

D&O

Greentech

**D & O GREEN
TECHNOLOGIES BERHAD**

Registration No: 200401006867 (645371-V)

INTEGRATED REPORT 2024





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2024





TABLE OF CONTENTS

03
BASIS OF THIS REPORT

05
INTRODUCTION TO THE GROUP

Corporate Overview	5
Corporate Highlights	9
Our Innovative Products	10
Corporate Information and Structure	13

15
HOW WE CREATE VALUE

Material Matters	15
Stakeholder Engagement	16
Progressing our Strategy	19
Trends and Opportunities	22
Our Value Creation Model	24
Managing Our Risks	26

28
OUR PERFORMANCE

Market Landscape	28
Management Discussion and Analysis	28

32
FIVE-YEAR FINANCIAL HIGHLIGHTS

33
HOW WE GOVERN

Profile of Directors and Key Senior Management	33
Corporate Governance Overview Statement	38
Additional Compliance Statement	41
Audit Committee Report	59
Statement on Risk Management and Internal Control	63
	69

77
OUR FINANCIAL PERFORMANCE

Financial Statements	77
----------------------	----

168
ADDITIONAL INFORMATION

List of Properties Held	168
Recurrent Related Party Transactions	169
Statistics on Shareholdings	170
Notice of Annual General Meeting	174
Proxy Form	

BASIS OF THIS REPORT

D & O Green Technologies Berhad (“D&O”) is pleased to present its Integrated Report for the financial year ended 31 December 2024. This report aims to provide stakeholders with a comprehensive understanding of the company’s commitment to generating sustainable, long-term value. It evaluates D&O’s business performance, strategic progress and the integration of sustainability practices into its operations.



»» SCOPE & BOUNDARIES

This report covers the financial year 2024, from 1 January to 31 December, offering an in-depth analysis of both financial and non-financial aspects of the Group’s activities. It includes all domestic and international subsidiaries and addresses key areas such as:

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



»» ASSURANCE

To maintain transparency and credibility, this report has been approved by the Board of Directors and adheres to strict internal controls and governance standards. Furthermore, the financial statements disclosed in this Integrated Report 2024 have been audited by Crowe Malaysia PLT, the company’s appointed external auditor.



»» REPORTING FRAMEWORK

Our report is structured in accordance with the principles and stipulations of the following frameworks and guidelines:

- Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”)
- The Malaysian Code on Corporate Governance (“MCCG”) 2021
- All financial statements are prepared in compliance with the Companies Act (“CA”) 2016 and the Malaysian Financial Reporting Standards (“MFRS”)



»» MATERIALITY

Material issues play a crucial role in D&O’s decision-making processes, significantly influencing the company’s ability to create value in the short, medium and long term. Recognising the importance of both qualitative and quantitative factors, D&O actively seeks and incorporates stakeholder feedback to ensure a comprehensive reporting approach. This engagement process enables continuous improvements in corporate practices, ensuring alignment with evolving market expectations and regulatory standards.

FORWARD-LOOKING STATEMENTS

The report may include forward-looking statements regarding the company’s future plans and strategies. These are predictions and forecasts subject to change due to uncertainties beyond our control. Such statements should not be interpreted as guarantees, explicit or implicit, of future performance.

BASIS OF THIS REPORT

OUR APPROACH TO SUSTAINABILITY

Sustainability is a core principle embedded in D&O's values, influencing all aspects of its business operations. The company is dedicated to balancing economic growth with responsible environmental and social practices.

Environmental Commitment

As a leader in automotive LED solutions, D&O is committed to reducing its environmental footprint by focusing on energy efficiency, water conservation, waste reduction and lowering emissions. In addition, D&O actively supports its customers' decarbonisation efforts by developing energy-efficient LED solutions that contribute to a more sustainable automotive industry.

Governance & Social Responsibility

D&O upholds the highest standards of corporate governance, ensuring ethical business practices, transparency and accountability. The company also prioritises employee well-being, diversity and inclusion, fostering a workplace culture that supports professional growth and development.

By integrating sustainability into its core operations, D&O remains committed to driving long-term value creation for stakeholders while contributing to global sustainability goals.

This is where our built-in approach comes into play:



Built-in carbon savings products for our **customers**



Built-in carbon savings on machine/material from our **suppliers**



Built-in decarbonisation target within our **organisation**

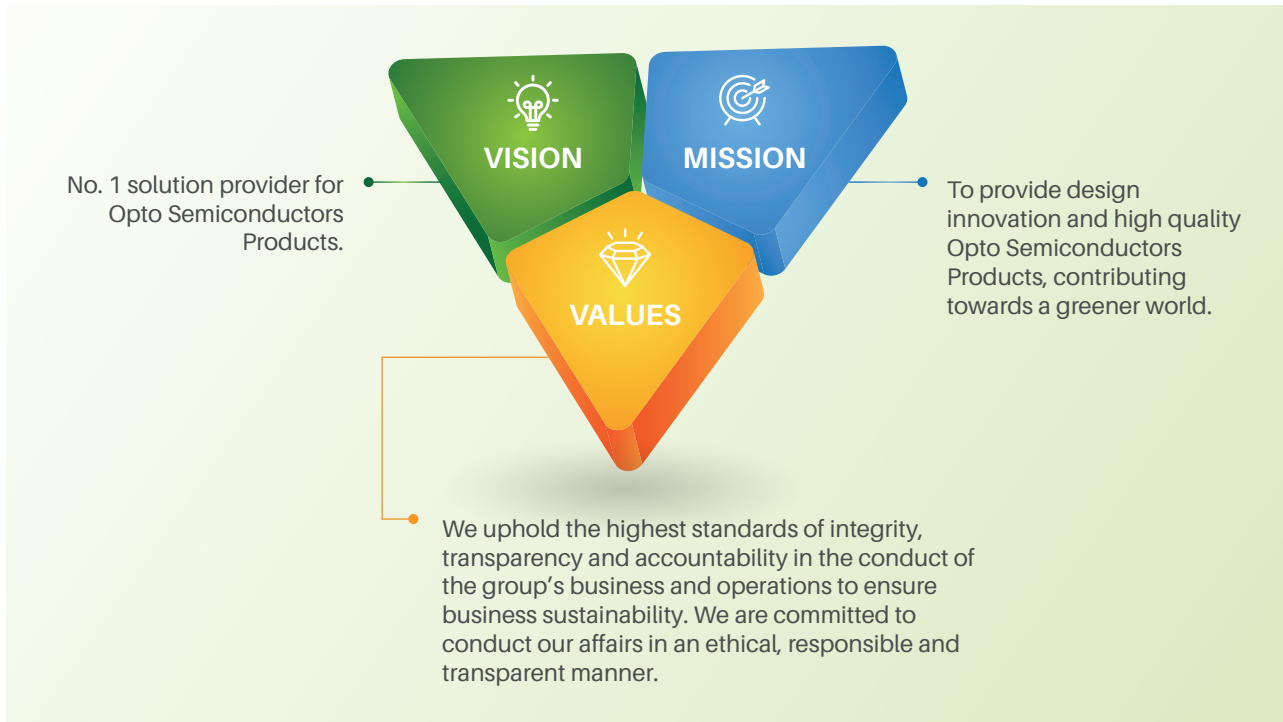
D&O is dedicated to reducing emissions and enhancing sustainability at every stage of our product development process. Before launching any product, we focus on optimising energy efficiency through advanced machinery, streamlined manufacturing processes and responsible material usage. By designing high-performance, energy-efficient LEDs, we not only reduce environmental impact but also contribute to the broader transition toward sustainable automotive solutions.

This proactive approach aligns with our long-term sustainability objectives and reinforces our commitment to responsible innovation. For a comprehensive overview of our **Environmental, Social and Governance (ESG)** initiatives, please refer to our 2024 Sustainability Report.



INTRODUCTION TO THE GROUP

CORPORATE OVERVIEW



INTRODUCTION TO THE GROUP

Dominant Opto Technologies Sdn Bhd (“Dominant Malaysia”), the principal operating subsidiary of D & O Green Technologies Berhad, is recognised globally as a leading automotive Surface Mount Technology (“SMT”) Light Emitting Diode (“LED”) manufacturer. With our strong emphasis on cutting-edge innovation, advanced manufacturing facilities and deep industry expertise, Dominant Malaysia continues to drive progress in automotive lighting technology, providing high-performance, energy-efficient solutions to major automakers worldwide.

Since our establishment in 2000, Dominant Malaysia has rapidly expanded across key global automotive markets, including China, Europe, the United States, Japan, the Republic of Korea and India. Supported by a workforce of over 2,800 employees at our Melaka Plant, we are at the forefront of developing next-generation automotive LED solutions tailored to evolving industry demands.

As one of the few global automotive LED manufacturers offering a full spectrum of colour variations and brightness intensities, Dominant Malaysia serves both interior and exterior automotive applications:

- **Interior Illumination** – Instrument clusters, infotainment systems, climate controls, switches.
- **Exterior Illumination** – Headlamps, tail lamps, rear combination lighting, brake lights, turn indicators and license plate lamps.
- **Ambient lighting** – interior illumination which enhances both aesthetics and passenger comfort.

INTRODUCTION TO THE GROUP

A key differentiator for Dominant Malaysia is our ability to pioneer technological advancements in automotive lighting. The company introduced seddLED, the world's first automotive Smart Digital LED, integrating an Integrated Circuit ("IC") and LED into a single compact package. This groundbreaking innovation has revolutionised automotive ambient lighting, car projection lighting and smart illumination systems, offering unprecedented levels of customisation, functionality and energy efficiency.

To reinforce our position as a global leader in automotive LED solutions, Dominant Malaysia has established dedicated business units specialising in module design and manufacturing and IC design and development. These specialised divisions position D&O as a one-stop smart lighting solutions provider, delivering integrated, high-value LED solutions that complement our core automotive LED business.

Upholding our unwavering commitment to quality, reliability and environmental responsibility, Dominant Malaysia has obtained IATF 16949:2016 and ISO 14001:2015 certifications. We follow a highly automated manufacturing strategy, integrating advanced automation technologies at every stage of production. Most automation activities are developed in-house, reflecting the company's strong technical expertise and operational excellence.

Beyond LED manufacturing, Dominant Electronics Sdn Bhd, a subsidiary of the Group, plays a critical role in automotive Printed Circuit Board ("PCB") assembly. Led by key personnel with over 30 years of expertise in Surface Mount Technology ("SMT"), Dominant Electronics provides high-precision PCB assembly solutions, meeting the stringent requirements of the automotive industry. The company operates state-of-the-art SMT manufacturing facilities, aligning with Industry 4.0 standards to enhance efficiency, precision and scalability. In recognition of our stringent quality control and environmental stewardship, Dominant Electronics was awarded IATF 16949:2016 certification in 2022 and ISO 14001:2015 certification in 2024.

Moving forward, Dominant Malaysia and Dominant Electronics are poised to expand their capabilities, production capacity and technological expertise to meet the increasing global demand for high-performance automotive lighting and PCB assembly solutions. As the automotive industry transitions toward electric and autonomous vehicles, D&O remains committed to driving innovation, optimising manufacturing efficiency and delivering cutting-edge LED and multi-component solutions that shape the future of mobility.



INTRODUCTION TO THE GROUP

CORPORATE MILESTONES



INTRODUCTION TO THE GROUP

ISELED ALLIANCE

Dominant Malaysia, a pioneering force in automotive LED manufacturing, is a founding member of the Intelligent Smart Embedded Alliance (“ISELED”), an initiative established in 2016 to drive next-generation automotive lighting innovations. Spearheaded by Bayerische Motoren Werke GmbH (BMW), the alliance was formed to develop an advanced, cost-effective ecosystem that leverages ISELED technology—a breakthrough solution that integrates intelligent, digitally addressable LEDs for highly dynamic and customisable in-vehicle lighting applications.

Since its inception, the ISELED Alliance has evolved into a globally recognised consortium, comprising over 50 industry-leading members as of 2024. This rapid expansion underscores its growing influence in shaping the future of automotive illumination, fostering collaborations across semiconductor manufacturers, software developers, and automotive suppliers. As a key contributor, Dominant Malaysia plays a crucial role in developing smart lighting solutions that enhance automotive safety, aesthetics, and user experience, aligning with the industry’s push toward connected, autonomous, and electrified mobility.

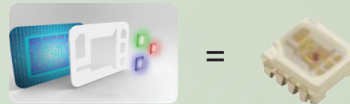
DOMINANT™
Opto Technologies
Innovating Illumination



seddLED Smart RGB Product Portfolio



Smart Embedded Digital Driver



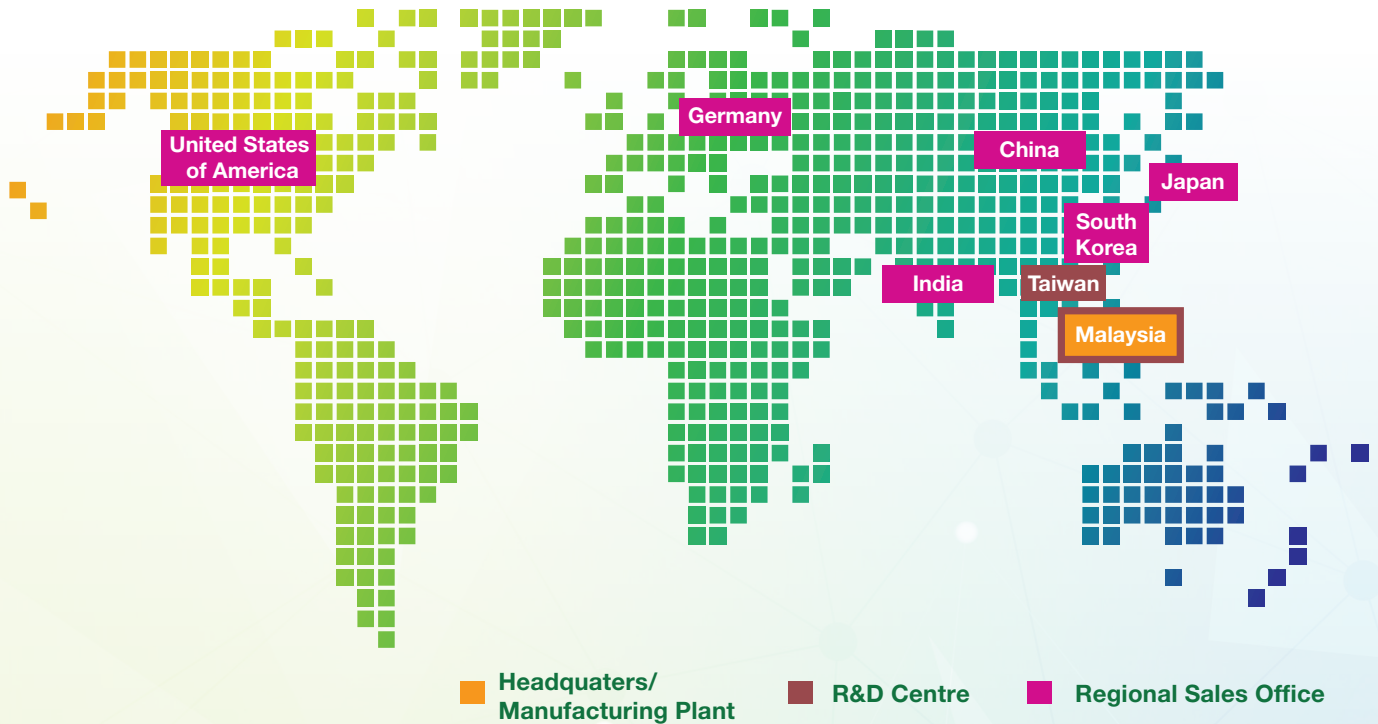
- LED, LED Driver and Communication link integrated into single package.
- Serial communication with ISELED® compliance.



seddLED3.0			seddLED3.4	seddLED3.5
seddLED3.0 A3A-FKG-1400-1	seddLED3.0 A3A-FKG-1800-1	seddLED3.0 A3A-FKG-RGB-1	seddLED3.4 A3D-MHG-2000-1	seddLED3.5 A3E-THG-2000-1

INTRODUCTION TO THE GROUP

WHERE WE OPERATE



CORPORATE HIGHLIGHTS



COLLABORATION WITH ams **OSRAM AG** through integration of ams OSRAM's Open System Protocol into Dominant's future Smart Digital LEDs

INTRODUCTION TO THE GROUP

OUR INNOVATIVE PRODUCTS

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

seddLED 3.0 combines RGB LED, LED Driver and advanced ISELED® communication protocol integrated into a single package for Automotive application. The launch of seddLED has given our customers the ability to solve variations of intensity and wavelength within the colour and brightness groupings as well as forward current and temperature dependencies. seddLED benefits includes simplifying control, expanding the functionality of RGB lighting, calibrated to maximum brightness which has better dimming resolution and allows high accuracy white colour coordinate.



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

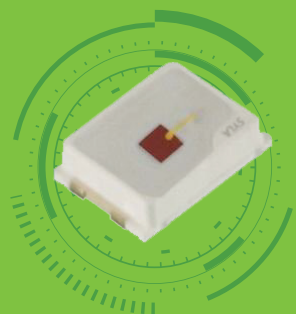
seddLED 3.5 is designed for large application in-cabin RGB projection application. It comes with self-diagnostic functions, auto temperature compensation and is manufacturing friendly. This high-performance package design also has excellent heat dissipation. Plastic Omnium, a proud member of the ISELED® Alliance, was awarded the prestigious innovation award at Consumer Electronic Show (CES) 2024 (held in United States) in the "In-Vehicle Entertainment" category for its groundbreaking dynamic interior dashboard projection system powered by Dominant Malaysia's seddLED 3.5. This advanced technology showcases the exceptional capabilities of seddLED 3.5 in redefining interior lighting and projection, solidifying its role as a game-changer in automotive innovation.



SpicePlus 2520



A key feature of the SpicePlus 2520 is its single footprint. Dominant Malaysia is the first LED manufacturer to offer product families with a single footprint across four different power levels and five different colours. This spectrum of options with just a single footprint would cover the full array of Rear Combination Lamp applications. With a "One Package Fits All" concept, circuit design would be simplified, giving the customer cost advantages as well as having common optical centre. With this standardised footprint and same optical centre, customers can simplify the optical, lens, lamp design, ease replications, reuse design modules and pattern platforms, resulting in cost savings for car manufacturers across the various areas. Another notable feature of the SpicePlus 2520 is its low thermal resistance and excellent heat dissipation properties which drives lower driving current which will help reduce the total power consumption of a car.



NagaJo 1519



The NagaJo 1519 product is designed for Head Lamp function in vehicles. This product is released to support today's market demand for new performance setting and economical standards. NagaJo 1519 is compact and robust in design, highly efficient and also contributes to weight reduction. This small package outline with enhanced durability, enhanced heat dissipation and superior light performance with typical luminous flux of 450 lumens.



