITTEE



**DATO' DR. ZAKI MORAD BIN MOHAMAD ZAHER**  
Chairman

The attendance of each MRC member during the year is as follows:

<b>Dato' Dr. Zaki Morad Bin Mohamad Zaher</b> Chairman, Independent Non-Executive Director*	1/1
<b>Dato' Eisah Binti A. Rahman</b> Member, Senior Independent Non-Executive Director**	1/1
<b>Dato' Dr. Mohamed Ibrahim Bin A. Wahid</b> Member**	1/1
<b>Dr. Radhakrishna Sothiratnam</b> Member**	1/1
<b>Dr. Ng Wai Kiat</b> Member**	1/1
<b>Datuk Dr Zanariah Binti Hussein</b> Member**	1/1

Note:

\* Retired from the Board of Directors of Duopharma Biotech and ceased as Chairman of MRC with effect from 21 May 2025.

\*\* Ceased as a member of MRC with effect from 22 May 2025.

On 15 May 2025, the Board of Directors approved MRC's transformation from a Board Committee into a Management-level council. This was for the purpose of enhancing operational effectiveness while maintaining appropriate Board oversight. MRC thereby ceased to operate as a Board Committee with effect from 22 May 2025, when it was reconstituted as the Medical and Research Council ("the Council").

The Council operates at the Management and operational level, with periodic updates and reports submitted to the Board by Management, ensuring continued visibility and governance oversight. Similar to the former MRC, membership of the Council includes KOLs appointed as non-executive members of the Council. The Council is chaired by the GCEO of the Company.

The composition and membership of the Council are subject to periodic reviews by the NRC and the Board of Duopharma Biotech to ensure continued relevance, effectiveness and alignment with the Company's strategic and governance objectives.

## KEY ROLES

The MRC provides advice on clinical applications and relevant professional matters relating to the Company's pipeline products, including broader healthcare developments that may impact the Company's products.

REPORT OF THE MEDICAL AND  
RESEARCH COMMITTEE

## SUMMARY OF WORK DONE IN 2025

**A Medical and Research-Related Matters**

- i. Reviewed and deliberated on Management updates regarding the Group's strategies and ongoing projects, including insights from KOLs on the proposed product pipeline, providing feedback and recommendations aligned with the Company's strategic direction.
- ii. Assessed the Group's research and development activities and offered recommendations to enhance the product pipeline, taking into account emerging trends in diseases and treatments.
- iii. Provided guidance on matters raised by key departments across therapeutic areas, including diabetes, oncology, renal, vaccines, cardiovascular, consumer healthcare and respiratory medicines, with recommendations aimed at strengthening business strategies and market competitiveness.

**B Annual Report Matter**

- i. Reviewed and recommended the report of the MRC for inclusion in the Integrated Annual Report 2024.

# REPORT OF THE INVESTMENT COMMITTEE



**DATUK MOHD RADZIF  
BIN MOHD YUNUS**  
Chairman,  
Non-Independent Non-  
Executive Director

The attendance of each IC member during the year is as follows:

**Datuk Mohd Radzif Bin Mohd Yunus**

Chairman, Non-Independent Non-Executive Director  
(Appointed with effect from 19 February 2025)

██████████ ██████████ ██████████ 3/3

**Dato' Adnan Hisham Bin Pawanteh**

Member, Independent Non-Executive Director  
(Appointed with effect from 22 May 2025)

██████████ ██████████ ██████████ 3/3

**Dr. Hasnita Binti Hashim**

Member, Independent Non-Executive Director  
(Appointed with effect from 22 August 2025)

██████████ 1/1

**Encik Mohd Haris Bin Mohd Arshad**

Member, Non-Independent Non-Executive Director  
(Resigned with effect from 22 August 2025)

██████████ 1/1

*Note:*

The IC was established by the Board on 19 February 2025, and convened its inaugural meeting on 6 June 2025.

Prior to the establishment of the IC, the Board had on 8 November 2024 approved the establishment of a Project Steering Committee ("PSC") comprising selected Board members to oversee and provide guidance to the Management team on evaluating investment project opportunities alongside the Company's M&A and Investment Framework.

Subsequently, on 19 February 2025, the Board approved the establishment of the IC to replace the PSC, and to oversee all existing and potential significant investments made by Duopharma Biotech and its subsidiaries, ensuring alignment with the Group's strategic direction. Consequent to the changes in the Board's composition following the Company's 24th AGM in May 2025, membership of the IC was reviewed and reconstituted to ensure a balanced alignment of skills and strategic oversight capabilities.

*Institutionalising Capital Discipline:* The establishment of IC as a dedicated Board Committee reflects the Board's commitment to reinforcing the Group's governance architecture in line with its long-term strategic objectives. By centralising the oversight of capital allocation, the IC provides an additional layer of rigorous scrutiny ensuring that any prospective investments or expansion initiatives are evaluated through a robust due diligence framework. This structured approach guides the Group in deploying its resources with high fiscal discipline, balancing risk-adjusted returns with sustainable value creation. Ultimately, the IC serves to enhance transparency and accountability, ensuring that the Group's investment strategy remains resilient and consistently aligned with the interests of our shareholders.

## REPORT OF THE INVESTMENT COMMITTEE

**KEY ROLES**

The primary mandate of the IC is to provide independent oversight of the Group's investment ecosystem, acting as a critical filter between Management proposals and Board approval. The IC's responsibilities encompass the entire investment lifecycle, structured across the following key pillars:

**Strategic Alignment & Gatekeeping:**

Rigorous evaluation of significant investment proposals including capital expenditure, M&A and divestments to ensure strict adherence to the Group's long-term strategy and Board-approved risk appetite.

**Due Diligence & Financial Rigour:**

Overseeing the integrity of the due diligence process and ensuring that all material investments meet predefined financial hurdles, stress-testing benchmarks, and ESG integration requirements.

**Post-Investment Stewardship:**

Conducting structured post-investment reviews to assess the actual realisation of projected synergies and returns, thereby enhancing institutional learning and future decision-making.

**Portfolio Performance Monitoring:**

Ongoing monitoring of the risk-return profile of the Group's approved investment portfolio to ensure performance remains accretive to shareholder value and compliant with established governance frameworks

**SUMMARY OF WORK DONE IN 2025****A Strategy / Investment-Related Matters**

- i. Reviewed, endorsed and recommended to the Board the M&A and Investment Framework.
- ii. Deliberated, endorsed and recommended to the Board Duopharma Biotech's Beyond 2025 10-year Corporate Strategy, including the M&A and Investment Strategy Playbook.
- iii. Reviewed the implementation of the Group's strategy.
- iv. Provided oversight over proposed business restructuring initiatives as part of capital optimisation considerations.
- v. Evaluated, endorsed and recommended to the Board the proposed acquisition of production equipment and the commencement and award of a Sterile Master Plan project.
- vi. Reviewed and deliberated on updates on the Group's strategic investment in TLGG.

**B Corporate Governance-Related Matters**

- i. Reviewed, endorsed and recommended to the Board the Terms of Reference of the IC of Duopharma Biotech.



The roles and responsibilities of the IC are set out in its Terms of Reference which can be found on the Company's website at [https://duopharmabiotech.com/esg/governance\\_and\\_policies/](https://duopharmabiotech.com/esg/governance_and_policies/)

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

**“ This Statement is made pursuant to Paragraph 15.26 (b) of the MMLR of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and is in line with the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”).**

## BOARD AND MANAGEMENT’S RESPONSIBILITY

The Board is responsible for the establishment of a sound risk management framework and internal control system for Duopharma Biotech and its subsidiaries the Group, as well as for reviewing the adequacy and effectiveness of the system. The framework and internal control system encompass the Group’s financial, risk management, operational, strategy, environmental and compliance functions. In setting the tone for effective risk management and internal control, the Board seeks to create a culture for the Group and its people to take responsibility for performing their duties in line with best practices as they uphold the Company’s core values of Passion, Excellence, Teamwork, Integrity, Responsible and Respect (“PETIRR”). Such a culture entails continuously improving the Group’s practices to enhance its accountability, transparency and sustainability. This culture is reinforced through the Group’s policies and frameworks, established to ensure alignment with related requirements, business objectives and risk management practices.

The Board and Senior Management regard risk management as an integral component of objective setting and performance optimisation. In establishing strategic goals, the Board ensures that risk considerations are embedded into decision-making, thereby aligning risk appetite with long-term value creation. Senior Management operationalises this by integrating risk assessment into business planning, resource allocation and performance monitoring. This approach enables the Group to pursue opportunities responsibly while safeguarding against potential threats, ensuring that risk management functions as a driver of sustainable performance and accountability.

The Board has also embedded ESG and other sustainability-related risks into its risk oversight responsibilities. Recognising that such risks, which include climate change, resource efficiency, human capital and ethical business conduct, are integral to the Group’s long-term objectives and performance

optimisation, the Board ensures that they are considered in strategy formulation, business planning and operational execution. This integration reinforces the Group’s commitment to sustainable value creation and resilience.

In executing its role, the Board recognises that a strong risk management and internal control governance structure and system are designed to manage the risk of failure to achieve the Group’s objectives. The Board recognises that the risk management and internal control systems can only provide reasonable, and not absolute, assurance against material misstatements, errors, fraud, loss or the occurrence of unforeseen circumstances.

To carry out its risk management and control oversight responsibilities effectively, the Board is assisted by the RMC and the AC, which together oversee matters relating to risk oversight, compliance and internal controls as set out in their respective Terms of Reference (“TORs”). All risk and internal control related matters that require the attention of the Board were recommended by the RMC and AC for the Board’s deliberation and approval. The Board remains responsible for all the actions of the Board Committees with regard to the execution of the delegated role.

In 2025, the risk management and control processes established by the Board were implemented by Management, led by the GMD. The employment contract for Duopharma Biotech’s GMD expired on 31 December 2025. Pursuant to the Group’s Succession Plan, the GCEO assumed the role of chief executive, i.e., the principal executive officer of Duopharma Biotech, with effect from 1 December 2025. Hence, the GMD/GCEO is responsible for the overall management of risks whereas Management is collectively responsible for good business practices and governance across the business operations.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Management's role in this respect includes:

### RISK MANAGEMENT FUNCTION

Designing, implementing and monitoring the risk management framework in accordance with the Company's strategic vision and overall risk appetite and resources;

Facilitating and communicating across the Group the requirements of the risk management framework and ensuring the enhancement of Enterprise Risk Management ("ERM") annually or as and when required;

Identifying risks relevant to the Group's business and the achievement of objectives and strategies;

Identifying changes to existing and emerging risks, with mitigation actions to address the risks, and reporting these changes to the Board in a timely manner; and

Reviewing the ERM Framework periodically and considering the adoption of best practices based on the Group's corporate governance.

The RMC assists the Board in ensuring that there is a sound system of risk management and effective oversight of integrity and whistleblowing practices within the Group and its subsidiaries. Deliberations and key decisions at all RMC meetings are minuted and tabled to the Board quarterly.

The RMC is supported by an in-house risk management function, namely the GRMI, that provides risk and integrity advisory and supports the Board and the Executive Risk Management Committee ("ERMC") in all business matters.



The TOR of the RMC is accessible on the Company's website at <https://duopharmabiotech.com/esg/governance-and-policies/>.

### Risk Management

#### a Enterprise Risk Management Framework

The Group's ERM Framework ("ERMF") provides a standardised and systematic approach for the identification, evaluation, monitoring and reporting of key risks and controls, and ensuring there are adequate measures to implement, track and review the action plans. The ERMF is aligned with the internationally recognised ISO31000:2018 Risk Management Principles and Guidelines to define our enterprise risk management policy and objectives and to develop our risk reporting structure. The framework involves continuous profiling of our risk landscape, assessing historical, current and emerging risks while anticipating future risks and opportunities. It also enhances the capacity for stakeholder value creation and ensures risks are managed effectively to levels aligned with our risk appetite and objectives. The framework ties into the Group's governance policies and guidelines via deliberations at various committees and operates within the context of our key risk areas, though not limited to emerging, strategic, operational, financial and project risk categories. It can be further expanded into several other relevant categories such as technological, market, ESG, cybersecurity, climate-related risks, etc.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Group’s risk governance is structured to ensure clear accountability and strategic oversight. The RMC receives reports from members of the ERMC, chaired by the GMD and comprising the GMC. The ERMC is assisted by Risk Champions consisting of heads of department and senior managers at all sites who are responsible for identifying, mitigating and managing risks within their respective departments. The Risk Champions appoint Risk Coordinators within their departments, ensuring robust risk ownership. This reflects the Group’s overall risk governance structure which facilitates an appropriate level of independence and segregation of duties by distributing the accountability and ownership of risk management across three lines of defence.



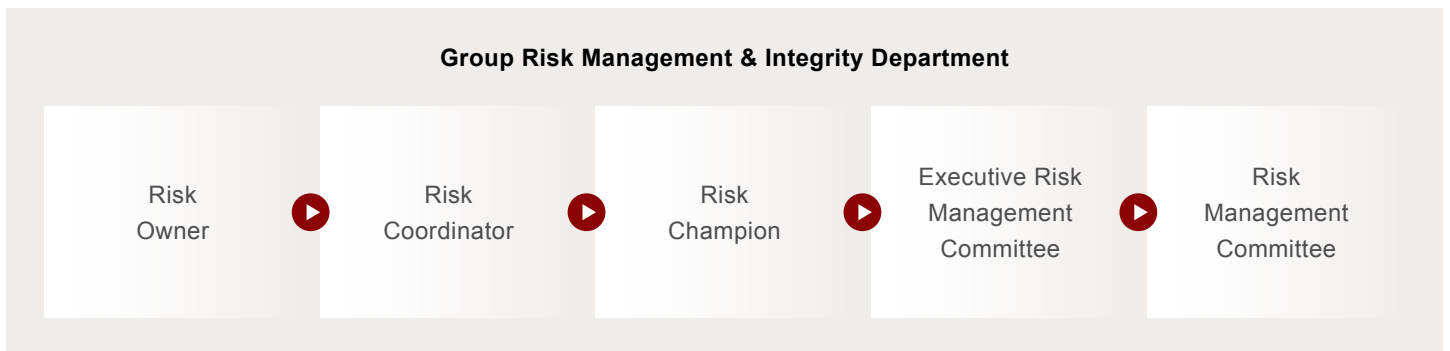
## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### b Three Lines of Defence



The Group's first line of defence is formed by Management, which owns and controls day-to-day risks inherent in business activities via effective internal controls, policies and procedures. Various established risk control and compliance functions serve as the second line of defence; while internal and external auditors who provide independent assurance on the overall integrity, adequacy and effectiveness of the risk management and internal control system noted during the risk evaluation process make up the third line of defence.

The GRMI facilitates, coordinates, monitors and assesses the effectiveness of the ERMF in line with established policies, procedures, principles and standards. The ERM structure is summarised below:



The framework is focused on the management of risks and uncertainties that may significantly impact the Group's objectives. The risk management process includes risk identification, analysis, evaluation and treatment, with continuous monitoring, reviews, communication and consultation. Risk events are analysed in terms of their likelihood and impact of their occurrence, using an approved risk heat map to ensure consistency in risk practices throughout the Group.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### KEY DEVELOPMENTS IN FINANCIAL YEAR 2025

#### Group Key Risk Profile

The Group continues to review and re-assess its risks to determine and respond to the dynamic business environment. Key risk areas which impact the business such as emerging, strategic, business, operational, financial and project risks have been expanded to include several other relevant categories such as technological, market, ESG, cybersecurity and climate-related risks. These risks are continuously reviewed, profiled, monitored and reported. During the year, the risk profile at the Group level continued to highlight specific operational, financial and strategic key risks within respective key risk areas which are residually significant and impact the Group under the current business environment across the horizon.

Key emerging risks in 2025 included global economic uncertainties, geopolitical conflicts in the Middle East, the adoption of AI in business operations, availability of landbank for future investments and the ability to retain major government contracts. Multiple strategy reviews were done throughout the year to assess the impact of these issues on the Group's financial performance, strategic direction and ongoing projects. Moving forward, Management remains committed to proactively managing emerging challenges and capitalising on opportunities.

During the year, a strategy review conducted outlined a 10-year roadmap covering the period from 2026 to 2035. Reviews will be done on an annual basis to ensure the Beyond 2025 10-Year Corporate Strategy remains robust and is course-corrected in a timely manner. Key strategic areas were identified for the short-term (2026-2028) to propel the business towards stronger growth while mitigating key business risks and maintaining a solid foundation. The aspirational target remains for Duopharma Biotech to be positioned among the leading pharmaceutical players in ASEAN.

#### Regional Subsidiaries Risk Profile

As part of efforts to ensure adequate risk assessment across all business segments, GRMI, in collaboration with the relevant business unit risk coordinators and risk champions, reviews the Company's regional subsidiaries – Duopharma (Singapore) Pte. Ltd., DB (Philippines), Inc. and PT Duopharma Healthcare Indonesia – to determine the key risks affecting the Company for the reporting period. The risk profiles are reported twice a year to the respective subsidiary company's board for approval and subsequently updated to the RMC and the Company's Board.

#### Revision of ERMF

In 2025, GRMI reviewed the existing ERMF to identify potential enhancements and ensure alignment with current practices. This exercise identified several areas of improvement which were subsequently proposed for incorporation into the existing document. The proposed amendments are intended to ensure the framework reflects current structures and processes and to enhance its overall comprehensiveness. The revised ERMF was approved by the Board on 13 November 2025.

#### Project Risk Assessment

Throughout the year, Duopharma Biotech implemented various projects aimed at increasing productivity and efficiency, improving standards compliance, and achieving quality enhancements. Project-related risks were thoroughly assessed in collaboration with stakeholders both from operations and commercial functions. Corresponding controls and mitigation plans were subsequently identified, implemented, monitored and documented within the risk register, in accordance with established Standard Operating Procedures.

#### Diligent One - Risk Management System

GRMI continues to optimise the usage of Diligent One (previously known as Highbond) in managing the risk profiles and registers across the Group. Diligent One is an enterprise governance software platform that strengthens security,

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

risk management, compliance and assurance. This risk management system enables the Group to utilise a single risk repository system to capture more accurate risk data, enhance the risk dashboard and facilitate access to real-time risk information. Various features within the system have been explored and implemented to add value in managing the risk data effectively.

### Risk Awareness Sessions

During the year under review, several risk briefing sessions were conducted for onboarding employees, existing staff and project champions. These sessions aimed to ensure that the risk processes are reasonably understood enabling participants to identify and assess the potential risks effectively. Besides familiarising participants with the ERMF, they were also briefed on the Diligent One system where the risk data is registered.

As part of GRMI's continuous efforts to strengthen a risk management culture and awareness at Duopharma Biotech, a talk was organised on 14 November 2025 in collaboration with the MOPI. The talk, which was attended by heads of department and senior managers, exposed the participants to national and global policies shaping the pharmaceutical industry and their impacts on Duopharma Biotech's operations, compliance and market outlook.

Committed to continuously enhancing its approach focusing on key areas outlined in the ERMF, the Risk team will engage with respective risk owners to address any gaps in their understanding of the subject. Additionally, the Risk team will continue to enrich the risk management resources and information in the Company's intranet and MyDuopharma Learning platform, including highlighting developments made to the risk portfolios.

The abovementioned developments demonstrate continuous initiatives undertaken to ensure the effectiveness of the risk management process and system in place, as well as the credibility of the control measures and mitigation strategies to avoid any major pitfalls. These are, moreover, substantiated by the key risk indicators.

### INTERNAL CONTROL SYSTEM

Key Elements of the Group's System of Internal Controls:

#### (i) Oversight by the Audit Committee

The AC is responsible for the effective management of the Board's financial reporting, external and internal audits, and matters related to ad hoc requests, including advisory, consulting and investigations, excluding whistleblowing related matters. Minutes from the AC meetings are presented to the Board on a quarterly basis. Deliberations on internal control are properly documented and minuted to ensure accountability and governance integrity.

The Board oversees the effectiveness of internal controls, while Management is accountable to the Board for establishing an internal control framework that gives the Board reasonable assurance that the control objectives are met. The AC reviews and approves the annual internal audit plan, with the frequency of audits determined by the assessed level of risk. The GIA Department evaluates the effectiveness of the internal control system in managing key risks and reports its findings to the AC quarterly. It also recommends improvements and conducts follow-up audits, focusing on priority areas approved by the AC.

The AC reviews the Internal Auditor's scope of work as outlined in the Annual Internal Audit Plan, as well as the auditor's authority and access as defined in the Internal Audit Charter, ensuring that the Internal Auditor has adequate resources to perform effectively in accordance with the Global Internal Audit Standards. Specific arrangements are also in place for Management monitoring and reporting to the Board on internal control matters of particular importance that could adversely affect the Company's reputation or financial position.



The TOR of the AC is available on the Company's website at <https://duopharmabiotech.com/esg/governance-and-policies>.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### (ii) Oversight by Board Committees

The delegation of responsibilities to the various Board Committees is clearly defined in their respective TORs. At present, the Committees established are the AC, RMC, NRC, HSC, and IC. During the year under review, pursuant to a structural review of the Board Committees, the Board approved the transfer of investment oversight from the RMC to the IC. Accordingly, the Board also approved a review of the TOR of the RMC and the TOR for the newly incorporated IC. The IC now oversees all existing and potential significant investments made by Duopharma Biotech and its subsidiaries, ensuring alignment with the Group's strategic direction. The RMC continues to oversee risk management policies and frameworks, with deliberations properly documented and minuted. Authorities, responsibilities and accountabilities are clearly defined to ensure decisions are taken within the approved risk appetite.

The MRC was converted from a Board Committee into the Medical and Research Council at the Management and operational level, resulting in its cessation as a Board Committee of the Company with effect from 22 May 2025. This restructuring ensures alignment of governance functions, avoids overlap, and closes coverage gaps across the Group's oversight structure.

### (iii) Review of Compliance with MCCG 2021 and Recurrent Related Party Transactions ("RRPT") for the Financial Year Ended 31 December 2025

The Company's Group Internal Auditor conducts an annual review of the Company's compliance with the MCCG 2021 and RRPT requirements. The review for the financial year ended 31 December 2025 was conducted in December 2025 and the outcome was reported to the AC.

### (iv) Review of Conflict of Interest

Pursuant to the amendment to Bursa Malaysia MMLR that imposes the obligation on the AC to review and report to the Board any COI that arises, persists or may arise together with the measures taken to resolve, eliminate or mitigate such conflicts, on 15 August 2024 the Board adopted a COI Framework with the objective of ensuring that COI situations are handled appropriately, promoting transparency and fostering a culture of honesty, accountability and good governance within the Group. Such COI situations, if any, together with the measures taken to resolve, eliminate or mitigate them, would be disclosed in the AC report in the Company's annual report. A COI review of the Board of the Company and its subsidiaries was conducted in March 2025, and the outcome was reported to the AC and the Board.

### (v) Revision of the Board Charter and Adoption of Directors' Handbook

The Board approved a revised Board Charter on 13 November 2025 to enhance clarity on the Board's roles, responsibilities and governance practices, strengthen accountability, and ensure continued alignment with prevailing regulatory and corporate governance requirements.

The Board also approved and adopted the Directors' Handbook as a consolidated reference for Directors in discharging their statutory and fiduciary duties. The Directors' Handbook incorporates updates from the revised Board Charter and provides practical guidance on governance standards, policies and procedures, thereby reinforcing transparency, consistency and effective Board functioning.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### (vi) Audit Committee's Oversight on Finance Function

In line with the recommended practices under the Corporate Governance Guide, the AC conducts an annual assessment of the adequacy and effectiveness of the Group Finance function. The latest review was undertaken in August 2025 and covered, among others, the competency and experience of finance personnel, as well as the adequacy of systems and infrastructure supporting the financial reporting process. Based on the review performed, the AC was satisfied that the Group's finance function is led by suitably qualified personnel and is supported by appropriate resources and systems to ensure the integrity and reliability of the Group's financial reporting.