INTRODUCTION TO THE GROUP

SUCCESS STORY

DOMINANT™
Electronics

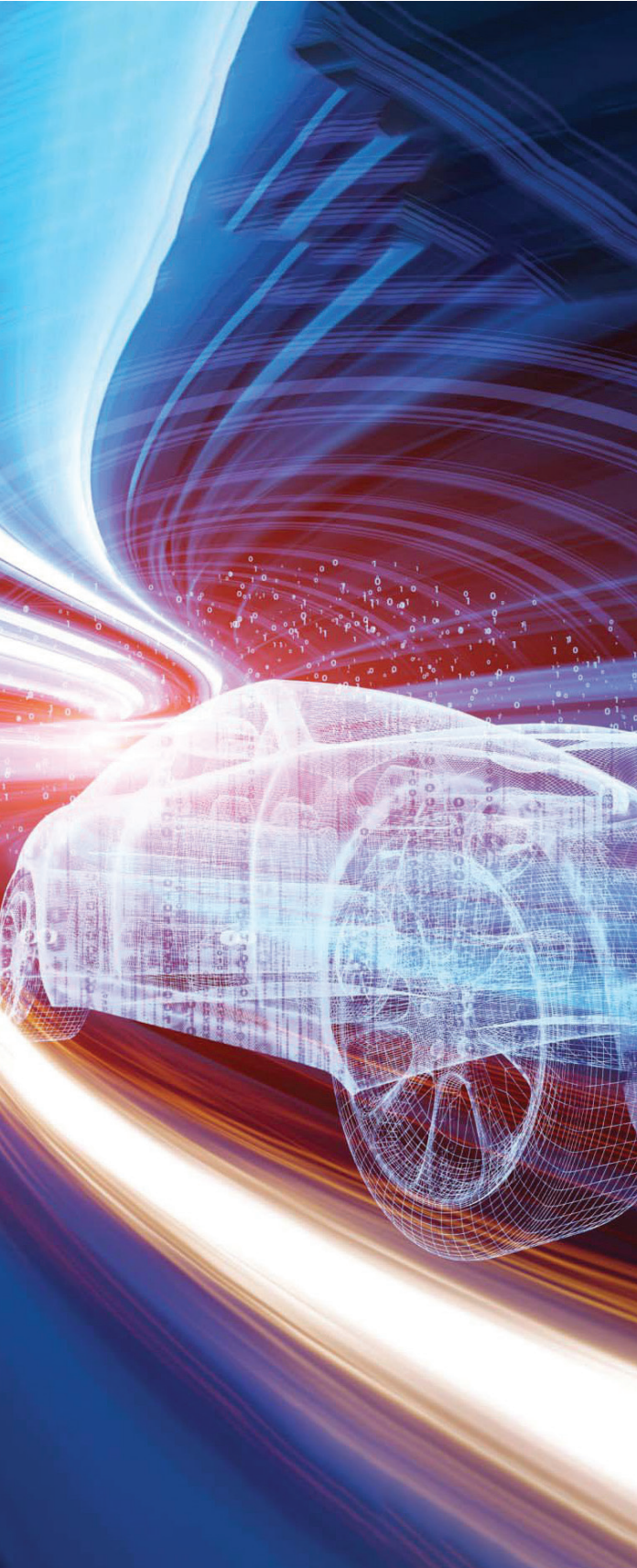
HIRAIN
TECHNOLOGIES

A Story of Innovation and Growth: Dominant Electronics under D&O Group

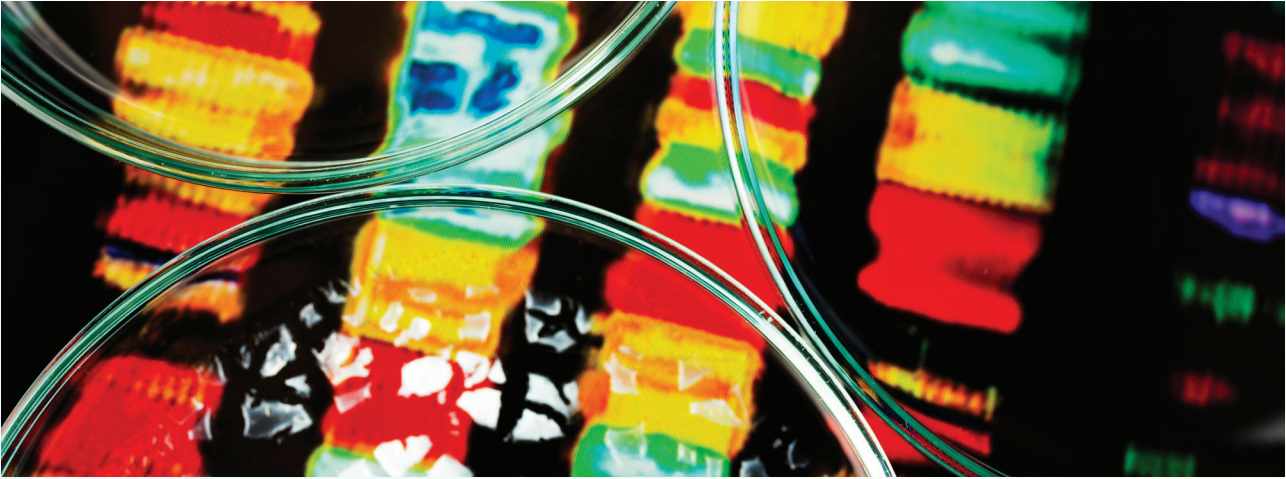
In 2018, D&O Group recognised a major shift in the automotive electronics industry, as manufacturers increasingly sought integrated and efficient lighting solutions. Traditionally, automakers had to source LEDs from one supplier and printed circuit boards (PCBs) from another, leading to supply chain complexities and assembly inefficiencies. The growing demand for a one-stop solution, where LEDs could be directly mounted onto PCBs by the same provider, presented an opportunity to improve performance, reduce costs and accelerate production timelines. In response, D&O Group decided to expand beyond supplying high-quality LED components and move towards offering fully integrated solutions that streamlined the entire process.

To achieve this vision, D&O Group established Dominant Electronics Sdn Bhd (DESB) as a dedicated subsidiary focused on PCB assembly solutions. DESB enabled clients to receive fully integrated and tested assemblies, eliminating the need for multiple suppliers while ensuring precision, reliability and compliance with stringent automotive standards. By managing the PCB assembly process—from component mounting to product testing—DESB enhanced quality control and operational efficiency. This strategic move positioned D&O Group as a key player in the automotive electronics sector, offering manufacturers a cost-effective, high-precision alternative to traditional sourcing methods.

From its inception, DESB has embraced a forward-thinking approach to manufacturing, positioning itself as a solution provider in precision and efficiency within the automotive industry. Designed to meet the sector's stringent quality and production standards, DESB's facility is built on three core pillars of innovation: Production Visualisation, Machine-to-Machine Connectivity and Automation. Production Visualisation provides engineers and operators with real-time insights into workflow dynamics, enabling them to swiftly detect inefficiencies, identify bottlenecks and address potential quality issues before they escalate. Machine-to-Machine



INTRODUCTION TO THE GROUP



Connectivity strengthens quality control by allowing interconnected systems to detect defects early, automatically flagging faulty parts and ensuring subsequent machines bypass them, minimising waste and optimising efficiency. Automation serves as the backbone of DESB's operations, seamlessly transferring units between processes without human intervention. This high level of automation enhances precision, reduces errors and ensures traceability at every stage of production, reinforcing DESB's ability to meet stringent automotive standards.

To solidify its industry standing, DESB has proactively sought and achieved globally recognised certification. In 2020, DESB passed the VDA 6.3 requirement, a rigorous process audit standard widely recognised in the automotive sector, underscoring its adherence to strict quality management protocols. Building on this achievement, DESB obtained the IATF 16949:2016 certification in 2022, a globally recognised quality management standard essential for manufacturers in the automotive supply chain.

In 2019, Beijing Jingwei Hirain Technologies Co., Inc. ("Hirain"), a leading Chinese electronics solutions provider, sought to establish its first manufacturing plant outside of China. This expansion would be a crucial step in Hirain's growth strategy, aimed at diversifying its production footprint and strengthening its global supply chain. Recognising this as a strategic opportunity, DESB swiftly positioned itself as the ideal partner, offering a comprehensive solution that met Hirain's immediate and long-term needs. Several factors made Malaysia—and DESB specifically—a highly attractive choice for Hirain's expansion. The cultural and linguistic similarities between both companies facilitated seamless communication and operational integration, ensuring smooth collaboration. Additionally, D&O Group provided extensive support in navigating Malaysia's regulatory landscape, helping Hirain establish its presence efficiently. Most critically, DESB's readiness to provide immediate manufacturing space allowed Hirain to fast-track its setup, avoiding the delays associated with building a new facility from the ground up. By bridging the gap between Hirain's technological expertise and Malaysia's dynamic business environment, DESB became a cornerstone of Hirain's successful international expansion. Hirain successfully established its production in Malaysia in 2023.

The close alignment in vision between both companies enabled the refinement of manufacturing processes, leveraging each other's technical expertise and implementation of strategies for sustained growth. The physical proximity of the two facilities also proved highly advantageous, significantly reducing response times for addressing critical operational challenges and ensuring greater agility in decision-making. As part of its commitment to responsible and sustainable manufacturing, DESB obtained ISO 14001:2015 certification in 2024, reaffirming its dedication to environmental stewardship and compliance with global sustainability standards. By late 2024, DESB reached a significant milestone by commencing mass production for Hirain.

Looking ahead, 2025 is expected to be a transformative year for DESB, as it leverages the momentum from its successful partnership with Hirain. A Memorandum of Understanding (MOU) signed in early 2025 aims to establish a new operating company in Malaysia, targeting potential worldwide markets, allowing it to scale operations without requiring major technological shifts. With a strong foundation in advanced manufacturing and a commitment to continuous innovation, DESB is now poised for breakthrough success in the coming years.

INTRODUCTION TO THE GROUP

CORPORATE INFORMATION AND STRUCTURE

BOARD OF DIRECTORS

Non-Independent Non-Executive
Chairman

Tan Sri Mohammed Azlan bin Hashim

Group Managing Director
Tay Kheng Chiong

Non-Executive Directors

Goh Chin San

Jesper Bjoern Madsen**

Yeow See Yuen

Jennifer Chong Gaik Lan*

Goh Chin Loong

Au Siew Loon*

Lui Soek Kuen*

Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah*

AUDIT COMMITTEE

Chairman

Au Siew Loon*

Member

Jesper Bjoern Madsen**

Jennifer Chong Gaik Lan*

Lui Soek Kuen*

NOMINATION COMMITTEE

Chairman

Jesper Bjoern Madsen **

Member

Goh Chin Loong

Au Siew Loon*

Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah*

REMUNERATION COMMITTEE

Chairman

Jesper Bjoern Madsen**

Member

Goh Chin San

Jennifer Chong Gaik Lan*

EMPLOYEES' SHARE OPTION SCHEME ("ESOS") COMMITTEE

Member

Tay Kheng Chiong

Goh Chin San

Yeow See Yuen

COMPANY SECRETARY

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

REGISTRAR

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Services Sdn Bhd
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Tower A Vertical Business Suite
Avenue 3, Bangsar South
No 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel No. : 03-2783 9299

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad
Hong Leong Bank Berhad
OCBC Bank (Malaysia) Berhad
Citibank Berhad
Bank of China (Malaysia) Berhad

PRINCIPAL PLACE OF BUSINESS

Lot 6, Batu Berendam
Free Trade Zone
Phase III 75350 Melaka
Tel No. : 06-283 3566
Fax No. : 06-284 7988
Email : corp@do.com.my
Website : http://www.do.com.my

AUDITORS

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

STOCK EXCHANGE LISTING

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

REGISTERED OFFICE

No. 15, Bukit Ledang
Off Jalan Duta,
50480 Kuala Lumpur
Tel No. : 03-2094 3268
Fax No. : 03-2094 3188

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

INTRODUCTION TO THE GROUP

CORPORATE STRUCTURE

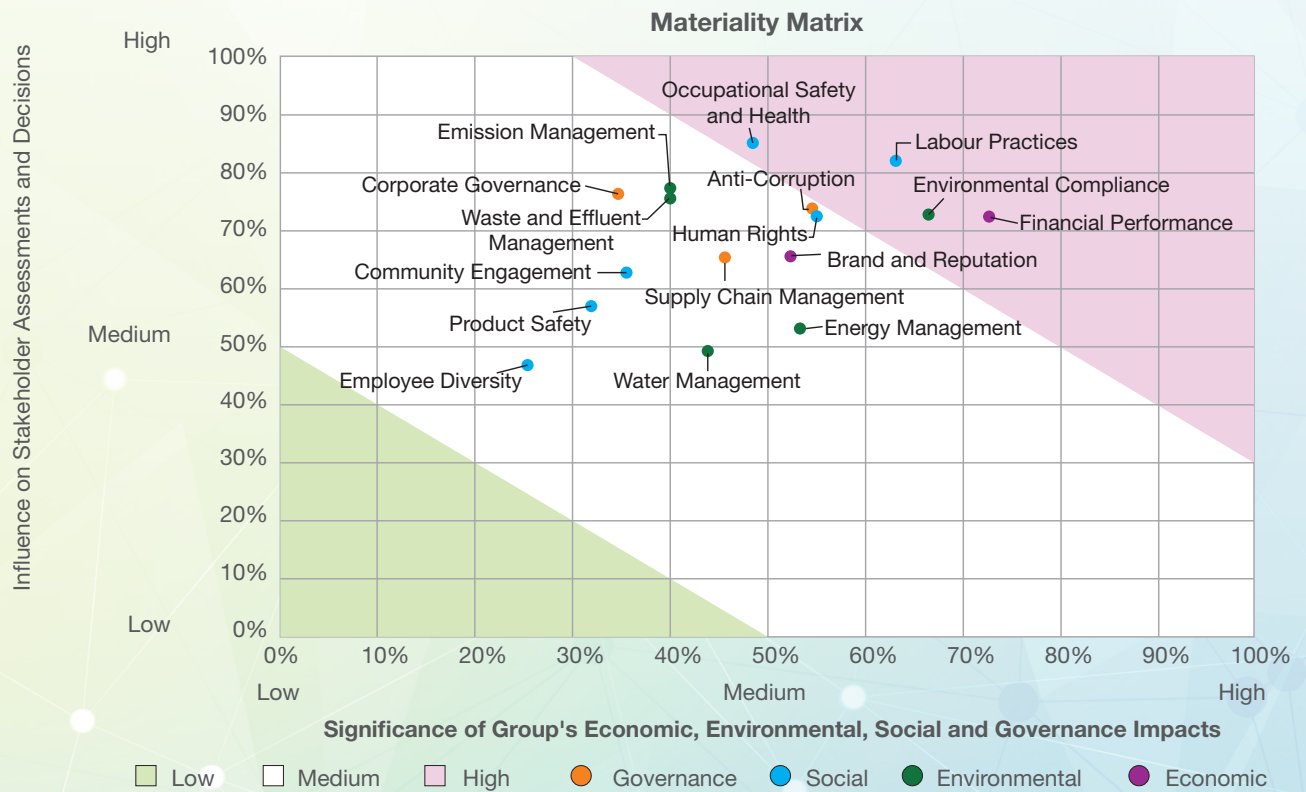


HOW WE CREATE VALUE

MATERIAL MATTERS

Each year, our Group conducts a comprehensive materiality assessment to identify, evaluate and address the key risks and opportunities that could influence our business operations, sustainability commitment and long-term growth. This rigorous process ensures that our corporate strategies remain aligned with evolving market dynamics, stakeholder expectations and global sustainability trends. The assessment involves direct engagement with Department Heads and key stakeholders fostering a holistic understanding of the factors that shape our business landscape.

In 2024, the assessment reaffirmed the continued relevance of our materiality priorities, indicating that no significant shifts had occurred in the importance of our key sustainability matters. This stability underscores the effectiveness of our long-term approach, demonstrating that we have successfully aligned our strategic focus and resource allocation to effectively manage these priorities. By maintaining a clear and consistent materiality framework, we reinforce our commitment to sustainable business practices, resilience and responsible corporate stewardship. Looking ahead, we will continue to monitor emerging trends, engage with stakeholders and adapt our strategies to ensure that our business remains agile, forward-thinking and well-positioned for future challenges and opportunities.




HOW WE CREATE VALUE




STAKEHOLDER ENGAGEMENT

Throughout the year, we actively engage with our diverse stakeholder groups through a range of formal and informal interactions. These engagements are designed to foster open dialogue, trust and collaboration, ensuring that we remain responsive to the evolving needs and expectations of our stakeholders. We place particular emphasis on dedicated engagements with key stakeholders, including customers, suppliers, financial institutions and employees, focusing on Environmental, Social and Governance (ESG) issues that shape our business landscape.




We recognise that stakeholder feedback is not just valuable but essential to our decision-making process, helping us refine our corporate strategy, sustainability initiatives and operational practices. By actively soliciting, analysing and incorporating stakeholder insights, we strengthen our commitment to transparency, accountability and responsible business conduct. This approach not only reinforces our alignment with global sustainability standards but also ensures that our business practices reflect the values, expectations and priorities of those we serve. Moving forward, we remain committed to enhancing our stakeholder engagement framework, deepening our ESG commitments and driving sustainable long-term value for all stakeholders.

Engagement Methods	Frequency	Areas of Stakeholder Concern	Outcome of Engagement
 Customers			
<ul style="list-style-type: none"> Regional sales offices and R&D Centre Key account management Participating in Worldwide Automotive Exhibitions Customer ESG survey and assessment 	<ul style="list-style-type: none"> Annually Ongoing 	<ul style="list-style-type: none"> Material and product quality/ compliance Product pricing Product innovation/ customisation Sustainable business practices 	<ul style="list-style-type: none"> Ensure all direct materials comply with RoHS, REACH, Halogen-Free and Conflict Minerals regulations, in line with global environmental standards. Drive productivity improvements, optimise product yield and enhance overall product quality. Implement a multi-sourcing approach to reduce reliance on single suppliers and strengthen cost competitiveness for materials. Require principal material suppliers to be IATF 16949 certified and fully aligned with our Quality System Procedures. Develop and introduce innovative products tailored to evolving customer needs and expectations. Advance R&D initiatives focused on redesigning products and material and paper usage to reduce metal usage, delivering both cost efficiencies and environmental benefits.

HOW WE CREATE VALUE

Engagement Methods	Frequency	Areas of Stakeholder Concern	Outcome of Engagement
 Employees			
<ul style="list-style-type: none"> • Employees’ survey (Google forms) • Employees’ dialogue • Annual appraisal • Interactive event and gathering 	<ul style="list-style-type: none"> • Annually • Ongoing 	<ul style="list-style-type: none"> • Employment benefits and career progression • Occupational health and safety • Human rights 	<ul style="list-style-type: none"> • Enhance employee benefits to exceed statutory requirements, promoting overall well-being and satisfaction. • Offer salaries and wages that are competitive and aligned with prevailing market standards. • Provide targeted training programmes to support continuous learning and career development. • Maintain regular EHS committee meetings to review and strengthen safety protocols, contributing to a consistently low Lost Time Injury Frequency Rate (LTIFR) over the past three years.
 Government and Regulatory Bodies			
<ul style="list-style-type: none"> • Official report submission • Public dialogue, public announcement • Meetings and e-mail • Government survey 	<ul style="list-style-type: none"> • Annually • Ongoing 	<ul style="list-style-type: none"> • Compliance to all rules and regulations 	<ul style="list-style-type: none"> • Ensure full compliance with all applicable laws and regulatory updates. • Recorded zero incidents of non-compliance with laws and regulations in 2024.
 Local Community			
<ul style="list-style-type: none"> • Corporate social responsibility • Meeting and press release • Participate in exhibition 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Contribution to local community 	<ul style="list-style-type: none"> • Support local communities through financial contributions and in-kind donations to community groups, civil organisations and non-governmental organisations. • Prioritise local sourcing wherever feasible to strengthen the domestic supply chain. • Collaborate with local suppliers to co-develop innovative technologies, including dual-head laser marking machines.

HOW WE CREATE VALUE

Engagement Methods	Frequency	Areas of Stakeholder Concern	Outcome of Engagement
 Suppliers			
<ul style="list-style-type: none"> Supplier's assessment and appraisal Sustainability survey and Assessment Meetings, e-mails and quotations Supply chain sustainability commitment 	<ul style="list-style-type: none"> Annually Ongoing 	<ul style="list-style-type: none"> Business opportunities Compliance with sustainable business practices 	<ul style="list-style-type: none"> Maintain consistent procurement of high-quality products and services at competitive prices from trusted suppliers. ESG assessments conducted with five key direct material suppliers, representing nearly half of the Group's total expenditure, confirmed compliance with our supplier ESG standards.
 Shareholders & Investors			
<ul style="list-style-type: none"> Integrated report, general meetings, shareholders' dialogue meetings Analyst briefings, analyst report, press release and public announcements 	<ul style="list-style-type: none"> Annually Quarterly Ongoing 	<ul style="list-style-type: none"> Financial performance and business direction Sustainable business practices 	<ul style="list-style-type: none"> Provide regular updates to shareholders and investors on the Group's financial performance and outlook. Engage actively with investors and analysts through quarterly earnings briefings. Strengthen corporate reporting by publishing both an integrated report and a dedicated sustainability report. Enhanced sustainability initiatives, resulting in the successful retention of our inclusion in the Bursa FTSE4GOOD Index for 2024.
 Financial Institutions			
<ul style="list-style-type: none"> Integrated report, press release, public announcements Meeting, official submission, e-mail, sustainability survey and assessment 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Sustainable growth Compliance to all laws and regulations 	<ul style="list-style-type: none"> Sustainability assessments and surveys indicate strong alignment between the Group's sustainability efforts and the expectations of key financial institutions. Financial institutions have expressed continued support for the Group, recognising both our growth potential and our sustainability performance.

HOW WE CREATE VALUE

PROGRESSING OUR STRATEGY

During the year in review, the D&O Group has refined its P1-7 strategy, a comprehensive strategic framework designed to drive sustainable value creation across all facets of our business. This structured approach has enabled us to strengthen our revenue streams, enhance operational efficiency and maintain our competitive edge in the industry.

Key achievements under the P1-7 strategy include heightened productivity levels, sustained momentum in Research & Development (R&D) and strategic cost optimisation initiatives. By continuously refining our approach, we remain well-positioned to capitalise on emerging opportunities and drive long-term, sustainable growth.

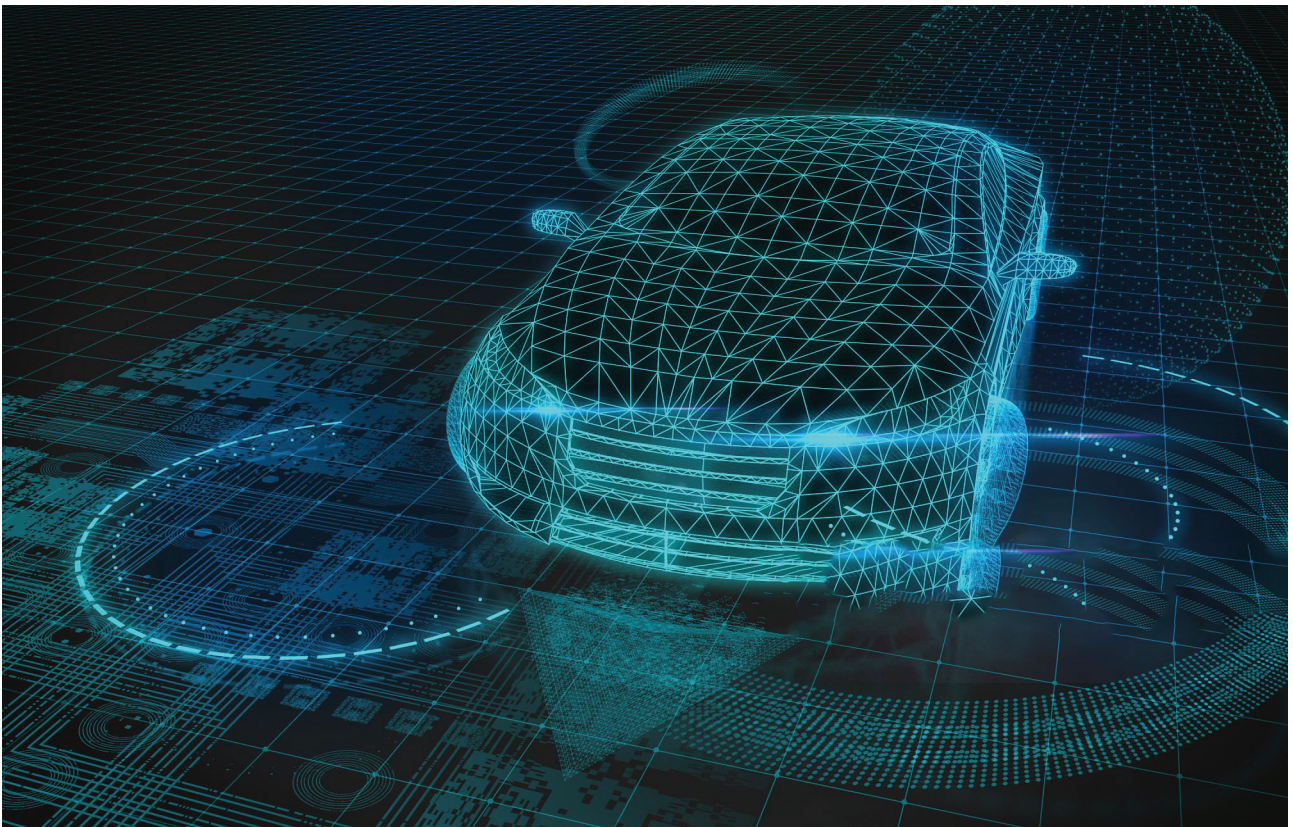
Critical Success Factors	Initiatives	Outcomes
<p>P1 – Penetration Channel</p> <ul style="list-style-type: none"> • Efficiency in Design In/Design Win • Effectiveness in Design Win/Business Win • Direct/Distributor Strategy • Key Account Management • Worldwide Coverage 	<ul style="list-style-type: none"> • Participated in all design-in invitation from existing or potential customers. • Maintaining sales offices in key automotive countries worldwide. 	<ul style="list-style-type: none"> • Dominant Malaysia is a prominent global automotive LED supplier, serving over 100 Tier-1 interior, exterior and ambient lighting illumination automotive customers.
<p>P2 – Product</p> <ul style="list-style-type: none"> • Comprehensive Product Portfolio, Full Range/Spectrum • High Reliability • Value Proposition • Time-to-Market • Innovation 	<ul style="list-style-type: none"> • Strengthening the R&D team by retaining experienced R&D engineers as well as hiring new R&D talent. • Exploring the potential of new LED applications and strengthening existing products. 	<ul style="list-style-type: none"> • Maintained quality systems certifications. • Stable R&D workforce with key R&D personnel having an average 12 years of working experience in Dominant. • Introduced Smart Digital LED for ambient lighting and projection lighting and filed patents for side emitting LED with bevel light emitting surface and LED with inclined light emitting surface. • First in the world to offer a product with a single footprint across different power levels and colours through SpicePlus 2520. • Formed a collaboration partnership with customer aimed at integrating Open System Protocol (OSP) into Dominant’s upcoming generation of intelligent RGB LEDs tailored for automotive ambient lighting. This arrangement aims to promote technological compatibility in automotive lighting sector and enable Dominant to expand its product portfolio to fulfil various customer requirements in the future.

HOW WE CREATE VALUE

Critical Success Factors	Initiatives	Outcomes
P3 – Process <ul style="list-style-type: none"> Quality Industry 4.0/AI Sustainable Supply Chain Management 	Improving key components of our manufacturing processes through: <ul style="list-style-type: none"> Highly automated manufacturing line. 100% in-house manufacturing for better quality control. Strong equipment and process automation capability. Extensive adoption of IT systems. 	<ul style="list-style-type: none"> Successfully introduced double deck sorter where it is expected to reduce space requirement by approximately 40% while maintaining the output. Automated the Visual Inspection (VI) which has reduced headcount for VI by approximately 90%. Enhanced internal reporting through increased information technology involvement.
P4 – Production <ul style="list-style-type: none"> High Density Common Manufacturing Platform 	<ul style="list-style-type: none"> Continuous R&D effort to reduce wastage and improve machine design and process including increase high density leadframe product portfolio and promote recycling practices within factory and supply chain. Adopt common assembly manufacturing platform to reduce investment in machineries and headcount cost while expanding product portfolio and improving resources utilisation. 	<ul style="list-style-type: none"> Adopting high density leadframes for selected products and estimated to reduce copper usage by three tonnes per year. High Density Common manufacturing platform saving of 30%-50% CAPEX and headcount.
P5 – People <ul style="list-style-type: none"> Innovative Team Customer Relationship Team Competency in Design In, Design Win and Business Win 	<ul style="list-style-type: none"> Employing local employees to better serve local market. Customise attractive retention programme including incentive plan for the sales team and ESOS plan for all qualified employees. The Group focuses on talent development by instilling a culture of continuous development through various training and development programme to help employees develop their full potential. Nurture and strengthen R&D team. Improving retention of R&D and senior Sales employees as well as key employees. Participate in local job fair and collaboration with local university 	<ul style="list-style-type: none"> All our sales offices employ locals while key customers have access to a dedicated key customer service officer to ensure customers queries are addressed within 24 hours. Founders of the Group are actively leading and serving to ensure the Group achieves its mission and vision. Long serving Sales, Marketing and R&D senior managers who have served an average duration of 13 years with the Group. Subsidised 43 employees to obtain Sijil Kemahiran Malaysia Level 2 and 3 with 100% retention rate. Increased training hours from 9,400 hours in 2023 to 10,500 hours in 2024. Achieved 60% retention rate in 2024 for our Work Based Learning (WBL) programme in collaboration with Universiti Teknikal Malaysia Melaka (UTeM).

HOW WE CREATE VALUE

Critical Success Factors	Initiatives	Outcomes
<p>P6 – Pricing & Positioning</p> <ul style="list-style-type: none"> • Dynamic Response • Customer Service with Speed and Competitive Pricing • Market Driven Approach 	<ul style="list-style-type: none"> • Active participation in worldwide market through our sales offices, enabling us to be competitive from a price point perspective. • Maintaining good rapport with customers. 	<ul style="list-style-type: none"> • Increased revenue over the years.
<p>P7 – Promotional</p> <ul style="list-style-type: none"> • Branding Promotion • Strategic Location for Exhibitions 	<ul style="list-style-type: none"> • Participation in international exhibitions to promote Dominant brand and joined ISELED, an open industrial alliance with the objective of building a comprehensive ecosystem for innovative automotive lighting based on ISELED technology. 	<ul style="list-style-type: none"> • In 2024, we have participated in international automotive lighting exhibition in France, USA, China, Germany, Italy, Japan and India. • Elevated Dominant branding since 2016 through yearly targeted participation in international automotive exhibitions and as one of the initial members of ISELED. • Strengthen customer relationship through collaboration to foster innovation and promoting technological compatibility in the automotive lighting sector.



HOW WE CREATE VALUE

TRENDS & OPPORTUNITIES

Trend	Opportunity	Our Response
Growing Acceptance and wider application of LEDs	<p>Today, LEDs are no longer limited to illumination—they've become integral to modern vehicle design and functionality. Automakers now use LEDs to enhance safety, improve aesthetics, enable brand differentiation, and serve as communication tools. The automotive LED sector is expected to grow at a healthy rate of more than 5% CAGR through 2029 driven by the rise of EVs and autonomous vehicles which has expanded LED applications, from external indicators for autonomous mode to illuminated grilles and rear lights. This evolution presents new opportunities for automotive LED manufacturers to drive innovation and redefine vehicle communication and design.</p>	<p>Backed by a strong R&D team, we are among the few automotive LED manufacturers globally capable of offering a full spectrum of products—ranging from low to high brightness intensity—for interior, exterior and ambient lighting illuminations. Our commitment to continuous innovation and customer-centric solutions, supported by an established distribution network, positions us well to meet evolving market demands and capture greater market share. Flagship products like seddLED, SpicePlus 2520, and NagaJo 1519, highlight the strength and versatility of D&O's portfolio, helping to set new benchmarks in LED lighting efficiency and integration for automotive and other applications.</p>
Growing Demand for Autonomous Vehicle, Automotive Electrification & Smart Mobility Solutions	<p>The global transition to autonomous vehicle, electric vehicles (EVs) and smart mobility is fuelling demand for advanced automotive LED solutions and integrated electronic modules. As automakers focus on enhancing vehicle aesthetics, energy efficiency and user experience, technologies like smart digital LEDs, ambient lighting and intelligent control systems are becoming essential components. These innovations not only improve visibility and safety but also play a key role in creating immersive in-car experiences. With PCB assembly expertise, including EV control units (EVCU), sunroof controllers and remote keyless entry systems (RKE), D&O is well-positioned to capitalise on this growing market shift.</p>	<p>D&O is poised to expand its presence in the autonomous vehicle, EV and smart mobility sector. The company's focus on next-generation vehicle design and user-centric innovations enables it to cater to the evolving demands from automakers worldwide. As the industry moves towards connected and autonomous vehicles, D&O aims to capitalise on this opportunity with its cutting-edge solutions in smart illumination, energy-efficient LEDs and electronic modules.</p>
Supply Chain Realignment & Regional Expansion Amid Geopolitical Tensions	<p>The ongoing US-China trade tensions and shifting global trade policies are reshaping the automotive supply chain, driving automakers and Tier-1 suppliers to reduce reliance on single-source manufacturing hubs. This strategic shift has led to an accelerated focus on regional production strategies, particularly in Europe and North America, where companies are actively seeking alternative suppliers for high-value electronic components to enhance supply chain resilience. This transition is further fuelled by regulatory changes, trade barriers and the need for greater operational flexibility in response to geopolitical uncertainties.</p>	<p>Amid this evolving landscape, D&O, through Dominant Electronics Sdn Bhd, is uniquely positioned to capitalise on these emerging opportunities. With an established presence in key automotive markets, the company is well-equipped to support automakers and Tier-1 suppliers in their supply chain diversification efforts. By offering high-quality, reliable and scalable manufacturing solutions, D&O is strengthening its position as a preferred partner, poised to secure long-term and sustainable business growth in the evolving global automotive ecosystem.</p>

HOW WE CREATE VALUE

Trend	Opportunity	Our Response
<p>Acceleration of Industry 4.0 & Advanced Manufacturing Capabilities</p>	<p>Automotive manufacturers are accelerating the adoption of Industry 4.0 principles to enhance manufacturing efficiency, automation and supply chain resilience. The integration of smart production systems, AI-driven quality control and in-house automation is becoming a key differentiator in the highly competitive automotive LED market. These advanced technologies enable real-time monitoring, predictive maintenance and data-driven decision-making, allowing manufacturers to streamline operations and ensure higher product quality and consistency. As the demand for precision and scalability in automotive LED solutions grows, companies that embrace digitalisation and automation will gain a distinct competitive advantage.</p>	<p>D&O’s focus on in-house automation, AI-driven manufacturing and advanced SMT capabilities enables it to enhance production efficiency, improve product consistency and strengthen its competitive edge. By continuously investing in smart factory initiatives and digitalised operations, D&O can drive cost efficiency and faster time-to-market, reinforcing its leadership in automotive LED solutions.</p>

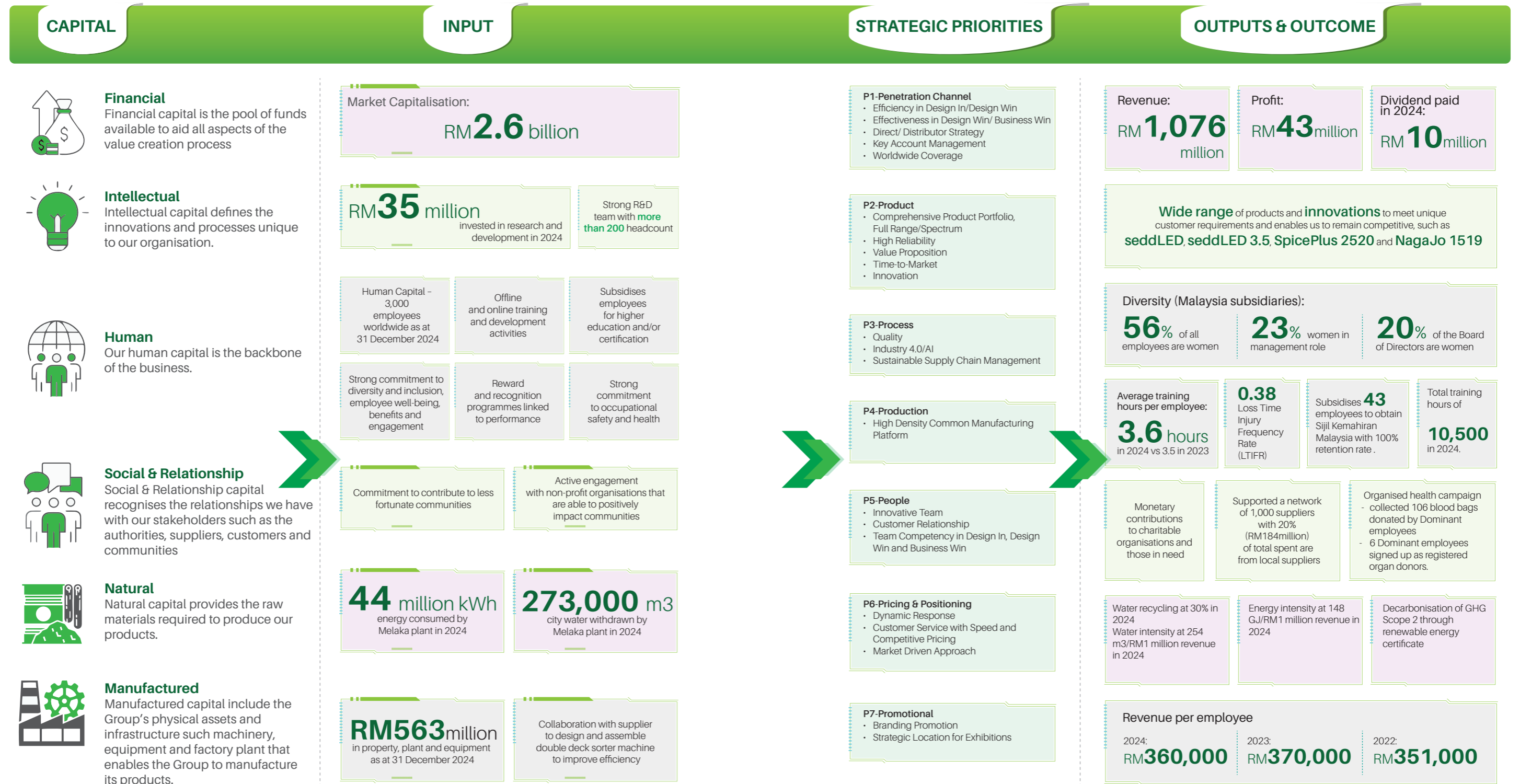


HOW WE CREATE VALUE

HOW WE CREATE VALUE

OUR VALUE CREATION MODEL

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



HOW WE CREATE VALUE

MANAGING OUR RISKS

The D&O Group recognises the various risks that may impact our business. Effective risk management is integral to our value creation process, enabling us to safeguard our operations and protect stakeholder interests. Each year, we systematically evaluate and assess key risks, ensuring that appropriate controls and mitigation measures are in place. Below, we outline the key risks for 2024, their potential impact and our corresponding mitigating actions.



Risks	Impact	Mitigation
Economic Risk	The potential slowdown in economic growth globally will impact the business of component manufacturers like D&O as demand for automotive vehicles may decline.	<ul style="list-style-type: none"> Closely monitor local and global economic climate through economic reports and news media including trend analysis and consumption statistics Introduce new product design that suit market expectations Initiatives to improve overall efficiency and productivity to minimise cost Strengthen the sales and marketing division and defining clear product roadmap and strategy every six months Retrieve the latest information through participation in automotive lighting exhibitions around the world
Competition Risk	In a highly competitive industry, new product technology or better pricing offered by our competitors will pose a risk that can impact our market share and/or future business prospects.	<ul style="list-style-type: none"> Keeping abreast with market developments Strategic alliance with other parties to design and develop new products Improving quality of products Pricing products competitively Leveraging on long standing relationship with existing customers
Currency Exchange Risk	Due to the global nature of our business, we are exposed to currency exchange risk.	<ul style="list-style-type: none"> Rebalance the Group’s currency exposure to better hedge against the impact of future foreign exchange volatility to its operations and balance sheet Exploring banking facilities in different currencies and in different regions of the world Entered forward foreign currency contracts

HOW WE CREATE VALUE

Risks	Impact	Mitigation
Quality Risk	Automotive components need to be produced in adherence to the highest international quality standards. Failure to attain and retain the highest levels of discipline in this area can lead to loss of business.	<ul style="list-style-type: none"> • Ensure adherence to IATF 16949:2016 (automotive standard) and Quality System Procedure. • Conduct adequate product testing before marketing/delivery. • Set KPIs to achieve lowest customer reject rates. • Monthly Proactive Six Sigma Quality Drive (PSQD) meetings aimed at achieving zero defect target. • Continuous improvement and innovative R&D solutions for better products and process. • Prudent quality assurance process.
Human Capital Risk	Our industry constantly requires highly skilled and competent employees in order to stay ahead and therefore faces the risk of talent loss which can impact business continuity and operations.	<ul style="list-style-type: none"> • Establishing robust talent management, succession planning and training programmes • Providing competitive remuneration packages including employee share options • Providing a conducive working environment with strong employee engagement initiatives • Reviewing and providing additional employee benefits where possible • Partnering with a local education institution to develop future engineers for the semiconductor industry
Geopolitical Risk	Global automakers require some level of political stability in the areas they operate in and more broadly, geopolitical stability as well. This is due to the long sales and development cycle. Lack of stability can impact their business and subsequently, the business of component manufacturers like D&O.	<ul style="list-style-type: none"> • Keeping close tabs on major geopolitical news that may affect the Group • Maintain good relationship with local authorities • Actively participating in all automotive region. No single dependency on any particular customer or supplier in particular region
Inflationary and Supply Chain Risk	Rising material costs and supply chain disruptions can lower margins and cause operational delays.	<ul style="list-style-type: none"> • Continuous improvement in product/material design to reduce precious metal contents through innovative R&D activities (cost reduction while environmentally friendly) • Established a business recovery plan covering all aspects of operations • Maintaining a reliable multi-source supply chain • Remaining in constant contact with customers and suppliers

OUR PERFORMANCE

MARKET LANDSCAPE

In 2024, the global automotive industry experienced modest growth, with total sales reaching approximately 91.4 million units, reflecting a 1.8% increase from 89.8 million units in 2023, according to Kroll.com. This growth rate was slower compared to the expansion observed in 2023, primarily due to weaker consumer demand, rising interest rates and economic uncertainty in several key markets. While supply chain disruptions that had plagued the industry in previous years continued to ease, higher borrowing costs and inflationary pressures weighed on vehicle affordability and consumer confidence.

Despite the overall market slowdown, advancements in autonomous vehicle technology have emerged as a key driver of industry transformation. Automakers are accelerating investments in AI-driven mobility solutions, with a strong focus on sensor-integrated lighting systems that enhance vehicle perception and safety. Intelligent lighting technologies, including adaptive headlights and LiDAR-compatible illumination, are playing a crucial role in supporting autonomous navigation. While the transition to electrification continues, it is now viewed as part of a broader mobility evolution, with EV adoption remaining steady due to improving battery technology and expanded charging infrastructure.

The automotive lighting market followed a similar trajectory. The global market for automotive LED lighting reached US\$19.9 billion in 2024 (theverge.com) driven by consumer demand, environmental concerns, improved performance, cost reduction, safety and visibility. Compared to 2023, where these features were largely confined to premium models, 2024 saw broader adoption across mid-range vehicles, particularly within the EV and hybrid segments, where energy-efficient lighting plays a crucial role in extending vehicle range.

Amidst these evolving industry dynamics, we remained focused on enhancing our product offerings and deepening customer engagement. In 2024, we reinforced our position as a key supplier of high-performance LED solutions, ensuring that our technologies aligned with the latest advancements in vehicle design, safety and energy efficiency. Compared to 2023, when post-pandemic supply chain recovery was the primary industry concern, 2024 demanded greater adaptability to shifting market trends, particularly in electrification and intelligent vehicle systems. By leveraging cutting-edge LED technologies and optimising production efficiencies, we continue to support the automotive industry's transition toward smarter, safer and more sustainable mobility solutions.