### (vii) Assignment of Authority and Responsibility

The Board has approved Limits of Authority ("LOA"), delineating responsibilities and authorisation levels across the Board, its committees and Management. The LOA is embedded within the Group's Enterprise Resource Planning (ERP) system to ensure consistent application and control. The latest LOA, approved in August 2025, was revised to address operational challenges, respond to the evolving risk landscape, and reflect the realignment of delegated authority and oversight functions within the Duopharma Biotech Group.

### (viii) Insurance and Physical Safeguards

Appropriate safeguards and adequate annual takaful / insurance assessments are in place covering the Group's significant assets and operating facilities to minimise losses from any possible mishaps, including (but not limited to) natural or environmental hazards and unauthorised intrusion.

### (ix) Planning, Monitoring and Reporting

The Group undertakes an annual strategic budget planning process to establish plans and targets against which performance is monitored. This process is aligned with the Corporate Strategy on which the Board is updated quarterly. The business plan and budgets are evaluated and reviewed by Management and the Board. The RMC deliberates on the key risks and corresponding mitigation plans relating to the strategy and business plan, prior to making recommendations to the Board for approval. Management conducts monthly performance reviews to ensure that business operations remain aligned with approved plans and to monitor compliance with established internal control procedures. Quarterly Management reports are presented to the Board, providing financial information, including key performance and risk indicators. All financial information is reviewed by Management prior to submission to the Board for consideration and approval.

### (x) Policies & Procedures

Internal policies and procedures are in place to ensure compliance with internal controls. These policies and procedures are formalised and integral to the electronic Quality Management Systems. Periodic reviews ensure these policies remain relevant and compliant with laws and regulations.

Annual assurance is provided by the GMD/GCEO to the Board on the adequacy and effectiveness of controls in business processes. The Management team likewise provides annual assurance to the GMD/GCEO on said matters.



General policies and procedures are made available on the Company's intranet and corporate website at <https://duopharmabiotech.com/esg/governance-and-policies/> for easy access

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### (xi) Information Technology (“IT”) and Cybersecurity

Duopharma Biotech has enhanced its IT governance, operational resilience and cybersecurity posture to proactively manage technology-related risks and support sustainable business operations. These initiatives were implemented in alignment with the Company’s ERMF, Guidance 10.2 of MCCG 2021, the Malaysia Cyber Security Act 2024, and relevant international standards.

Key focus areas included strengthening IT risk governance and internal controls, increasing automation to reduce manual dependence and human error, improving real-time operational visibility through data-driven reporting, and enhancing infrastructure resilience and cybersecurity defences. Governance improvements were achieved through the establishment of a formal cybersecurity framework and policy, revision of general IT policies, reinforced change management processes, and regular security audits.

Operational efficiency was improved through SAP automation initiatives, including e-Invoice integration with Inland Revenue Board of Malaysia, enhanced sales opportunity management, and automated service request handling. These were supported by structured user training programmes to strengthen system usage and control effectiveness. Real-time dashboards using Tableau were used to further enable management oversight across IT, manufacturing, planning and sales functions.

Infrastructure upgrades and strengthened data backup and recovery capabilities improved system availability and business continuity. Cybersecurity enhancements, including firewall refreshes, secure remote access upgrades, penetration testing, operating system updates, and cybersecurity awareness training, reduced exposure to cyber threats and regulatory non-compliance.

Overall, IT initiatives have significantly strengthened the Company’s control environment, reduced operational and cybersecurity risks, and enhanced management assurance over the confidentiality, integrity and availability

of information systems. These investments support the Company’s risk appetite and provide the Board with greater confidence in the organisation’s IT resilience and regulatory compliance.

### (xii) Sustainability Management

#### a Integration of ESG and Climate Risks into Risk Management Framework

Duopharma Biotech’s sustainability management is guided by the Group’s ESG Strategy, which is structured around five key focus areas covering environmental, social and governance priorities. The ESG Strategy provides a clear framework to identify, manage and monitor material sustainability matters, and sustainability-related risks and opportunities across the Group.

The Board, together with the Halal and Sustainability Committee, provides oversight of ESG-related risks and opportunities, including climate-related matters, while the GMC conducts regular monthly reviews. At the operational level, the Sustainability Department oversees the implementation of the ESG Strategy and works collaboratively with all departments to monitor progress and performance.

During FY2025, the Group continued to integrate sustainability considerations into its ERM framework. Key ESG-related risks, including climate-related risks, have been identified and incorporated into the Group’s risk register, alongside existing strategic, operational, financial and compliance risks. In relation to climate change, the Group has made continuous progress in strengthening its climate risk assessment. A high-level qualitative assessment covering both physical and transition climate risks was undertaken to evaluate potential impacts on the Group’s operations. Discussions were conducted between Sustainability, Risk and Operational functions to identify key climate-related risks and potential mitigation measures.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Group will continue to progressively enhance its climate risk assessment and mitigation actions in line with evolving regulatory developments and reporting requirements under the NSRF, with the aim of achieving full alignment with IFRS S1 and S2 disclosures by 2028.

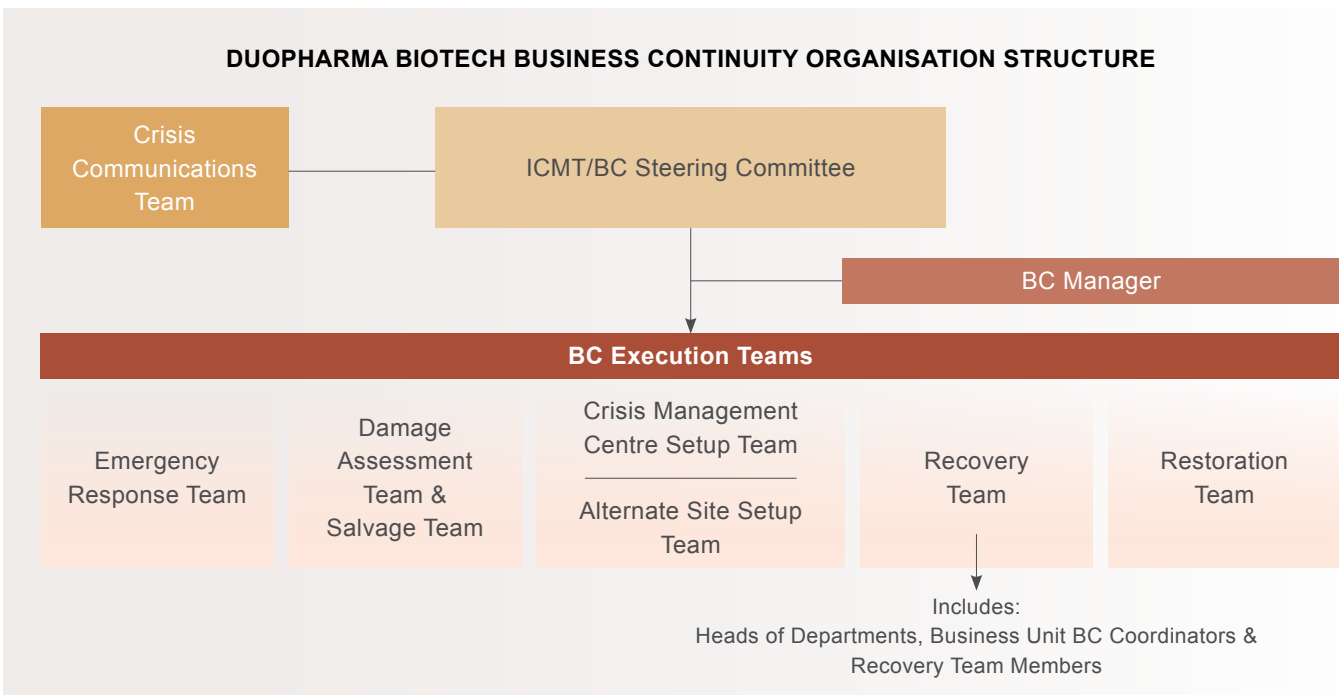


Further information can be found in our standalone Sustainability Report 2025 at <https://duopharmabiotech.com/esg/sustainability-reports/>.

### **b Business Continuity Management**

Management continued to strengthen the Business Continuity Management System (BCMS) in alignment with ISO 22301, covering Malaysia and regional plants and offices in Singapore, the Philippines and Indonesia, to enhance organisational resilience and minimise the risk of operational disruption. Governance and oversight of business continuity were reinforced, with clearer roles, accountability and management visibility to ensure alignment with organisational priorities and risk appetite. The Business Impact Analysis was reviewed and validated to reflect current operational dependencies, production growth and critical infrastructure requirements, ensuring recovery priorities remain relevant. The Business Continuity Plan and strategies were reviewed and updated to address key disruption scenarios, including utility failures, system outages and supply chain interruptions, with stronger cross-functional coordination across operations, engineering, IT, facilities and human resources.

At the strategic level, the Incident/Crisis Management Team (“ICMT”) and Business Continuity (“BC”) Steering Committee provide leadership and oversight in managing disruptions, supported by the Crisis Communications Team to ensure consistent and transparent stakeholder communication. The BC Manager coordinates planning, activation and alignment across response functions. Operational execution is carried out by dedicated BC Execution Teams, each with defined roles across the incident lifecycle from emergency response and damage assessment to continuity setup, recovery and restoration. These teams include heads of department, business unit BC coordinators, and designated recovery personnel to ensure business-critical activities are resumed in a structured and controlled manner.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### (xiii) Human Resources Management

KPIs are used to measure employees' achievements in relation to Duopharma Biotech's business and operational objectives. The Performance Management System utilises a top-down approach of cascading the Group's performance targets into individual KPIs to ensure consistency and alignment in assessing employee performance at all levels. Using the Competencies Framework and Learning & Development Framework, the skills-sets of the Group's talent pool and staff are kept updated with various learning programmes, enhancing their capabilities to carry out duties and responsibilities towards achieving the Group's objectives. The Group also regularly reviews and revises its salary band and benefits scheme in order to stay competitive for talent attraction and retention purposes.

To ensure unsatisfactory performance and workplace conflicts are properly dealt with, the Group has in place guidelines for handling Performance Improvement Plans and disciplinary issues. The latter includes any breach of integrity or other form of conduct that does not comply with the terms and conditions of service, whether expressed or implied.

Employee engagement is emphasised across the Group, where various programmes, activities and competitions are held with active employee participation. At these events, the Group's Core Values are reinforced and strengthened. An Employee Engagement Index survey, conducted from 8-21 September 2025, attracted a strong participation of 87.8% of all employees and showed an employee engagement rate of 88%.

### (xiv) Group Internal Audit

GIA reviews and assesses the adequacy and operating effectiveness of the system of internal controls in managing key risks, and reports to the AC on a quarterly basis in accordance with the Global Internal Audit Standards. The annual audit plan is reviewed and approved by the AC, with the frequency of audits reflecting the level of the

assessed risks. The audit reports provide an independent and objective assessment of operational and management activities in the related functions. Where weaknesses and/or opportunities for improvement have been identified, improvement measures are recommended to strengthen controls, and the GIA conducts follow-up audits to monitor Management's response. Timely resolution of internal audit findings has been included as a performance measurement criterion for heads of department to ensure accountability. In carrying out its work, GIA focuses on areas of priority as directed and approved by the AC.

### (xv) Integrity Function and Anti-Corruption Culture

Duopharma Biotech has established an independent integrity function to manage corruption risks and assess the effectiveness of internal controls. The Company operates in line with ISO 37001:2016 ABMS to promote ethical practices and prevent bribery. Quarterly reports on integrity status are presented to the RMC.

Among the key activities carried out during the year are as follows:

#### **a** Anti-Corruption and Integrity Programmes

Duopharma Biotech received ISO 37001:2016 ABMS certification across its subsidiaries without any major non-conformities and only one "Opportunity for Improvement" in a surveillance audit conducted by certification body SIRIM QAS International Sdn. Bhd.

In completing its OIACP for 2025, Duopharma Biotech executed 23 initiatives aimed at reinforcing ethical operations and aligning with national anti-corruption frameworks.

Duopharma Biotech was honoured with the Prime Minister's Award (Private Sector category) at the 2025 Integrity, Governance and Anti-Corruption Awards (AIGA) in recognition of its strong commitment to integrity, good governance and transparency.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The recognition followed a comprehensive multi-stage evaluation process, beginning with 202 public and private sector organisations and progressing through multiple levels of assessment. In addition, Duopharma Biotech was also awarded the Gold Award (Private Sector category) alongside three other distinguished organisations.

These achievements reflect the Group's continued focus on embedding ethical conduct and robust governance practices across its operations.

The Company conducts regular corruption risk assessments and ensures compliance with anti-corruption laws in all functions across the Group, including its subsidiaries in Indonesia, Singapore and the Philippines.

### **b** Key Policies and Procedures

Among the key policies and procedures reviewed and referred for the year are as follows:

- i) Code of Conduct, which emphasises the Company's core values embodied in PETIRR.
- ii) Policies including Anti-Bribery and Corruption, COI and Competition Law.
- iii) Whistleblowing Policy, whereby employees can report unethical conduct through various secure channels, with protection against retaliation as the reports are handled confidentially. In addition to internal concerns, the policy extends to third-party suppliers and supply chain partners, recognising the potential risks they pose. Given that some whistleblowing reports have involved third parties, the Group is committed to ensuring that any unethical conduct within the supply chain is thoroughly investigated. This includes monitoring third-party relationships closely, ensuring that suppliers adhere to established ethical standards, and mitigating risks associated with third-party conduct.
- iv) Integrity Pact, which the Group's suppliers and business partners must sign, committing to anti-corruption principles.

### **c** Education and Awareness

Regular awareness and refresher training sessions on ethics and integrity are conducted for employees, including briefings on the MACC, Singapore's Prevention of Corruption Act and Indonesia's anti-corruption law. The Company also engaged with and invited speakers from MACC, the Corrupt Practices Investigation Bureau (CPIB) of Singapore and Komisi Pemberantasan Korupsi (KPK) of Indonesia to deliver the programme appropriately.

MACC officers were invited to provide a series of Case Study Workshops under the OIACP 2025. The sessions aimed to strengthen awareness and practical understanding of integrity and anti-corruption measures within the Group. In addition, MACC delivered targeted training to the senior management and the Board of Directors on key offences outlined in the MACC Act 2009 and the National Anti-Corruption Strategy (NACS) 2024-2028 to enhance understanding of corruption risks and national anti-corruption strategies.

Meanwhile, new employees are required to complete an online Ethics, Integrity and Anti-Corruption module.

### **d** Corporate Social Responsibility Event

In 2025, Duopharma Biotech, in collaboration with MACC, organised a CSR programme at Sekolah Kebangsaan Batu Unjur, Klang. The programme was attended by the GMD, senior management, officers from the Klang District Education Office, MACC officers, teachers and 119 Year Six students.

This programme forms part of Duopharma Biotech's OIACP, which seeks to cultivate strong ethical values, integrity and anti-corruption awareness among students. The CSR initiative also reflects MACC's ongoing commitment to nurturing a culture of integrity and ethical conduct, while contributing positively to community development and nation-building through education and awareness.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### e Business Associate Programmes

Duopharma Biotech runs integrity and anti-corruption programmes for external business associates, guiding them on identifying and mitigating corruption risks.

### f Declaration of Interest

Employees are required to make submissions via the annual Declaration of Interest Forms to manage potential conflicts of interest and safeguard the organisation's integrity.

### g Integrity Champions

A group of employees from various locations and departments known as Integrity Champions is appointed to promote ethical conduct and serve as role models.

In summary, Duopharma Biotech has adopted a robust set of measures, policies and training programmes to ensure that its operations are conducted at the highest standards of integrity, creating a transparent and corruption-free business environment.

### BOARD ASSESSMENT

The Board is of the view that the Company's overall risk management and internal control system is operating adequately and effectively in all material aspects. The Board has, additionally, received assurance of the same from both the GMD/GCEO and CFO of the Company.

The Board confirms that the risk management processes for identifying, evaluating and managing significant risks faced by the Group have been in place throughout 2025 up to the date of approval of this statement.

For the financial year 2025, the Board is of the view that the system of internal controls was adequate and effective, and has not resulted in any material loss, contingency or uncertainty requiring disclosure in the Integrated Annual Report 2025.

### REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants (MIA). They have subsequently reported to the Board that nothing, in all material respects, has come to their attention causing them to believe that the statement intended to be included in the annual report of the Group for the year ended 31 December 2025:

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

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

The statement has been approved by the Board of Directors at its meeting on 17 March 2026.

# SECTION 06:

# FINANCIAL REPORT

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## DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

### ULTIMATE HOLDING COMPANY

The Directors regard Permodalan Nasional Berhad, a company incorporated in Malaysia, as the Company's ultimate holding company.

### RESULTS

	<b>Group</b>	<b>Company</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit for the year	87,463	28,357

### RESERVES AND PROVISIONS

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

### DIVIDENDS

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

- i) a second interim ordinary dividend of 2.0 sen per ordinary share totalling RM19,238,849 in respect of the financial year ended 31 December 2024 on 19 March 2025; and
- ii) an interim ordinary dividend of 1.5 sen per ordinary share totalling RM14,429,137 in respect of the year ended 31 December 2025 on 24 September 2025.

The second interim ordinary dividend declared by the Directors on 26 February 2026 in respect of the financial year ended 31 December 2025 is 3.05 sen per ordinary share totalling RM29,339,245. The financial statements for the current financial year do not reflect this second interim dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

## DIRECTORS' REPORT

**DIRECTORS OF THE COMPANY**

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

**Duopharma Biotech Berhad**

Datin Paduka Kartini Binti Hj Abdul Manaf	
Datuk Mohd Radzif Bin Mohd Yunus	
Nik Fazila Binti Nik Mohamed Shihabuddin	
Datuk Wira Arham Bin Abdul Rahman	(appointed on 22 May 2025)
Dato' Adnan Hisham Bin Pawanteh	(appointed on 22 May 2025)
Dr. Sharmila A/P Ramachandran	(appointed on 22 May 2025)
Dr. Hasnita Binti Hashim	(appointed on 22 May 2025)
Mohamad Idros Bin Mosin	(appointed on 22 August 2025)
Muhammad Shukri Bin Ismail	(alternate director to Mohd Haris Bin Mohd Arshad, resigned on 22 August 2025) (alternate director to Mohamad Idros Bin Mosin, appointed on 22 August 2025)
Leonard Ariff Bin Abdul Shatar	(retired on 31 December 2025)
Dato' Eisah Binti A.Rahman	(retired on 16 November 2025)
Mohd Haris Bin Mohd Arshad	(resigned on 22 August 2025)
Razalee Bin Amin	(retired on 22 May 2025)
Datuk Nik Moustpha Bin Haji Nik Hassan	(retired on 22 May 2025)
Zaiton Binti Jamaluddin	(retired on 22 May 2025)
Dato' Dr Zaki Morad Bin Mohamed Zaher	(retired on 22 May 2025)

**SUBSIDIARIES****Duopharma (M) Sendirian Berhad**

Wan Amir-Jeffery Bin Wan Abdul Majid  
Mohd Idzwan Bin Mohd Malik

**Duopharma Manufacturing (Bangi) Sdn. Bhd.**

Seri Azalina Binti Mohd Ghazalli  
Mohd Fairuz Khan Bin Pret Khan (appointed on 29 October 2025)  
Shamsul Idham Bin A.lahad (resigned on 15 October 2025)

**Duopharma Marketing Sdn. Bhd.**

Noor Aida Binti Jaafar  
Rohayu Rosnani Binti Mohd Adanan (appointed on 29 October 2025)  
Mohd Fairuz Khan Bin Pret Khan (resigned on 29 October 2025)



## DIRECTORS' REPORT

### SUBSIDIARIES (CONTINUED)

#### **Duopharma Distribution Sdn. Bhd. (formerly known as Duopharma Consumer Healthcare Sdn. Bhd.)**

Krisnakumara-Reddi A/L Kesava-Reddi

Rohayu Rosnani Binti Mohd Adanan (appointed on 15 October 2025)

Shamsul Idham Bin A.lahad (resigned on 3 March 2026)

#### **Duopharma HAPI Sdn. Bhd.**

Sabrina Binti Haron

Mohamed Shazman Merican

#### **Duopharma Innovation Sdn. Bhd.**

Priya Darshini A/P Asokan

Mohd Fairuz Khan Bin Pret Khan (appointed on 29 October 2025)

Leonard Ariff Bin Abdul Shatar (resigned on 29 October 2025)

#### **Unique Pharmacy (Penang) Sdn. Bhd.**

Krisnakumara-Reddi A/L Kesava-Reddi

Sabrina Binti Haron

#### **Sentosa Pharmacy Sdn. Bhd.**

Priya Darshini A/P Asokan

Mohd Idzwan Bin Mohd Malik (appointed on 29 October 2025)

Chek Wu Kong (retired on 29 October 2025)

#### **Duopharma Manufacturing (Glenmarie) Sdn. Bhd.**

Sabrina Binti Haron

Krisnakumara-Reddi A/L Kesava-Reddi (appointed on 29 October 2025)

Leonard Ariff Bin Abdul Shatar (resigned on 29 October 2025)

#### **Negeri Pharmacy Sdn. Bhd.**

Priya Darshini A/P Asokan

Wan Amir-Jeffery Bin Wan Abdul Majid (appointed on 29 October 2025)

Chek Wu Kong (retired on 29 October 2025)

#### **Duopharma (Singapore) Pte. Ltd.**

Wan Amir-Jeffery Bin Wan Abdul Majid

Shamsul Idham Bin A.lahad (resigned on 3 March 2026)

Noor Aida Binti Jaafar (appointed on 15 October 2025)

Owe Kok Liang

## DIRECTORS' REPORT

**SUBSIDIARIES (CONTINUED)****DB (Philippines) Inc.**

Susan M. Chu

Rohayu Rosnani Binti Mohd Adanan (appointed on 18 November 2025)

Noor Aida Binti Jaafar (appointed on 18 November 2025)

Wan Amir-Jeffery Bin Wan Abdul Majid (resigned on 18 November 2025)

Chek Wu Kong (retired on 18 November 2025)

**PT Duopharma Healthcare Indonesia**

Mohd Idzwan Bin Mohd Malik

Shamsul Idham Bin A. Iahad (resigned on 3 March 2026)

**DIRECTORS' INTERESTS IN SHARES**

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

	Number of ordinary shares			
	At 1.1.2025	Bought/ Received	Sold	At 31.12.2025
Interests in Duopharma Biotech Berhad:				
Datuk Mohd Radzif Bin Mohd Yunus	3	-	-	3

None of the other Directors holding office at 31 December 2025 had any interest in the shares of the Company or of its related corporations during the financial year.



## DIRECTORS' REPORT

### DIRECTORS' BENEFITS

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

The directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 December 2025 are as follows:

	<b>From the Company RM'000</b>
Directors of the Company:	
Fees	921
Remuneration	3,218
Estimated money value of any other benefits	9
	<b>4,148</b>

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

### ISSUE OF SHARES

There were no other changes in the issued and paid-up capital of the Company during the financial year.

### OPTIONS GRANTED OVER UNISSUED SHARES

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

### INDEMNITY AND INSURANCE COSTS

During the financial year, Directors and Officers of Duopharma Biotech Berhad, together with its subsidiaries, were covered under the Directors' and Officers' Liability Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and Officers of the Group subject to the terms of the policy.

The total amount of Directors' and Officers' Liability Insurance effected for the Directors and Officers of the Group was RM50 million. The total amount of premium paid by the Group for the Directors' and Officers' Liability Insurance was RM61,241.

## DIRECTORS' REPORT

**OTHER STATUTORY INFORMATION**

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

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

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

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

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

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

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of 12 months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

**SIGNIFICANT EVENT**

Refer to Note 27 of the notes to the financial statements.