MANAGEMENT DISCUSSION & ANALYSIS

Overview

In 2024, D&O's fundamentals remained strong, continued to gain market share through new design wins, particularly in rear combination lamp applications and smart digital LED for interior ambient lighting applications and advancing our sustainability efforts. Furthermore, sales grew by 5.9%, surpassing the RM1 billion mark for the second consecutive year. The Group, however, experienced capacity underutilisation due to capacity expansion that took place in advance to cater for new products, the softer market during the year and sustained higher input costs that included utility and labour costs. Consequently, the pre-tax profit for the year decreased by 7.7%. Despite these headwinds, the opportunities present in the LED automotive market remains bright as LEDs are the most energy efficient automotive lighting solution given its capability to enhance vehicle aesthetics and ambient lighting properties in elevating comfort levels in a vehicle.

OUR PERFORMANCE

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Key Achievements

1. Revenue Milestone
 - o Achieved 5.9% revenue growth, surpassing the RM1 billion mark for the second consecutive year.
 - o Outpaced global light vehicle sales growth of 1.8%, reflecting strong market positioning.
2. Strong Performance in Flagship Products
 - o Smart Digital LED volume grew by 21%, demonstrating its resilience in the market.
 - o SpicePlus 2520 sales tripled in 2024, indicating strong market acceptance.
3. Expansion of Dominant Electronics Sdn Bhd Manufacturing Capacity
 - o Commenced manufacturing for key customer, and expecting substantial revenue growth in 2025 as demand accelerates for DESB.
4. Continued R&D Leadership
 - o Invested RM35 million in R&D to drive next-generation automotive LED solutions.
 - o Maintained industry certifications to reinforce product reliability and customer confidence.
5. Manufacturing Modernisation & Sustainability Improvements
 - o RM114 million investment in upgrading manufacturing plants and facilities to enhance efficiency and automation.
 - o Invested in a new piece of land for future expansion.
 - o Successfully reuse the effluent discharged from sawing process for up to 22 hours within a 24-hour cycle through the multimedia filtration system (MMF) before city water is introduced to maintain optimal performance. This system allows significant water savings in sawing process.

Key Challenges & Mitigation

- To maintain our competitive edge, we continue to invest 3% of revenue into research and development (R&D), ensuring that our products remain ahead of the competition.
- To mitigate the impact of increasing operating costs including higher utility and labour costs, we proactively pare down cost increases where possible, including increasing automation and actively sourcing for suppliers that provide the most value.
- To minimise the Group's exposure to foreign exchange fluctuations, the management team continues to monitor currency movements closely and deploys targeted hedging strategies to further mitigate foreign exchange impact. In addition, we have explored banking facilities in different regions to mitigate the impact of foreign exchange volatility on our operations and balance sheet.
- The automotive sector's sluggish growth in 2024 coupled with our expansionary infrastructure at Plant 2 in 2023 and the beginning of 2024, that was designed for future capacity expansion, has impacted profit. Moving forward to 2025 and with the impending rise of minimum wages and the electricity tariff increase, the Group shall double down on its efforts to optimise cost through cost cutting measures where possible, as well as the implementation of rigorous capex control and ensuring optimal headcount for operation needs. With these measures, we are confident that we will be able to negate the impact of rising costs.

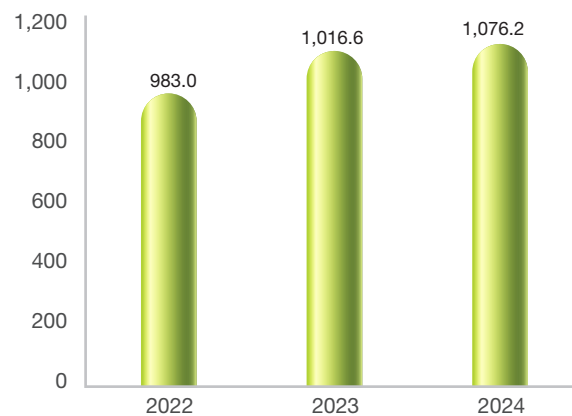
OUR PERFORMANCE

Financial Performance Review

	2022	2023	2024
	RM Million	RM Million	RM Million
Total Revenue	983.0	1,016.6	1,076.2
Gross Profit	261.1	210.9	214.9
Profit Before Tax	90.5	49.5	45.7
Profit After Tax	83.4	47.7	42.8
EBITDA	157.1	139.6	151.3

Revenue

RM'million



The Group's revenue for the financial year 2024 increased by 5.9% to RM1.08 billion, surpassing the milestone RM1 billion mark for the second consecutive year. This growth outpaced the global car sales increase of 1.8%, reflecting our new design wins, demonstrating improving customer acceptance of Dominant's products.

Gross profit grew 1.9% to RM214.9 million, driven by higher sales revenue. However, the gross profit margin for the period was 20.0%, reflecting a marginal 0.7 percentage point decline from 20.7% in the same period last year due to lower plant utilisation following capacity expansion in 2023 and 2024. After factoring in other operating overheads, the Group's pre-tax profit declined by 7.7% to RM45.7 million in the current year.

During the year, the Group invested RM130.6 million in property, plant and equipment, including RM15.5 million on land acquisition to support future expansion.

The Group generated a positive RM161.1 million cash flow before changes in working capital from its operations in 2024. After factoring in changes in working capital and interest and income tax payments, there was a net cash inflow of RM97.2 million. Operational cash flow has shown improvement over the past few quarters and management remains committed to maintaining this positive trend through its existing controls. The cash outflow from investing activities was partially financed by additional bank borrowings. The Group's balance sheet remained healthy. Net asset rose by RM27.5 million and net debt to equity ratio stood at 0.25.

Dividends

Dividends paid by the Company since 31 December 2023 are as follows:-

In respect of the ordinary shares

- A first interim dividend of 0.30 sen per ordinary share for the financial year ended 31 December 2023 amounting to RM3,714,879 was paid on 29 March 2024; and
- A first interim dividend of 0.30 sen per ordinary share for the financial year ended 31 December 2024 amounting to RM3,718,448 was paid on 30 December 2024.

In respect of irredeemable convertible preference shares ("ICPS")

- A first interim dividend of 0.30 sen per ICPS for the financial year ended 31 December 2023 amounting to RM1,131,221 was paid to ICPS holders on 29 March 2024; and
- A first interim dividend of 0.30 sen per ICPS for the financial year ended 31 December 2024 amounting to RM1,131,221 was paid to ICPS holders on 30 December 2024

based on the terms of the ICPS.

OUR PERFORMANCE

Outlook

The global automotive industry is projected to experience modest growth in 2025, with vehicle sales expected to rise according to S&P Global Mobility. While this signals a continued recovery, market conditions remain mixed, influenced by economic headwinds, fluctuating consumer demand and persistent supply chain challenges. Regional variations are becoming more pronounced, with Europe expecting a small increase in light vehicle sales due to tariff uncertainty and the ongoing war in Ukraine. Meanwhile, North America and Asia maintain steady demand, albeit constrained by higher interest rates and shifting production dynamics. Despite the moderate growth rate, the EV sector continues to be the primary driver of industry transformation, with EVs expected to comprise over 20% of total global vehicle sales, translating to approximately 18.5 million units sold worldwide. This expansion is being driven by technological advancements, declining battery costs and increased availability of EV models across multiple price segments.

The global automotive LED market is projected to expand at a CAGR of 6.9%, reaching \$27.75 billion by 2029 (thebusinessresearchcompany.com). In 2025, the market is forecasted to grow by 7.2% year-over-year, driven by advancements in autonomous vehicles, rising demand for adaptive lighting and the expansion of connected car technologies. Automakers are increasingly integrating adaptive driving beam (ADB) headlights and digital lighting solutions to enhance road safety and vehicle aesthetics. As the demand for intelligent mobility solutions grows, D&O is well-positioned to capitalise on these trends by leveraging its expertise in energy-efficient and smart lighting technologies, particularly in the EV and autonomous vehicle segments.

Dominant Electronics, the Group's PCB assembly division, is set to experience a surge in demand in 2025, driven by global supply chain realignments. The ongoing US-China trade tensions have accelerated the diversification of manufacturing footprints, prompting automakers and Tier 1 suppliers to shift production to alternative locations. As a result, customer orders for PCB assemblies are expected to increase significantly in 2025. To meet this rising demand, D&O is investing in capacity expansion, automation and digital manufacturing enhancements to improve efficiency and ensure seamless order fulfilment.

D&O remains committed to sustaining its growth momentum in 2025 through strategic investments in technology, automation and customer-centric innovation. The company is actively strengthening its R&D capabilities to develop next-generation LED solutions tailored for automotive industry including autonomous vehicles. Additionally, D&O is expanding its manufacturing footprint to support increasing demand while implementing automation and digitalisation initiatives to enhance operational efficiency. By deepening partnerships with global automotive brands and Tier 1 suppliers, D&O aims to solidify its position as a leading provider of advanced lighting and PCB assembly solutions.

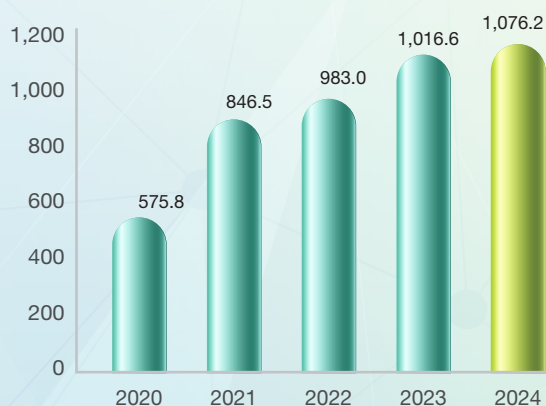
FIVE-YEAR FINANCIAL HIGHLIGHTS

The financial results for the year 2020 to 2024 were based on the audited financial statements of the Group for the respective financial year under review.

	2020 RM Million	2021 RM Million	2022 RM Million	2023 RM Million	2024 RM Million
Total Revenue	575.8	846.5	983.0	1,016.6	1,076.2
Profit Before Tax	66.3	138.1	90.5	49.5	45.7
Profit After Tax	55.4	123.8	83.4	47.7	42.8
Profit Attributable to Owners of the Company	49.7	110.5	75.2	44.1	39.5
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	109.3	188.6	157.1	139.6	151.3
Equity Attributable to Owners of the Company	414.5	766.7	823.0	885.6	910.4
Weighted Average Number of Shares In Issue ('000)	1,133,097	1,186,022	1,237,142	1,237,261	1,238,290
Earnings Per Share (EPS) (Sen)	4.17	8.84	5.68	3.57	3.01

REVENUE

RM Million



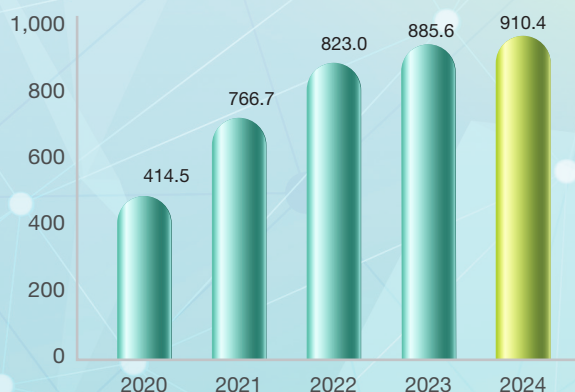
EBITDA

RM Million



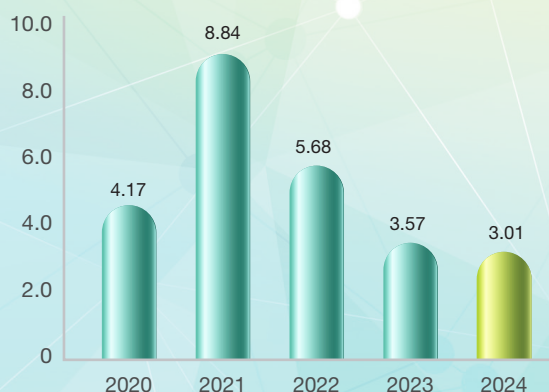
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

RM Million



EPS

Sen



HOW WE GOVERN

Profile of Directors

Y. BHG. TAN SRI MOHAMMED AZLAN BIN HASHIM

Non-Independent and Non-Executive Chairman

Gender



Nationality



Y. Bhg. Tan Sri Mohammed Azlan bin Hashim, aged 68, was appointed as the Non-Independent Non-Executive Chairman of D&O on 16 September 2004. Tan Sri Azlan is also the Chairman of Marine & General Berhad.

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

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

Tan Sri Azlan has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for his securities holding.

TAY KHENG CHIONG

Group Managing Director

Gender



Nationality



Tay Kheng Chiong, aged 61, was appointed as the Group Managing Director of D&O on 16 September 2004. Mr. Tay graduated from the University of Sunderland, United Kingdom with a Bachelor of Engineering (Honours) degree majoring in Electrical and Electronics in 1989. In 1999, he obtained a Masters of Business Administration from the University of Strathclyde, Scotland. He is a registered Chartered Engineer with The Institution of Engineering and Technology, United Kingdom. In April 2023, he was awarded a Doctorate in Engineering from European International University, Paris.

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

He has more than 34 years of experience in the opto semiconductor industry. With his sound technical background and vast experience in the opto semiconductor industry, his forte lies in the management of the overall operations, business development and strategic direction of the D&O Group.

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

Mr. Tay has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for his securities holding.

HOW WE GOVERN

YEOW SEE YUEN

Non-Independent and Non-Executive Director

Gender



Nationality



Yeow See Yuen, aged 57, was appointed as an Independent Non-Executive Director of D&O on 4 February 2009 and redesignated as Non-Independent Non-Executive Director on 29 May 2023. He is a member of the Employees' Share Option Scheme Committee.

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

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

Mr. Yeow has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for his securities holding.

JESPER BJOERN MADSEN

Senior Independent and Non-Executive Director

Gender



Nationality



Jesper Bjoern Madsen, aged 71, was appointed as an Independent Non-Executive Director of D&O on 21 August 2014. He is the Chairman of Nomination Committee, Chairman of Remuneration Committee and a member of Audit Committee.

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

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

Mr. Madsen has attended five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for his securities holding.

HOW WE GOVERN

GOH CHIN SAN**Non-Independent and Non-Executive Director**

Gender



Nationality



Goh Chin San, aged 31, was appointed as a Non-Independent Non-Executive Director of D&O on 24 August 2020. He is a member of the Remuneration Committee and Employees' Share Option Scheme Committee.

Mr. Goh graduated from the University of Pennsylvania with a Bachelor of Arts in Mathematics and Economics. He started his career with Pricewaterhouse Coopers Singapore in the Mergers and Acquisitions Strategy team from 2016 to 2018. He is currently the Business Development Manager and Head of the Renewable Energy (Solar) division with Mega First Corporation Berhad.

Mr. Goh is the brother of Mr. Goh Chin Loong, son of Mr. Goh Nan Kioh and Madam Lim Yam Chiew. Mr. Goh Nan Kioh and Madam Lim Yam Chiew are both substantial shareholders of the Company.

Mr. Goh has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for his securities holding.

JENNIFER CHONG GAIK LAN**Independent and Non-Executive Director**

Gender



Nationality



Jennifer Chong Gaik Lan, aged 61, was appointed as an Independent Non-Executive Director of D&O on 15 September 2021. She is a member of the Audit Committee and Remuneration Committee.

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

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

Madam Chong has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for her securities holding.

HOW WE GOVERN

GOH CHIN LOONG**Non-Independent and Non-Executive Director**

Gender



Nationality



Goh Chin Loong, aged 31, was appointed as a Non-Independent Non-Executive Director of D&O on 1 September 2022. He is a member of Nomination Committee.

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

Mr. Goh is the brother of Mr. Goh Chin San, son of Mr. Goh Nan Kioh and Madam Lim Yam Chiew. Mr. Goh Nan Kioh and Madam Lim Yam Chiew are both substantial shareholders of the Company.

Mr Goh has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for his securities holding.

AU SIEW LOON**Independent and Non-Executive Director**

Gender



Nationality



Au Siew Loon, aged 64, was appointed as an Independent Non-Executive Director of D&O on 20 December 2022. Mr Au is the Chairman of Audit Committee and a member of the Nomination Committee.

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

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

Mr. Au has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for his securities holding.

HOW WE GOVERN

LUI SOEK KUEN**Independent and Non-Executive Director**

Gender



Nationality



Lui Soek Kuen, aged 52, was appointed as an Independent Non-Executive Director of D&O on 1 December 2023. She is a member of the Audit Committee.

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

Madam Lui has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for her securities holding.

RAJA AHMAD NAZIM AZLAN SHAH BIN RAJA ASHMAN SHAH**Independent and Non-Executive Director**

Gender



Nationality



Raja Ahmad Nazim Azlan Shah Bin Raja Ashman Shah, aged 30, was appointed as an Independent Non-Executive Director of D&O on 1 December 2023. He is a member of the Nomination Committee.

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

Raja Ahmad Nazim has attended all five Board of Directors meetings of the Company held during the financial year ended 31 December 2024.

Please refer to pages 172 to 173 of this Integrated Report for his securities holding.

Notes:

- Save as disclosed above, none of the Directors holds directorship in public companies and other listed issuers.
- Save as disclosed above, none of the Directors have any family relationship with any Director and/or major shareholder of the Company.
- None of the Directors of the Company has been convicted of any offence within the past five (5) years other than traffic offence, if any.
- Saved as disclosed in this report, the directors have no conflict of interest or potential conflict of interest with the Company.

HOW WE GOVERN

Profile of Key Senior Management

CHEAM DAU PENG

Executive Deputy Chairman of Dominant Malaysia

Gender



Nationality



Cheam Dau Peng, aged 72, was appointed as an Executive Director of D&O on 16 September 2004 and ceased to be Executive Director of D&O on 24 March 2023 in order to concentrate on his new role as Executive Deputy Chairman of Dominant Malaysia.

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

LOW TEK BENG

Chief Operating Officer of Dominant Malaysia

Gender



Nationality



Low Tek Beng, aged 54, graduated from the University of Leeds, United Kingdom with a first-class honours Bachelor of Mechatronic degree in 1994. He began his career in that same year with a multinational semiconductor company as a Product Development Engineer and was subsequently promoted to Product Development Manager before he left the company in 2000.

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

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

SIAY SAY FEI

Quality Assurance Senior Director of Dominant Malaysia

Gender



Nationality



Siay Say Fei, aged 56, was appointed as Vice President Quality Assurance of Dominant Opto Technologies Sdn. Bhd. on 1 July 2015 and subsequently appointed as Quality Assurance Senior Director on 1 July 2024. Mr. Siay graduated from the Queen's University of Belfast, United Kingdom with Master of Science in Manufacturing Systems Engineering in 1994.

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

HOW WE GOVERN

WONG KEONG FATT
Group Financial Controller

Gender  Nationality 

Wong Keong Fatt, aged 49, was appointed as the Group Financial Officer of D&O on 16 December 2024. Mr. Wong graduated with Computing degree from Oxford Brookes University and holds a Master’s degree in Business Administration from University of Western Sydney. Mr. Wong is a fellow member of both the Institute of Financial Accountants and the Chartered Institute of Management Accountants (CIMA). He is also a Chartered Accountant, holding a Professional Qualification in Accountancy from the Malaysian Institute of Accountants.

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

VISHALINI SANKARAN
Human Resource Director

Gender  Nationality 

Vishalini Sankaran, aged 48, was appointed as the Senior Human Resource Manager with a sub division of responsibility over the plant’s security department on 1st December 2015 and subsequently appointed as Human Resource Director on 1st July 2024. Ms. Vishalini graduated with a Bachelors of Science Honors Degree majoring in Psychology from Upper Iowa University, United States of America. She further pursued her Masters in Managerial Psychology from HELP University and is a member of the American Psychology Association (APA).

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

HOW WE GOVERN

GOH KENG SENG

Operation Director of Dominant Electronics

Gender



Nationality



Goh Keng Seng, aged 54, was appointed as Operation General Manager of Dominant Electronics Sdn. Bhd. on 1 March 2018 and subsequently appointed as Operation Director on 1 July 2024. He graduated from the University Technology Malaysia with a Bachelor of Electrical Engineering (Honours) in 1995. He is responsible for all manufacturing operation in DESB including new business development, project management, procurement, production, engineering, quality assurance and customer service.

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

Notes:

- None of the Key Senior Management of the Group holds any directorship in public companies and other listed issuers, have any family relationship with any Director and/or major shareholder of the company.
- None of the Key Senior Management of the Group has been convicted of any offence within the past five (5) years other than traffic offence, if any.
- Saved as disclosed in this report, the Key Senior Management have no conflict of interest or potential conflict of interest with the Company.

HOW WE GOVERN

Corporate Governance Overview Statement

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

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

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

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

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

- **Board Responsibilities**

The Board is responsible for the overall performance of the Group and exercises oversight over the Management. It focuses mainly on strategic management, performance measurement and monitoring, risk management and internal control, standards of conduct, sustainability management and critical business decisions. The Board is comprised of Directors who are entrepreneurs and experienced professionals in the fields of business management, legal, audit, accountancy, corporate, engineering, information technology, internal audit and supply chain management across diverse industries. These different skills are put together to enable the Board to effectively lead and govern the Group. Guided by the *Board Charter*, the Board is led by a Non-Independent Non-Executive Chairman. Together with other Directors, the Non-Independent Non-Executive Chairman leads the Board by promoting effective communication between stakeholders and at the same time instilling good corporate governance practice, leadership and effectiveness across the Board. A summary of the Board Chairman’s responsibilities is disclosed in Practice 1.2 of CG Report.

It is the responsibility of the Board to steer the Group towards its vision and mission, ensuring its long-term success through entrepreneur leadership, strategic direction and oversight. On the other hand, the Group Managing Director is delegated with authority and responsibility to ensure proper execution of strategies as well as effective and efficient operations throughout the Group. The authorisation procedures for key processes are stated in the Group’s policies and procedures.

The Board reviews and approves the Group’s charter and policies (including subsequent updates), while each subsidiary’s Board is responsible for ensuring its operating procedures align with the Group’s charter and policies.

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

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

The Board is assuming the following, amongst other roles and responsibilities: -

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

The roles and responsibilities of the Board and the application of the MCCG's practice are disclosed in Practice 1.1 of the CG Report.

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

The Board has delegated specific duties to the Board Committees which operate within clearly defined terms of reference approved by the Board.

To ensure that there is a balance of power and authority within the Board, the position of the Chairman of the Board and the Group Managing Director is separated with clear division of responsibilities. The Chairman of the Board oversees governance, orderly conduct and effectiveness of the Board while the Group Managing Director is responsible for managing the Group's business operations and implementation of policies and strategies approved by the Board. A summary of the roles and responsibilities of the Chairman of the Board and the separation of roles between the Chairman of the Board and the Group Managing Director is disclosed in Practice 1.2 and 1.3 of CG Report, respectively.

In compliance with MCCG, the Chairman of the Board is not a member of the Audit Committee, Nomination Committee, Remuneration Committee, Employee Share Option Committee, nor did he attend the meetings of such board committees by way of invitation during the financial year under review. This ensures his objectivity in leading the Board's oversight function. Further details are available in Practice 1.4 of CG Report.

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

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)**PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****• Board Responsibilities (Cont'd)**

In addition, a Senior Independent Director is identified by the Board to whom stakeholders may convey their concerns.

All board members shall notify the Chairman of the Board before accepting any new directorship or significant commitments outside the Company, including an indication of the time that will be spent on the new appointment. Likewise, the Chairman shall also notify the Board of any new significant commitments outside the Company.

All Directors have confirmed that their directorship in listed companies do not exceed five (“5”), ensuring they meet the expectation on time commitment.

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

• Board Charter

The Board is guided by a formal *Board Charter* approved by the Board, which outlines its composition, roles, functions, responsibilities and authorities, including those of the Board Committees, Chairman of the Board, Group Managing Director, Senior Independent Director and Company Secretary. The Charter further defines the specific responsibilities and matters reserved for the Board, appointment and re-appointment, new directorship, independence and tenure of Independent Director, governance structure of the Board and Board Committee, qualification, vacation of office and removal of Directors, the Board proceedings, financial reporting responsibilities, unrestricted rights to access to information and independent advice, Board evaluation and performance, the Board remuneration, Directors’ training and continuing education, general meetings and attendance, stakeholder’s engagement, conflict of interest, code of ethics and conduct of Directors and group governance’s responsibility.

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

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

• Code of Ethics and Conduct and Whistle-Blowing Policy

The Board is fully committed to the highest standards of integrity, transparency and accountability in the conduct of the Group’s business and operations to ensure business sustainability through their conducts, individually or collectively, focusing on the key principles of serving with integrity and competency, avoiding conflict of interest, preserving confidentiality and privacy, safe and healthy working environment, workers are treated with respect and dignity and business operation are conducted ethically.

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

To further enhance the ethical value throughout the Group, formal *Anti-Bribery and Corruption Policy* and *Fair Competition Policy* has been put in place by the Management to mitigate the risk of bribery, conflict of interest and to promote fair competition practices within the Group.

Please refer to Practice 3.1 of CG Report for details.

To foster an environment where integrity and ethical behavior are maintained, the Board has put in place a formal *Whistle-Blowing Policy* to encourage employees and stakeholders to disclose concerns about illegal, unethical or improper business conduct within the Group without fear of retaliation.

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

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

Please refer to Practice 3.2 of CG Report for details.

During the financial year under review, the Board reviewed the policy of *Conflict of Interest and Related Party Transaction* along with *Whistle-Blowing Policy* to ensure alignment with the latest changes in the MMLR.

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

- **Board Meetings and Supply of Information**

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

During the financial year under review, Audit Committee meetings were held separately and not combined with the Board meetings. Directors and employees were only allowed to attend any particular Audit Committee meeting at the Audit Committee’s invitation specific to relevant agenda item of the meeting in order for the Audit Committee to independently discharge its oversight duties.

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

Besides direct access to management staff, external independent professional advisers are also made available to render their independent views and advice to the Board, whenever necessary and in appropriate circumstances, at the Company’s expense.

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

Kindly refer to Practice 1.6 of the CG Report for detailed disclosure of the Board’s meetings and supply of information.

The Board meets regularly to perform its main function of approving and monitoring of strategic plans, formulation of policies, overseeing the conduct and operations of the businesses of the Group, sustainability oversight, succession planning and ensuring the appropriateness of internal control and effectiveness of risk management while being mindful of the importance of business sustainability in conducting the Group’s business.

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

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

To carry out its functions and responsibilities, the Board met five (5) times during the financial year ended 31 December 2024 and the attendance of each Director at the Board Meetings is as follows: -

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

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

- Composition of the Board**

The appointment and re-appointment of Directors of the Company and its subsidiaries are governed by *Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director and Fit and Proper Policy*, as approved by the Board. It is the duty of the Nomination Committee to ensure that the composition of the Board is periodically reviewed and refreshed based on the strategies and results of the Board evaluation and performance as well as the tenure of each Director. The tenure of the Directors of the Company was evaluated by the independent expert engaged by the Board, with the assessment results reviewed by Nomination Committee and the Board in February 2024. The recommendations for the re-appointment of Directors during the Annual General Meeting (“AGM”) were made after the Nomination Committee and the Board satisfied and confirmed that the current board composition and the tenure of each director align with the current and future needs of the Group. Furthermore, the performance and contribution of directors seeking re-appointment were deemed satisfactory in fulfilling the Board’s governance and oversight responsibilities. Please refer to Practice 5.1 of the CG report for detailed disclosure on review of Board composition, tenure of individual Directors and evaluation criteria for re-appointment.

As at the date of this Statement, the Board has ten (10) members, comprising of one (1) Group Managing Director, five (5) Independent Non-Executive Directors, and four (4) Non-Independent Non-Executive Directors. The profile of each Director is presented on page 33 to 37 of this Integrated Report. The composition of Independent Non-Executive Directors is in compliance with the minimum prescribed requirement in the MMLR to ensure that there is sufficient independent element in the Board to provide necessary checks and balances within the Board.

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

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

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

Although the current composition is a departure from Practice 5.2 of MCGG which requires the majority of the Board in a large company should comprise of Independent Directors, the Board is of the opinion that an adequate degree of independence is maintained even though only 50.0% of the Board are Independent Directors. The Board came to this conclusion after taking into consideration based on formal assessments conducted on the Board, the Board Committees and the independence of the Independent Directors.

Besides that, the Board noted that the Independent Directors are professionals with diverse skills, knowledge and experience in relevant fields. The Independent Directors demonstrated their independence, objectivity and active participation in the Board and Board Committees' proceedings. Therefore, there is no disproportionate imbalance of power and authority between the Non-Independent and Independent Directors. It is the medium-term focus of the Board to seek new Independent Directors to be appointed to the Board to comply with Practice 5.2 of MCGG.

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

- **Board Diversity**

It is the Board's responsibility to ensure that the diversity within the Board is preserved so that the required mix of knowledge, skills, expertise and experience as well as age, ethnic and gender diversity are brought to the Board. The appointment of new Directors and members of Key Senior Management as well as the re-appointment of Directors, is governed by *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director*. The criteria for the appointment and re-appointment include fitness and propriety (as governed by Fit and Proper Policy), covering aspects such as probity, personal integrity, reputation, financial integrity, experience and competency. Additional requirements include time and commitment, diverse skill sets, Boardroom and Key Senior Management diversity, knowledge and skill on sustainability oversight and management and independence for independent director.

The recommendation for the re-appointment of Directors that was put forth by the Board at the AGM held during the financial year has been subject to the nomination, appointment and re-appointment process described above.

It is the policy of the Board that active politicians should not be appointed as a member of the Board of the Company and its subsidiaries. At present, there is no active politician on the Board of the Company or its subsidiaries.

Please refer to Practice 5.5 of the CG Report on procedure and criteria for appointment of Directors and members of Senior Management as well as the re-appointment of Director and Practice 5.10 of the CG Report on disclosure of policy on board diversity per *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director*.

Based on the *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director*, the Board aims to achieve at least 30% women representation on the Board within three (3) years from the date of such policy. At present, two (2) members of the Board of the Company are women, and one (1) member of the Key Senior Management of the Group is a woman.

Please refer to Practice 5.9 of the CG Report for the detailed disclosure of gender diversity.

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)**PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****• Independent Directors**

Independence of Independent Director candidates is assessed by Nomination Committee prior to their appointment based on formal nomination and appointment process, with the results of the review reported to the Board for consideration and decision.

On an annual basis, all Independent Non-Executive Directors are subject to independent assessment by Nomination Committee based on prescribed criteria, with results of assessment and recommendation reported to the Board to form an opinion on the independence and objectivity of the Independent Non-Executive Directors. Based on the assessment performed during the financial year under review, the Board is satisfied with the level of independence and objectivity demonstrated by all Independent Non-Executive Directors, and their ability to bring independent and objective judgement during Board deliberations.

The tenure of an Independent Director as stated in the *Board Charter*, shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve the Board subject to such Director be re-designated as a Non-Independent Director. If the Board continues to retain the Independent Director after the ninth (9th) year, the Board should seek annual shareholders' approval through a two-tier voting process, subject to a maximum cumulative period of twelve (12) years. Thereafter, such an Independent Director must either resign or be re-designated as a Non-Independent Director.

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

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

Appointment of new Directors to the Board and members of Key Senior Management are recommended to the Nomination Committee for consideration and approved by the Board in accordance with *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director* and *Fit and Proper Policy*, developed by Nomination Committee and approved by the Board.

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

Nomination Committee may also seek independent professional advice, at the Company's expense, to perform its responsibilities under nomination and appointment procedure.

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

The recommendations for the re-appointment of retiring directors at AGM held during the financial year under review were made by the Nomination Committee to the Board and subsequently by the Board to the shareholders of the Company upon satisfactory results of fit and proper evaluation and conflict of interest review, independence assessment (for Independent Directors) and performance evaluation. To facilitate shareholders' decision-making on the re-appointment of retiring directors at AGM held during the financial year, disclosures were made in the director profiles in the Integrated Report regarding details of conflict-of-interest situation (if any) of the Directors seeking re-election. The Board recommended the shareholders to re-appoint such Directors at the AGM based on the satisfactory results of fit and proper check and conflict of interest review, independence assessment (for Independent Directors) and performance evaluation of such Directors.

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

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

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

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

On an annual basis, the Company Secretary circulates to each Director the relevant assessment and review forms/questionnaires in relation to the Board and Board Committee assessments/evaluations. These are distributed with sufficient time for all the directors to complete in advance of the meeting of the Nomination Committee and the Board, allowing the Company Secretary to collate the assessments/evaluations results for the Nomination Committee's review and subsequent reporting to the Board.

During the financial year under review, the Board engaged an independent expert to conduct the performance assessment, ensuring that the evaluation was carried out objectively, with an unbiased perspective and external insights. The assessment results were reviewed by the Nomination Committee before recommendations were made to the Board.

The following assessments and evaluations were performed during the financial year:

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

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

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

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

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)**PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****• Directors and Key Senior Managements Remuneration**

The Board assumes the overall responsibility to establish and implement an effective remuneration policy that serves to attract, retain and motivate the Directors and Key Senior Management in pursuing medium to long-term objectives of the Group. The Board has put in place a *Board and Key Senior Management Remuneration Policy* for adoption by the Remuneration Committee, which provides guidance when reviewing the proposed remuneration packages of Board members and Key Senior Management. Major components of the remuneration package for Group Managing Directors, members of Key Senior Management and Non-Executive Directors are specified in the Policy.

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

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

Please refer to Practice 8.1 of CG Report for the breakdown of remuneration of individual Directors (including fees, salary, bonus, benefits in-kind and other emoluments) on named basis for the financial year ended 31 December 2024.

Disclosure of Key Senior Management's remuneration on named basis in bands of RM50,000 is not adopted as the Board is of the opinion that such disclosure may jeopardize the personal security of the individual Key Senior Management members and increase the risk of loss key personnel if their remuneration packages are published publicly and easily accessible online.

Please refer to Practice 8.2 of CG Report for the explanation on the departure from the disclosure of Key Senior Management's remuneration on named basis in bands of RM50,000.

• Directors' Training

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

Any newly appointed Director will be given briefings and orientation by the Chairman of Nomination Committee on the business activities of the Group and its strategic directions, as well as their duties and responsibilities as a Director.

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

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

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

- Directors' Training (Cont'd)**

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

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Tan Sri Mohammed Azlan bin Hashim	International Social Well Being 2024 – Setting The Context	Employees' Provident Fund
	EPF Sustainability Day 2024	Employees' Provident Fund
	EPF Investment Seminar 2024	Employees' Provident Fund
	Bursa Academy: Conflict of Interest (COI) And Governance of COI	Bursa / Asia School of Business
	EPF Strategy Meeting 2024	Employees' Provident Fund
	DTX Summit 2024	Employees' Provident Fund
	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd
Tay Kheng Chiong	Trends and Forecast of Malaysia's E&E, and Semiconductor Industry with S&P Global Market Intelligence	Malaysia External Trade Development Corporation (MATRADE)
	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd
Yeow See Yuen	Mandatory Accreditation Programme Part II - Leading for Impact (LIP). Building high-impact boards for sustainable growth	Institute of Corporate Directors Malaysia
	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd
Jesper Bjoern Madsen	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd
Goh Chin San	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd
Jennifer Chong Gaik Lan	Navigating E-Invoicing Implementation and Maximising Opportunities	Malaysian Institute Of Certified Public Accountants
	Everything About Dividend	Malaysian Institute of Accountants
	Audit Committee Conference	Malaysian Institute of Accountants
	Audit Oversight Board Conversation with Audit Committees	Securities Commission Malaysia
	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

- *Directors' Training (Cont'd)*

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

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Goh Chin Loong	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd
Au Siew Loon	Mandatory Accreditation Programme Part II - Leading for Impact (LIP). Building high-impact boards for sustainable growth	Institute of Corporate Directors Malaysia
	Decoding the TCFD Reporting Framework	Malaysian Institute of Accountants
	Audit Committee Conference	Malaysian Institute of Accountants
	KPMG Symposium: Beyond ESG	KPMG
	KPMG Tax and Business Summit 2024	KPMG
	Audit Oversight Board Conversation with Audit Committees	Securities Commission Malaysia
	Unlocking the Impact of the New Dividend Tax	Crowe
	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd
Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah	Mandatory Accreditation Programme Part I	Institute of Corporate Directors Malaysia
	Mandatory Accreditation Programme Part II - Leading for Impact (LIP). Building high-impact boards for sustainable growth	Institute of Corporate Directors Malaysia
	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd
Lui Soek Kuen	Mandatory Accreditation Programme Part II - Leading for Impact (LIP). Building high-impact boards for sustainable growth	Institute of Corporate Directors Malaysia
	Audit Committee Conference	Malaysian Institute of Accountants
	KPMG Tax and Business Summit 2024	KPMG
	Audit Oversight Board Conversation with Audit Committees	Securities Commission Malaysia
	Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework	NeedsBridge Advisory Sdn Bhd

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

- **Board Committees**

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

- **Audit Committee**

The terms of reference, the number of meetings held, and activities carried out during the financial year under review and the attendance of each member can be found on pages 63 to 68 of the Audit Committee Report.

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

- **Nomination Committee**

The Nomination Committee comprises exclusively of Non-Executive Directors, with majority being Independent Non-Executive Directors (“INED”) as required under MMLR. The Nomination Committee is guided by written terms of reference duly approved by the Board, defining its rights, authorities and responsibilities. The Nomination Committee is chaired by a Senior Independent Director.

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

The Nomination Committee members and the attendance records for meetings held during the financial year ended 31 December 2024 are as follows: -

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

During the financial year under review, the Nomination Committee convened two (2) meetings. The first meeting focuses on the review and assess the performance of the Board, the Board Committees (including Audit Committee and members of Audit Committee), knowledge and skills possessed by each Director (including knowledge and skill sets required to perform its oversight role in relation to sustainability management), independence of Independent Directors, tenure of Independent Directors, re-appointment of Directors and training needs of individual directors. The results of all reviews and assessments were reported to the Board for review and deliberation.

The second meeting was held to discuss the selection and appointment of a candidate for the role of Group Financial Controller. The former Group Financial Controller was redesignated as the Personal Assistant to the Group Managing Director, while a new Group Financial Controller was appointed on 16 December 2024.

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

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

- Remuneration Committee**

The Remuneration Committee was formed to assist the Board in determining, developing and recommending an appropriate remuneration policy and remuneration package that will attract, retain and motivate the Directors and Key Senior Management. The Remuneration Committee is guided by formal terms of reference. Further disclosure on the Remuneration Committee (and its activities) and remuneration policies and procedure can be found in Practice 7.1 and 7.2 of CG Report.

The Remuneration Committee comprises exclusively of Non-Executive Directors, with the majority being INED. The members and their attendance records are as follows: -

Remuneration Committee	Position	No. of Meetings Eligible to Attend	Attendance
Jesper Bjoern Madsen	Chairman/INED	2	2
Goh Chin San	Member/NINED	2	2
Jennifer Chong Gaik Lan	Member/INED	2	2

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

During the financial year ended 31 December 2024, the Remuneration Committee convened two (2) meetings. In the first meeting, the Remuneration Committee reviewed the proposed Directors' fees for Non-Executive Directors where the recommended Directors' fees were subsequently reported to the Board for approval and recommendation to the shareholders for approval. In the same meeting, the Remuneration Committee also reviewed the proposed bonus framework for financial year 2024 and reported the results of the review to the Board for consideration and decision.

The second meeting focused on the proposed remuneration package for the new Group Financial Controller. The Remuneration Committee aimed to ensure that the proposed remuneration package was competitive within industry standards and aligned with the company's objective of attracting and retaining top talent.

During the financial year under review, the Remuneration Committee reviewed the remuneration of Executive Directors and Key Senior Management through a circular resolution, which was unanimously approved by all three committee members.

- ESOS Committee**

The primary responsibilities of the ESOS Committee are to do all acts and things, execute all documents and delegate any of its authorities and duties relating to the ESOS Schemes as it may, at its discretion consider to be necessary or desirable in giving effect to the ESOS Schemes.

The ESOS Committee consists of one (1) Executive Director and two (2) Non-Executive Directors with the primary responsibility of administering the ESOS scheme established by the Group.

During the financial year ending 31 December 2024, the ESOS Committee approved eleven resolutions on the allotment of ESOS shares via circular resolutions, with unanimous approval from all three committee members. No formal ESOS Committee meetings were held during the financial year under review.

The ESOS committee is allowed to obtain advice from experts and advisers, both internal and external and to have full and unrestricted access to information to enable the Committee to fulfil its objectives and duties.

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

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

The functions of the ESOS Committee are:

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

During the financial year under review, the ESOS Committee reviewed and proposed to the Board for approval on the grant of new options of 2,711,000 new ordinary shares in the Company in accordance with the Bylaws of the ESOS.

- **Sustainability Oversight and Management**

In order to promote the sustainability of the Group's businesses, one of the business strategies adopted by the Board is to ensure the sustainability aspects of the Group's business operations are well managed. The Group upholds the principle of maintaining effective and continuous sustainability management in order to contribute positively to socio-economic development of the communities, promote environmentally friendly business practices and uphold sound social practices.

One of the key responsibilities of the Board of the Company is to regularly evaluate the economic, environmental, social and governance ("EESG") issues of the Group, and assume ultimate responsibilities and oversight of sustainability management on a group-wide basis. The sustainability management of the Group is governed by the *Sustainability Policy*, which outlines the formal governance structure, stakeholders' engagement mechanism and processes for identifying, assessing, formulating and monitoring responses to material sustainability issues. The assessment results and responses are incorporated into the Group's risk management process for continuous monitoring. As an important communication tool with stakeholders of the Group, the Sustainability Report was published along with the Integrated Report for the financial year under review.

The Board of the Company also has the responsibility to evaluate sustainability risks and opportunities regularly, taking into consideration changes in the external business environment and the interests of stakeholders. A periodic review, led by the Group Managing Director together with the designated senior management personnel responsible for strategic sustainability management, is conducted to assess the sustainability matters (including climate change risks and opportunities) faced by the Group. Corresponding strategies and responses are formulated with an escalation mechanism in place to ensure timely reporting of sustainability matters, their corresponding strategies and responses as well as sustainability performances (including targets established) to Audit Committee and the Board for review.