## DIRECTORS' REPORT

### AUDITORS

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

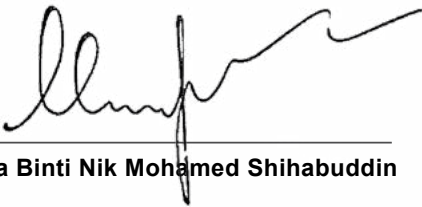
The auditors' remuneration paid or payable to KPMG PLT and local affiliates of KPMG PLT for the financial year ended 31 December 2025 are as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
Audit fees		
- KPMG PLT	334	72
Non-audit fees		
- KPMG PLT	30	16
- Local affiliates of KPMG PLT	13	3
	<b>43</b>	<b>19</b>

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



**Datin Paduka Kartini Binti Hj Abdul Manaf**  
Director



**Nik Fazila Binti Nik Mohamed Shihabuddin**  
Director

Kuala Lumpur

Date: 17 March 2026

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Assets</b>					
Property, plant and equipment	2	554,106	567,521	4,816	4,196
Investment property	3	1,050	1,050	-	-
Intangible assets	4	36,884	44,867	5,440	6,615
Investments in subsidiaries	5	-	-	474,821	474,821
Other investments	6	16,480	22,665	16,480	22,665
Deferred tax assets	7	22,617	15,330	2,845	1,193
<b>Total non-current assets</b>		<b>631,137</b>	<b>651,433</b>	<b>504,402</b>	<b>509,490</b>
Inventories	9	293,168	248,548	-	-
Current tax assets		11,568	18,104	3,006	2,028
Trade and other receivables	8	224,413	195,203	182,867	244,494
Cash and cash equivalents	10	290,874	264,545	188,992	142,804
<b>Total current assets</b>		<b>820,023</b>	<b>726,400</b>	<b>374,865</b>	<b>389,326</b>
<b>Total assets</b>		<b>1,451,160</b>	<b>1,377,833</b>	<b>879,267</b>	<b>898,816</b>
<b>Equity</b>					
Share capital	11.1	432,466	432,466	432,466	432,466
Reserves		(83,409)	(78,090)	(85,418)	(79,233)
Retained earnings		408,566	354,776	49,519	54,830
<b>Equity attributable to owners of the Company</b>	11	<b>757,623</b>	<b>709,152</b>	<b>396,567</b>	<b>408,063</b>
<b>Liabilities</b>					
Loans and borrowings	12	345,474	464,523	345,474	464,523
Trade and other payables	13	2,465	2,755	1,955	2,341
Deferred tax liabilities	7	30,643	23,418	-	-
<b>Total non-current liabilities</b>		<b>378,582</b>	<b>490,696</b>	<b>347,429</b>	<b>466,864</b>
Loans and borrowings	12	147,424	47,995	118,338	15,662
Trade and other payables	13	163,237	129,250	16,933	8,227
Current tax liabilities		4,294	740	-	-
<b>Total current liabilities</b>		<b>314,955</b>	<b>177,985</b>	<b>135,271</b>	<b>23,889</b>
<b>Total liabilities</b>		<b>693,537</b>	<b>668,681</b>	<b>482,700</b>	<b>490,753</b>
<b>Total equity and liabilities</b>		<b>1,451,160</b>	<b>1,377,833</b>	<b>879,267</b>	<b>898,816</b>

The notes on pages 180 to 235 are an integral part of these financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	14	931,692	813,695	76,911	70,432
Cost of sales		(568,555)	(512,157)	-	-
<b>Gross profit</b>		<b>363,137</b>	<b>301,538</b>	<b>76,911</b>	<b>70,432</b>
Other income		314	427	-	-
Distribution and marketing expenses		(129,372)	(118,878)	-	-
Administrative expenses		(97,278)	(83,137)	(41,576)	(35,666)
(Reversal of)/ Loss on impairment of financial instruments		(533)	1,431	-	-
Other expenses		(2,476)	(730)	(394)	(418)
<b>Results from operating activities</b>	15	<b>133,792</b>	<b>100,651</b>	<b>34,941</b>	<b>34,348</b>
Finance income	16	5,870	5,965	14,457	19,580
Finance costs	17	(24,753)	(26,592)	(23,087)	(24,884)
<b>Profit before tax</b>		<b>114,909</b>	<b>80,024</b>	<b>26,311</b>	<b>29,044</b>
Tax expense	19	(27,446)	(17,379)	2,046	384
<b>Profit for the year</b>		<b>87,463</b>	<b>62,645</b>	<b>28,357</b>	<b>29,428</b>
<b>Other comprehensive income, net of tax</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Net change in fair value of equity investments designated at fair value through other comprehensive income ("FVOCI")		(6,185)	(14,242)	(6,185)	(14,242)
Remeasurement of defined benefit liability		(5)	-	-	-
		(6,190)	(14,242)	(6,185)	(14,242)
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		866	560	-	-
		866	560	-	-
<b>Other comprehensive income, net of tax</b>		<b>(5,324)</b>	<b>(13,682)</b>	<b>(6,185)</b>	<b>(14,242)</b>
<b>Total comprehensive income for the year</b>		<b>82,139</b>	<b>48,963</b>	<b>22,172</b>	<b>15,186</b>
<b>Basic earnings per ordinary share (sen)</b>	20	<b>9.09</b>	6.51		

The notes on pages 180 to 235 are an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Group	Note	← Attributable to owners of the Company →				Total RM'000
		← Non-distributable →		Distributable		
		Share capital RM'000	Translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	
<b>At 1 January 2024</b>		432,466	583	(64,991)	319,065	687,123
Foreign currency translation differences for foreign operations		-	560	-	-	560
Net change in fair value of equity instrument designated at FVOCI		-	-	(14,242)	-	(14,242)
Total other comprehensive loss for the year		-	560	(14,242)	-	(13,682)
Profit for the year		-	-	-	62,645	62,645
<b>Profit/(Loss) and total comprehensive income/(loss) for the year</b>		-	560	(14,242)	62,645	48,963
<i>Contributions by and distributions to owners of the Company</i>						
- Dividends to owners of the Company	21	-	-	-	(26,934)	(26,934)
<b>Total transactions with owners of the Company</b>		-	-	-	(26,934)	(26,934)
<b>At 31 December 2024</b>		432,466	1,143	(79,233)	354,776	709,152
		Note 11.1	Note 11.2	Note 11.3		

The notes on pages 180 to 235 are an integral part of these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Group	Note	← Attributable to owners of the Company →				
		← Non-distributable →			Distributable	
		Share capital RM'000	Translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total RM'000
<b>At 1 January 2025</b>		<b>432,466</b>	<b>1,143</b>	<b>(79,233)</b>	<b>354,776</b>	<b>709,152</b>
Foreign currency translation differences for foreign operations		-	866	-	-	866
Net change in fair value of equity instrument designated at FVOCI		-	-	(6,185)	-	(6,185)
Remeasurement of defined benefit liability		-	-	-	(5)	(5)
Total other comprehensive loss for the year		-	866	(6,185)	(5)	(5,324)
Profit for the year		-	-	-	87,463	87,463
<b>Profit/(Loss) and total comprehensive income/(loss) for the year</b>		<b>-</b>	<b>866</b>	<b>(6,185)</b>	<b>87,458</b>	<b>82,139</b>
Contributions by and distributions to owners of the Company						
- Dividends to owners of the Company	21	-	-	-	(33,668)	(33,668)
<b>Total transactions with owners of the Company</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(33,668)</b>	<b>(33,668)</b>
<b>At 31 December 2025</b>		<b>432,466</b>	<b>2,009</b>	<b>(85,418)</b>	<b>408,566</b>	<b>757,623</b>
		Note 11.1	Note 11.2	Note 11.3		

The notes on pages 180 to 235 are an integral part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Company	Note	← Attributable to owners of the Company →			
		← Non-distributable →		Distributable	Total RM'000
		Share capital RM'000	Fair value reserve RM'000	Retained earnings RM'000	
<b>At 1 January 2024</b>		432,466	(64,991)	52,336	419,811
Net change in fair value of equity instrument designated at FVOCI		-	(14,242)	-	(14,242)
Total other comprehensive loss for the year		-	(14,242)	-	(14,242)
Profit for the year		-	-	29,428	29,428
<b>Profit/(Loss) and total comprehensive income/ (loss) for the year</b>		-	(14,242)	29,428	15,186
<i>Contributions by and distributions to owners of the Company</i>					
- Dividends to owners of the Company	21	-	-	(26,934)	(26,934)
<b>Total transactions with owners of the Company</b>		-	-	(26,934)	(26,934)
<b>At 31 December 2024</b>		432,466	(79,233)	54,830	408,063
		Note 11.1	Note 11.3		

Company	Note	← Attributable to owners of the Company →			
		← Non-distributable →		Distributable	Total RM'000
		Share capital RM'000	Fair value reserve RM'000	Retained earnings RM'000	
<b>At 1 January 2025</b>		432,466	(79,233)	54,830	408,063
Net change in fair value of equity instrument designated at FVOCI		-	(6,185)	-	(6,185)
Total other comprehensive loss for the year		-	(6,185)	-	(6,185)
Profit for the year		-	-	28,357	28,357
<b>Profit/(Loss) and total comprehensive income/ (loss) for the year</b>		-	(6,185)	28,357	22,172
<i>Contributions by and distributions to owners of the Company</i>					
- Dividends to owners of the Company	21	-	-	(33,668)	(33,668)
<b>Total transactions with owners of the Company</b>		-	-	(33,668)	(33,668)
<b>At 31 December 2025</b>		432,466	(85,418)	49,519	396,567
		Note 11.1	Note 11.3		

The notes on pages 180 to 235 are an integral part of these financial statements.

# STATEMENTS OF CASH FLOWS

For the year ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Cash flows from operating activities</b>					
Profit before tax		<b>114,909</b>	80,024	<b>26,311</b>	29,044
<i>Adjustments for:</i>					
Depreciation of property, plant and equipment	2	<b>40,600</b>	40,497	<b>1,005</b>	818
Write-off of property, plant and equipment		-	6	-	-
Gain on disposal of property, plant and equipment		<b>(10)</b>	(392)	-	-
Amortisation of intangible assets	4	<b>4,908</b>	4,895	<b>1,398</b>	1,548
Impairment of intangible assets	4	<b>9,520</b>	10	-	-
Dividend income		-	-	<b>(41,103)</b>	(38,410)
Finance cost	17	<b>24,753</b>	26,592	<b>23,087</b>	24,884
Finance income from					
- Cash and cash equivalents	16	<b>(5,870)</b>	(5,965)	<b>(5,328)</b>	(5,553)
- Subsidiaries	16	-	-	<b>(9,129)</b>	(14,027)
Loss on/(Reversal of) impairment on trade receivables	23	<b>(533)</b>	(1,431)	-	-
Net write-down/(reversal of write-down) of inventories to net realisable value	9	<b>2,859</b>	(99)	-	-
Net inventories slow-moving and written off	9	<b>13,194</b>	9,968	-	-
Net unrealised foreign exchange loss	15	<b>626</b>	1,245	<b>90</b>	-
<b>Operating profit/(loss) before changes in working capital</b>					
		<b>204,956</b>	155,350	<b>(3,669)</b>	(1,696)
Change in inventories		<b>(60,673)</b>	(15,349)	-	-
Change in trade and other receivables		<b>(28,873)</b>	(46,597)	<b>61,537</b>	(2,968)
Change in trade and other payables		<b>33,361</b>	27,624	<b>8,771</b>	(606)
<b>Cash generated from/(used in) operations</b>					
		<b>148,771</b>	121,028	<b>66,639</b>	(5,270)
Interest paid		<b>(24,523)</b>	(27,023)	<b>(22,856)</b>	(24,664)
Tax paid		<b>(17,418)</b>	(10,662)	<b>(584)</b>	(170)
<b>Net cash from/(used in) operating activities</b>					
		<b>106,830</b>	83,343	<b>43,199</b>	(30,104)

The notes on pages 180 to 235 are an integral part of these financial statements.

## STATEMENTS OF CASH FLOWS

For the year ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment		(26,839)	(23,573)	(1,730)	(766)
Acquisition of intangible assets	4	(6,339)	(10,319)	(118)	(1,291)
Proceeds from disposal of property, plant and equipment		209	501	-	-
Increase in investments in subsidiaries		-	-	-	(39,497)
Interest received from					
- Cash and cash equivalents		5,870	5,965	5,328	5,553
- Subsidiaries		-	-	9,129	14,027
Dividend received		-	-	41,103	38,410
<b>Net cash (used in)/from investing activities</b>		<b>(27,099)</b>	<b>(27,426)</b>	<b>53,712</b>	<b>16,436</b>
<b>Cash flows from financing activities</b>					
Dividends paid to owners of the Company		(33,668)	(26,934)	(33,668)	(26,934)
Payment of lease liabilities		(750)	(1,350)	(452)	(450)
Proceeds from loans and borrowings		58,146	93,371	-	-
Repayment of loans and borrowings		(77,996)	(127,521)	(16,603)	(27,594)
<b>Net cash used in financing activities</b>		<b>(54,268)</b>	<b>(62,434)</b>	<b>(50,723)</b>	<b>(54,978)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>25,463</b>	<b>(6,517)</b>	<b>46,188</b>	<b>(68,646)</b>
Exchange differences on translation of financial statement of foreign operations		866	560	-	-
Cash and cash equivalents at 1 January		264,545	270,502	142,804	211,450
<b>Cash and cash equivalents at 31 December</b>		<b>290,874</b>	<b>264,545</b>	<b>188,992</b>	<b>142,804</b>

The notes on pages 180 to 235 are an integral part of these financial statements.

## STATEMENTS OF CASH FLOWS

For the year ended 31 December 2025

### Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits placed with licensed banks	10	33,924	32,500	-	-
Cash and bank balances	10	81,420	103,297	13,462	14,056
Highly liquid investment with financial institutions	10	175,530	128,748	175,530	128,748
		<b>290,874</b>	<b>264,545</b>	<b>188,992</b>	<b>142,804</b>

### Cash outflows for leases as a lessee

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Included in net cash from operating activities:</b>					
Payment relating to leases of low value assets	15	244	212	4	4
Payment relating to short-term lease	15	4,424	3,867	-	1
Payment relating to variable lease payments not included in the measurement of lease liabilities	15	2,987	2,617	-	-
Interest paid in relation to lease liabilities	17	113	107	91	77
<b>Included in net cash from financing activities:</b>					
Payment of lease liabilities		750	1,350	452	450
<b>Total cash outflows for leases</b>		<b>8,518</b>	<b>8,153</b>	<b>547</b>	<b>532</b>

The notes on pages 180 to 235 are an integral part of these financial statements.

## STATEMENTS OF CASH FLOWS

For the year ended 31 December 2025

Reconciliation of movements of liabilities to cash flows arising from financing activities

Group	At 1 January 2024 RM'000	Net changes from financing cash flows RM'000	Other changes RM'000	Addition of new lease RM'000	Effect of lease modification RM'000	At 31 December 2024/ 1 January 2025 RM'000	Net changes from financing cash flows RM'000	Other changes RM'000	Effect of lease modification RM'000	At 31 December 2025 RM'000
Islamic medium term notes (Sukuk Wakalah)	391,771	-	220	-	-	391,991	-	230	-	392,221
Term loan	104,083	(15,889)	-	-	-	88,194	(16,603)	-	-	71,591
Revolving credit	26,704	(16,704)	-	-	-	10,000	-	-	-	10,000
Banker's acceptance	23,890	(1,557)	-	-	-	22,333	(3,247)	-	-	19,086
Lease liabilities	2,400	(1,350)	-	686	1,567	3,303	(750)	-	632	3,185
Total liabilities from financing activities	548,848	(35,500)	220	686	1,567	515,821	(20,600)	230	632	496,083

Company	At 1 January 2024 RM'000	Net changes from financing cash flows RM'000	Other changes RM'000	Effect of lease modification RM'000	At 31 December 2024/ 1 January 2025 RM'000	Net changes from financing cash flows RM'000	Other changes RM'000	Effect of lease modification RM'000	At 31 December 2025 RM'000
Islamic medium term notes (Sukuk Wakalah)	391,771	-	220	-	391,991	-	230	-	392,221
Term loan	104,083	(15,889)	-	-	88,194	(16,603)	-	-	71,591
Revolving credit	11,705	(11,705)	-	-	-	-	-	-	-
Lease liabilities	1,730	(450)	-	1,464	2,744	(452)	-	-	2,292
Total liabilities from financing activities	509,289	(28,044)	220	1,464	482,929	(17,055)	230	-	466,104

The notes on pages 180 to 235 are an integral part of these financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

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

### **Principal place of business**

Lot 2599, Jalan Seruling 59  
Taman Klang Jaya  
41200 Klang  
Selangor Darul Ehsan  
Malaysia

### **Registered office**

Suite 18.06, Level 18, CIMB HUB  
No.26, Jalan Sultan Ismail  
50250 Kuala Lumpur  
Malaysia

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The financial statements of the Company as at and for the financial year ended 31 December 2025 do not include other entities.

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are disclosed in Note 5. There has been no significant change in the nature of these activities during the financial year.

The ultimate holding company during the financial year is Permodalan Nasional Berhad which is incorporated in Malaysia.

These financial statements were authorised for issue by the Board of Directors on 17 March 2026.

## **1. BASIS OF PREPARATION**

### **(a) Statement of compliance**

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

## NOTES TO THE FINANCIAL STATEMENTS

## 1. BASIS OF PREPARATION (CONTINUED)

## (a) Statement of compliance (continued)

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

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

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

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

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION (CONTINUED)

#### (b) Basis of measurement

The financial statements of the Group and the Company have been prepared on the historical cost basis except for the following items, where applicable, which are measured based on the measurement bases stated below:

Items	Measurement bases
Non-derivative financial instruments at FVTPL	Fair value
Equity securities at FVOCI	Fair value
Investment properties	Fair value

#### (c) Functional and presentation currency

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

#### (d) Use of estimates and judgements

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

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

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

- Note 5 – Investments in subsidiaries
- Note 7 – Recoverable amount of deferred tax assets
- Note 9 – Net realisable value of inventories
- Note 14 – Revenue
- Note 8 and 23.4 – Measurement of expected credit loss (“ECL”)

## NOTES TO THE FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT

Group	← Own use →								Total RM'000
	Freehold land RM'000	Freehold buildings RM'000	Plant and machineries RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Renovations RM'000	Capital work-in- progress RM'000	Right-of- use assets RM'000	
<b>Cost</b>									
At 1 January 2024	65,682	265,860	414,069	19,043	2,066	3,077	8,475	95,168	873,440
Additions	-	1,234	10,777	1,757	182	77	9,546	686	24,259
Reclassification	-	-	5,835	-	-	-	(5,835)	-	-
Write off	-	-	(973)	(202)	-	-	-	-	(1,175)
Disposals	-	-	(10)	-	(13)	-	-	(180)	(203)
Effect of lease modifications	-	-	-	-	-	-	-	1,567	1,567
Effect of exchange rate	-	-	-	(127)	(17)	(17)	-	(54)	(215)
At 31 December 2024/ 1 January 2025	<b>65,682</b>	<b>267,094</b>	<b>429,698</b>	<b>20,471</b>	<b>2,218</b>	<b>3,137</b>	<b>12,186</b>	<b>97,187</b>	<b>897,673</b>
Additions	-	463	10,047	3,628	263	309	12,129	-	26,839
Reclassification	-	2,327	7,464	-	-	-	(9,791)	-	-
Write off	-	-	(4,290)	(843)	(150)	-	-	-	(5,283)
Disposals	-	-	(193)	-	(186)	-	(6)	-	(385)
Effect of lease modifications	-	-	-	-	-	-	-	632	632
Effect of exchange rate	-	-	-	(140)	(25)	(11)	-	(139)	(315)
At 31 December 2025	<b>65,682</b>	<b>269,884</b>	<b>442,726</b>	<b>23,116</b>	<b>2,120</b>	<b>3,435</b>	<b>14,518</b>	<b>97,680</b>	<b>919,161</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	← Own use →								Total RM'000
	Freehold land RM'000	Freehold buildings RM'000	Plant and machineries RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Renovations RM'000	Capital work-in- progress RM'000	Right-of- use assets RM'000	
<b>Depreciation</b>									
At 1 January 2024	-	29,700	223,865	12,379	1,754	2,429	-	20,948	291,075
Depreciation for the year	-	5,081	29,813	1,894	113	95	-	3,501	40,497
Write off	-	-	(973)	(196)	-	-	-	-	(1,169)
Disposals	-	-	(10)	-	(13)	-	-	(71)	(94)
Effect of exchange rate	-	-	-	(122)	(12)	(5)	-	(18)	(157)
At 31 December 2024/ 1 January 2025	-	<b>34,781</b>	<b>252,695</b>	<b>13,955</b>	<b>1,842</b>	<b>2,519</b>	-	<b>24,360</b>	<b>330,152</b>
Depreciation for the year	-	<b>5,134</b>	<b>29,773</b>	<b>2,036</b>	<b>143</b>	<b>104</b>	-	<b>3,410</b>	<b>40,600</b>
Write off	-	-	<b>(4,290)</b>	<b>(843)</b>	<b>(150)</b>	-	-	-	<b>(5,283)</b>
Disposals	-	-	-	-	<b>(186)</b>	-	-	-	<b>(186)</b>
Effect of exchange rate	-	-	-	<b>(140)</b>	<b>(20)</b>	<b>(5)</b>	-	<b>(63)</b>	<b>(228)</b>
At 31 December 2025	-	<b>39,915</b>	<b>278,178</b>	<b>15,008</b>	<b>1,629</b>	<b>2,618</b>	-	<b>27,707</b>	<b>365,055</b>
<b>Carrying amounts</b>									
At 1 January 2024	65,682	236,160	190,204	6,664	312	648	8,475	74,220	582,365
At 31 December 2024/ 1 January 2025	<b>65,682</b>	<b>232,313</b>	<b>177,003</b>	<b>6,516</b>	<b>376</b>	<b>618</b>	<b>12,186</b>	<b>72,827</b>	<b>567,521</b>
At 31 December 2025	<b>65,682</b>	<b>229,969</b>	<b>164,548</b>	<b>8,108</b>	<b>491</b>	<b>817</b>	<b>14,518</b>	<b>69,973</b>	<b>554,106</b>

Note 2.2

## NOTES TO THE FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	← Own use →			Total RM'000
	Office equipment, furniture and fittings RM'000	Renovation RM'000	Right-of-use asset RM'000	
<b>Cost</b>				
At 1 January 2024	2,130	1,108	3,850	7,088
Additions	766	-	1,464	2,230
At 31 December 2024/1 January 2025	<b>2,896</b>	<b>1,108</b>	<b>5,314</b>	<b>9,318</b>
Additions	<b>1,625</b>	-	-	<b>1,625</b>
At 31 December 2025	<b>4,521</b>	<b>1,108</b>	<b>5,314</b>	<b>10,943</b>
<b>Depreciation</b>				
At 1 January 2024	1,005	1,108	2,191	4,304
Depreciation for the year	354	-	464	818
At 31 December 2024/1 January 2025	<b>1,359</b>	<b>1,108</b>	<b>2,655</b>	<b>5,122</b>
Depreciation for the year	<b>532</b>	-	<b>473</b>	<b>1,005</b>
At 31 December 2025	<b>1,891</b>	<b>1,108</b>	<b>3,128</b>	<b>6,127</b>
<b>Carrying amounts</b>				
At 1 January 2024	1,125	-	1,659	2,784
At 31 December 2024/1 January 2025	<b>1,537</b>	-	<b>2,659</b>	<b>4,196</b>
At 31 December 2025	<b>2,630</b>	-	<b>2,186</b>	<b>4,816</b>

Note 2.2

## NOTES TO THE FINANCIAL STATEMENTS

### 2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### 2.1 Material accounting policy information

##### (a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain and loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within “other income” and “other expenses” respectively in profit or loss.

##### (b) Depreciation

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

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

• freehold buildings	50 years
• plant and machineries	5 - 20 years
• office equipment, furniture and fittings	5 - 20 years
• motor vehicles	4 - 10 years
• renovations	10 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted as appropriate.