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

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

The Audit Committee is tasked with the oversight role on the effectiveness of Audit and Risk Management. The composition and terms of reference of Audit Committee, the number of meetings held, attendance, and activities carried out during the financial year are available in the Audit Committee Report on page 63 to 68 of this Integrated Report and Practice 9.1 to 9.5 of CG Report.

- **Relationship with External Auditors**

The Group maintains a close and transparent relationship with its external auditors in seeking professional advice and ensuring compliance with the Group's policies and procedures, approved accounting standards and relevant regulations in Malaysia and the countries it is operating. The roles and responsibilities of the Audit Committee in relation to the external auditors are prescribed in the Audit Committee's *Terms of Reference*.

The engagement of the external auditors is governed by the engagement letter with terms of engagement (which includes, amongst others, the scope of coverage, the responsibilities of the external auditors, confidentiality, independence and the proposed fees) reviewed by the Audit Committee and its recommendation to the Board.

The Audit Committee met with the external auditors thrice during the financial year under review (including two (2) private sessions without management's presence) to discuss audit plans, audit findings, financial statements and other special matters that require the Audit Committee's attention. The Audit Committee also encourages free flow of information and views between the Audit Committee and external auditors to allow external auditor to freely express their opinions without undue pressure.

The oversight of the external auditors was enhanced by the conduct of performance evaluation of the external auditors (including the review of Transparency Report of the external auditors) by the Audit Committee and subsequently reported to the Board. The external auditors of the Group confirmed to the Audit Committee on their independence in relation to the audit works to be performed and their commitment to communicate to the Audit Committee on their independence status on an ongoing manner. It is also the Company's policy that former partners of the external audit firm (including its affiliate firm) of the Company need to observe a cooling-off period of at least three (3) years before being considered for appointment as a member of the Audit Committee.

The Audit Committee has also considered the nature of other non-audit services provided during the year by the external auditors and the quantum of the fees as tabulated in the table below and was satisfied that the provision of these services did not in any way compromise their independence.

The audit and non-audit fees incurred for services rendered by the external auditors and their affiliated firms and companies to the Company and its subsidiaries for the financial year were as follows:

	Company	Group	Description
Audit Fees (RM)	10,000	570,147	Financial Statement Audit Fees
Non-Audit Fees (RM)	10,000	249,574	The non-audit fees were mainly tax agent fees, other tax services and transfer pricing documentation

- **Risk Management**

The Board recognises the importance of Risk Management in pursuing its Company's objective and has in place a formal Risk and Opportunity Management Policy and Procedure. The details of the Risk and Opportunity Management Policy and Procedure and risk management process are disclosed in Practice 10.1 and 10.2 of CG Report and the Statement on Risk Management and Internal Control on page 69 to 76 of this Integrated Report.

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

- **Internal Control & Internal Audit Function**

The Board recognises the importance of having a sound internal control system for good corporate governance. As such, the internal audit function is established to review the adequacy and integrity of the internal control system in managing the principal risks of the Group. The Group outsourced its internal audit function to a professional firm to assist the Audit Committee in reviewing the state of internal control of the Group and to highlight areas for management and operational improvements.

The state of system of internal control and internal audit function of the Group is explained in greater detail in Statement on Risk Management and Internal Control on pages 69 to 76 of this Integrated Report and Practice 11.1 & 11.2 of CG Report.

- **Uphold Integrity in Financial Reporting**

The Directors strive to ensure that a balanced, clear and meaningful assessment of the financial positions and prospects of the Group are made in all disclosures to shareholders, investors and the regulatory authorities.

All financial statements, both audited financial statements to shareholders and the quarterly announcement of unaudited financial results, were reviewed by the Audit Committee and approved by the Board to ensure accuracy, adequacy and completeness of information and compliance with relevant accounting standards and regulations prior to its public release or submission to the regulatory authorities.

The Board, through the review by the Audit Committee and consultation with the Management and the external auditors, had performed fair and meaningful assessment of the Group's financial performance and position.

A summary of the works of the Audit Committee in the discharge of its functions and duties in relation to financial reporting during the financial year is set out in the Audit Committee Report on pages 63 to 68 of this Integrated Report.

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

- **Corporate Disclosure and Stakeholders Communication**

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

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

The Integrated Report serves as the main communication tool between the Company and its stakeholders, providing comprehensive information on the financial performance and activities undertaken by the Group. The Integrated Report for the financial year ended 31 December 2024 was prepared in material aspects based on the International Integrated Reporting Framework issued by the International Integrated Reporting Council. As a listed issuer, the contents and disclosure made in the Integrated Report are governed by the MMLR.

To facilitate communication with stakeholders, the Company's website incorporates "Investor Relations" and "Contact" section which provides all relevant information about the Company and contact information of designated personnel for investor relations and sales. The website is accessible to the public via <http://www.do.com.my>. In order to promote greater stakeholder engagement with the Group Managing Director, virtual meetings on quarterly results were held, with meeting identification and passcode published on the "News/ Press Release" of the "Investor Relations" section of the Company's website.

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)**PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)****• Corporate Disclosure and Stakeholders Communication (Cont'd)**

On the other hand, “Corporate Governance” section of the Company’s website publishes all announcements made by the Company, Annual Reports, Integrated Reports of the Company, Board Charter, corporate policies as well as terms of reference of relevant Board Committees.

To facilitate engagement with stakeholder groups, the Management had identified and prioritised such stakeholders via identification and prioritisation process and develop relevant engagement methods in order to seek feedback from them. The “Contact” section of the Company’s website allows stakeholders to communicate their feedback to the Company.

Please refer to Practice 12.1 of CG Report on further disclosure of corporate disclosure and stakeholders’ communication.

Please refer to Practice 12.2 of CG Report on the preparation of integrated report by the Company.

• Encourage Shareholders Participation at General Meetings

The general meetings serve as the principal forum for dialogue with shareholders. The shareholders are given the opportunity and are encouraged to participate in general meetings of the Company. The *Board Charter* includes the requirement that notice of the Annual General Meeting be given to shareholders at least 28 clear days prior to the meeting. In compliance with the requirement, notice for the 20th AGM was given to shareholders 28 clear days in advance, exceeding the 21 days minimum requirement under MMLR.

To further encourage shareholders’ participation at general meetings, the Company allows a shareholder to appoint a proxy who may not be a member of the Company and no qualification of proxy is imposed.

Adequate time is given during the general meetings for shareholders to seek clarification or ask questions on pertinent matters relevant to the agendas of the general meeting. All directors of the Company attended the 20th AGM, either physically or virtually. The external auditors were also present virtually at the 20th AGM to provide independent professional clarification on issues and concerns raised by the shareholders.

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

• Poll Voting

Pursuant to Paragraph 8.29A(1) of MMLR, the Company is required to ensure that any resolution set out in the notice of general meetings is to be voted by poll. All resolutions put forth for shareholders’ approval at the forthcoming 21st Annual General Meeting are to be voted by way of poll voting.

• Leverage on Information Technology for General Meetings

The Company conducted its 20th AGM using Remote Participation and Voting (“RPV”) facility on 27 May 2024. The virtual general meeting allows shareholders to exercise their right to participate, pose questions, and vote at the general meeting safely and remotely via RPV facility (subject to verification and onboarding process of the RPV facility). The AGM was broadcast via RPV facility with the Chairman of the meeting and the Group Managing Director physically present at the broadcast venue.

HOW WE GOVERN

Corporate Governance Overview Statement (Cont'd)

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

- ***Leverage on Information Technology for General Meetings (Cont'd)***

The poll administration and RPV facility service were provided by a reputable professional firm in Malaysia with extensive experience in poll administration and a well established RPV facility. The administrative guide for the 20th AGM was issued and published in the RPV facility, providing step-by-step instructions for shareholders before and during the meeting. During the AGM, shareholders were able to participate and interact with the Board via live streaming of the general meeting proceeding and by submitting their questions via the query box of the RPV facility. Sufficient time was allocated for the shareholders to pose questions to the Board and all pertinent questions were answered by the Board of the Company via live broadcast before the commencement of poll voting.

The minutes of the meeting of the 20th AGM, including key matters discussed during such meeting (attached as Appendix A to the meeting minutes) were uploaded to the “Annual General Meeting” section of the “Investor Relations” of the Company’s website at www.do.com.my within 30 days from the date of the general meeting was held.

The details of the features and activities of the virtual general meeting and RPV facility are disclosed in Practice 13.3, 13.4 and 13.5 of CG Report while the publication of minutes of the meeting is disclosed in Practice 13.6 of CG Report.

DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors are responsible for ensuring that:-

- the annual financial statements of the Group and the Company are prepared in accordance with the provisions of the Companies Act 2016 and applicable approved accounting standards of Malaysia so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2024, and of the results of their operations and cash flows for the year ended on that date;
- proper accounting and other records are kept by the Group which enable the preparation of the financial statements of the Group and the Company with reasonable accuracy and comply with the Companies Act 2016; and
- reasonable steps are taken to ensure that appropriate systems are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

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

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

Key Focus Areas and Future Priorities

In the medium to long term, the Board intends to identify and appoint new Independent Directors (INEDs), provided suitable candidates are available. This initiative aims to ensure that a majority of the Board comprises INEDs, thereby strengthening independence and corporate governance standards in line with best practices for large companies.

Additionally, the Board is committed to enhancing gender diversity by ensuring that women’s representation reaches at least 30%. Currently, the Board comprises two female directors out of ten members (20%), and further efforts will be made to meet this target.

HOW WE GOVERN

Additional Compliance Statement

- Material Contracts with Related Parties**

Apart from recurrent related party transactions as disclose on page 169 of this Integrated Report, the followings are the material contracts subsisting as at 31 December 2024 or if not then subsisting, entered into since the end of the previous financial year by the Company and its subsidiaries which involve the interests of Director and major shareholders:

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

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

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

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

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

- Employee Share Option Scheme (“ESOS”)**

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

- ESOS of the Company - D&O Employees’ Share Option Scheme 2022 (“D&O ESOS”)**

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

During the financial year, the Company has granted 2,711,000 options under D&O ESOS and the number of options accepted was 2,384,000. Options granted and accepted are exercisable pursuant to the terms and conditions imposed by ESOS Committee from the date of grant and if the employee remains in service.

With regards to the options granted to the Directors and Key Senior Management, the aggregate allocation applicable to them since commencement of the scheme was 1,200,000 options, which is equivalent to 4.84% of the new ordinary shares of the Company available under the scheme.

Number of Options				
Since the Commencement				
	Granted	Forfeited	Exercised	Outstanding at 31.12.2024
Total	8,002,000	(1,278,100)	(2,341,600)	4,382,300

HOW WE GOVERN

Additional Compliance Statement (Cont'd)

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

	Number of Options										
	Financial Year Ended 31.12.2024										
	Date of Grant	Exercise Price (RM)	As At 1.1.2024	No. of Person Granted	Granted	%	Forfeited	No. of Person Exercised	Exercised	%	As At 31.12.2024
Directors	20.06.22	3.49	170,000	-	-	-	-	1	(170,000)	14%	-
	06.06.23	3.27	109,400	-	-	-	-	-	-	-	109,400
	02.07.24	3.32	-	1	65,000	2%	-	-	-	-	65,000
Subtotal			279,400	1	65,000	2%	-	1	(170,000)	14%	174,400
Senior Management	20.06.22	3.49	235,000	-	-	-	-	4	(235,000)	20%	-
	06.06.23	3.27	240,000	-	-	-	-	1	(15,000)	1%	225,000
	02.07.24	3.32	-	5	165,000	6%	-	-	-	-	165,000
Subtotal			475,000	5	165,000	6%	-	5	(250,000)	21%	390,000
Others	20.06.22	3.49	1,253,200	-	-	-	(576,600)	66	(676,600)	57%	-
	06.06.23	3.27	1,872,800	-	-	-	(98,500)	12	(92,400)	8%	1,681,900
	02.07.24	3.32	-	335	2,481,000	92%	(341,000)	1	(4,000)	-	2,136,000
Subtotal			3,126,000	335	2,481,000	92%	(1,016,100)	79	(773,000)	65%	3,817,900
Grand Total			3,880,400	341	2,711,000	100%	(1,016,100)	85	(1,193,000)	100%	4,382,300

Please refer to pages 124 to 125 of the audited financial statement of the Company for the year ended 31 December 2024 for the additional details of the D&O ESOS.

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

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

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

During the financial year ended 31 December 2024, there was no option granted to eligible Directors and employees of DESB. Since the commencement of the DESB ESOS, the cumulative number of options granted under DESB ESOS as at 31 December 2024 to the Directors and Senior Management of DESB was 429,185 options, representing 5% (Maximum allocation: 5%) of the issued share capital in DESB.

Number of Options				
Since the Commencement				
	Granted	Forfeited	Exercised	Outstanding at 31.12.2024
Total	429,185	-	-	429,185

HOW WE GOVERN

Additional Compliance Statement (Cont'd)

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

	Number of Options										
	Financial Year Ended 31.12.2024										
	Date of Grant	Exercise Price (RM)	As At 1.1.2024	No. of Person Granted	Granted	%	Forfeited	No. of Person Exercised	Exercised	%	As At 31.12.2024
Directors	06.10.20	1.00	380,000	-	-	-	-	-	-	-	380,000
	20.10.22	1.00	27,726	-	-	-	-	-	-	-	27,726
Subtotal			407,726	-	-	-	-	-	-	-	407,726
Senior Management	06.10.20	1.00	20,000	-	-	-	-	-	-	-	20,000
	20.10.22	1.00	1,459	-	-	-	-	-	-	-	1,459
Subtotal			21,459	-	-	-	-	-	-	-	21,459
Grand Total			429,185	-	-	-	-	-	-	-	429,185

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

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

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

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

During the financial year ended 31 December 2024, there was no option granted to eligible Directors and employees of DTSB. Since the commencement of the DTSB ESOS, the cumulative number of options granted under DTSB ESOS as at 31 December 2024 to the Directors and Senior Management of DTSB was 642,055 options, representing 5% (Maximum allocation: 5%) of the issued share capital in DTSB.

Number of Options				
Since the Commencement				
	Granted	Forfeited	Exercised	Outstanding at 31.12.2024
Total	642,055	-	-	642,055

	Number of Options										
	Financial Year Ended 31.12.2024										
	Date of Grant	Exercise Price (RM)	As At 1.1.2024	No. of Person Granted	Granted	%	Forfeited	No. of Person Exercised	Exercised	%	As At 31.12.2024
Directors	06.10.20	1.00	210,000	-	-	-	-	-	-	-	210,000
	04.01.21	1.00	190,000	-	-	-	-	-	-	-	190,000
	27.05.21	1.00	200,000	-	-	-	-	-	-	-	200,000
	20.10.22	1.00	42,055	-	-	-	-	-	-	-	42,055
Grand Total			642,055	-	-	-	-	-	-	-	642,055

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

HOW WE GOVERN

Additional Compliance Statement (Cont'd)

- Utilisation of proceeds**

- The net proceeds received during the financial year under review from the exercise of options by eligible Directors and employees granted in accordance with the Bylaws of subsisting D&O ESOS (after deducting expenses incurred in the issuance of new shares, if any) were utilised for the purpose of funding the continuing growth and expansion and working capital requirement of the Group.
- On 1 December 2021, the Company completed a private placement exercise involving the issuance of 38,500,000 new ordinary shares in the Company ("Placement Shares"), representing approximately 3.2% of the total number of the Company's issued ordinary Shares as at 29 October 2021, at issue price of RM5.62 per Placement Share, raising gross proceeds of RM216,370,000 from third party investors falling within Schedule 6 and Schedule 7 of the Capital Markets and Services Act, 2007 ("the Private Placement").

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

The status of the utilization of proceeds raised from the Private Placement as of 31 December 2024 is as follows:

Details	Proposed Utilisations (RM'000)	Actual Utilisations (RM '000)	Unutilised Proceeds (RM '000)	Intended Timeframe of Proposed Utilisation from the Completion of the Placement	Revised Timeframe for Utilisation of Balance Proceeds from the Completion of the Placement
1. Capital Expenditures [^]	214,008	892	213,116	Within 4 years	Within 7 years
2. Estimated expenses relating to the Private Placement	2,362	2,362	-	Within 2 months	Within 2 months
Total	216,370	3,254	213,116		

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

HOW WE GOVERN

Audit Committee Report

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

Composition

The members of the Audit Committee are as follows:-

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

The composition of Audit Committee is in compliance with paragraph 15.09 of Main Market Listing Requirements (“MMLR”). The Audit Committee comprises four (4) Independent Non-Executive Directors, with the Audit Committee Chairman fulfilling the requirements set out in paragraph 15.09 (1)(c)(iii) and paragraph 7.1 of Practice Note 13 of MMLR. The Audit Committee meets the requirement under Step Up Practice 9.4 of the Malaysian Code on Corporate Governance (“MCCG”) 2021 whereby the committee is comprised solely of Independent Non-Executive Directors.

The Audit Committee Chairman is an Independent Director and no alternate director has been appointed as a member of the Audit Committee. In compliance with Practice 9.1 of MCCG 2021, the Audit Committee Chairman is not the Chairman of the Board of Directors of the Company. The Chairman of the Board of Directors is not a member of the Audit Committee pursuant to Practice 1.4 of the MCCG 2021.

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

The profile of the members can be found on pages 33 to 37 of this Integrated Report.

1. Attendance of Meetings

There were six (6) meetings held by the Audit Committee members during the financial year ended 31 December 2024 and details of their attendance are as follows:-

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

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

The meetings were appropriately structured through the use of notices of meetings and agendas, which were distributed together with the minutes of the previous meeting and relevant papers and reports to the members at least five (5) business days before the meetings. This allowed the members to have sufficient review time for the proper discharge of their duties and responsibilities diligently and effectively in compliance with the MMLR and its terms of reference.

The Group Financial Controller, Finance Manager and representatives from external and internal auditors were also invited to attend the meetings and brief the members on their findings or required information and explanations for proper deliberation of the matters at hand during the meetings.

HOW WE GOVERN

Audit Committee Report (Cont'd)

1. Attendance of Meetings (Cont'd)

The Secretary of the Audit Committee is the Company Secretary and is responsible, together with the Chairman, to draft the agenda and circulating it prior to each meeting. The Company Secretary attended all the meetings during the financial year.

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

2. Summary of the works of the Audit Committee

The following are the activities performed by the Audit Committee and reported to the Board for its attention, deliberation and approval during the financial year ended 31 December 2024:-

- a) Reviewed the adequacy of the internal audit plan and results from the internal audit reviews with the internal auditors.

During the financial year, the outsourced internal audit function reported the findings, recommendations and management action plans in relation to the internal audit cycles carried out based on the approved internal audit plan. In addition, the internal audit function reported to the Audit Committee, through progress update report, the progress of the internal audit plan, its resources, experience, competency and continuous professional development of the internal audit function for Audit Committee's assessment of its adequacy.

Please refer to the Statement on Risk Management and Internal Control from pages 69 to 76 for the oversights of the Audit Committee on the outsourced internal audit function.

- b) Reviewed with management the quarterly financial reports prior to announcement to the regulatory authorities.

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

The quarterly financial reports reviewed by the Audit Committee include the analysis of the financial performance of the key operating subsidiaries and debtors ageing as well as comparison of actual financial results against budget. Furthermore, the Audit Committee was able to assess the reasonableness of the assumptions and estimates made in the draft quarterly financial statements based on the Operational and Financial Performance Report by the Group Managing Director, which include financial performance, sales performance, updates on progress of research and development activities, the business operations, business strategies, sales and market analysis, inventories' level, key performance indicators, utilisation of bank facilities and product development activities undertaken/to be undertaken.

- c) Reviewed with external auditors on their audit plan prior to the commencement of audit.

During the financial year, the external auditors presented the Audit Plan to the Audit Committee for review prior to the commencement of the audit to ensure that the audit scope is adequate and reasonable time is being given to allow the audit to be carried out effectively and not under undue time pressure.

HOW WE GOVERN

Audit Committee Report (Cont'd)

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

The following are the activities performed by the Audit Committee and reported to the Board for its attention, deliberation and approval during the financial year ended 31 December 2024:- (Cont'd)

- c) Reviewed with external auditors on their audit plan prior to the commencement of audit. (Cont'd)

The Audit Plan by the external auditors covers the audit approach, areas of audit emphasis, assessment of information technology controls reliance, considerations of works by internal auditor, reporting and deliverables, management communication channels, engagement team, the proposed audit fees, fraud consideration, responsibilities of the directors and management as well as the external auditors, independence declaration under the By-Laws (On Professional Ethics, Conduct and Practice) by the Malaysia Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards)(“IESBA Code”) for the statutory audit, and development in accounting standards for the financial year. The Audit Plan for the financial year was discussed during the meeting and clarifications were sought from the external auditors prior to the approval of the said plan by the Audit Committee. During the same meeting, the proposed audit fees and non-audit fees were also presented by the external auditors for review by the Audit Committee, which was then recommended to the Board for approval.

- d) Reviewed the audited statutory financial statements with the external auditors.

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

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

The Audit Committee will recommend for the Board’s approval and adoption of the audited statutory financial statements of the Company and the Group after it was satisfied:

1. with the adequacy of the internal audit coverage on the effectiveness and reliability of the supporting internal controls and records;
 2. that the external audit had been adequately planned and carried out in accordance with the approved auditing standards;
 3. that the audited statutory financial statements have been prepared in accordance with generally accepted accounting principles which have been consistently applied and in compliance with applicable accounting standards and statutory requirements; and
 4. that the presentation had been prepared in full compliance with the statutory requirements and applicable approved accounting standards after review performed with the external auditors and the Management.
- e) Conducted performance evaluation and independent assessment on external auditors.