## NOTES TO THE FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

## 2.2 As a lessee

*Right-of-use assets*

Group	Land RM'000	Buildings RM'000	Total RM'000
<b>Cost</b>			
At 1 January 2024	18,103	77,065	95,168
Additions	-	686	686
Disposals	-	(180)	(180)
Effect of lease modifications	-	1,567	1,567
Effect of exchange rate	-	(54)	(54)
At 31 December 2024/1 January 2025	<b>18,103</b>	<b>79,084</b>	<b>97,187</b>
Effect of lease modifications	-	<b>632</b>	<b>632</b>
Effect of exchange rate	-	<b>(139)</b>	<b>(139)</b>
At 31 December 2025	<b>18,103</b>	<b>79,577</b>	<b>97,680</b>
<b>Depreciation</b>			
At 1 January 2024	2,244	18,704	20,948
Depreciation for the year	292	3,209	3,501
Disposals	-	(71)	(71)
Effect of exchange rate	-	(18)	(18)
At 31 December 2024/1 January 2025	<b>2,536</b>	<b>21,824</b>	<b>24,360</b>
Depreciation for the year	<b>292</b>	<b>3,118</b>	<b>3,410</b>
Effect of exchange rate	-	<b>(63)</b>	<b>(63)</b>
At 31 December 2025	<b>2,828</b>	<b>24,879</b>	<b>27,707</b>
<b>Carrying amounts</b>			
At 1 January 2024	15,859	58,361	74,220
At 31 December 2024/1 January 2025	<b>15,567</b>	<b>57,260</b>	<b>72,827</b>
At 31 December 2025	<b>15,275</b>	<b>54,698</b>	<b>69,973</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### 2.2 As a lessee (continued)

Company	Building RM'000
<b>Cost</b>	
At 1 January 2024/31 December 2024/1 January 2025/31 December 2025	<b>5,314</b>
<b>Depreciation</b>	
At 1 January 2024	2,191
Depreciation for the year	464
31 December 2024/1 January 2025	<b>2,655</b>
Depreciation for the year	<b>473</b>
At 31 December 2025	<b>3,128</b>
<b>Carrying amounts</b>	
At 1 January 2024	1,659
At 31 December 2024/1 January 2025	<b>2,659</b>
At 31 December 2025	<b>2,186</b>

The Group and the Company lease buildings and land under operating lease. The lease typically run for a period of 3 years.

#### 2.2.1 Judgements and assumptions in relation to leases

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

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

#### 2.2.2 Material accounting policy information

##### (a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

## NOTES TO THE FINANCIAL STATEMENTS

**2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)****2.2 As a lessee (continued)****2.2.2 Material accounting policy information (continued)****(b) Lease and non-lease components**

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

**(c) Recognition exemption**

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

**3. INVESTMENT PROPERTY**

	Group	
	2025 RM'000	2024 RM'000
At 1 January/31 December	1,050	1,050
Included in the above is:		
At fair value		
Leasehold land with unexpired lease period of more than 50 years	1,050	1,050

## NOTES TO THE FINANCIAL STATEMENTS

### 3. INVESTMENT PROPERTY (CONTINUED)

#### 3.1 Fair value information

##### Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment property.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of valuation technique and inputs use	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<p>Sales comparison approach: Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.</p>	<p>Recent transactions of similar properties at or near reporting date with similar land usage, land size and location.</p> <p>The characteristics, merits and disadvantages of these properties are noted and diligent adjustments thereof are then made by valuer to reflect the differences and to arrive at the value of the property.</p>	<p>The estimated fair value would increase (decrease) if recent transactions of similar properties at or near reporting date with similar land usage, land size and location were higher (lower).</p>

##### Valuation processes applied by the Group for Level 3 fair value

The fair value of investment property is determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The valuation company provides the fair value of the Group's investment property portfolio every twelve months. Changes in Level 3 fair values are analysed by the management every twelve months after obtaining valuation report from the valuation company.

##### Highest and best use

The Group's investment property is a vacant land. The highest and best use of the property should be an industrial land located nearby the Group's investment property.

#### 3.2 Material accounting policy information

Investment properties are measured subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise.

## NOTES TO THE FINANCIAL STATEMENTS

## 4. INTANGIBLE ASSETS

Group	Note	Marketing rights RM'000	Development costs RM'000	Computer software RM'000	Total RM'000
<b>Cost</b>					
At 1 January 2024		1,349	38,455	10,339	50,143
Additions		-	9,028	1,291	10,319
Derecognition		-	(10)	-	(10)
Borrowing costs capitalised at 5.48% per annum		-	651	-	651
At 31 December 2024/1 January 2025		<b>1,349</b>	<b>48,124</b>	<b>11,630</b>	<b>61,103</b>
Additions		<b>201</b>	<b>5,915</b>	<b>223</b>	<b>6,339</b>
Transfer		<b>106</b>	-	-	<b>106</b>
At 31 December 2025		<b>1,656</b>	<b>54,039</b>	<b>11,853</b>	<b>67,548</b>
<b>Amortisation/Impairment</b>					
At 1 January 2024		567	7,307	3,467	11,341
Amortisation for the year		82	3,265	1,548	4,895
At 31 December 2024/1 January 2025		<b>649</b>	<b>10,572</b>	<b>5,015</b>	<b>16,236</b>
Amortisation for the year		<b>81</b>	<b>3,429</b>	<b>1,398</b>	<b>4,908</b>
Impairment	4.2	-	<b>9,520</b>	-	<b>9,520</b>
At 31 December 2025					
Accumulated amortisation		<b>730</b>	<b>14,001</b>	<b>6,413</b>	<b>21,144</b>
Accumulated impairment		-	<b>9,520</b>	-	<b>9,520</b>
		<b>730</b>	<b>23,521</b>	<b>6,413</b>	<b>30,664</b>
<b>Carrying amount</b>					
At 1 January 2024		782	31,148	6,872	38,802
At 31 December 2024/1 January 2025		<b>700</b>	<b>37,552</b>	<b>6,615</b>	<b>44,867</b>
At 31 December 2025		<b>926</b>	<b>30,518</b>	<b>5,440</b>	<b>36,884</b>
		Note 4.1	Note 4.2	Note 4.3	

## NOTES TO THE FINANCIAL STATEMENTS

## 4. INTANGIBLE ASSETS (CONTINUED)

<b>Company</b>	<b>Computer software RM'000</b>
<b>Cost</b>	
At 1 January 2024	10,339
Additions	1,291
31 December 2024/1 January 2025	<b>11,630</b>
Additions	<b>223</b>
At 31 December 2025	<b>11,853</b>
<b>Amortisation</b>	
1 January 2024	3,467
Amortisation for the year	1,548
At 31 December 2024/1 January 2025	<b>5,015</b>
Amortisation for the year	<b>1,398</b>
At 31 December 2025	<b>6,413</b>
<b>Carrying amount</b>	
At 1 January 2024	6,872
At 31 December 2024/1 January 2025	<b>6,615</b>
At 31 December 2025	<b>5,440</b>

Note 4.3

## 4.1 Marketing rights

The carrying amount of marketing rights includes RM152,000 (2024: RM233,000) which represents the sole and exclusive right to market and sell Insugen & Basalog One developed by Biocon SA, a company incorporated in India.

## 4.2 Development costs

The carrying amount of development costs represents costs incurred for the purpose of commercialisation of biosimilar, oncology, prescription drugs, consumer healthcare products as well as other in-house manufactured products. The Group will hold the exclusive commercialisation rights for product marketing and distribution in Malaysia, Singapore and Brunei, as well as the exclusive and perpetual royalty-free license to use the technical information for biosimilar products.

Some of the products have commenced commercial activity and is being amortised accordingly. However, there are products that have yet to be fully commercialised at year-end. The management made an assumption that the development costs will be recovered through present and/or future commercial activity.

## NOTES TO THE FINANCIAL STATEMENTS

**4. INTANGIBLE ASSETS (CONTINUED)****4.2 Development costs (continued)****Impairment loss**

During the financial year, the Group recognised an impairment loss of approximately RM9,520,000 (2024: Nil) on capitalised development costs relating to certain products following a reassessment of their recoverable amounts.

The impairment was recognised after management's review indicated that these products may no longer be expected to be commercially viable. This assessment was based on factors including potential product stability issues, rejection of dossiers and study reports by regulatory authorities and changes in market conditions, including lower expected demand based. These assessments were made based on information and circumstances available as at the reporting date.

Any future reversal, if applicable, will be subject to the requirements of the relevant financial reporting standards and will depend on subsequent developments, including regulatory approvals, product stability outcomes, and market conditions.

**4.3 Computer software**

The carrying amount of computer software amounting to RM5,440,000 (2024: RM6,615,000) represents the enterprise resource planning software and business intelligence and analytic software that are used to support the operations of the business.

**4.4 Material accounting policy information****(a) Recognition and measurement**

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**(b) Amortisation**

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

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

• marketing rights	10 years
• development costs	10 years
• computer software	5 - 10 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

## NOTES TO THE FINANCIAL STATEMENTS

## 5. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost	474,821	474,821

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business	Principal activities	Effective ownership interest and voting interest	
			2025 %	2024 %
Duopharma (M) Sendirian Berhad	Malaysia	Manufacturing, distribution, importing and exporting of pharmaceutical products and medicines	100	100
Duopharma Manufacturing (Bangi) Sdn. Bhd.	Malaysia	Manufacturing of pharmaceutical products and sales of medicines	100	100
Duopharma Marketing Sdn. Bhd.	Malaysia	Marketing and sales of medicines and pharmaceutical products	100	100
Duopharma Distribution Sdn. Bhd. ("formerly known as Duopharma Consumer Healthcare Sdn. Bhd.")	Malaysia	Trading of pharmaceutical products	100	100
Duopharma HAPI Sdn. Bhd.	Malaysia	Trading and manufacturing of pharmaceutical products	100	100
Duopharma Innovation Sdn. Bhd.	Malaysia	Research and development of pharmaceutical products	100	100
Unique Pharmacy (Penang) Sdn. Bhd.	Malaysia	Distributor of pharmaceutical products	100	100
Sentosa Pharmacy Sdn. Bhd.	Malaysia	Distributor of pharmaceutical products	100	100
Duopharma Manufacturing (Glenmarie) Sdn. Bhd.	Malaysia	Property management and services	100	100
Negeri Pharmacy Sdn. Bhd.	Malaysia	Dormant	100	100
Duopharma (Singapore) Pte. Ltd.#	Singapore	Distribution, wholesaler	100	100

## NOTES TO THE FINANCIAL STATEMENTS

## 5. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Principal place of business	Principal activities	Effective ownership interest and voting interest	
			2025 %	2024 %
DB (Philippines), Inc.#	Philippines	Distribution, importing and exporting pharmaceutical and chemical products	100	100
PT Duopharma Healthcare Indonesia #	Indonesia	Trading of traditional medicine, herbal medicine, health supplements and cosmetics for human	100	100

# Not audited by member firms of KPMG International

## 5.1 Capital contribution

In the previous financial year, the Company made additional capital contributions to its two wholly-owned subsidiaries, namely Duopharma HAPI Sdn. Bhd. ("HAPI") and Duopharma Distribution Sdn. Bhd. (formerly known as Duopharma Consumer Healthcare Sdn. Bhd.) ("DDSB") by subscribing to newly issued ordinary shares.

*Duopharma HAPI Sdn. Bhd. ("HAPI")*

In the previous financial year, a total of 64,000,000 new ordinary shares at RM1 per share were issued by HAPI for a total consideration of RM64,000,000. Of this amount, RM43,742,000 was settled through the conversion of a portion of the outstanding balance owed by HAPI to the Company, while the remaining RM20,258,000 was settled in cash.

*Duopharma Distribution Sdn. Bhd. ("DDSB")*

In the previous financial year, a total of 24,700,000 new ordinary shares at RM1 per share were issued by DDSB for a total consideration of RM24,700,000. Of this amount, RM5,461,000 was settled through the conversion of a portion of the outstanding balance owed by DDSB to the Company, while the remaining RM19,239,000 was settled in cash.

## 5.2 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

## NOTES TO THE FINANCIAL STATEMENTS

## 6. OTHER INVESTMENTS

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current</b>					
Fair value through other comprehensive income	6.1	<b>16,480</b>	22,665	<b>16,480</b>	22,665

## 6.1 Equity investments designated at fair value through other comprehensive income

The Group designated the investments shown below as equity securities at fair value through other comprehensive income because these equity securities represent investments that the Group intends to hold for long-term strategic purposes.

Group and Company	Fair value at 31 December RM'000
<b>2025</b>	
<b>Quoted:</b>	
PanGen Biotech, Inc.	12,712
SCM Lifescience, Inc.	1,560
<b>Unquoted:</b>	
Alryxo Biotherapeutics Inc.	-
Naluri Pte. Ltd.	2,208
The Live Green Group, Inc	-
	<b>16,480</b>
<b>2024</b>	
<b>Quoted:</b>	
PanGen Biotech, Inc.	13,942
SCM Lifescience, Inc.	3,142
<b>Unquoted:</b>	
Alryxo Biotherapeutics Inc.	-
Naluri Pte. Ltd.	4,645
The Live Green Group, Inc	936
	22,665

## NOTES TO THE FINANCIAL STATEMENTS

**6. OTHER INVESTMENTS (CONTINUED)****6.2 Material accounting policy information****(a) Equity investments not held for trading**

At initial recognition, the Group irrevocably elect to present subsequent changes in the fair value of the investments in other comprehensive income. This election is made on an investment-by-investment basis.

**7. DEFERRED TAX ASSETS/(LIABILITIES)****7.1 Recognised deferred tax assets/(liabilities)**

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Property, plant and equipment and intangible assets	-	-	(49,186)	(50,076)	(49,186)	(50,076)
Lease liabilities	554	1,091	(531)	(639)	23	452
Provisions	21,297	13,563	-	-	21,297	13,563
Unutilised capital allowance carry-forwards	7,871	6,611	-	-	7,871	6,611
Unutilised reinvestment allowance	-	11,242	-	-	-	11,242
Tax losses carry-forwards	12,992	11,846	-	-	12,992	11,846
Other items	220	572	(1,243)	(2,298)	(1,023)	(1,726)
Tax assets/(liabilities)	42,934	44,925	(50,960)	(53,013)	(8,026)	(8,088)
Set-off of tax	(20,317)	(29,595)	20,317	29,595	-	-
Net tax assets/(liabilities)	22,617	15,330	(30,643)	(23,418)	(8,026)	(8,088)

## NOTES TO THE FINANCIAL STATEMENTS

## 7. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

## 7.1 Recognised deferred tax assets/(liabilities) (continued)

Company	Assets		Liabilities		Net	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Property, plant and equipment	-	-	(1,218)	(823)	(1,218)	(823)
Provisions	1,405	498	-	-	1,405	498
Unutilised capital allowance carry-forwards	2,633	1,498	-	-	2,633	1,498
Right of use assets	-	-	(525)	(639)	(525)	(639)
Lease liabilities	550	659	-	-	550	659
Tax assets/(liabilities)	4,588	2,655	(1,743)	(1,462)	2,845	1,193
Set-off of tax	(1,743)	(1,462)	1,743	1,462	-	-
Net tax assets	2,845	1,193	-	-	2,845	1,193

## 7.2 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Tax losses	38,276	23,746	14,430	-
	38,276	23,746	14,430	-

## NOTES TO THE FINANCIAL STATEMENTS

**7. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)****7.2 Unrecognised deferred tax assets (continued)****Tax losses**

At the end of the financial year, the Company and another two subsidiaries have unabsorbed tax losses amounting to RM38,276,000 (2024: RM23,746,000) have not been recognised as deferred tax assets as the management considered it may not be probable that future taxable profits will be available against which they can be utilised. Tax losses for which no deferred tax asset was recognised expire as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Expiring in 2028-2030	18,727	18,727	-	-
Expiring in 2031-2033	4,789	4,789	-	-
Expiring in 2034-2035	14,760	230	14,430	-
	<b>38,276</b>	23,746	<b>14,430</b>	-

**Reinvestment allowance**

Under the current tax legislation, the ability to carry forward unutilised reinvestment allowance is restricted to a maximum period of seven consecutive Year of Assessment ("YA") upon expiry of the qualifying period.

At the end of the previous financial year, the Group had total reinvestment allowance of RM46,842,000 arising from two subsidiaries remained unutilised for which deferred tax assets have been recognised as the management considered it was probable that future taxable profits would be available for utilisation before its expiry.

During the financial year, the Group has fully utilised its reinvestment allowances against the taxable profits. Accordingly, there is no unutilised reinvestment allowance carried forward as at the end of the financial year.

## NOTES TO THE FINANCIAL STATEMENTS

## 7. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

## 7.3 Movement in temporary differences during the year

	At 1.1.2024 RM'000	Recognised in profit or loss (Note 19) RM'000	At 31.12.2024/ 1.1.2025 RM'000	Recognised in profit or loss (Note 19) RM'000	At 31.12.2025 RM'000
<b>Group</b>					
Property, plant and equipment and intangible assets	(49,820)	(256)	<b>(50,076)</b>	890	<b>(49,186)</b>
Lease liabilities	152	300	<b>452</b>	(429)	<b>23</b>
Provisions	9,692	3,871	<b>13,563</b>	7,734	<b>21,297</b>
Unutilised capital allowance carry-forwards	17,630	(11,019)	<b>6,611</b>	1,260	<b>7,871</b>
Unutilised reinvestment allowance	17,341	(6,099)	<b>11,242</b>	(11,242)	-
Tax losses carry-forwards	7,406	4,440	<b>11,846</b>	1,146	<b>12,992</b>
Other items	(2,361)	635	<b>(1,726)</b>	703	<b>(1,023)</b>
<b>Total</b>	<b>40</b>	<b>(8,128)</b>	<b>(8,088)</b>	<b>62</b>	<b>(8,026)</b>
<b>Company</b>					
Property, plant and equipment	(587)	(236)	<b>(823)</b>	(395)	<b>(1,218)</b>
Provisions	265	233	<b>498</b>	907	<b>1,405</b>
Unutilised capital allowance carry-forwards	1,155	343	<b>1,498</b>	1,135	<b>2,633</b>
Right of use assets	(398)	(241)	<b>(639)</b>	114	<b>(525)</b>
Lease liabilities	415	244	<b>659</b>	(109)	<b>550</b>
<b>Total</b>	<b>850</b>	<b>343</b>	<b>1,193</b>	<b>1,652</b>	<b>2,845</b>

## 7.4 Material accounting policy information

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

## NOTES TO THE FINANCIAL STATEMENTS

**7. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)****7.5 Global minimum top-up tax**

The government of the Malaysia have enacted new legislation to implement the global minimum top-up tax. However, this legislation is not applicable to the Group because it does not meet the requirement.

**8. TRADE AND OTHER RECEIVABLES**

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Current</b>					
<b>Trade</b>					
Trade receivables		<b>216,018</b>	184,325	-	-
<b>Non-trade</b>					
Amount due from subsidiaries	8.1	-	-	<b>181,131</b>	242,387
Other receivables and deposits		<b>5,064</b>	5,487	<b>381</b>	208
Prepayments		<b>3,331</b>	5,391	<b>1,355</b>	1,899
		<b>8,395</b>	10,878	<b>182,867</b>	244,494
		<b>224,413</b>	195,203	<b>182,867</b>	244,494

**8.1 Amount due from subsidiaries**

The non-trade amount due from subsidiaries are unsecured, subject to interest at 4.72% – 6.00% per annum (2024: 5.31% – 6.00% per annum) and repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS

### 9. INVENTORIES

	Group	
	2025 RM'000	2024 RM'000
Raw materials and consumables	69,793	61,482
Work-in-progress	10,189	10,889
Packing materials	33,017	28,582
Finished goods	180,169	147,595
	<b>293,168</b>	248,548
Recognised in profit or loss:		
Inventories recognised as cost of sales	301,056	296,363
Net write-down/(reversal of write down) of inventories to net realisable value	2,859	(99)
Net inventories slow-moving and written off	13,194	9,968

#### 9.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

### 10. CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits placed with licensed banks		33,924	32,500	-	-
Cash and bank balances		81,420	103,297	13,462	14,056
Highly liquid investments with financial institutions	10.1	175,530	128,748	175,530	128,748
		<b>290,874</b>	264,545	<b>188,992</b>	142,804

#### 10.1 Highly liquid investments with financial institutions

The Directors regard the highly liquid investments as cash and cash equivalents in view of its liquidity and insignificant risk of changes in value.

## NOTES TO THE FINANCIAL STATEMENTS

**11. CAPITAL AND RESERVES****11.1 Share capital**

	<b>Group and Company</b>			
	<b>Number of shares 2025 '000</b>	<b>Amount 2025 RM'000</b>	<b>Number of shares 2024 '000</b>	<b>Amount 2024 RM'000</b>
	Issued and fully paid: Ordinary shares At 1 January/31 December	<b>961,942</b>	<b>432,466</b>	961,942

**11.1.1 Ordinary shares**

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

**11.2 Translation reserve**

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currency other than RM.

**11.3 Fair value reserve**

The fair value reserve comprises the cumulative net change in the fair value of equity designated at fair value through other comprehensive income until the assets are derecognised or impaired.

## NOTES TO THE FINANCIAL STATEMENTS

### 12. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's and the Company's interest-bearing loans and borrowings. For more information about the Group's and the Company's exposure to interest rate and foreign currency risk, see Note 23.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current</b>					
Non-current					
Islamic medium term notes (Sukuk Wakalah)					
- unsecured	12.1	<b>291,221</b>	391,991	<b>291,221</b>	391,991
Term loan - unsecured	12.2	<b>54,253</b>	72,532	<b>54,253</b>	72,532
		<b>345,474</b>	464,523	<b>345,474</b>	464,523
<b>Current</b>					
Islamic medium term notes (Sukuk Wakalah)					
- unsecured	12.1	<b>101,000</b>	-	<b>101,000</b>	-
Term loan - unsecured	12.2	<b>17,338</b>	15,662	<b>17,338</b>	15,662
Revolving credit - unsecured	12.3	<b>10,000</b>	10,000	-	-
Banker's acceptance	12.4	<b>19,086</b>	22,333	-	-
		<b>147,424</b>	47,995	<b>118,338</b>	15,662
		<b>492,898</b>	512,518	<b>463,812</b>	480,185

#### 12.1 Islamic medium term notes (Sukuk Wakalah) – unsecured

- (a) On 24 August 2023, Duopharma Biotech had established an Islamic medium term notes programme for the issuance of Islamic medium term notes (“Sukuk Wakalah”) of up to RM2.0 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah Programme”) for a 30-year programme tenure.

The Sukuk Wakalah is unrated and is held by a licensed Islamic financial institution.

The proceeds from the issuance of the Sukuk Wakalah under the Sukuk Wakalah Programme shall be utilised towards the following purposes which shall be Shariah-compliant:

- (i) to repay/refinance the Issuer's or its subsidiaries' (“Issuer Group”) existing borrowings/Islamic financing and future Islamic financing, existing shareholder loans and existing inter-company loans and future Shariah-compliant inter-company advances; and/or
- (ii) to finance future and present Shariah-compliant investments; and/or
- (iii) to finance the Issuer Group's Shariah-compliant working capital and capital expenditure requirements; and/or
- (iv) to defray fees, expenses, costs and all other amounts payable in relation to the Sukuk Wakalah Programme.

## NOTES TO THE FINANCIAL STATEMENTS

**12. LOANS AND BORROWINGS (CONTINUED)****12.1 Islamic medium term notes (Sukuk Wakalah) – unsecured (continued)**

- (b) On 29 September 2023 and 15 December 2023, the Company issued Sukuk Wakalah of RM363.0 million and RM29.0 million respectively, which comprises five (5) series of issuance and the details are as follows:
- (i) Series 1 comprises RM101 million with 3 years tenure and the first profit rate of 4.85% per annum;
  - (ii) Series 2 comprises RM110 million with 5 years tenure and the first profit rates of 4.95% per annum;
  - (iii) Series 3 comprises RM153 million with 10 years tenure and the first profit rates of 5.38% per annum;
  - (iv) Series 4 comprises RM17.0 million with 7 years tenure and the first profit rates of 5.35% per annum;
  - (v) Series 5 comprises RM12.0 million with 10 years tenure and the first profit rates of 5.58% per annum.

The profit rate is on floating basis and was repriced on a quarterly basis.

In the financial year, the Group has renegotiated with the Sukukholder to reprice the profit rate from a quarterly basis to a monthly basis.

The Sukuk Wakalah Programme is unsecured.

The significant covenants for the unsecured Sukuk Wakalah are as follows:

- (i) The Company shall maintain Duopharma (M) Sendirian Berhad, Duopharma Manufacturing (Bangi) Sdn. Bhd., Duopharma Marketing Sdn. Bhd. and Duopharma HAPI Sdn. Bhd. as its wholly-owned subsidiaries throughout the tenure of the Sukuk Wakalah Programme;
- (ii) Permodalan Nasional Berhad (“PNB”) shall remain as a major shareholder of the Company throughout the tenure of the Sukuk Wakalah Programme;
- (iii) Consolidated finance to equity ratio not exceeding 1.50 times on group basis throughout the tenure of the Sukuk Wakalah Programme; and
- (iv) Finance service cover ratio of at least 1.2 times throughout the tenure of the Sukuk Wakalah Programme.

There is no new issuance of Sukuk Wakalah in the current financial year.

At the end of the financial year, a Sukuk tranche of RM101.0 million, maturing on 29 September 2026, has been classified as current in accordance with its remaining maturity period of less than twelve months.



## NOTES TO THE FINANCIAL STATEMENTS

### 12. LOANS AND BORROWINGS (CONTINUED)

#### 12.2 Term loan – unsecured

(a) On 8 July 2020, the Company obtained a RM150.0 million term loan facility, divided into two tranches, as follows:

- (i) Term loan facility for Business Financing-i 1 of RM67.0 million.
- (ii) Term loan facility for Business Financing-i 2 of RM83.0 million.

The facility is payable quarterly over 9 years from the date of the first disbursement of the facility and the outstanding balance as at the 31 December 2025 is subject to interest at the average rate of 4.35% (2024: 4.35%).

The significant covenant for the term loan facility is Permodalan Nasional Berhad (“PNB”) is to remain as the Company’s major shareholders during the subsistence of the facility.

#### 12.3 Revolving credit – unsecured

The Group’s revolving credit as at 31 December 2025 amounting to RM10,000,000 (2024: RM10,000,000) are maturing between one to twelve months.

#### 12.4 Banker’s acceptance

The Group’s banker’s acceptance as at 31 December 2025 amounting to RM19,086,000 (2024: RM22,333,000) are maturing between one to three months.

## NOTES TO THE FINANCIAL STATEMENTS

## 13. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current</b>					
Lease liabilities		2,465	2,755	1,955	2,341
<b>Current</b>					
<b>Trade</b>					
Trade payables		53,980	55,892	-	-
Accrued expenses		1,504	5,678	-	-
Refund liabilities	13.1	6,602	4,147	-	-
		<b>62,086</b>	65,717	-	-
<b>Non-trade</b>					
Amount due to subsidiaries	13.2	-	-	995	1,446
Other payables		18,534	21,747	1,402	4,320
Accrued expenses		81,897	41,238	14,199	2,058
Lease liabilities		720	548	337	403
		<b>101,151</b>	63,533	<b>16,933</b>	8,227
		<b>163,237</b>	129,250	<b>16,933</b>	8,227
		<b>165,702</b>	132,005	<b>18,888</b>	10,568

## 13.1 Refund liabilities

As at the end of the financial year, the Group recorded refund liabilities amounting to RM6,602,000 (2024: RM4,147,000). The Group allows sales return for sales made during the year in exchange with new goods and cash refunds.

## 13.2 Amount due to subsidiaries

The non-trade amount due to subsidiaries are unsecured, interest free and repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS

## 14. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Revenue from contracts with customers</b>				
External	931,692	813,695	-	-
Related companies	-	-	35,808	32,022
<b>Other revenue</b>				
Dividend income	-	-	41,103	38,410
<b>Total revenue</b>	<b>931,692</b>	<b>813,695</b>	<b>76,911</b>	<b>70,432</b>

## 14.1 Disaggregation of revenue from contracts with customers

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Primary geographical market</b>				
Malaysia	871,827	754,184	33,724	30,611
Other countries	59,865	59,511	1,784	1,411
	<b>931,692</b>	<b>813,695</b>	<b>35,508</b>	<b>32,022</b>
<b>Type of market</b>				
Public sector	504,944	409,910	-	-
Private sector	426,748	403,785	-	-
Others	-	-	35,508	32,022
	<b>931,692</b>	<b>813,695</b>	<b>35,508</b>	<b>32,022</b>
<b>Timing and recognition</b>				
At a point in time	931,692	813,695	35,508	32,022
	<b>931,692</b>	<b>813,695</b>	<b>35,508</b>	<b>31,022</b>

## NOTES TO THE FINANCIAL STATEMENTS

**14. REVENUE (CONTINUED)****14.2 Nature of goods and services**

The following information reflects the typical transactions of the Group and the Company:

<b>Type of market</b>	<b>Timing of recognition or method used to recognise revenue</b>	<b>Significant payment terms</b>	<b>Variable element in consideration</b>	<b>Obligation for returns or refunds</b>
Public sector	Revenue is recognised when the goods are delivered and accepted by the customers at their premises.	Credit period of 30 to 90 days from invoice date.	Sales rebates are given to external customers based on the total invoice value.	The Group allows returns for exchange with new goods.
Private sector	Revenue is recognised when the goods are delivered and accepted by the customers at their premises.	Credit period of 30 to 90 days from invoice date.	Sales rebates are given to external customers based on the total invoice value.	The Group allows returns for exchange with new goods and cash refunds.
Others	Revenue is recognised when the services are delivered and accepted by the customers when the services are rendered.	Credit period of 60 to 90 days from invoice date.	Not applicable.	Not applicable.

There was no warranty in the provision of the goods and services by the Group and the Company.

**14.3 Significant judgements and assumptions arising from revenue recognition**

The Group and the Company applied judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers. For public and private sectors contracts that permit the customer to return an item, revenue is adjusted for expected returns to the extent that it is highly probable that a significant reversal in revenue recognised will not occur. The Group and the Company estimated the returns based on the historical data.

## NOTES TO THE FINANCIAL STATEMENTS

## 15. RESULTS FROM OPERATING ACTIVITIES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Operating profit is arrived at after charging/ (crediting):</b>					
<b>Auditors' remuneration:</b>					
Audit fees					
- KPMG PLT		334	334	72	72
- Other auditors		54	54	-	-
Non-audit fees					
- KPMG PLT		30	16	16	16
- Local affiliates of KPMG PLT		13	27	3	17
<b>Material expenses/(income)</b>					
Depreciation of property, plant and equipment	2	40,600	40,497	1,005	818
Write off on property, plant and equipment		-	6	-	-
Gain on disposal of property, plant and equipment		(10)	(392)	-	-
Impairment of intangible assets	4	9,520	10	-	-
Amortisation of intangible assets	4	4,908	4,895	1,398	1,548
Loss on/(Reversal of) impairment on trade receivables	23	533	(1,431)	-	-
Net write-down/(reversal of write down) of inventories to net realisable value	9	2,859	(99)	-	-
Net inventories slow-moving and written off	9	13,194	9,968	-	-
Net realised foreign exchange loss/(gain)		391	(647)	305	418
Net unrealised foreign exchange loss		626	1,245	90	-
Personnel expenses (including key management personnel):					
- Contributions to state plans		20,717	17,213	1,706	1,666
- Wages, salaries and others		163,064	126,824	15,007	11,707
Dividend income from:					
- A subsidiary in Malaysia (unquoted)		-	-	(39,680)	(37,000)
- A subsidiary in Singapore (unquoted)		-	-	(1,423)	(1,410)

## NOTES TO THE FINANCIAL STATEMENTS

## 15. RESULTS FROM OPERATING ACTIVITIES (CONTINUED)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Other expenses arising from leases</b>					
Expenses relating to leases of low-value assets	a	244	212	4	4
Expenses relating to short-term leases	a	4,424	3,867	-	1
Expenses relating to variable lease payments not included in the measurement of lease liabilities	b	2,987	2,617	-	-

**Note a**

The Group leases office building, warehouses and office equipment with contract terms of one to three years. These leases are short term leases and/or leases low-value items. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

**Note b**

The Group leases warehouses with contract terms of 2 years. These leases are leases with variable lease payments linked to the use of warehouse space.

## 16. FINANCE INCOME

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest income of financial assets calculated using the effective interest method that are:				
- at amortised cost	542	414	9,129	14,029
- at fair value through profit or loss	5,328	5,551	5,328	5,551
	5,870	5,965	14,457	19,580

## NOTES TO THE FINANCIAL STATEMENTS

## 17. FINANCE COSTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss	24,050	25,665	22,990	24,802
Interest expense on lease liabilities	113	107	91	77
Other finance costs	590	820	6	5
	<b>24,753</b>	26,592	<b>23,087</b>	24,884
Recognised in profit or loss	<b>24,753</b>	26,592	<b>23,087</b>	24,884
Interest expense of financial liabilities that are not at fair value through profit or loss capitalised into qualifying assets:				
- intangible assets	-	651	-	-
	<b>24,753</b>	27,243	<b>23,087</b>	24,884

## 18. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensation is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors				
- Fees	921	925	921	925
- Remuneration	3,218	2,821	3,218	2,821
- Other short-term employee benefits	9	18	9	18
	<b>4,148</b>	3,764	<b>4,148</b>	3,764
Other key management personnel				
- Remuneration	10,290	10,500	3,807	4,029
Total key management personnel	<b>14,438</b>	14,264	<b>7,955</b>	7,793

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

## NOTES TO THE FINANCIAL STATEMENTS

## 19. TAX EXPENSE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Recognised in profit or loss</b>				
<b>Current tax expense</b>				
Current year	27,789	9,322	-	394
Over provision in prior year	(281)	(71)	(394)	(435)
Total current tax recognised in profit or loss	27,508	9,251	(394)	(41)
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences	4,664	10,955	(90)	(327)
Over provision in prior year	(4,725)	(2,827)	(1,562)	(16)
Total deferred tax recognised in profit or loss	(62)	8,128	(1,652)	(343)
Total tax expense	27,446	17,379	(2,046)	(384)
<b>Reconciliation of tax expense</b>				
Profit for the year	87,463	62,645	28,357	29,428
Total tax expense	27,446	17,379	(2,046)	(384)
Profit excluding tax	114,909	80,024	26,311	29,044
Income tax calculated using Malaysian tax rate of 24%	27,578	19,206	6,315	6,971
Non-deductible expenses, net of non-taxable income	6,718	3,625	267	2,567
Tax exempt income	(281)	(57)	(9,865)	(9,218)
Tax incentives	(4,375)	(2,442)	(270)	(253)
Effect of deferred tax assets not recognised	3,487	90	3,463	-
Recognition of previously unrecognised tax benefits	(512)	-	-	-
Over provision in prior years	(5,006)	(2,898)	(1,956)	(451)
Effect of tax rates in foreign jurisdictions	(163)	(145)	-	-
	27,446	17,379	(2,046)	(384)

## NOTES TO THE FINANCIAL STATEMENTS

### 20. EARNINGS PER ORDINARY SHARE

#### 20.1 Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 December 2025 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2025 RM'000	2024 RM'000
Profit attributable to ordinary shareholders	87,463	62,645

	Group	
	2025 '000	2024 '000
Weighted average number of ordinary shares As at 1 January/31 December	961,942	961,942

	Group	
	2025 Sen	2024 Sen
Basic earnings per ordinary share	9.09	6.51

#### 20.2 Diluted earnings per ordinary share

Diluted earnings per ordinary share is not presented as the Group has no shares or other instruments with potential dilutive effects as at 31 December 2025.

## NOTES TO THE FINANCIAL STATEMENTS

**21. DIVIDENDS**

Dividends recognised by the Company:

	Note	Sen per share	Total amount RM'000	Date of payment
<b>2025</b>				
Second interim dividend 2024 ordinary		2.0	19,239	19 March 2025
Interim 2025 ordinary		1.5	14,429	24 September 2025
Total amount			33,668	
<b>2024</b>				
Second interim dividend 2023 ordinary		1.8	17,315	21 March 2024
Interim 2024 ordinary		1.0	9,619	12 September 2024
Total amount			26,934	

21.1 After the end of the reporting period, the following dividend was declared by the Directors on 26 February 2026. This dividend will be recognised in subsequent financial period.

	Sen per share	Total amount RM'000
Second interim dividend 2025 ordinary	3.05	29,339

The Company has resolved that the Dividend Reinvestment Plan ("DRP") shall not apply to the aforesaid interim dividend.

## NOTES TO THE FINANCIAL STATEMENTS

### 22. OPERATING SEGMENTS

The Group operates principally in Malaysia and its sole business segment being manufacturing and distribution of pharmaceutical products categorised by geographical area as disclosed in geographical segments below. The Group Managing Director (“GMD”), who is the chief operating decision maker reviews internal management reports regularly.

Accordingly, no segment information is provided as the financial position and performance are as disclosed in the Statement of Financial Position and the Statement of Profit or Loss and Other Comprehensive Income.

#### **Geographical segments**

Segment revenue is based on geographical location of customers, and are managed separately because they require different marketing strategies.

Segment assets are not used to measure the financial position of the respective segments and are not included in the internal management reports that are reviewed by the GMD, as all assets within the Group, other than trade receivables, are attributed to the business activities in Malaysia.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue from external customers:		
Local	<b>871,827</b>	754,184
Export	<b>59,865</b>	59,511
	<b>931,692</b>	813,695
Trade receivables from external customers:		
Local	<b>198,121</b>	169,745
Export	<b>17,897</b>	14,580
	<b>216,018</b>	184,325

#### **Major customers**

Revenue from a major customer with revenue equal or more than 10% of the Group’s total revenue amounts to approximately RM310,905,100 (2024: RM251,594,388), generated from the local segment.

## NOTES TO THE FINANCIAL STATEMENTS

## 23. FINANCIAL INSTRUMENTS

## 23.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (a) Amortised cost (“AC”);
- (b) Fair value through profit or loss (“FVTPL”); and
- (c) Fair value through other comprehensive income (“FVOCI”):
  - Equity instrument designated upon initial recognition (“EIDUIR”).

2025	Carrying amount RM'000	AC RM'000	FVTPL RM'000	FVOCI - EIDUIR RM'000
<b>Financial assets</b>				
<b>Group</b>				
Other investments	16,480	-	-	16,480
Trade and other receivables	221,082	221,082	-	-
Cash and bank balances	115,344	115,344	-	-
Highly liquid investments	175,530	-	175,530	-
	<b>528,436</b>	<b>336,426</b>	<b>175,530</b>	<b>16,480</b>
<b>Company</b>				
Other investments	16,480	-	-	16,480
Trade and other receivables	181,512	181,512	-	-
Cash and bank balances	13,462	13,462	-	-
Highly liquid investments	175,530	-	175,530	-
	<b>386,984</b>	<b>194,974</b>	<b>175,530</b>	<b>16,480</b>
<b>Financial liabilities</b>				
<b>Group</b>				
Loans and borrowings	(492,898)	(492,898)	-	-
Trade and other payables	(155,915)	(155,915)	-	-
	<b>(648,813)</b>	<b>(648,813)</b>	<b>-</b>	<b>-</b>
<b>Company</b>				
Loans and borrowings	(118,338)	(118,338)	-	-
Trade and other payables	(16,597)	(16,597)	-	-
	<b>(134,935)</b>	<b>(134,935)</b>	<b>-</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 23. FINANCIAL INSTRUMENTS (CONTINUED)

## 23.1 Categories of financial instruments (continued)

2024	Carrying amount RM'000	AC RM'000	FVTPL RM'000	FVOCI - EIDUIR RM'000
<b>Financial assets</b>				
<b>Group</b>				
Other investments	22,665	-	-	22,665
Trade and other receivables	189,812	189,812	-	-
Cash and bank balances	135,797	135,797	-	-
Highly liquid investments	128,748	-	128,748	-
	477,022	325,609	128,748	22,665
<b>Company</b>				
Other investments	22,665	-	-	22,665
Trade and other receivables	242,595	-	-	-
Cash and bank balances	14,056	14,056	-	-
Highly liquid investments	128,748	-	128,748	-
	408,064	14,056	128,748	22,665
<b>Financial liabilities</b>				
<b>Group</b>				
Loans and borrowings	(512,518)	(512,518)	-	-
Trade and other payables	(124,555)	(124,555)	-	-
	(637,073)	(637,073)	-	-
<b>Company</b>				
Loans and borrowings	(480,185)	(480,185)	-	-
Trade and other payables	(7,824)	(7,824)	-	-
	(488,009)	(488,009)	-	-

## NOTES TO THE FINANCIAL STATEMENTS

**23. FINANCIAL INSTRUMENTS (CONTINUED)****23.2 Net gains and losses arising from financial instruments**

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net gains/(losses) on:				
Equity instruments designated at fair value through other comprehensive income	(6,185)	(14,242)	(6,185)	(14,242)
Financial assets at amortised cost	9	1,845	9,129	14,029
Financial assets at fair value through profit or loss	5,328	5,551	5,328	5,551
Financial liabilities at amortised cost	(24,355)	(26,055)	(23,295)	(25,192)
	<b>(25,203)</b>	<b>(32,901)</b>	<b>(15,023)</b>	<b>(19,854)</b>

**23.3 Financial risk management**

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

**23.4 Credit risk**

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries.

**Trade receivables**

*Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on new customers who require credit facility during the financial year. Depending on the nature of the transactions and the customer's risk profile, the Group may require upfront deposits as collateral.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

## NOTES TO THE FINANCIAL STATEMENTS

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.4 Credit risk (continued)

##### Trade receivables (continued)

*Risk management objectives, policies and processes for managing the risk (continued)*

The gross carrying amounts of credit impaired trade receivables are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables.

*Concentration of credit risk*

The exposure of credit risk for trade receivables as at the end of the reporting period by sector was:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Public sector	<b>78,798</b>	83,214
Private sector	<b>137,220</b>	101,111
	<b>216,018</b>	184,325

## NOTES TO THE FINANCIAL STATEMENTS

**23. FINANCIAL INSTRUMENTS (CONTINUED)****23.4 Credit risk (continued)****Trade receivables (continued)***Recognition and measurement of impairment losses*

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 90 days.

The Group uses an allowance matrix to measure ECLs of trade receivables. Invoices which are past due 90 days will be considered as credit impaired.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2025.

<b>2025</b>	<b>Gross carrying amount RM'000</b>	<b>Loss allowance RM'000</b>	<b>Net balance RM'000</b>
Not past due	200,252	(865)	199,387
1-30 days past due	3,261	(206)	3,055
31-60 days past due	6,852	(442)	6,410
61-90 days past due	1,149	(505)	644
	<b>211,514</b>	<b>(2,018)</b>	<b>209,496</b>
<b>Credit impaired</b>			
More than 90 days past due	7,843	(1,321)	6,522
Individually impaired	2,275	(2,275)	-
	<b>221,632</b>	<b>(5,614)</b>	<b>216,018</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 23. FINANCIAL INSTRUMENTS (CONTINUED)

## 23.4 Credit risk (continued)

## Trade receivables (continued)

Recognition and measurement of impairment losses (continued)

2024	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Not past due	156,958	(909)	156,049
1-30 days past due	18,174	(50)	18,124
31-60 days past due	1,856	(152)	1,704
61-90 days past due	4,673	(124)	4,549
	181,661	(1,235)	180,426
<b>Credit impaired</b>			
More than 90 days past due	7,576	(3,677)	3,899
Individually impaired	169	(169)	-
	189,406	(5,081)	184,325

The movements in the allowance for impairment in respect of trade receivables during the year as shown below.

	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
<b>Balance at 1 January 2024</b>	496	6,016	6,512
Net remeasurement of loss allowance	739	(2,170)	(1,431)
<b>Balance at 31 December 2024/1 January 2025</b>	<b>1,235</b>	<b>3,846</b>	<b>5,081</b>
Net remeasurement of loss allowance	783	(250)	533
<b>Balance at 31 December 2025</b>	<b>2,018</b>	<b>3,596</b>	<b>5,614</b>

## NOTES TO THE FINANCIAL STATEMENTS

**23. FINANCIAL INSTRUMENTS (CONTINUED)****23.4 Credit risk (continued)****Cash and cash equivalents and deposits with licensed banks**

The cash and cash equivalents and deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

**Other receivables**

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

**Inter-company loans and advances***Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by its carrying amount in the statement of financial position.

Loans and advances are only provided to subsidiaries which are wholly owned by the Company.



## NOTES TO THE FINANCIAL STATEMENTS

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.4 Credit risk (continued)

##### Inter-company loans and advances (continued)

###### *Recognition and measurement of impairment losses*

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- The subsidiary is unlikely to repay its loan or advance to the Company in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries are not recoverable. The Company does not specifically monitor the ageing of the advances to the subsidiaries.

#### 23.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

## NOTES TO THE FINANCIAL STATEMENTS

## 23. FINANCIAL INSTRUMENTS (CONTINUED)

## 23.5 Liquidity risk (continued)

*Maturity analysis*

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount	Contractual interest rate/ Discount rate	Contractual cash flows	Under 1 year	1 - 2 years	2 - 5 years	More than 5 years
2025	RM'000	%	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	155,915	-	155,915	155,915	-	-	-
Lease liabilities	3,185	3.60	3,384	928	1,035	1,421	-
Islamic Medium Term Notes	392,221	4.30-4.83	475,452	117,852	136,014	42,468	179,118
Term loan – unsecured	71,591	4.35	78,191	20,171	40,343	17,677	-
Revolving credit – unsecured	10,000	4.41-4.43	10,110	10,110	-	-	-
Banker's acceptance	19,086	3.40-3.91	22,634	22,634	-	-	-
	<b>651,998</b>		<b>745,686</b>	<b>327,610</b>	<b>177,392</b>	<b>61,566</b>	<b>179,118</b>
<b>Company</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	16,597	-	16,597	16,597	-	-	-
Lease liabilities	2,292	3.60	2,489	543	1,086	860	-
Islamic Medium Term Notes	392,221	4.30-4.83	475,452	117,852	136,014	42,468	179,118
Term loan – unsecured	71,591	4.35	78,191	20,171	40,343	17,677	-
	<b>482,701</b>		<b>572,729</b>	<b>155,163</b>	<b>177,443</b>	<b>61,005</b>	<b>179,118</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 23. FINANCIAL INSTRUMENTS (CONTINUED)

## 23.5 Liquidity risk (continued)

*Maturity analysis (continued)*

	Carrying amount	Contractual interest rate/ Discount rate	Contractual cash flows	Under 1 year	1 - 2 years	2 - 5 years	More than 5 years
2024	RM'000	%	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	124,555	–	124,555	124,555	-	-	-
Lease liabilities	3,303	3.60	3,609	805	1,401	1,403	-
Islamic Medium Term Notes	391,991	4.85 – 5.38	505,098	20,041	135,072	160,401	189,584
Term loan – unsecured	88,194	4.35	98,902	19,245	38,491	41,166	-
Revolving credit – unsecured	10,000	4.82 – 4.90	10,120	10,120	-	-	-
Banker's acceptance	22,333	3.57 – 4.84	22,634	22,634	-	-	-
	<u>640,376</u>		<u>764,918</u>	<u>197,400</u>	<u>174,964</u>	<u>202,970</u>	<u>189,584</u>
<b>Company</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	7,824	–	7,824	7,824	-	-	-
Lease liabilities	2,744	5.00	3,032	543	1,086	1,403	-
Islamic Medium Term Notes	391,991	4.85 – 5.58	505,098	20,041	135,072	160,401	189,584
Term loan – unsecured	88,194	4.35	98,902	19,245	38,491	41,166	-
	<u>490,753</u>		<u>614,856</u>	<u>47,652</u>	<u>174,649</u>	<u>202,970</u>	<u>189,584</u>

## NOTES TO THE FINANCIAL STATEMENTS

**23. FINANCIAL INSTRUMENTS (CONTINUED)****23.6 Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

**23.6.1 Currency risk**

The Group is exposed to foreign currency risk on sales, purchases and bank balance that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Euro ("EUR"), Singapore Dollar ("SGD"), Korean Won ("KRW"), Philippines Peso ("PESO"), British Pound Sterling ("GBP"), Brunei Dollar ("BND") and Indonesian Rupiah ("IDR").