During the financial year under review, the Audit Committee conducted performance evaluation and independent assessment on external auditors based on recommended evaluation criteria per Corporate Governance Guide issued by Bursa Malaysia Berhad, such as calibre of the firm, quality process and performance, knowledge and skill sets of audit team, independence and objectivity, audit scope and planning, audit fees and audit communication. The Audit Committee reviewed the Transparency Report prepared by the external auditors as part of the performance evaluation of the external auditor.

HOW WE GOVERN

Audit Committee Report (Cont'd)

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

The following are the activities performed by the Audit Committee and reported to the Board for its attention, deliberation and approval during the financial year ended 31 December 2024:- (Cont'd)

- e) Conducted performance evaluation and independent assessment on external auditors. (Cont'd)

In addition, during the meetings with the external auditors, the external auditors confirmed to the Audit Committee their independence in relation to the audit works performed and their commitment to communicate to the Audit Committee on their independence status on an ongoing manner. During the financial year, the Audit Committee also obtained confirmation from external auditors that the non-audit services provided by external auditors to the Group during the year in accordance with its independence requirements and that it was not aware of any non-audit services that compromised their independence as external auditors of the Group and the Company.

Based on satisfactory results of the review of the performance and independence of the external auditors, the Audit Committee recommended to the Board on the reappointment of the external auditors as auditors of the Company for the financial year ended 31 December 2024.

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

The Audit Committee met twice with the external auditors on 21 February 2024 and 20 November 2024 without the presence of the Executive Directors and Management whereby they were given the opportunity to raise any concern or difference in professional opinion so that they are able to conduct their functions independently with full cooperation rendered by management.

- g) Reviewed the disclosure of related party transactions and any conflict-of-interest situation.

During the scheduled quarterly meetings, the Group Financial Controller reported to the Audit Committee the actual value of the Recurrent Related Party Transactions ("RRPT") (from date of shareholders' mandate to end of the financial period) as compared to the approved value of transactions based on the shareholders' mandate obtained in the previous general meeting. This enabled the Audit Committee to identify RRPT that exceeded or about to exceed the approved amount per the shareholders' mandate so that prompt action can be taken to rectify the matter. In addition, the Group Financial Controller reported to the Audit Committee for their review on the 12 months' RRPT transactions value where shareholders' mandate and announcement were not required in accordance with the MMLR and Related Party Transaction (if any).

The Audit Committee also reviewed and monitored any conflicts of interest and potential conflicts of interest situation within the Group, ensuring that they were effectively identified and managed in compliance with the MMLR.

- h) Reviewed the latest changes of pronouncements issued by the accountancy, statutory and regulatory bodies.

The Audit Committee was kept abreast with accounting standards updates by the external auditors. The Audit Committee sought clarification of the application and impact of new and revised accounting standards from the external auditors.

- i) Review of statements and reports disclosed in the Integrated Report.

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

HOW WE GOVERN

Audit Committee Report (Cont'd)

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

The following are the activities performed by the Audit Committee and reported to the Board for its attention, deliberation and approval during the financial year ended 31 December 2024:- (Cont'd)

- i) Review of statements and reports disclosed in the Annual Report (Cont'd)

The review process involved meeting with Management to seek confirmation and clarification, while the internal audit function presented the results of their compliance review on Corporate Governance Report, Corporate Governance Overview Statement, Audit Committee Report and Statement on Risk Management and Internal Control in accordance with the MMLR and MCCG.

- j) Reviewed the draft circulars to shareholders – proposed renewal of Shareholders' Mandate for RRPTs of a revenue or trading nature.

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

- k) Reviewed high risk areas identified and sought responses from the Management.

During the review and presentation of the internal audit reports, financial performance, operational performance and business strategy of key operating subsidiaries and matters with high risk potential, the Audit Committee sought clarification and requested mitigation plans from the Management on the potential high risk events.

- l) Reviewed the Key Risk and Opportunity Profile Update Report of the Group.

During the financial year under review, the Audit Committee reviewed and deliberated the Key Risk and Opportunity Profile Update Report (including but not limited to, Risk and Control Score Sheet (consists of strategic risks and key operational risks and opportunities), existing control activities for risks mitigation and opportunities optimisation, likelihood and impact rating used and risk management process employed by the Management for the risk assessment exercise) on its adequacy and effectiveness. Based on the review, the Audit Committee was satisfied with the process and results of the risk assessment and its responses and subsequently reported the results of the review to the Board.

- m) Reviewed the sustainability activities of the Group.

The Audit Committee reviewed the Sustainability Management Report presented by Management, which outlined key sustainability initiatives undertaken by the Group. These included the purchase of Renewable Energy Certificates (REC), updates on the water recycling project, industrial effluent and scrubber emission compliance, human rights and labour incidents, and substantiated anti-bribery and corruption cases. The Committee also assessed the effectiveness of ongoing environmental and social initiatives to ensure continuous improvement and alignment with the Group's sustainability goals.

During the financial year under review, the Audit Committee also reviewed the Sustainability Policy to ensure its alignment with evolving regulatory requirements, industry best practices, stakeholder expectations, and the Group's sustainability commitments.

- n) Reviewed the Anti-Bribery and Corruption Report.

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

HOW WE GOVERN

Audit Committee Report (Cont'd)

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

The following are the activities performed by the Audit Committee and reported to the Board for its attention, deliberation and approval during the financial year ended 31 December 2024:- (Cont'd)

o) Others

- Reported to the Board on significant issues and concerns discussed during the Committee's meetings and where appropriate, made the necessary recommendations to the Board for adoption/approval. Minutes of the Committee's meetings were made available to all Board Members for review and to seek clarification and confirmation from the Audit Committee Chairman should the need arise.
- Changes and updates to the Whistle-blowing Policy and Conflict of Interest and Related Party Transactions Policy were tabled to the Audit Committee during the financial year for review. Following its assessment, the Audit Committee recommended them to the Board for approval.

3. The Internal Audit Function and Activities

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

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

The scope of review by the outsourced internal audit function, through the internal audit plan, is reviewed and approved by the Audit Committee with feedback from the Management. In addition, the Audit Committee enhanced their oversight by reviewing the resources of the outsourced internal audit function in terms of their qualification, experience/exposure and continuous professional development of the employees of the outsourced internal audit function during the financial year under review. The performance of the internal audit function is formally evaluated by the Audit Committee through prescribed evaluation form adapted from the Corporate Governance Guide issued by Bursa Malaysia Berhad. A private session with the Internal Audit Function was held on 27 May 2024 by the Audit Committee to promote free exchange of views and opinions between the Audit Committee and the internal audit function.

To preserve independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of Management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow up on progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the Management or the employee.

The outsourced internal audit function is accorded unrestricted access to all functions, records, property, personnel, Audit Committee and other specialised services from within or outside the Group and necessary assistance of personnel in units of the Group where they perform audits.

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

Further details on outsourced internal audit function and internal audit activities are disclosed in the Statement on Risk Management and Internal Control available on pages 69 to 76 of this Integrated Report.

HOW WE GOVERN

Statement on Risk Management and Internal Control

INTRODUCTION

Pursuant to paragraph 15.26(b) and Practice Note 9 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Listing Requirements”) in relation to the requirement to prepare statement about the state of risk management and internal control of the listed issuer as a group, and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”) and the Malaysian Code on Corporate Governance 2021, the Board of D & O Green Technologies Berhad (“D&O” or “the Company”) (collectively with its subsidiaries, “the Group”) is pleased to present the statement on the state of the risk management and internal control of the Group for the financial year ended 31 December 2024. The scope of this Statement includes the Company and its operating subsidiaries.

BOARD RESPONSIBILITIES

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

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

RISK MANAGEMENT

The Board recognises risk management as an integral part of the internal control system and good management practice in the pursuit of its strategies and business objectives. The Board maintains an ongoing commitment to identifying, evaluating and managing significant risks and opportunities faced by the Group systematically during the financial year under review. The Board had put in place a formal Risk and Opportunity Management Policy and Procedure (“ROMP”) as the governance structure and processes for Group-wide risk management in order to embed the risk management practice throughout the Group, to manage key business risks faced by the Group and to optimise key business opportunities available to the Group adequately and effectively. The duties and responsibilities for the identification, evaluation and management of the key business risks and opportunities are delegated to the Group Managing Director.

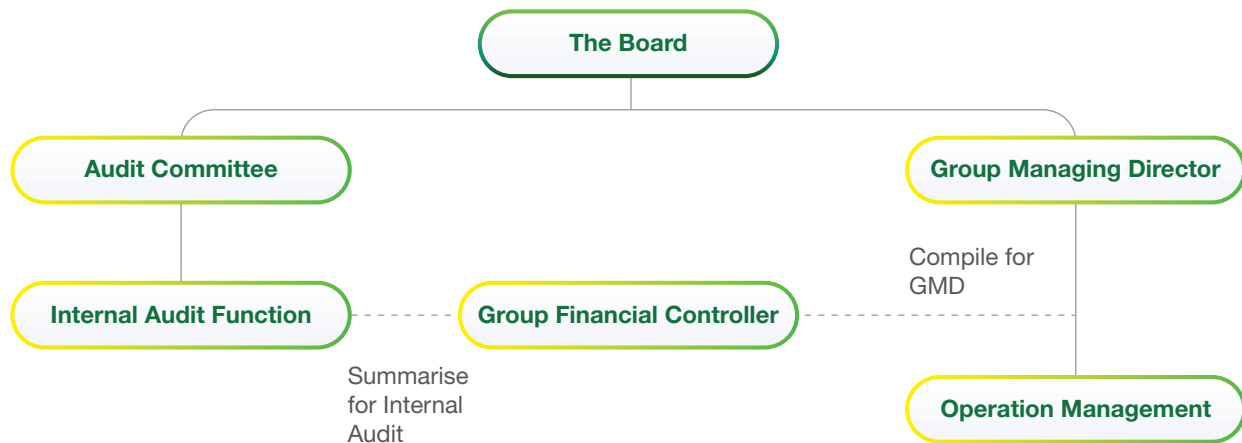
The principles, practices and process of ROMP established by the Board are, in all material aspects, guided by the IATF 16949:2016 Standard by The International Automotive Task Force.

HOW WE GOVERN

Statement on Risk Management and Internal Control (Cont'd)

RISK MANAGEMENT (CONT'D)

The established ROMP lays down the objectives and processes defined by the Board with formalised governance structure of the risk and opportunity management activities of the Group as follows:-



Clear roles and responsibilities of the Board, the Audit Committee, the Group Managing Director, the Operation Management (as risk and opportunity owners), the Group Financial Controller (as key risk and opportunity officer) and internal audit function are defined in the ROMP. In particular, the roles and responsibilities of the Group Managing Director in relation to the risk and opportunity management are as follows:-

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

In addition, the Operation Management team, i.e. heads of departments, is designated as risk and opportunity owners within their area of expertise and delegated with operational responsibilities to review and update annually or when required, the changes in the Risk and Control Score Sheet, based on existing control and submit to Group Financial Controller for compilation.

Systematic risk and opportunity management process is stipulated in the ROMP, whereby each step of the risk and opportunity identification, evaluation, control identification, treatment and control activities are laid down for application by the Group Managing Director and the Operation Management. Risks identified include sustainability matters identified during the sustainability assessment process. Risk and opportunity assessment, at gross and residual levels, are guided by the likelihood rating and impact rating established by the Board based on the acceptable risk appetite. In the risk and opportunity management process, Risk and Control Score Sheet is to be updated by the respective Head of Department with relevant key risks and opportunities identified and rated based on the agreed upon risk and opportunity rating. As an important risks and opportunities monitoring mechanism, the Management is scheduled to review the Risk and Control Score Sheets of key operating subsidiaries and assessment of emerging risks and opportunities identified at strategic and operational level on an annual basis or on a more frequent basis. The Risk and Control Score Sheets are then compiled by the Group Financial Controller before reporting to the Group Managing Director for his review and subsequently forwarded to Internal Audit Function. It is then summarised by Internal Audit Function and reported to the Audit Committee via the Risk Report. The Risk and Control Score Sheets are primarily used for the identification of high residual risks which is above the risk appetite of the Group that require the Management and the Board's immediate attention and risk treatment as well as for future risk monitoring. In addition, key opportunities identified are registered in the relevant Risk and Control Score Sheet to monitor the implementation of action plans to ensure its achievement.

HOW WE GOVERN

Statement on Risk Management and Internal Control (Cont'd)

RISK MANAGEMENT (CONT'D)

During the financial year under review, the Management conducted a review and assessment exercise on existing strategic, governance, fraud, sustainability, and key operational risks as well as opportunities of D&O and its operating subsidiaries after taking into consideration the internal audit findings. Key Risk and Opportunity Profile (included but not limited to, Risk and Control Score Sheets (consists of strategic risks, fraud, sustainability, and key operational risks and opportunities), existing control activities for risk mitigation and opportunities optimisation, likelihood and impact rating used and risk management process employed for review and assessment by the Operation Management) was compiled and tabled to the Audit Committee for review and deliberation on its adequacy and effectiveness and thereafter reported the results to the Board, which assumes the primary responsibility of the Group's risk management.

At strategic level, business plans, business strategies and investment proposals with risks and opportunities as well as sustainability considerations are formulated by Key Senior Management and presented to the Group Managing Director and the Board for review and approval to ensure proposed plans and strategies are in line with the Group's risk appetite approved by the Board. In addition, specific strategic and key operational risks and opportunities are highlighted and deliberated by the Audit Committee and/or the Board during the financial performance review of the Group in the scheduled meetings.

Respective heads of departments/divisions (i.e. risk and opportunity owners) are responsible for managing the risks and opportunities under their responsibilities. Risk and opportunity owners are responsible for effective and efficient operational monitoring and management by way of maintaining effective internal controls and executing risk and control procedures on a day-to-day basis. Changes in key risks or opportunities or the emergence of new key risks or opportunities are identified through daily operational management and controls as well as review of financial and operational reports by respective levels of Management, generated by internal management information system, supplemented by external data and information collected. Respective heads of departments/divisions are responsible for assessing the changes to the existing and emerging risks or opportunities and formulating and implementing effective controls to manage these risks or to exploit the opportunities. Material risks and opportunities are highlighted to the Group Managing Director for the final decision on the formulation and implementation of responses and reported to the Board by the Group Managing Director.

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

The above process has been practiced by the Group for the financial year under review and up to the approval date of this statement. Key risks identified and the corresponding control activities implemented or to be implemented by the management are disclosed in page 26 to 27.

INTERNAL CONTROL SYSTEM

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

- **Board of Directors/Board Committees**

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

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

HOW WE GOVERN

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL SYSTEM (CONT'D)

- **Board of Directors/Board Committees (Cont'd)**

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

- **Integrity and Ethical Value**

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

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

To further strengthen the ethical principles throughout the Group, Management has established a comprehensive Anti-Bribery and Corruption Policy. This Policy serves as a preventive measure against bribery, while a Whistle-Blowing Policy has been implemented to provide a platform for stakeholders to voice any financial reporting irregularities, compliance violations, or unethical practices at the earliest opportunity.

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

- **Organisation Structure, Accountability and Authorisation**

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

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

- **Performance Measurement**

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

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

HOW WE GOVERN

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL SYSTEM (CONT'D)

- **Succession Planning and Human Resource**

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

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

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

- **Risk Assessment and Control Activities**

Risk assessment is performed by risk owners on an annual basis or when there is a change in internal and/or business context in accordance with ROMP. Internal controls, as risk responses, are formulated and put in place to mitigate risks identified to a level acceptable by the Board.

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

- **Information and Communication**

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

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

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

- **Monitoring and Review**

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

HOW WE GOVERN

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL SYSTEM (CONT'D)

- **Monitoring and Review (Cont'd)**

Apart from the above, the quarterly financial statement which contains key financial results is presented to the Board for their review. Operational and financial performance reports are also presented by the Group Managing Director during the Board meetings for the Board to assess the operational performance (including comparison against budgets), cash flow planning and monitoring, business strategies and updates, future prospects, external business conditions, investment performance, capacity expansion, new key risk and opportunity and sustainability activities undertaken/to be undertaken. During quarterly meetings of the Audit Committee for the financial year under review, the Anti-Bribery and Corruption Committee tabled the results of the review on Anti-Bribery and Corruption Policy compliance to the Audit Committee for review and its subsequent reporting to the Board on the performance of the policy's compliance.

In addition to the internal audits, significant control issues, if any will be highlighted by the external auditors as part of their statutory audits and by internal ISO auditors as well as independent consultants engaged by the Group for surveillance audit in relation to ISO certification.

INTERNAL AUDIT FUNCTION

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

The internal audits are carried out, in material aspects, in accordance with the International Professional Practices Framework ("IPPF"), i.e. Mission, Core Principles for the Professional Practice of Internal Auditing, Code of Ethics and the International Standards for the Professional Practice of Internal Auditing ("the Standards") established by the Institute of Internal Auditors Global. The engagement director, Mr. Pang Nam Ming, is a Certified Internal Auditor and Certification in Risk Management Assurance accredited by the Institute of Internal Auditors Global and a professional member of the Institute of Internal Auditors Malaysia. As a Certified Internal Auditor accredited by Institute of Internal Auditors, the engagement director is required to declare his conformance to the Standards to Institute of Internal Auditors during his renewal as Certified Internal Auditor. During the financial year under review, the resources allocated to the fieldworks of the internal audit by the outsourced internal audit function were one (1) assistant manager and at least one (1) consultants per one (1) engagement with planning and execution performed by the director.

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

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

Risk-based internal audit plan in respect of financial year ended 31 December 2024 was drafted by the outsourced internal audit function, after taking into consideration the existing and emerging key business risks identified in the Key Risk and Opportunity Profile, the Key Senior Management's opinion and the previous internal audits performed, subject to review and approval by the Audit Committee prior to execution. Each internal audit cycles within the internal audit plan are specific with regards to audit objective, key risks to be assessed and scopes of the internal control review.

HOW WE GOVERN

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL AUDIT FUNCTION (CONT'D)

The internal control review procedures performed by the outsourced internal audit function are designed to understand, document and evaluate risks and related controls in order to determine the adequacy and effectiveness of governance, risk management structures, control structures and control processes. The outsourced internal audit function shall provide recommendations based on the root cause(s) of the internal audit observations. The internal audit procedures applied principally consist of process evaluations through interviews with relevant personnel involved in the process under review, review of the standard operating procedures and/or process flows provided and observations of the functioning of processes against the results of interviews, documented standard operating procedures and/or process flows. Thereafter, testing of controls for the respective audit areas through the review of the samples selected based on sample sizes calculated in accordance with predetermined formulation, subject to the nature of testing and verification of the samples.

During the financial year ended 31 December 2024, based on the internal audit cycles reviewed and approved by the Audit Committee for execution, the outsourced internal audit function has conducted reviews for sales management, procurement management and inventory management for key manufacturing subsidiaries in Malaysia, as well as a review on the Corporate Governance Report, Corporate Governance Overview Statement and Audit Committee Report. The outsourced internal audit function also reviewed sales, treasury and credit control management for an overseas subsidiary.

Upon the completion of the individual internal audit fieldwork during the financial year, the internal audit reports were presented to the Audit Committee during its scheduled meeting. During the presentation, the internal audit findings, priority level, risk/potential implication, internal audit recommendations, management responses/action plans, person-in-charge and proposed date of implementation were presented and deliberated with the members of the Audit Committee. This is to enable the Audit Committee to form an opinion on the adequacy and/or effectiveness of the governance, risk and control of the business process under review. Progress follow ups were performed by the outsourced internal audit function on the management action plans that were not implemented in the previous internal audit fieldworks by way of verification via physical observation or through verification of samples provided by person-in-charge to substantiate the implementation of the management action plan. The updates on the status of action plans were presented via the Action Plan Progress Report tabled at subsequent Audit Committee meeting for review and deliberation.

In addition, during the Audit Committee meeting, the outsourced internal audit function reported its staff strength, qualification and experience as well as continuous professional education for the Audit Committee to review.

The cost incurred in maintaining the outsourced internal audit function for the financial year ended 31 December 2024 amounted to RM82,000.

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

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

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

HOW WE GOVERN

Statement on Risk Management and Internal Control (Cont'd)

OPINION AND CONCLUSION

Based on the review of the risk management activities and results, results of the internal audit activities, monitoring and review mechanism stipulated above, assurance provided by the Group Managing Director and the Group Financial Controller and the review by the Board on the results of the controls and regulation assessment completed by the Key Senior Management, the Board is of the opinion that the risk management and internal control systems are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Integrated Report. The Board continues to take pertinent measures to sustain and, where required, to improve the Group's risk management and internal control system in meeting the Group's business objectives.

The Board is committed towards maintaining an effective risk management and internal control system throughout the Group and where necessary to put in place appropriate plans to further enhance the Group's risk management and internal control system and improve the risk maturity in the Group. Notwithstanding this, the Board will continue to evaluate and manage the significant business risks faced by the Group in order to achieve its mission, vision, core values, strategies and business objectives.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audit or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysia Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe this Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually incorrect.