*Risk management objectives, policies and processes for managing the risk*

The Group ensures that the net exposure on foreign currency risk arising from commercial transactions is kept to an acceptable level by buying and selling foreign currencies at spot rates where necessary to address short-term imbalances.

*Exposure to foreign currency risk*

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period are as follows:

Group	Denominated in							
	USD RM'000	EUR RM'000	SGD RM'000	THB RM'000	PESO RM'000	GBP RM'000	BND RM'000	IDR RM'000
<b>2025</b>								
Trade and other receivables	2,929	113	7,431	97	8,444	664	472	354
Cash and cash equivalents	5,149	-	1,299	-	6,661	-	-	344
Trade and other payables	(15,991)	-	(2,531)	-	(4,408)	(4)	-	(754)
<b>Net exposure</b>	<b>(7,913)</b>	<b>113</b>	<b>6,199</b>	<b>97</b>	<b>10,697</b>	<b>660</b>	<b>472</b>	<b>(56)</b>
<b>2024</b>								
Trade and other receivables	3,393	2,083	3,372	-	7,970	-	7	1,158
Cash and cash equivalents	9,309	-	1,860	-	4,738	-	-	326
Trade and other payables	(20,299)	(182)	(636)	-	(6,480)	(9)	-	(1,180)
<b>Net exposure</b>	<b>(7,574)</b>	<b>1,901</b>	<b>4,596</b>	<b>-</b>	<b>(11,122)</b>	<b>(9)</b>	<b>7</b>	<b>304</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.6 Market risk (continued)

##### 23.6.1 Currency risk (continued)

###### *Currency risk sensitivity analysis*

A 10% (2024: 10%) strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

Group	Profit or loss	
	2025 RM'000	2024 RM'000
USD	601	577
EURO	(9)	(144)
SGD	(470)	(349)
THB	(7)	-
PESO	(813)	(473)
GBP	(50)	1
BND	(36)	(1)
IDR	4	(23)

A 10% (2024: 10%) weakening of Ringgit Malaysia against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

## NOTES TO THE FINANCIAL STATEMENTS

**23. FINANCIAL INSTRUMENTS (CONTINUED)****23.6 Market risk (continued)****23.6.2 Interest rate risk**

The Group's and the Company's investments in debt securities and borrowings are exposed to a risk of change in their fair value due to changes in market rates. Investments in equity securities and short-term receivables and payables are not significantly exposed to interest rate risk.

*Risk management objectives, policies and processes for managing the risk*

The Group's and the Company's exposure to the risk of changes in market rates relates primarily to the highly liquid investments with floating net asset value and its floating interest rate unsecured term loans. Changes in the net asset value and interest rate may expose the Group to a risk of change in cash flows.

The excess fund placed with licensed banks and other financial institutions and corporations are for certain periods during which the interest rates are fixed. The management reviews the interest rates at regular intervals.

*Exposure to interest rate risk*

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Fixed rate instruments</b>				
Financial assets	<b>33,924</b>	32,500	<b>66,164</b>	52,266
Financial liabilities	<b>(32,246)</b>	(35,636)	<b>(2,292)</b>	(2,744)
	<b>1,678</b>	(3,136)	<b>63,872</b>	49,522
<b>Floating rate instruments</b>				
Financial assets	<b>175,530</b>	128,748	<b>291,196</b>	318,967
Financial liabilities	<b>(463,812)</b>	(480,185)	<b>(463,812)</b>	(480,185)
	<b>(288,282)</b>	(351,437)	<b>(172,616)</b>	(161,218)

## NOTES TO THE FINANCIAL STATEMENTS

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.6 Market risk (continued)

##### 23.6.2 Interest rate risk (continued)

###### *Interest rate risk sensitivity analysis*

###### *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

###### *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points (“bp”) in interest rates at the end of the reporting period would have increased/ (decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	2025		2024	
	Profit or (loss)		Profit or (loss)	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>Group</b>				
Floating rate instruments	(2,191)	2,191	(2,671)	2,671
<b>Company</b>				
Floating rate instruments	(1,312)	1,312	(1,225)	1,225

##### 23.6.3 Other price risk

Equity price risk arises from the Group's and the Company's other investments in equity securities.

###### *Risk management objectives, policies and processes for managing the risk*

Management of the Group monitors the equity investments on an individual basis and all buy and sell decisions are approved by the Board of Directors of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

## 23. FINANCIAL INSTRUMENTS (CONTINUED)

## 23.7 Fair value information

The carrying amounts of cash and bank balances, deposits with licensed banks, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position, is as follows:

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>Group and Company</b>										
<b>2025</b>										
<b>Financial assets</b>										
Other investments	14,273	-	2,208	16,481	-	-	-	-	16,481	16,481
Highly liquid investments	175,530	-	-	175,530	-	-	-	-	175,530	175,530
	<b>189,903</b>	<b>-</b>	<b>2,208</b>	<b>192,011</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192,011</b>	<b>192,011</b>
<b>Financial liabilities</b>										
Islamic Medium Term Notes	-	-	-	-	-	-	(392,221)	(392,221)	(392,221)	(392,221)
Term loan	-	-	-	-	-	-	(71,591)	(71,591)	(71,591)	(71,591)
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(463,812)</b>	<b>(463,812)</b>	<b>(463,812)</b>	<b>(463,812)</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 23. FINANCIAL INSTRUMENTS (CONTINUED)

## 23.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>Group and Company</b>										
<b>2024</b>										
<b>Financial assets</b>										
Other investments	17,084	-	5,581	22,665	-	-	-	-	22,665	22,665
Highly liquid investments	128,748	-	-	128,748	-	-	-	-	128,748	128,748
	145,832	-	5,581	151,413	-	-	-	-	151,413	151,413
<b>Financial liabilities</b>										
Islamic Medium Term Notes	-	-	-	-	-	-	(391,991)	(391,991)	(391,991)	(391,991)
Term loan	-	-	-	-	-	-	(88,194)	(88,194)	(88,194)	(88,194)
	-	-	-	-	-	-	(480,185)	(480,185)	(480,185)	(480,185)

**Level 2 fair value**

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

**Transfers between Level 1 and Level 2 fair values**

There has been no transfer between Level 1 and 2 fair values during the financial year (2024: no transfer in either direction).

## NOTES TO THE FINANCIAL STATEMENTS

**23. FINANCIAL INSTRUMENTS (CONTINUED)****23.7 Fair value information (continued)****Level 3 fair value**

The following table shows a reconciliation of Level 3 fair values:

	Group	
	2025 RM'000	2024 RM'000
<b>Unquoted shares</b>		
At 1 January	5,581	10,003
Loss recognised in other comprehensive income	(1,159)	(4,422)
At 31 December	2,208	5,581

**Financial instruments carried at fair value**

Level 3 items principally comprise minority shareholdings in unquoted investments. Unquoted equity investments, initially measured at cost, are revalued where sufficient indicators are identified that a change in the fair value has occurred.

The inputs to any subsequent valuations are based on a combination of observable evidence from external transactions in the investee's equity and adjusted net asset method.

There would be no material effect on the amounts stated from any reasonably possible change in such inputs at 31 December 2025.

**Financial instruments not carried at fair value**

Type	Description of valuation technique and inputs used
Islamic Medium Term Notes and Term Loan	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.

**Valuation processes applied by the Group for Level 3 fair value**

The Group has an established control framework in respect to the measurement of fair values of financial instruments. This includes management that has overall responsibility for overseeing all significant fair value measurements.

## NOTES TO THE FINANCIAL STATEMENTS

### 24. CAPITAL MANAGEMENT

The Group's objective when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to safeguard shareholders' interest within the Group and to sustain future development of the business.

The debt-to-equity ratio at 31 December 2025 and at 31 December 2024 were as follows:

	Note	Group	
		2025 RM'000	2024 RM'000
Loans and borrowings	12	492,898	512,518
Lease liabilities	13	3,185	3,303
Total debts		496,083	515,821
Total equity		757,623	709,152
Debt-to-equity ratios		0.65:1	0.73:1

The Group is required to maintain a maximum debt-to-equity ratio of 1.5 and a minimum debt service cover ratio of 1.2 to comply with debt covenants, failing which, the bank may call an event of default. The Group has complied with the covenants.

### 25. CAPITAL AND OTHER COMMITMENTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Capital expenditure commitments</b>				
<b>Plant and equipment</b>				
Contracted but not provided for	31,283	19,339	1,113	-

## NOTES TO THE FINANCIAL STATEMENTS

**26. RELATED PARTY TRANSACTIONS****Significant related party transactions**

The significant related party transactions of the Group and the Company are shown below, except for key management personnel compensation which is shown in Note 18. The balances related to the below transactions are shown in Note 8 and 13.

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Subsidiaries</b>				
Management services fees and other services fees received	-	-	<b>35,508</b>	32,022
Dividend income received from subsidiaries	-	-	<b>41,103</b>	38,410
Interest income received from subsidiaries	-	-	<b>9,127</b>	14,027

**27. SIGNIFICANT EVENT**

On 19 February 2025, Sun Pharmaceutical Industries Limited ("SPIL") ("the Plaintiff") initiated legal proceedings in the High Court of Malaya against Duopharma Manufacturing (Bangi) Sdn. Bhd. ("DMfgB"), a wholly owned subsidiary of the Company. The Plaintiff alleges that DMfgB's use of a particular registered trademark infringes SPIL's own registered trademark.

DMfgB is contesting the claim. At the latest High Court case management held on 5 March 2026, the High Court directed the parties to file amended list of witnesses including a brief description of role and evidence to be given, if any, by 5 May 2026. The witness statements are to be filed by 19 May 2026. The earlier trial date of 26 June 2026 has been vacated and replaced with trial dates scheduled from 9 to 11 June 2026 and 24 July 2026.

Based on legal advice, DMfgB has a strong basis to defend the claim. Accordingly, no provisions have been recognised as the outflow of economic benefits is not considered probable and the potential financial impact cannot be reliably estimated at this stage.

## STATEMENT BY DIRECTORS

pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 171 to 235 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

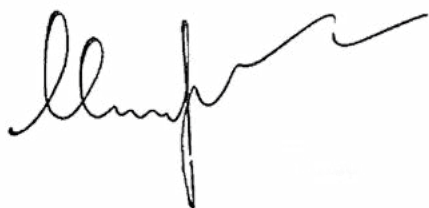
Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:



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**Datin Paduka Kartini Binti Hj Abdul Manaf**

Director



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**Nik Fazila Binti Nik Mohamed Shihabuddin**

Director

Kuala Lumpur

Date: 17 March 2026

## STATUTORY DECLARATION

pursuant to Section 251(1)(b) of the Companies Act 2016

I, Rohayu Rosnani Binti Mohd Adanan, the officer primarily responsible for the financial management of Duopharma Biotech Berhad, do solemnly and sincerely declare that the financial statements set out on pages 171 to 235 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Rohayu Rosnani Binti Mohd Adanan, NRIC: 791001-14-5740, MIA CA 44832, at Kuala Lumpur in the Federal Territory on 17 March 2026.



**Rohayu Rosnani Binti Mohd Adanan**

Before me:



Ibu Pejabat Polis Diraja Malaysia  
50560 Bukit Aman  
Wilayah Persekutuan  
Kuala Lumpur



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUOPHARMA BIOTECH BERHAD

(Registration No. 200001021664 (524271-W))

(Incorporated in Malaysia)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Duopharma Biotech Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 171 to 235.

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 year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *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 year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF DUOPHARMA BIOTECH BERHAD**  
 (Registration No. 200001021664 (524271-W))  
 (Incorporated in Malaysia)

**Key Audit Matters (continued)**

<b>Inventory provisions</b>	
Refer to Note 9 – Inventories.	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
The Group manufactures and sells pharmaceutical products which carry shelf life, increasing the level of judgement involved in estimating inventory provisions. Judgement is required to assess the appropriate level of provisioning for short-dated pharmaceutical products. Such judgements include Directors' expectations for future sales and inventory liquidation plans.	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> <li>• Attended inventory counts to identify whether any inventory was obsolete;</li> <li>• Assessed the basis for the inventory provisions, the consistency of provisioning in line with policy and the rationale for the recording of specific provisions;</li> <li>• Tested the accuracy of the ageing of inventories based on system generated reports;</li> <li>• Tested the provision calculations and determined that they appropriately took into account the expiry period and condition of inventories; and</li> <li>• Assessed the appropriateness of management's inventory measurement under MFRS 102, <i>Inventories</i>.</li> </ul>

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

**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 Director's Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors report thereon), which we obtained prior to the date of this auditor's report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUOPHARMA BIOTECH BERHAD

(Registration No. 200001021664 (524271-W))

(Incorporated in Malaysia)

### **Responsibilities of the Directors for the Financial Statements**

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF DUOPHARMA BIOTECH BERHAD**  
 (Registration No. 200001021664 (524271-W))  
 (Incorporated in Malaysia)

**Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**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 5 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.



**KPMG PLT**  
 (LLP0010081-LCA & AF 0758)  
 Chartered Accountants

Petaling Jaya, Selangor

Date: 17 March 2026



**Ameenuddin Bin Khali Kasman**  
 Approval Number: 03470/11/2027 J  
 Chartered Accountant

# SECTION 07:

# OTHER

# INFORMATION

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## OTHER DISCLOSURES

### 1. UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

There were no proceeds raised from corporate proposals during the financial year.

### 2. AUDIT AND NON-AUDIT FEES FOR SERVICES RENDERED TO THE LISTED ISSUER OR ITS SUBSIDIARIES FOR THE FINANCIAL YEAR

During the year ended 31 December 2025, the following amounts were paid or are payable to the auditors for services rendered to the Duopharma Biotech Group:

	Audit Work (RM'000)	Non-Audit Work (RM'000)
Company Level	72	19
Group Level	334	43

The non-audit services and fees for such services were approved by the AC and the Board prior to the engagement of such non-audit services. In relation to this, the AC was assured by the external auditors confirming their independence throughout the financial year under review. Details of the nature of the non-audit services rendered are as follows:

- i. Facilitate the online submission of Financial Statements for the financial year ended 31 December 2024 via MBRS;
- ii. Review of Statement on Risk Management and Internal Control for the financial year ended 31 December 2025;
- iii. Provision of word processing/roll forward services; and
- iv. Agreed Upon Procedures Engagement in relation to the Information in the Application for the Determination of Effective Date of Green Investment Tax Allowance for Project (GITA Project) under Section 127(3)(b) of the Income Tax Act, 1967.

### 3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS, CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDERS

Save for the following, there were no material contracts entered into by the Company and/or its subsidiaries involving the interests of Directors, chief executive who is not a director or major shareholders, either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year:

- (A) Duopharma Biotech had on 8 July 2020 entered and executed the following facilities with Bank Islam Malaysia Berhad ("BIMB"):
- (1) Tawarruq Facility Agreement for Business Financing-i 1 of RM67,000,000.00 ("BF-i (1)"); and
  - (2) Tawarruq Facility Agreement for Business Financing-i 2 of RM83,000,000.00 ("BF-i (2)") (hereinafter BF-i (1) and BF-i (2) are collectively referred to as the "BIMB Facilities").

## OTHER DISCLOSURES

### 3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS, CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDERS (CONTINUED)

(A) Duopharma Biotech had on 8 July 2020 entered and executed the following facilities with BIMB (CONTINUED):

The particulars of BF-i (1) are as follows:

Purpose:	To redeem the Commodity Murabahah Term Financing-i facility granted by RHB Islamic Bank Berhad, and excess (if any) to be credited to the Company's current account
Bank's Profit Rate:	15.00% per annum
Bank's Effective Rate:	1 month Cost of Funds ('COF') + 0.65% per annum
Tenure:	9 years
Terms as to payment:	Quarterly instalments shall become due on the 5th of every quarter or any other date as determined by BIMB from time to time
Security provided:	Nil

The particulars of BF-i (2) are as follows:

Purpose:	To redeem the Revolving Credit-i granted by Oversea Chinese Banking Corporation Limited, Labuan Branch, and excess (if any) to be credited to the Company's current account
Bank's Profit Rate:	15.00% per annum
Bank's Effective Rate:	1 month COF + 0.65% per annum
Tenure:	9 years
Terms as to payment:	Quarterly instalments shall become due on the 5th of every quarter or any other date as determined by BIMB from time to time.
Security provided:	Nil

As of 31 March 2026, PNB holds 44.106% of the issued shares of Duopharma Biotech. Yayasan Pelaburan Bumiputra ("YPB") is an indirect major shareholder of Duopharma Biotech via its deemed interest through PNB by virtue of Section 8(4) of the Companies Act 2016. As of 31 March 2026, the unit trust funds managed by PNB (namely Amanahraya Trustees Berhad - Amanah Saham Bumiputera and Amanahraya Trustees Berhad - Amanah Saham Malaysia) collectively hold 6.757% of the issued shares of Duopharma Biotech. As such, as of 31 March 2026, PNB controls 50.863% of the issued shares of Duopharma Biotech.

By virtue of Paragraph 1.01 of the MMLR of Bursa Malaysia Securities Berhad, the Employees Provident Fund Board ("EPF") is deemed a person connected to PNB pursuant to a commercial arrangement between EPF and PNB in a joint venture company.

As of 31 March 2026, EPF through several EPF-Related Accounts held via Citigroup Nominees (Tempatan) Sdn Bhd controls 8.9% of the issued shares of Duopharma Biotech.

PNB, YPB and EPF are deemed interested in the BIMB facilities as PNB, unit trust funds managed by PNB, and EPF collectively hold more than 5% of the issued shares of BIMB.

## OTHER DISCLOSURES

**3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS, CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDERS (CONTINUED)**

- (B) Duopharma Biotech (“the “Issuer”) had on 24 August 2023 established an unrated Islamic medium-term notes programme of up to RM2.0 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah Programme”) for the issuance of Islamic medium-term notes (“Sukuk Wakalah”) from time to time.

The Sukuk Wakalah Programme has a 30-year programme tenure. Each Sukuk Wakalah shall have a tenure of not less than one (1) year and up to thirty (30) years from the date of the issuance, as the Issuer may elect, provided always that the maturity date of any of the Sukuk Wakalah shall not fall after the expiry of the Sukuk Wakalah Programme. The Sukuk Wakalah Programme is unsecured and not rated.

On 29 September 2023, Duopharma Biotech made its maiden Sukuk Wakalah issuance of RM364.0 million under the aforesaid Sukuk Wakalah Programme for tenures of 3-10 years. Subsequently on 15 December 2023, Duopharma Biotech made a further Sukuk Wakalah issuance of RM29.0 million under the Sukuk Wakalah Programme for tenures of seven and 10 years.

The subscriber of the issued Sukuk Wakalah to date is AmBank Islamic Berhad (“Ambank Islamic”).

The proceeds from the issuance of the Sukuk Wakalah under the Sukuk Wakalah Programme are to be utilised towards the following purposes which shall be Shariah-compliant:

- i. To repay/refinance the Issuer’s or its subsidiaries’ (“Issuer Group”) existing borrowings/ Islamic financing and future Islamic financing, existing shareholder loans and existing inter-company loans and future Shariah-compliant inter-company advances; and/or
- ii. To finance future and present Shariah-compliant investments; and/or
- iii. To finance the Issuer Group’s Shariah-compliant working capital and capital expenditure requirements; and/or
- iv. To defray fees, expenses, costs and all other amounts payable in relation to the Sukuk Wakalah Programme.

If Permodalan Nasional Berhad ceases to be a major shareholder of the Issuer during the tenure of the Sukuk Wakalah Programme, this constitutes a dissolution event whereupon all the outstanding Sukuk Wakalah shall at the direction of the holders of the Sukuk Wakalah become immediately due and payable.

By virtue of Paragraph 1.01 of MMLR of Bursa Malaysia, EPF is deemed a person connected to PNB pursuant to a commercial arrangement between EPF and PNB in a joint venture company.

As mentioned above, as of 31 March 2026, PNB controls 50.863% and EPF controls 8.9% of the issued shares of Duopharma Biotech.

AmBank Islamic is the Islamic banking arm of AmBank Group, owned by AMMB Holdings Berhad (“AMMB”).

PNB, YPB and EPF are deemed interested in the Sukuk Wakalah Programme as PNB, unit trust funds managed by PNB, and EPF collectively hold more than 5% of the issued shares of AMMB.

## OTHER DISCLOSURES

### 3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS, CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDERS (CONTINUED)

Pursuant to Paragraph 10.08(11)(e) of the MMLR of Bursa Malaysia, the receipt of the BIMB facilities from BIMB and the subscription of the Sukuk Wakalah by Ambank Islamic Berhad are not normally regarded as related party transactions as these transactions are upon normal commercial terms and in the ordinary course of business, from banks whose activities are regulated by the Islamic Financial Services Act 2013 and are subject to supervision by Bank Negara Malaysia.

### 4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As of 31 March 2026, and save for the following, neither Duopharma Biotech nor its subsidiaries were engaged in any material litigation, claim or arbitration, either as plaintiff or defendant or otherwise, and the Board does not have any knowledge of any proceedings, pending or threatened against Duopharma Biotech and/or its subsidiary, or of any fact likely to give rise to any such proceedings, which might materially or adversely affect the financial position or business of Duopharma Biotech and/or its subsidiary.

#### **KUALA LUMPUR HIGH COURT CIVIL SUIT NO. WA-22IP-15-02/2025**

##### **Description of the action**

Sun Pharmaceutical Industries Limited (the "Plaintiff"), a company incorporated in India, commenced a civil suit in the High Court of Malaya against Duopharma Manufacturing (Bangi) Sdn Bhd ("DMfgB") (a wholly-owned subsidiary of Duopharma Biotech), alleging that DMfgB via their use of DMfgB's registered CRYSTORVAS trademark has purportedly infringed the Plaintiff's own registered STORVAS trademark and has also allegedly passed off DMfgB's pharmaceutical preparation in a tablet form for the use of lowering cholesterol levels and reducing the risk of heart diseases which bears the CRYSTORVAS trademark as goods of the Plaintiff or being associated or connected therewith. The Plaintiff alleged that DMfgB's registered CRYSTORVAS trademark is similar to the Plaintiff's STORVAS trademark such that it is likely to cause confusion on the part of the public and also that DMfgB has allegedly passed off DMfgB's pharmaceutical preparations bearing DMfgB's registered CRYSTORVAS trademark as goods of the Plaintiff or being associated or connected with the Plaintiff. In addition, the Plaintiff is seeking to invalidate DMfgB's registered CRYSTORVAS trademark. The Plaintiff is also seeking from the Court an injunction to restrain DMfgB (and its directors, officers and agents) from infringing the Plaintiff's registered STORVAS trademark and passing off DMfgB's goods as goods of the Plaintiff, an order for the withdrawal of all goods bearing the CRYSTORVAS trademark and cessation of all usage of CRYSTORVAS by DMfgB, and damages to be determined either by way of an inquiry as to damages or an account of profit of DMfgB.

## OTHER DISCLOSURES

**4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION (CONTINUED)****Present status**

The Writ of Summons and Statement of Claim dated 18 February 2025 was served on DMfgB on 19 February 2025. DMfgB filed the Memorandum of Appearance on 26 February 2025 and Defence on 4 April 2025 respectively. The Plaintiff filed its Reply to Defence on 6 May 2025. At the Case Management on 5 March 2026, the High Court gave the following directions:

1. Parties to file amended list of witnesses containing brief description of role / evidence to be given, if any, by 5 May 2026; and
2. Parties to file witness statements by 19 May 2026.

The High Court has fixed the trial from 9-11 June, 2026 and 24 July 2026.

**Effect of the claims**

The Company and DMfgB firmly believe that the registration and use of DMfgB's registered trademark CRYSTORVAS is legitimate and, as such, the Defendant will vigorously contest the Plaintiff's claims to protect its rights. The Company is of the view that in the event the Plaintiff is successful in its claims against the Defendant, the financial or operational impact resulting from the Plaintiff's claims will be the potential damages, losses and/or injunction arising from the litigation as mentioned above in relation to the use of the CRYSTORVAS mark and/or the manufacture and sale of the goods employing the CRYSTORVAS mark. Other goods manufactured or sold by DMfgB that do not employ the CRYSTORVAS mark are not expected to be affected by the Plaintiff's claims.

**5. RECURRENT RELATED PARTY TRANSACTION OF REVENUE OR TRADING NATURE**

Duopharma Biotech has not sought any shareholders' mandate for the recurrent related party transaction of a revenue or trading nature at the last AGM of the Company held on 21 May 2025. The last shareholders' mandate for the recurrent related party transaction of a revenue or trading nature which is necessary for its day-to-day operations and is in the ordinary course of business with related parties was obtained during the AGM held on 22 May 2017 and the said mandate had expired upon conclusion of the AGM held on 31 May 2018.

By letter dated 23 May 2018, Bursa Malaysia had approved the Company's application for waiver from having to comply with Paragraph 10.09 of the MMLR in respect of any future recurrent related party transactions ("RRPTs") between the Duopharma Biotech group of companies and any companies in which PNB and/or the unit trust funds managed by PNB are interested in as substantial shareholders ("PNB Investee Companies"). The approval was subject to the condition that all such RRPTs are based on terms not more favourable to PNB and/or PNB Investee Companies than those generally available to the public and are not detrimental to the minority shareholders of the Company. In view of the aforesaid waiver and since no other RRPTs of a revenue or trading nature (i.e., other than those falling within the ambit of the aforesaid waiver, or those transactions that fall within the relevant thresholds prescribed by the MMLR, or those transactions that are not normally regarded as related party transactions under Paragraph 10.08(11) of the MMLR) have as at 31 March 2026 been identified or anticipated for the period from the date of the forthcoming AGM of the Company until the date of the next AGM of the Company in 2027, the Company will not be seeking a new shareholders' mandate to apply to RRPTs of a revenue or trading nature with related parties at the forthcoming AGM of the Company.



## OTHER DISCLOSURES

### 5. RECURRENT RELATED PARTY TRANSACTION OF REVENUE OR TRADING NATURE (CONTINUED)

In view of the aforesaid, there was no requirement for shareholders to mandate RRPTs of a revenue or trading nature with related parties during the year under review. Consequently, there were no RRPTs conducted pursuant to a shareholders' mandate for RRPTs during the financial year ended 31 December 2025, and no requirement to disclose in this Integrated Annual Report on RRPTs conducted pursuant to a shareholders' mandate for RRPTs during the financial year ended 31 December 2025.

The Board of Directors had in 2022, at the recommendation of the AC, approved the adoption of the Related Party Transaction Framework for the Group which outlined the procedures for identifying, monitoring, evaluating, reporting and approving related party transactions ("RPT") and RRPT to ensure that such transactions are conducted on arm's length basis and in accordance with the MMLR and applicable laws. The Related Party Transaction Framework is intended to assist the Board and the AC in discharging their roles, which are to provide oversight over RPT and RRPT within the Group; and also ensure similar understanding and provide consistency of actions within the Group in identifying, monitoring, evaluating, reporting and approving RPT and RRPT to ensure compliance with the MMLR and applicable laws.

All related party transactions are examined quarterly by the AC and audited annually by the GIA Department. The AC and the Board have assessed the Group's RRPTs of a revenue or trading nature and have prescribed the following processes to be adhered to by the Duopharma Biotech Group:

- (i) the RRPTs are to be undertaken on an arm's length basis and on normal commercial terms consistent with Duopharma Biotech Group's usual business practices and policies, which are no more favourable to the interested parties than those generally available to the public and are not detrimental to the minority shareholders of Duopharma;
- (ii) the RRPTs involving the interest of related parties will only be transacted at the prevailing market rates/prices for the services or products on the usual commercial terms, or otherwise in accordance with applicable industry norms, after taking into account the pricing, the level of services, quality of products and other related factors; and
- (iii) the pricing for services and products to be provided/supplied and/or received is determined based on the Duopharma Biotech Group's business practices and policies to ensure that prices and terms and conditions are based on competitive prices of similar products and services in the open market.

## OTHER DISCLOSURES

## 6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MMLR of Bursa Malaysia below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia:

## (a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue		931,692,457	813,694,632
Other income		313,504	426,766
Interest/Finance income		5,870,196	5,964,938
Others (please specify in the remarks column)	Fair value losses recorded in Other Comprehensive Income	(6,184,692)	(14,241,308)
<b>Total</b>		<b>931,691,465</b>	<b>805,845,028</b>
<b>Total Assets</b>		<b>1,451,164,399</b>	<b>1,377,833,977</b>

## (b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM)	2024 (RM)
Interest income	Conventional	334,644	226,207
<b>Total</b>		<b>334,644</b>	<b>226,207</b>

## OTHER DISCLOSURES

## 6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONTINUED)

## (c) Component of Financial Position

## (i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Deposits with licensed bank		2,000,000	16,000,000
Cash at bank		11,309,309	14,648,623
Other cash equivalents (please specify in the remarks column)	Cash in hand	1,513	1,513
Investment in cash funds	Islamic Fixed Income Funds	175,530,497	128,747,467
<b>Total Cash</b>		<b>188,841,319</b>	<b>159,397,603</b>
<b>Conventional Account/Instruments</b>			
Deposits with licensed bank		31,924,388	16,500,000
Cash at bank		70,107,823	88,647,802
<b>Total Cash</b>		<b>102,032,211</b>	<b>105,147,802</b>

## (ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM)	2024 (RM)
<b>Current</b>			
Banker's acceptances		19,085,599	22,333,434
Revolving credit and loans		10,000,000	10,000,000
Medium term notes	Sukuk Wakalah	101,000,000	-
Term loans		17,337,930	15,662,269
<b>Non-Current</b>			
Medium term notes	Sukuk Wakalah	291,221,020	391,990,249
Term loans		54,253,214	72,532,473
<b>Total Financing</b>		<b>492,897,763</b>	<b>512,518,425</b>

## OTHER DISCLOSURES

## 6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONTINUED)

## (c) Component of Financial Position (Continued)

## (ii) Debt Component (Continued)

	Remarks	Group	
		2025 (RM)	2024 (RM)
<b>Conventional Borrowing</b>			
Current		N/A	N/A
Non-Current		N/A	N/A
<b>Total Debt</b>		<b>N/A</b>	<b>N/A</b>

# ANALYSIS OF SHAREHOLDINGS

As at 31 March 2026

Total Number of Issued Shares	: 961,942,451
Class of Shares	: Ordinary Shares
No. of Shareholders	: 18,879
Voting Rights	: One Vote per Ordinary Share

## ANALYSIS BY SIZE OF HOLDINGS

as at 31 March 2026

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	3,288	17.416	132,112	0.013
100 – 1,000	2,983	15.800	1,319,826	0.137
1,001 – 10,000	9,161	48.524	34,775,079	3.615
10,001 – 100,000	3,059	16.203	82,086,641	8.533
100,001 to less than 5% of issued ordinary shares	387	2.049	419,347,679	43.593
5% and above of issued ordinary shares	1	0.005	424,281,114	44.106
<b>Total</b>	<b>18,879</b>	<b>100.000</b>	<b>961,942,451</b>	<b>100.000</b>

## DIRECTORS' SHAREHOLDINGS AS PER REGISTER OF DIRECTORS

as at 31 March 2026

Name	No. of Shares Held			
	Direct	%	Indirect	%
Datin Paduka Kartini Binti Hj Abdul Manaf	-	-	-	-
Datuk Wira Arham Bin Abdul Rahman	-	-	-	-
Datuk Mohd Radzif Bin Mohd Yunus	3	0.000	-	-
Puan Nik Fazila Binti Nik Mohamed Shihabuddin	-	-	-	-
Dato' Adnan Hisham Bin Pawanteh	-	-	-	-
Dr. Sharmila A/P Ramachandran	-	-	-	-
Dr. Hasnita Binti Hashim	-	-	-	-
Mohamad Idros Bin Mosin	-	-	-	-
Muhammad Shukri Bin Ismail	-	-	-	-
<b>Total</b>	<b>3</b>	<b>0.000</b>	<b>-</b>	<b>-</b>

## ANALYSIS OF SHAREHOLDINGS

As at 31 March 2026

**DIRECTORS OF SUBSIDIARY COMPANIES' SHAREHOLDINGS AS PER REGISTER OF DIRECTORS**

as at 31 March 2026

Name	No. of Shares Held			
	Direct	%	Indirect	%
Wan Amir-Jeffery Bin Wan Abdul Majid	-	-	-	-
Krisnakumara-Reddi A/L Kesava-Reddi	2,878	0.000	-	-
Rohayu Rosnani Binti Mohd Adanan	-	-	-	-
Sabrina Binti Haron	-	-	-	-
Priya Darshini A/P Asokan	-	-	-	-
Noor Aida Binti Jaafar	-	-	-	-
Mohd Fairuz Khan Bin Pret Khan <sup>1</sup>	-	-	533	0.000
Mohd Idzwan Bin Mohd Malik	-	-	-	-
Mohamed Shazman Merican	-	-	-	-
Seri Azalina Binti Mohd Ghazalli	-	-	-	-
Susan M. Chu	-	-	-	-
Owe Kok Liang	-	-	-	-
<b>Total</b>	<b>2,878</b>	<b>0.000</b>	<b>533</b>	<b>0.000</b>

Notes:

1. Shares held via Kenanga Nominees (Tempatan) Sdn Bhd - Rakuten Trade Sdn Bhd

**SHAREHOLDINGS OF CHIEF EXECUTIVE WHO IS NOT A DIRECTOR**

as at 31 March 2026

Name	No. of Shares Held			
	Direct	%	Indirect	%
Wan Amir-Jeffery Bin Wan Abdul Majid	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SHAREHOLDINGS OF SENIOR MANAGEMENT (OTHER THAN CHIEF EXECUTIVE WHO IS NOT A DIRECTOR)**

as at 31 March 2026

Name	No. of Shares Held			
	Direct	%	Indirect	%
Krisnakumara-Reddi A/L Kesava-Reddi	2,878	0.000	-	-
Ibrahim Hussin Salleh	-	-	-	-
Rohayu Rosnani Binti Mohd Adanan	-	-	-	-
Sabrina Binti Haron	-	-	-	-
Priya Darshini A/P Asokan	-	-	-	-
Noor Aida Binti Jaafar	-	-	-	-
<b>Total</b>	<b>2,878</b>	<b>0.000</b>	<b>-</b>	<b>-</b>

## ANALYSIS OF SHAREHOLDINGS

As at 31 March 2026

### SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

as at 31 March 2026

Name	No. of Shares Held				Total of	
	Direct	%	Indirect	%	Direct and Indirect	%
Permodalan Nasional Berhad	424,281,114	44.106	-	-	424,281,114	44.106
Yayasan Pelaburan Bumiputra	-	-	424,281,114	44.106	424,281,114	44.106
Employees Provident Fund Board	-	-	85,658,334*	8.900	85,658,334	8.900
Lembaga Tabung Haji	44,203,600	4.595	4,838,420*	0.502	49,042,020	5.097

\* held via multiple securities accounts with Citigroup Nominees (Tempatan) Sdn Bhd

### TOP 30 SECURITIES ACCOUNT HOLDERS AS PER REGISTER OF DEPOSITORS

as at 31 March 2026

No.	Name	Holdings	%
1.	PERMODALAN NASIONAL BERHAD	424,281,114	44.106
2.	LEMBAGA TABUNG HAJI	44,203,600	4.595
3.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Employees Provident Fund Board	42,905,350	4.460
4.	AMANAHRAYA TRUSTEES BERHAD Amanah Saham Bumiputera	42,712,457	4.440
5.	AMANAHRAYA TRUSTEES BERHAD Amanah Saham Malaysia	22,293,333	2.317
6.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Employees Provident Fund Board (ISLAMIC)	20,920,884	2.174
7.	PUBLIC NOMINEES (ASING) SDN BHD Pledged Securities Account for Billion Victory Sdn Bhd (KLC)	15,068,798	1.566
8.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) Trustee Bhd for Manulife Investment Shariah Progress Fund	9,498,900	0.987
9.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB for Prulink Equity Fund	9,047,375	0.940
10.	CARTABAN NOMINEES (TEMPATAN) SDN BHD Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	8,745,864	0.909
11.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Employees Provident Fund Board (AM INV)	8,103,000	0.842
12.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB for Participating Fund	7,502,542	0.779

## ANALYSIS OF SHAREHOLDINGS

As at 31 March 2026

No.	Name	Holdings	%
13.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD Deutsche Trustees Malaysia Berhad for Eastspring Investments Small-Cap Fund	7,390,454	0.768
14.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) Trustee Bhd for Manulife Investment Al-Fauzan (5170)	7,129,700	0.741
15.	AMANAHRAYA TRUSTEE BERHAD Public Islamic Treasures Growth Fund	5,680,897	0.590
16.	HONG LEONG ASSURANCE BERHAD As Beneficial Owner (LIFE PAR)	5,378,184	0.559
17.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Employees Provident Fund Board (F TEMPLETON)	5,022,100	0.522
18.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Lembaga Tabung Haji (EASTSPRING)	4,149,254	0.431
19.	MAYBANK NOMINEES (TEMPATAN) SDN BHD Syarikat Takaful Malaysia Keluarga Berhad (ORDPA)	3,860,900	0.401
20.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) Trustee Bhd for Manulife Investment Shariah Progress Plus Fund	3,857,000	0.400
21.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) Trustee Bhd for Manulife Investment Progress Fund (4082)	3,356,700	0.348
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD National Trust Fund (IFM EASTSPRNG) (410140)	3,051,200	0.317
23.	OOI KENG TAN	2,908,709	0.302
24.	HONG LEONG ASSURANCE BERHAD As Beneficial Owner (UNITLINKED OP)	2,585,562	0.268
25.	HONG LEONG MSIG TAKAFUL BERHAD As Beneficial Owner (FAMILY FUND)	2,580,038	0.268
26.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Employees Provident Fund Board (F.TEMISLAMIC)	2,271,400	0.236
27.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Employees Provident Fund Board (CPIAM EQ)	2,000,000	0.207
28.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) Trustee Bhd for Manulife Investment Al-Faid (4389)	1,983,912	0.206
29.	AMANAHRAYA TRUSTEE BERHAD Aham Aiiman Quantum Fund	1,801,200	0.187
30.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Employees Provident Fund Board (PHEIM)	1,768,900	0.183
<b>Total</b>		<b>722,059,327</b>	<b>75.062</b>

# LIST OF PROPERTIES OF THE DUOPHARMA BIOTECH BERHAD GROUP

As at 31 December 2025

No.	Location	Tenure	Lease Period	Area (sq. meter, unless otherwise stated)	Description	Existing Use	Approximate Age of Building	Net Book Value (RM million)	Date of Last Revaluation
1	Duopharma (M) Sendirian Berhad  Lot 2599, Jalan Seruling 59, Kawasan 3, Taman Klang Jaya, 41200 Klang, Selangor Darul Ehsan, Malaysia.	Freehold	-	24,261	a. Industrial land built upon with a 2-storey factory building, a 1-storey pump house cum boiler house and a guard house; b. 4-storey factory and office building; c. 2-storey warehouse building with two (2) mezzanine office levels of high specifications for specific pharmaceutical use and water tank; d. 7-storey office and 5-storey manufacturing block; and e. 5-storey manufacturing block.	Factory, warehouse and office	a. 33 years b. 23 years c. 14 years d. 3 years e. 3 years	190.42	January 2016
2	Duopharma (M) Sendirian Berhad  Lot No. 2707, Jalan Seruling 59, Kawasan 3, Taman Klang Jaya, 41200 Klang, Selangor Darul Ehsan, Malaysia.	Freehold	-	4.38 acres	Industrial land built upon with a warehouse block with lift service, a rooftop car park, a mezzanine floor office and a technical block with motorcycle parking.	Warehouse with rooftop car park and office.	6 years	62.50	January 2016
3	Duopharma Manufacturing (Bangji) Sdn. Bhd.  Lot No. 2, 4, 6, 8 & 10, Jalan P/7, Seksyen 13, Kawasan Perusahaan Bandar Baru Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan, Malaysia.	Leasehold	99 years (1987 - 2086)	21,359	Industrial land built upon with 3-storey office cum factory building with lift service, a 3-storey store, canteen and laboratory building, a 2-storey warehouse block, a new 2½-storey office, factory cum warehouse building with lift services, a pump block and two (2) guardhouse buildings.	Industrial land, factory and office	38 years	43.62	November 2014
4	Duopharma Manufacturing (Glenmarie) Sdn. Bhd.  No. 2, Jalan Saudagar U1/16, Zon Perindustrian Hicom Glenmarie, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia.	Freehold	-	5,904	Industrial land, factory and offices	Factory and offices	28 years	29.0	November 2025

## LIST OF PROPERTIES OF THE DUOPHARMA BIOTECH BERHAD GROUP

As at 31 December 2025

No.	Location	Tenure	Lease Period	Area (sq. meter, unless otherwise stated)	Description	Existing Use	Approximate Age of Building	Net Book Value (RM million)	Date of Last Revaluation
5	Duopharma Marketing Sdn. Bhd.  Lot No. 2, 4, 6, 8 & 10, Jalan P/7, Seksyen 13, Kawasan Perusahaan Bandar Baru Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan, Malaysia.	Leasehold	99 years (1987 - 2086)	12,140	Leasehold land built upon with 2-storey office cum warehouse building	Warehouse and office	38 years	26.94	November 2014
6	Duopharma Marketing Sdn. Bhd.  No. 1, Jalan 4/3, Seksyen 4, Bandar Baru Bangi, 43650 Bangi, Selangor Darul Ehsan, Malaysia.	Leasehold	99 years (1987 - 2086)	1,565	A plot of vacant residential detached building land	Vacant	-	1.05	November 2025
7	Duopharma Marketing Sdn. Bhd.  No. 64, Jalan Pernas 9/13, Bandar Baru Pernas Jaya, Masai, 81750 Johor Bahru, Johor Darul Takzim, Malaysia.	Freehold	-	362	An intermediate 1½-storey terraced factory building.	Warehouse	34 years	0.85	November 2025
8	Duopharma (M) Sendirian Berhad  No. 51 & 53, Jalan Rebana 3, Off Jalan Seruling 59, Kawasan 3, Taman Klang Jaya, 41200 Klang, Selangor Darul Ehsan, Malaysia.	Freehold	-	835	Two (2) units of 2-storey terrace light industrial building	Warehouse	29 years	0.66	January 2016

# NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF DUOPHARMA BIOTECH BERHAD

[Registration No. 200001021664 (524271-W)] (Incorporated in Malaysia)



**NOTICE IS HEREBY GIVEN** that the Twenty-Fifth (“25th”) Annual General Meeting (“AGM”) of Duopharma Biotech Berhad (“Duopharma Biotech” or the “Company”) will be held at **Conference Hall 1 & 2, Level 3, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia (the “Meeting Venue”)** on **Thursday, 21 May 2026 at 9.00 a.m.** for the following purposes:-

## AGENDA

### AS ORDINARY BUSINESS

#### 1. Audited Financial Statements and Reports of the Directors and Auditors

To receive the Audited Financial Statements for the financial year ended 31 December 2025 and the Reports of the Directors and Auditors thereon.

*[Please refer to Explanatory Note 1.]*

#### 2. Retirement and Re-election

##### 2.1 Retirement and Re-election

To re-elect Datin Paduka Kartini Binti Hj Abdul Manaf who retires in accordance with Article 100 of the Company’s Constitution and who, being eligible, offers herself for re-election.

**Ordinary Resolution 1**

2.2 To re-elect the following Directors who were appointed as Directors after the 24th AGM and retire in accordance with Article 106 of the Company’s Constitution and who, being eligible, offer themselves for re-election:-

- (i) Datuk Wira Arham Bin Abdul Rahman
- (ii) Dato' Adnan Hisham Bin Pawanteh
- (iii) Dr. Sharmila A/P Ramachandran
- (iv) Dr. Hasnita Binti Hashim
- (v) Encik Mohamad Idros Bin Mosin

**Ordinary Resolution 2**

**Ordinary Resolution 3**

**Ordinary Resolution 4**

**Ordinary Resolution 5**

**Ordinary Resolution 6**

*[Please refer to Explanatory Note 2.]*

#### 3. Directors’ Remuneration

##### 3.1 Directors’ Remuneration

To approve the payment of Directors’ fees and Board Committee fees to each of the Non-Executive Directors for the period commencing 22 May 2026 until the conclusion of the next AGM of the Company, as follows:-

**Ordinary Resolution 7**

### **DIRECTORS’ FEES**

Chairman of the Board	RM125,000.00 per annum
Member of the Board (other than Foreign Director)	RM100,000.00 per annum
Foreign Director	the amount in United States Dollars equivalent to RM100,000.00 per annum

## NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF DUOPHARMA BIOTECH BERHAD

[Registration No. 200001021664 (524271-W)] (Incorporated in Malaysia)

### **BOARD COMMITTEE FEES**

Chairman of the Board Committee	RM10,000.00 per annum
Member of the Board Committee (including where member is a Foreign Director)	RM8,000.00 per annum

And further, to authorise the Directors to pay the said fees among them in such proportions and manner as the Directors may determine.

*[Please refer to Explanatory Note 3.]*

- 3.2 To approve the payment of benefits to the Non-Executive Directors up to an amount of RM768,000.00 for the period from 22 May 2026 until the conclusion of the next AGM of the Company.

**Ordinary Resolution 8**

*[Please refer to Explanatory Note 4.]*

4. Re-appointment of Auditors

To re-appoint Messrs. KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

**Ordinary Resolution 9**

*[Please refer to Explanatory Note 5.]*

### **AS SPECIAL BUSINESS**

5. To consider and, if thought fit, to pass the following Ordinary Resolution:-

**Ordinary Resolution 10**

**ISSUANCE OF NEW DUOPHARMA BIOTECH SHARES PURSUANT TO THE DIVIDEND REINVESTMENT PLAN THAT PROVIDES THE SHAREHOLDERS OF THE COMPANY WITH THE OPTION TO ELECT TO REINVEST THEIR DIVIDEND IN NEW DUOPHARMA BIOTECH SHARES (“DIVIDEND REINVESTMENT PLAN”)**

“**THAT** pursuant to the Dividend Reinvestment Plan as approved by the Shareholders at the Extraordinary General Meeting of the Company held on 31 May 2018, and subject to the approvals of all relevant regulatory authorities or parties being obtained, where required, approval be and is hereby given to the Board of Directors of Duopharma Biotech (“Board”) to allot and issue such number of new Duopharma Biotech Shares from time to time as may be required to be allotted and issued pursuant to the Dividend Reinvestment Plan until the conclusion of the Company’s next annual general meeting, upon terms and conditions and to such persons as the Board may, at its absolute discretion, deem fit and in the best interest of the Company;

**THAT** the issue price of the said new Duopharma Biotech Shares, which will be determined and fixed by the Board on the price-fixing date to be determined, shall not be more than ten percent (10%) discount to the 5-day volume weighted average market price (“VWAMP”) of Duopharma Biotech Shares immediately preceding the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price at the material time;

## NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF DUOPHARMA BIOTECH BERHAD

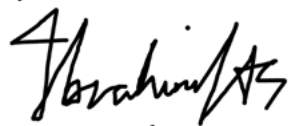
[Registration No. 200001021664 (524271-W)] (Incorporated in Malaysia)

**AND THAT** the Board be and is hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds and undertakings and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to implement, finalise and give full effect to the issuance of New Duopharma Biotech Shares pursuant to the Dividend Reinvestment Plan, with full power to assent to any conditions, variations, modifications and/or amendments in any manner, including amendments, modifications, suspension and termination of the Dividend Reinvestment Plan, as the Board may, in its absolute discretion, deem fit and in the best interest of the Company and/or as may be required or permitted by any relevant authorities and to deal with all matters relating thereto.”

*[Please refer to Explanatory Note 6.]*

6. To transact any other business of which due notice shall have been received.

By Order of the Board



**IBRAHIM HUSSIN SALLEH**

License No.: LS 0009121

SSM Practising Certificate No.: 201908001032

Company Secretary

Kuala Lumpur

Date: 21 April 2026

### NOTES:

1. The mode of meeting for the Company's 25th AGM will be physical only whereby Member(s), proxy(ies), corporate representative(s) or attorney(s) will have to attend physically in person at the Meeting Venue. Please follow the procedures provided in the Administrative Guide issued by the Company for the Company's 25th AGM, which is available on the Company's website at <https://duopharmabiotech.com/investor-relations/shareholders-meeting-and-reports/> in order to register, attend, speak and vote at the 25th AGM.
2. During the 25th AGM, Members, proxies, corporate representatives and attorneys who are physically present at the Meeting Venue will be able to ask questions in person. The Board and Senior Management will be in attendance at the Meeting Venue to provide responses accordingly.
3. All Resolutions in the Notice of AGM are to be conducted by poll voting as per Paragraph 8.29A(1) of the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll, respectively.
4. A member who is entitled to attend, speak and vote at the 25th AGM is entitled to appoint not more than two (2) proxies to attend and vote instead of him/her. A proxy may but need not be a member of the Company. In the case of a corporation, the corporation may appoint a duly authorised representative to attend the 25th AGM on behalf of that corporation.
5. Where a member of the Company appoints two (2) proxies, the appointments shall be invalid unless the member specifies the proportion of his/her shareholdings to be represented by each proxy.

# NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF DUOPHARMA BIOTECH BERHAD

[Registration No. 200001021664 (524271-W)] (Incorporated in Malaysia)

6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”) which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
8. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal, or under the hand of two (2) authorised officers, one of whom shall be a director or of its attorney duly authorised in writing.
9. The instrument appointing a proxy(ies) may be made in a hardcopy form or by electronic means as follows:-

a. In Hardcopy Form

The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. –

- (i) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; or
- (ii) by e-mail to [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

b. In electronic form via Vistra Share Registry and IPO (MY) (“Vistra SRMY Portal”)

The Form of Proxy can be electronically lodged with the Company's Share Registrar via the Vistra SRMY Portal at <https://srmy.vistra.com>

All proxy forms (whether submitted in hardcopy form or by Vistra SRMY Portal) must be received by the Company's Share Registrar not less than twenty-four (24) hours before the time appointed for taking of the poll as per Section 334(3) of the Companies Act, 2016. Further information on the requirements and procedures for the submission of proxy forms are set out in the Administrative Guide.

10. Only depositors whose names appear in the Record of Depositors as at Wednesday, 13 May 2026 shall be regarded as members and entitled to attend and vote at the 25th AGM

## EXPLANATORY NOTES

### 1. Audited Financial Statements for financial year ended 31 December 2025 and the Reports of the Directors and the Auditors thereon

The Audited Financial Statements for financial year ended 31 December 2025 and the Reports of the Directors and the Auditors thereon are set out on pages 164 to 241 of the Company's Integrated Annual Report 2025.

The Company's Integrated Annual Report 2025 is available at <https://duopharmabiotech.com/investor-relations/shareholders-meeting-and-reports/>. You may request for a copy of the printed Integrated Annual Report at <https://srmy.vistra.com> by selecting “Request for Annual Report/Circular” under the “Investor Services”. Alternatively, you may also make your request by completing and submitting the online requisition form at the Company's Corporate Website at <https://dpharma.investors-centre.com/investor-relations/requisition-form/ar-requisition-form.php> under the ‘Shareholders Meeting and Reports > Annual Reports/Integrated Annual Report > Integrated Annual Report Requisition Form’s tab.

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 and Article 57 of the Company's Constitution for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

### 2. Retirement and Re-election of Directors

Article 100 of the Company's Constitution provides that at each AGM of the Company, one-third (1/3) of the Directors for the time being, or if their number is not a multiple of three (3), the number nearest to one-third (1/3), shall retire from office at the conclusion of the meeting and that each Director so retiring from office shall be eligible for re-election. Pursuant thereto, one (1) Director will be retiring in accordance with Article 100 of the Constitution, namely Datin Paduka Kartini Binti Hj Abdul Manaf.

Subsequent to the 24th AGM of the Company that was held on 21 May 2025, Datuk Wira Arham Bin Abdul Rahman, Dato' Adnan Hisham Bin Pawanteh and Dr. Sharmila A/P Ramachandran were appointed as Independent Non-Executive Directors on 22 May 2025, Dr. Hasnita Binti Hashim was appointed as an Independent Non-Executive Director on 1 June 2025, and Encik Mohamad Idros Bin Mosin was appointed as a Non-Independent Non-Executive Director on 22 August 2025. They will retire pursuant to Article 106 of the Constitution. Article 106 of the Constitution provides that any

# NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF DUOPHARMA BIOTECH BERHAD

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Director appointed to fill a casual vacancy or as an additional Director shall hold office only until the next AGM and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

The Nomination and Remuneration Committee (“NRC”) had assessed each retiring Director’s eligibility to stand for re-election based on, among others, consideration of the Company’s Fit and Proper Policy for the Board of Directors and Senior Management (“Fit & Proper Policy”), and the Company’s Diversity Policy for the Board of Directors and Senior Management (“Diversity Policy”), and recommended that all the retiring Directors were eligible to stand for re-election. The Board had approved the NRC’s assessment and recommendation that all the retiring Directors are eligible to stand for re-election. Among the reasons for the Board’s recommendation for the re-election of the aforesaid retiring directors are as follows:-

- (a) the recommendation for re-election was based on objective criteria and merit, namely the said Directors have met the following fit and proper criteria according to the Fit & Proper Policy –
  - (i) character and integrity (encompassing the qualities of probity, personal integrity, financial integrity and reputation);
  - (ii) experience and competence (encompassing qualifications, training and skills; and relevant past performance or track record); and
  - (iii) time and commitment (encompassing ability to discharge role having regard to other commitments, and participation and contribution in the Board);
- (b) the said Directors have performed satisfactorily in terms of their contribution and performance as well as in terms of their calibre and personality;
- (c) the Board Effectiveness Evaluation (“BEE”) for the financial year ended 31 December 2025 highlighted that the Board of the Company has diverse expertise and culture of constructive dialogue support, effective oversight, strategic guidance and strong governance across the Group;
- (d) the said Directors’ respective tenure of service calculated until the date of the 25th AGM does not exceed a cumulative term of nine years in a consecutive service nor cumulative service of nine years with interval as prescribed in the Company’s Board Charter; and
- (e) with respect to those retiring Directors who were Independent Non-Executive Directors, and based on their self-assessment, they had declared their independence.

All these retiring Directors had abstained from deliberations and decisions on their retirement and, their eligibility to stand for re-election at the relevant NRC and Board meetings.

The details of the Directors seeking re-election are set out in their respective profiles which appear in the Directors’ Profiles on pages 88 to 98 of the Company’s Integrated Annual Report 2025. The details of their interest in the securities of the Company are set out in their respective profiles as well as the Analysis of Shareholdings on page 252 of the Company’s Integrated Annual Report 2025.

Any Director referred to in Ordinary Resolutions 1 to 6, who is a shareholder of the Company will abstain from voting on the resolution in respect of his/her re-election at the 25th AGM.

### 3. **Approval for the proposed payment of Directors’ fees and Board Committee fees to each of the Non-Executive Directors for the period commencing from 22 May 2026 until the conclusion of the next AGM of the Company**

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors shall be approved at a general meeting. Pursuant to Paragraph 7.24 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the fees of directors shall be subject to annual shareholders’ approval at a general meeting.

The Directors’ fees to be paid to the Non-Executive Directors from 22 May 2026 until the conclusion of the next AGM of the Company in 2027 are based on the following fee structure which has not changed since the last revision of the Directors’ fees that was approved at the 20th AGM held on 28 May 2021.

The Board Committee fees to be paid to the Non-Executive Directors from 22 May 2026 until the conclusion of the next AGM of the Company in 2027 are based on the following fee structure which has not changed since it was approved at the 17th AGM held on 31 May 2018:

<b>DIRECTORS’ FEES</b>	<b>SHAREHOLDERS’ APPROVAL</b>
Chairman of the Board	RM125,000.00 per annum
Member of the Board (other than Foreign Director)	RM100,000.00 per annum
Foreign Director	the amount in United States Dollars equivalent to RM100,000.00 per annum

Approvaed at the 20th AGM held on 28 May 2021

## NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF DUOPHARMA BIOTECH BERHAD

[Registration No. 200001021664 (524271-W)] (Incorporated in Malaysia)

<b>BOARD COMMITTEE FEES</b>	<b>SHAREHOLDERS' APPROVAL</b>
Chairman of the Board Committee	RM10,000.00 per annum
Member of the Board Committee (including where member is a Foreign Director)	RM8,000.00 per annum

Approved at the  
17th AGM held on  
31 May 2018

The shareholders also resolved that the aforesaid amount of the Directors' fees and Board Committee fees shall continue to be in force until varied by resolution passed by the shareholders in a general meeting. The Board has approved that the Directors' fees and the Board Committee fees for the period commencing from 22 May 2026 until the conclusion of the next AGM of the Company in 2027 to remain unchanged as they are still competitive.

The shareholders had at the 24th AGM of the Company held on 21 May 2025 approved the payment of Directors' fees and Board Committee fees for the period commencing 22 May 2025 until the conclusion of the next AGM of the Company in 2026, based on the aforementioned fee structure.

This Ordinary Resolution 7, if passed, will facilitate the payment of Directors' fees and Board Committee fees on current financial year basis until the conclusion of the next AGM in 2027.

Any Non-Executive Director who is a shareholder of the Company will abstain from voting on Ordinary Resolution 7 in respect of the proposed payment of Directors' fees and Board Committee fees.

*Note:*

*Encik Muhammad Shukri Bin Ismail, being an Alternate Director to Encik Mohamad Idros Bin Mosin, does not receive any Directors' fees nor Board Committee fees. Under the Company's Constitution, if the Alternate Director receives any Directors' fees or benefits, the same shall be deducted from the remuneration of the Director that appointed the alternate director.*

**4. Approval for the proposed payment of benefits to the Non-Executive Directors for the period commencing from 22 May 2026 until the conclusion of the next AGM of the Company**

The Remuneration Policy and Procedures for Directors and Senior Management includes the payment of Meeting Allowances for meetings of the Board and Board Committees as well as other benefits comprising medical coverage, directors' and officers' liability insurance, and other claimable benefits. The Chairman of the Board of Directors is also entitled to additional benefits-in-kind that includes the services of a driver and reimbursement of expenses for vehicle maintenance, Touch 'n Go, and fuel.

*Note:*

*Encik Muhammad Shukri Bin Ismail, being an Alternate Director to Encik Mohamad Idros Bin Mosin, does not receive any Directors' fees nor Board Committee fees. Under the Company's Constitution, if the Alternate Director receives any Directors' fees or benefits, the same shall be deducted from the remuneration of the Director that appointed the alternate director.*

The Company had in 2018 obtained the shareholders' approval for payment of Directors' Meeting Allowances as follows:

**FOR MEETINGS OF THE BOARD OF DIRECTORS**

Chairman of the Board	RM1,300.00 per meeting
Member of the Board (including where member is a Foreign Director)	RM1,000.00 per meeting

**FOR MEETINGS OF THE BOARD COMMITTEES**

Chairman of the Board Committee	RM1,200.00 per meeting
Member of the Board Committee (including where member is a Foreign Director)	RM1,000.00 per meeting

The shareholders also resolved that the aforesaid amount of the Directors' Meeting Allowances shall continue to be in force until varied by resolution passed by the shareholders in a general meeting. Although revision of Directors' Fees was proposed and approved by the shareholders at the 20th AGM of the Company held on 28 May 2021, there was no change to the Directors' Meeting Allowances.

The shareholders had at the 24th AGM of the Company held on 21 May 2025 approved the payment of benefits to the Non-Executive Directors up to an amount of RM768,000.00 for the period commencing 22 May 2025 until the conclusion of the next AGM of the Company on 21 May 2026. The total Directors' benefits incurred were as follows:-

<b>Approved at the last AGM (from 22 May 2025 until the conclusion of the 25th AGM)</b>	<b>Actual (from 22 May 2025 until 31 March 2026)</b>	<b>Forecasted (from 22 May 2025 until the conclusion of the 25th AGM)</b>
RM768,000.00	RM320,000.00	RM450,000.00

In determining the estimated total amount of benefits for the Non-Executive Directors of the Company, the Board considered various factors, including the potential increase in the number of directors on the Board, the number of scheduled meetings for the Board and Board Committees, potential additional unscheduled meetings, and the number of Directors involved in these meetings. The number of Board and Board Committee meetings are determined based on the strategy, plans and operational requirements of the Duopharma Biotech Group.

# NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF DUOPHARMA BIOTECH BERHAD

[Registration No. 200001021664 (524271-W)] (Incorporated in Malaysia)

With respect to the proposed benefits for the Non-Executive Directors for the period commencing from 22 May 2026 until the conclusion of the next AGM of the Company in 2027 (“Relevant Period”), the amount is estimated to be approximately RM768,000.00. In the event that the proposed benefits payable to the Non-Executive Directors are insufficient (e.g. due to more meetings or enlarged board size, etc.), approval will be sought at the next AGM for the additional amount of benefits to meet the shortfall.

Ordinary Resolution 8, if passed, will be made by the Company on a monthly basis and/or as and when incurred. The Board is of the view that it is fair and equitable for the Non-Executive Directors to be paid the benefits on a monthly basis and/or as and when incurred particularly after they have discharged their responsibilities and rendered their services to the Company throughout the Relevant Period.

Any Non-Executive Director who is a shareholder of the Company will abstain from voting on Ordinary Resolution 8 in respect of the proposed payment of benefits to the Non-Executive Directors of the Company.

## 5. Approval for the re-appointment of Messrs. KPMG PLT as Auditors of the Company

The Audit Committee (“AC”) has undertaken a formal and objective annual evaluation to determine the suitability of re-appointment of the external auditors, Messrs. KPMG PLT, in accordance with the Policy on External Auditors. In its assessment, the AC considered several factors which include the following:

- (a) quality of performance and level of engagement with the AC;
- (b) ability to provide effective recommendations in addressing weaknesses observed during audits, particularly on internal controls relevant to financial reporting process;
- (c) independence of the external auditors and the level of non-audit services rendered by the external auditors; and
- (d) the external auditors’ governance and leadership structure as well as measures taken by the external auditors to uphold audit quality and manage risks, as set out in Messrs. KPMG PLT’s Audit Transparency Report.

Private sessions without the presence of the Management were also held in 2025 between the AC and Messrs. KPMG PLT to allow the AC to ask questions on matters that might not have been specifically addressed in the formal part of the AC meeting and allows the lead audit engagement partner to provide his review to the AC.

The AC had at its meeting held on 12 March 2026, reviewed the outcome of the evaluation results and was satisfied with the suitability of Messrs. KPMG PLT for the audit services provided to the Group.

The Board had at its meeting held on 17 March 2026 approved the AC’s recommendation for the shareholders’ approval to be sought at the 25th AGM on the reappointment of Messrs. KPMG PLT as the external auditors of the Company for the financial year ending 31 December 2026.

## 6. Approval for the issuance of new Duopharma Biotech Shares pursuant to the Dividend Reinvestment Plan that provides the shareholders of the Company with the option to elect to reinvest their dividend in new Duopharma Biotech Shares (“Dividend Reinvestment Plan”)

The Dividend Reinvestment Plan had been approved by the shareholders at the Extraordinary General Meeting of the Company held on 31 May 2018. Details on the Dividend Reinvestment Plan, including the Dividend Reinvestment Plan Statement, were set out in the Circular to Shareholders in relation to the Proposed Bonus Issue and the Proposed Establishment of the Dividend Reinvestment Plan dated 30 April 2018.

This proposed Ordinary Resolution 10, if passed, will give authority to the Board to allot and issue Duopharma Biotech Shares pursuant to the Dividend Reinvestment Plan in respect of dividends declared by the Board from time to time, and such authority shall expire at the conclusion of the next annual general meeting of the Company.

## STATEMENT ACCOMPANYING NOTICE OF 25TH ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of Bursa Malaysia Securities Berhad Main Market Listing Requirements)

Other than the Directors standing for re-election, and as at the date of issuance of the Notice of the 25th Annual General Meeting, there are no individuals who are standing for election at the 25th Annual General Meeting. Under Paragraph 8.27(2) of the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad, the requirement to disclose the prescribed details of individuals who are standing for election in the statement accompanying notices of annual general meetings is not applicable to the Directors standing for re-election, and as such, such details of the Directors standing for re-election have not been included in this statement accompanying the Notice of the 25th Annual General Meeting. Nevertheless, the details of the aforesaid Directors seeking re-election are set out in their respective profiles which appear in the Directors' Profiles on pages 88 to 98 of the Company's Integrated Annual Report 2025.

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# Proxy Form

DUOPHARMA BIOTECH BERHAD

[Registration No.: 200001021664 (524271-W)]  
(Incorporated in Malaysia)

I/We \_\_\_\_\_  
(Full name as per NRIC/Passport/Certificate of Incorporation)

NRIC No./Passport No./Company No. \_\_\_\_\_ Tel. No. \_\_\_\_\_

of \_\_\_\_\_

being \*a shareholder/shareholders of **DUOPHARMA BIOTECH BERHAD** (“the Company”) hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
Address		No. of shares	%

and (if appointing more than one (1) proxy)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
Address		No. of shares	%

or failing him/her, the Chairman of the Meeting \*my/our proxy to vote for \*me/our behalf at the Twenty-Fifth (“25th”) Annual General Meeting (“AGM”) of the Company to be held at **Conference Hall 1 & 2, Level 3, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia** (the “Meeting Venue”) on **Thursday, 21 May 2026 at 9.00 a.m.** and at any adjournment thereof.

My/Our Proxy is to vote as indicated below:

(Please indicate with an “X” how you wish to cast your vote)

NO.	RESOLUTION	RESOLUTION NO.	FOR	AGAINST
<b>ORDINARY BUSINESS</b>				
1.	To re-elect Datin Paduka Kartini Binti Hj Abdul Manaf who retires in accordance with Article 100 of the Company’s Constitution.	<b>Ordinary Resolution 1</b>		
2.	To re-elect Datuk Wira Arham Bin Abdul Rahman who retires in accordance with Article 106 of the Company’s Constitution.	<b>Ordinary Resolution 2</b>		
3.	To re-elect Dato’ Adnan Hisham Bin Pawanteh who retires in accordance with Article 106 of the Company’s Constitution.	<b>Ordinary Resolution 3</b>		
4.	To re-elect Dr. Sharmila A/P Ramachandran who retires in accordance with Article 106 of the Company’s Constitution.	<b>Ordinary Resolution 4</b>		
5.	To re-elect Dr. Hasnita Binti Hashim who retires in accordance with Article 106 of the Company’s Constitution.	<b>Ordinary Resolution 5</b>		
6.	To re-elect Encik Mohamad Idros Bin Mosin who retires in accordance with Article 106 of the Company’s Constitution.	<b>Ordinary Resolution 6</b>		
7.	To approve the payment of Directors’ fees and Board Committee fees to each of the Non-Executive Directors for the period commencing 22 May 2026 until the conclusion of the next AGM of the Company, as follows:-  <b>DIRECTORS’ FEES</b> Chairman of the Board RM125,000.00 per annum Member of the Board (other than Foreign Director) RM100,000.00 per annum Foreign Director the amount in United States Dollars equivalent to RM100,000.00 per annum  <b>BOARD COMMITTEE FEES</b> Chairman of the Board Committee RM10,000.00 per annum Member of the Board Committee RM8,000.00 per annum (including where member is a Foreign Director) And further, to authorise the Directors to pay the said fees among them in such proportions and manner as the Directors may determine.	<b>Ordinary Resolution 7</b>		
8.	To approve the payment of benefits to the Non-Executive Directors up to an amount of RM768,000.00 for the period from 22 May 2026 until the conclusion of the next AGM of the Company.	<b>Ordinary Resolution 8</b>		
9.	To re-appoint Messrs. KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	<b>Ordinary Resolution 9</b>		
<b>SPECIAL BUSINESS</b>				
10.	To approve the issuance of New Duopharma Biotech Shares pursuant to the Dividend Reinvestment Plan that provides the Shareholders of the Company with the Option to Elect to Reinvest their Dividend in New Duopharma Biotech Shares.	<b>Ordinary Resolution 10</b>		

\* delete if not applicable.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2026.

CDS Account No.	
No. of ordinary shares	

Signature/Seal

NOTES:

1. The mode of meeting for the Company's 25th AGM will be physical only whereby Member(s), proxy(ies), corporate representative(s) or attorney(s) will have to attend physically in person at the Meeting Venue. Please follow the procedures provided in the Administrative Guide issued by the Company for the Company's 25th AGM which is available on the Company's website at <https://duopharmabiotech.com/investor-relations/shareholders-meeting-and-reports/> in order to register, attend, speak and vote at the 25th AGM.
2. During the 25th AGM, Members, proxies, corporate representatives and attorneys who are physically present at the Meeting Venue will be able to ask questions in person. The Board and Senior Management will be in attendance at the Meeting Venue to provide responses accordingly.
3. All Resolutions in the Notice of AGM are to be conducted by poll voting as per Paragraph 8.29A(1) of the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll, respectively.
4. A member who is entitled to attend, speak and vote at the 25th AGM is entitled to appoint not more than two (2) proxies to attend and vote instead of him/ her. A proxy may but need not be a member of the Company. In the case of a corporation, the corporation may appoint a duly authorised representative to attend the 25th AGM on behalf of that corporation.
5. Where a member of the Company appoints two (2) proxies, the appointments shall be invalid unless the member specifies the proportion of his / her shareholdings to be represented by each proxy.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
8. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal, or under the hand of two (2) authorised officers, one of whom shall be a director or of its attorney duly authorised in writing.
9. The instrument appointing a proxy(ies) may be made in a hardcopy form or by electronic means as follows:-
  - a. In Hardcopy Form  
The Proxy Form or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. –
    - (i) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; or
    - (ii) by e-mail to [js.enquiry@vistra.com](mailto:js.enquiry@vistra.com)
  - b. In electronic form via Vistra Share Registry and IPO (MY) ("Vistra SRMY Portal")  
The Form of Proxy can be electronically lodged with the Company's Share Registrar via Vistra SRMY Portal at <https://srmv.vistra.com>.
10. All proxy forms (whether submitted in hardcopy form or by Vistra SRMY Portal) must be received by the Company's Share Registrar not less than twenty-four (24) hours before the time appointed for taking of the poll as per Section 334(3) of the Companies Act, 2016. Further information on the requirements and procedures for the submission of proxy forms are set out in the Administration Guide.
10. Only depositors whose names appear in the Record of Depositors as at Wednesday, 13 May 2026 shall be regarded as members and entitled to attend and vote at the 25th AGM

THEN FOLD HERE

THE REGISTRAR  
**DUOPHARMA BIOTECH BERHAD**  
[Registration No.: 200001021664 (524271-W)]

Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3,  
Bangsar South,  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
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