FINANCIAL STATEMENTS

OUR FINANCIAL PERFORMANCE

Directors' Report	78
Statement by Directors	87
Statutory Declaration	87
Independent Auditors' Report	88
Statements of Financial Position	92
Statements of Profit or Loss and Other Comprehensive Income	94
Statements of Changes in Equity	96
Statements of Cash Flows	100
Notes to the Financial Statements	102

DIRECTORS' REPORT

The Directors of D & O Green Technologies Berhad hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding.

The information of subsidiary companies' name, country of incorporation, principal activities, and effective equity interest held by the holding company are set out in the "Subsidiaries" of this report.

There have been no significant changes in the nature of these principal activities during the financial year.

RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	42,788	9,055
Attributable to:-		
Owners of the Company	39,499	9,055
Non-controlling interests	3,289	-
	42,788	9,055

DIVIDENDS

Dividends paid by the Company since 31 December 2023 are as follows:-

In respect of the ordinary shares

- (a) A first interim dividend of 0.30 sen per ordinary share for the financial year ended 31 December 2023 amounting to RM3,714,879 was paid on 29 March 2024; and
- (b) A first interim dividend of 0.30 sen per ordinary share for the financial year ended 31 December 2024 amounting to RM3,718,448 was paid on 30 December 2024.

In respect of irredeemable convertible preference shares ("ICPS")

- (a) A first interim dividend of 0.30 sen per ICPS for the financial year ended 31 December 2023 amounting to RM1,131,221 was paid to ICPS holders on 29 March 2024; and
- (b) A first interim dividend of 0.30 sen per ICPS for the financial year ended 31 December 2024 amounting to RM1,131,221 was paid to ICPS holders on 30 December 2024

based on the terms of the ICPS.

The directors do not recommend the payment of any further dividends for the financial year.

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT (CONT'D)

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) the Company increased its issued and paid-up ordinary share capital from RM468,961,771 to RM474,209,384 by:-
- (i) issuance of 1,081,600 new ordinary shares at an exercise price of RM3.49, pursuant to the Employees' Share Option Scheme 2022 ("ESOS");
 - (ii) issuance of 107,400 new ordinary shares at an exercise price of RM3.27, pursuant to the ESOS; and
 - (iii) issuance of 4,000 new ordinary shares at an exercise price of RM3.32, pursuant to the ESOS.
- The new ordinary shares issued ranked pari passu in all respects with the existing ordinary shares of the Company.
- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company and its subsidiaries ("the Group") to any person to take up any unissued shares in the Group except for the share options granted pursuant to the Group ESOS below.

COMPANY'S EMPLOYEES' SHARE OPTION SCHEME

The Company's ESOS is governed by its ESOS By-Laws and was approved by shareholders on 8 June 2022. The ESOS Scheme will be in force for a period of 10 years effective from 15 June 2022 and expiring on 14 June 2032.

The main features of the ESOS are as follows:-

- (a) Eligible persons are employees and/or executive directors of the Group, excluding employees of dormant subsidiaries within the Group and non-executive directors, who have attained the age of at least eighteen years old.
- (b) The maximum number of new ordinary shares of the Company, which may be available under the scheme, shall not exceed in aggregate two percent (2%), or any such amount or percentage as may be permitted by the relevant authorities of the issued and paid-up share capital of the Company at any one time during the existence of the ESOS.
- (c) The option price shall be determined by the Board of Directors of the Company upon recommendation of the Option Committee which is at a discount of not more than ten percent (10%) on the five (5)-day weighted average market price of shares of the Company immediately preceding the offer date of the option.
- (d) The option may be exercised by the option holders by notice in writing to the Company in the prescribed form during the option period in respect of all or any part of the new ordinary shares of the Company comprised in the ESOS.
- (e) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to the date of allotment and issuance of the new ordinary shares.

DIRECTORS' REPORT (CONT'D)

COMPANY'S EMPLOYEES' SHARE OPTION SCHEME (CONT'D)

- (f) The aggregate allocation to the Executive Directors and Senior Management of the Group shall not exceed sixty percent (60%) of new shares of the Company available under the Scheme.

The option prices and the details in the movement of the options granted are as follows:-

Date of Offer	Exercise Price RM	Number of Options over Ordinary Shares						Cumulative		
		At	Granted	Lapsed [^]	Exercised	At	At 31.12.2024			
		1.1.2024				31.12.2024	Granted	Lapsed	Exercised	
		'000	'000	'000	'000	'000	'000	'000	'000	
20.06.2022 #	3.49	1,658	-	(576)	(1,082)	-	2,665	(772)	(1,893)	
06.06.2023 #	3.27	2,222	-	(98)	(107)	2,017	2,626	(164)	(445)	
02.07.2024 #	3.32	-	2,711	(341)	(4)	2,366	2,711	(341)	(4)	
		3,880	2,711	(1,015)	(1,193)	4,383	8,002	(1,277)	(2,342)	

Notes:-

These options are exercisable upon acceptance within 2 years from the date of the offer.

^ The options which lapsed during the financial year were due to resignation of employees.

SUBSIDIARIES' EMPLOYEES' SHARE OPTION SCHEME

Dominant Electronics Sdn. Bhd. ("Dominant Electronics")

Dominant Electronics' ESOS is governed by its ESOS By-Laws and was approved by shareholders on 26 February 2020. The ESOS Scheme will be in force for a period of 10 years effective from 26 February 2020 and expiring on 25 February 2030.

The maximum number of ESOS Shares to be offered and allotted to eligible employees under Dominant Electronics' ESOS shall not exceed in aggregate 10% of the total number of issued shares of Dominant Electronics at any point of time throughout the duration of the Dominant Electronics' ESOS.

Date of Offer	Exercise Price RM	Number of Options over Ordinary Shares						Cumulative		
		At	Adjustment	Lapsed	Exercised	At	At 31.12.2024			
		1.1.2024				31.12.2024	Granted	Lapsed	Exercised	
		'000	'000	'000	'000	'000	'000	'000	'000	
6.10.2020 #	1.00	429	-	-	-	429	429	-	-	

Dominant Technologies Sdn. Bhd. ("Dominant Technologies")

Dominant Technologies' ESOS is governed by its ESOS By-Laws and was approved by shareholders on 26 February 2020. The ESOS Scheme will be in force for a period of 10 years effective from 26 February 2020 and expiring on 25 February 2030.

The maximum number of ESOS Shares to be offered and allotted to eligible employees under Dominant Technologies' ESOS shall not exceed in aggregate 10% of the total number of issued shares of Dominant Technologies at any point of time throughout the duration of the Dominant Technologies' ESOS.

DIRECTORS' REPORT (CONT'D)

SUBSIDIARIES' EMPLOYEES' SHARE OPTION SCHEME (CONT'D)

Date of Offer	Exercise Price RM	← Number of Options over Ordinary Shares →						← Cumulative →		
		At 1.1.2024 '000	Adjustment '000	Lapsed '000	Exercised '000	At 31.12.2024 '000	At 31.12.2024 Granted '000	At 31.12.2024 Lapsed '000	At 31.12.2024 Exercised '000	
6.10.2020 #	1.00	642	-	-	-	642	642	-	-	

Note:-

These options are exercisable upon acceptance up to expiry of the respective ESOS Scheme on 25 February 2030.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, 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 which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

DIRECTORS' REPORT (CONT'D)

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Tan Sri Mohammed Azlan bin Hashim
Tay Kheng Chiong
Yeow See Yuen
Jennifer Chong Gaik Lan
Jesper Bjoern Madsen
Goh Chin San
Goh Chin Loong
Au Siew Loon
Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah
Lui Soek Kuen

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Cheam Dau Peng
Goh Nan Kioh
Goh Nan Yang
Low Tek Beng
Masashi Nakamachi

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares and options over unissued shares of the Company and its related corporations during the financial year are as follows:-

	← Number of Ordinary Shares →			
	At 1.1.2024	By exercise of ESOS	Bought/ (Transfer)	At 31.12.2024
The Company				
<i>Direct Interests</i>				
Tan Sri Mohammed Azlan bin Hashim	78,784,302	-	(10,000,000)	68,784,302
Tay Kheng Chiong	24,320,952	170,000	39,000	24,529,952
Yeow See Yuen	2,732,699	-	-	2,732,699
Jesper Bjoern Madsen	470,000	-	-	470,000
Jennifer Chong Gaik Lan	35,300	-	-	35,300
Au Siew Loon	13,333	-	-	13,333

	← Number of Ordinary Shares →			
	At 1.1.2024	Bought/ Transfer	Sold	At 31.12.2024
<i>Deemed Interests</i>				
Tan Sri Mohammed Azlan bin Hashim *	19,354,113	10,960,000	-	30,314,113
Jennifer Chong Gaik Lan **	46,000	-	-	46,000

Notes:-

* *Deemed interested by virtue of Section 59(11)(c) of the Companies Act 2016 (shareholding held through his spouse, Puan Sri Nonadiah binti Abdullah).*

** *Deemed interested by virtue of Section 59(11)(c) of the Companies Act 2016 (shareholding held through her spouse and children).*

In addition to the above, the following directors are deemed to have interests in the shares of the Company and its related corporations to the extent of the options granted to them pursuant to the ESOS of the Company and share option agreements of related corporations, as follows:-

	← Number of Options under ESOS →			
	At 1.1.2024	Granted	Exercised	At 31.12.2024
Options in the Company				
Tay Kheng Chiong	279,400	65,000	(170,000)	174,400
Options in the subsidiaries				
Dominant Electronics				
Tay Kheng Chiong	206,117	-	-	206,117
Dominant Technologies				
Tay Kheng Chiong	324,397	-	-	324,397

On 8 August 2018, the Company and its subsidiary, Dominant Opto Technologies Sdn. Bhd. ("Dominant Malaysia") entered into a share option agreement which gave the right for the Board of Dominant Malaysia to grant Tay Kheng Chiong ("Grantees") option to subscribe for up to 1,320,000 new ordinary shares in Dominant Malaysia ("Dominant Options") at an exercise price of RM5.95 per share.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS (CONT'D)

The share option agreement will be in force for a period of 10 years from 8 August 2018. Under the terms of the share option agreement, the Dominant Options shall vest from the date of grant. The proposed grant of options was approved by the shareholders of the Company on 21 February 2018.

As at the date of this Report, the Board of Dominant Malaysia has not granted any Dominant Options to Tay Kheng Chiong.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) 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 except for any benefits which may be deemed to arise from the following transactions entered into the ordinary course of business:-

	The Group RM'000	The Company RM'000
Purchase of raw materials from the companies in which certain directors have substantial financial interests	779	-
Rental of premises paid/payable to companies in which certain directors have substantial financial interests	186	-
	965	-

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate other than the share options granted to certain directors pursuant to the ESOS of the Company and its subsidiaries.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company are as follows:-

	The Group RM'000	The Company RM'000
Fees	424	424
Salaries, bonuses and other benefits	748	42
Defined contribution benefits	51	-
Employees' share options expenses	43	-
	1,266	466

DIRECTORS' REPORT (CONT'D)

INDEMNITY AND INSURANCE COST

The Company maintains a Directors' and Officers' Liability Insurance Policy on a group basis. During the financial year, the amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Group were RM5,000,000 and RM9,757 respectively. No indemnity was given to or insurance effected for auditors of the Company.

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Equity Interest %	Principal Activities
<i>Subsidiaries of the Company:-</i>			
Omega Semiconductor Sdn. Bhd.	Malaysia	100	Dormant.
Dominant Opto Technologies Sdn. Bhd. ("Dominant Malaysia")	Malaysia	90	Manufacturing semiconductor components and machineries.
Dominant Electronics	Malaysia	93.20	Design, manufacturing and sales of printed circuit board assemblies and provision of engineering services.
Dominant Technologies	Malaysia	93.45	An investment holding company and design, develop, purchase and sales of integrated circuits ("IC") chips.
D Capital Sdn. Bhd.	Malaysia	100	An investment holding company.
<i>Subsidiaries of Dominant Malaysia:-</i>			
Dominant Semiconductors Europe GmbH [^]	Germany	90	Merchandising semiconductor components.
Dominant Opto Technologies Korea Inc [^]	The Republic of Korea	90	Merchandising semiconductor components.
Dominant Opto Technologies (Shanghai) Co., Ltd. [#]	The People's Republic of China	90	Merchandising semiconductor components.
Dominant Opto Technologies North America, Inc. [*]	United States of America	90	Merchandising semiconductor components and receiving sales commission of related products.
Dominant Opto Technologies Japan K.K. [*]	Japan	90	Merchandising semiconductor components and provision of marketing services.
<i>Subsidiaries of Dominant Technologies:-</i>			
Dominant Technologies (Singapore) Pte. Ltd. [#]	Singapore	93.45	Research and development on electronics and trade of electronic components.

DIRECTORS' REPORT (CONT'D)

SUBSIDIARIES (CONT'D)

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Equity Interest %	Principal Activities
<i>Subsidiaries of Dominant Technologies (Cont'd):-</i>			
Dominant Technologies (Taiwan) Co. Ltd. #	Taiwan, Republic of China	93.45	Design, develop, purchase and sales of IC chips..
DOT Semiconductor Inc. @	United States of America	-	Dormant.

Notes:-

These subsidiaries were audited by other firms of chartered accountants.

^ *These subsidiaries were audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.*

* *Not required to be audited under the laws of the country of incorporation.*

@ *The subsidiary was dissolved during the current financial year on 8 April 2024.*

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM'000	The Company RM'000
Audit fees	570	64
Non-audit fees	5	5
	<hr/>	<hr/>
	575	69

Signed in accordance with a resolution of the directors dated 27 March 2025.

Tan Sri Mohammed Azlan bin Hashim

Tay Kheng Chiong

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Sri Mohammed Azlan bin Hashim and Tay Kheng Chiong, being two of the directors of D & O Green Technologies Berhad, state that, in the opinion of the directors, the financial statements set out on pages 92 to 167 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 27 March 2025.

Tan Sri Mohammed Azlan bin Hashim

Tay Kheng Chiong

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Wong Keong Fatt, being the officer primarily responsible for the financial management of D & O Green Technologies Berhad, do solemnly and sincerely declare that the financial statements set out on pages 92 to 167 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 Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Wong Keong Fatt, NRIC Number: 761119-05-5217
at Melaka
on this 27 March 2025

Wong Keong Fatt

Before me

Pierre Lim Vey Yeow (M-085)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF D & O GREEN TECHNOLOGIES BERHAD

(Incorporated in Malaysia) Registration No: 200401006867 (645371 - V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of D & O Green Technologies Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 92 to 167.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial 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.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Goodwill impairment	
Refer to Note 11 to the financial statements	
Key Audit Matter	How our audit addressed the key audit matter
<p>Goodwill balance as at 31 December 2024 stood at RM24.207 million.</p> <p>Management is required to conduct annual impairment assessment on the goodwill. For this purpose, management has estimated the recoverable amounts of the cash-generating unit in which the goodwill is attached to, using the value in use approach. This is derived from the present value of the future cash flows from the cash-generating unit.</p> <p>This assessment is significant to our audit as it is highly subjective, involves significant judgement and is based on assumptions that may be affected by future market and economic conditions.</p> <p>Further details are shown in Note 11 to the financial statements.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> Reviewed management's estimate of the recoverable amount and tested the cash flows forecast for their accuracy; Reviewed the key business drivers underpinning the cash flows forecast prepared to support the recoverable amount; Evaluated the appropriateness and reasonableness of the key assumptions by considering prior budget accuracy, comparison to recent performance and our understanding of the business, trend analysis, and historical results; Reviewed sensitivity analysis performed by management over the key assumptions to understand the impact of changes over the valuation model; and Reviewed the adequacy of the Group's disclosures.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF D & O GREEN TECHNOLOGIES BERHAD
(Incorporated in Malaysia) Registration No: 200401006867 (645371 - V)
(CONT'D)

KEY AUDIT MATTERS (CONT'D)

Inventories Refer to Note 12 to the financial statements	
Key Audit Matter	How our audit addressed the key audit matter
The Group carries significant inventories as disclosed in Note 12 to the financial statements. The assessment of inventory write-downs due to excess quantities, obsolescence and decline in net realisable value below cost involved judgements and estimation uncertainty including forming expectations about future sales and demands.	Our procedures included, amongst others:- <ul style="list-style-type: none"> • Obtained understanding of:- <ul style="list-style-type: none"> • the Group's inventory management process; • the Group's process of identification and assessment of inventory write-downs; and • the Group's procedure for the estimation of inventory write-downs. • Reviewed the net realisable value of inventories; and • Evaluated the reasonableness and adequacy of the allowance for inventories recognised for identified exposures.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF D & O GREEN TECHNOLOGIES BERHAD (Incorporated in Malaysia) Registration No: 200401006867 (645371 - V) (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF D & O GREEN TECHNOLOGIES BERHAD
(Incorporated in Malaysia) Registration No: 200401006867 (645371 - V)
(CONT'D)

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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF1018
Chartered Accountants

Kuala Lumpur

27 March 2025

Leong Pooi Kuan
03732/04/2025 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	674,533	672,710
Investment in a joint venture	6	35	49	-	-
Property, plant and equipment	7	562,535	514,670	-	-
Right-of-use assets	8	17,723	17,710	-	-
Other investments	9	45,018	51,242	45,018	51,242
Intangible assets	10	37,287	33,961	-	-
Goodwill	11	24,207	24,207	-	-
Deferred tax assets	22	265	265	-	-
		687,070	642,104	719,551	723,952
CURRENT ASSETS					
Inventories	12	610,410	579,000	-	-
Trade receivables	13	262,868	270,577	-	-
Other receivables, deposits and prepayments	14	7,744	9,220	-	-
Amount owing by subsidiaries	25	-	-	14,224	10,834
Current tax assets		16,684	14,199	208	4
Deposits with financial institutions	15	39,270	125,899	25,843	26,305
Cash and bank balances		199,684	135,312	501	57
		1,136,660	1,134,207	40,776	37,200
TOTAL ASSETS		1,823,730	1,776,311	760,327	761,152

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION AT 31 DECEMBER 2024 (CONT'D)

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	474,209	468,962	474,209	468,962
Irredeemable convertible preference shares ("ICPS")	17	228,671	228,671	228,671	228,671
Reserves	18	207,486	188,004	56,762	62,922
Equity attributable to owners of the Company		910,366	885,637	759,642	760,555
Non-controlling interests	5	61,286	58,534	-	-
TOTAL EQUITY		971,652	944,171	759,642	760,555
NON-CURRENT LIABILITIES					
Redeemable preference shares	19	24,000	24,000	-	-
Lease liabilities	20	606	476	-	-
Long-term borrowings	21	149,987	137,488	-	-
Deferred tax liabilities	22	18,507	22,469	150	150
		193,100	184,433	150	150
CURRENT LIABILITIES					
Trade payables	23	296,875	291,145	-	-
Other payables and accruals	24	28,363	26,905	535	447
Lease liabilities	20	703	585	-	-
Current tax liabilities		92	-	-	-
Short-term borrowings	26	332,945	329,072	-	-
		658,978	647,707	535	447
TOTAL LIABILITIES		852,078	832,140	685	597
TOTAL EQUITY AND LIABILITIES		1,823,730	1,776,311	760,327	761,152

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
REVENUE	29	1,076,163	1,016,614	-	-
COST OF SALES		(861,218)	(805,707)	-	-
GROSS PROFIT		214,945	210,907	-	-
OTHER INCOME		21,969	25,320	10,219	9,835
		236,914	236,227	10,219	9,835
SELLING AND DISTRIBUTION EXPENSES		(23,638)	(24,228)	-	-
ADMINISTRATIVE EXPENSES		(54,253)	(46,946)	(1,111)	(995)
OTHER EXPENSES		(89,404)	(92,809)	(32)	(1,721)
FINANCE COSTS		(22,379)	(21,496)	#	#
SHARE OF RESULTS OF A JOINT VENTURE		(14)	(5)	-	-
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	30	(1,553)	(1,237)	-	-
PROFIT BEFORE TAXATION	31	45,673	49,506	9,076	7,119
INCOME TAX EXPENSE	32	(2,885)	(1,814)	(21)	(257)
PROFIT AFTER TAXATION		42,788	47,692	9,055	6,862
OTHER COMPREHENSIVE (EXPENSES)/INCOME					
<u>ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS</u>					
Fair value changes to equity instruments		(6,224)	11,313	(6,224)	11,313
<u>ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS</u>					
Foreign currency translation differences		(5,339)	1,985	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		31,225	60,990	2,831	18,175

The annexed notes form an integral part of these financial statements.

**STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		39,499	44,143	9,055	6,862
Non-controlling interests		3,289	3,549	-	-
		42,788	47,692	9,055	6,862
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		28,473	57,221	2,831	18,175
Non-controlling interests		2,752	3,769	-	-
		31,225	60,990	2,831	18,175
EARNINGS PER SHARE (SEN)					
	33				
BASIC		3.006	3.566		
DILUTED		2.444	2.732		

Note:-

Amount less than RM1,000

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Non-distributable				Distributable			Total Equity RM'000		
	Share Capital RM'000	ICPS RM'000	Employees' Share Option Reserve RM'000	Capital Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000		Attributable To Owners Of the Company RM'000	Non- controlling Interests RM'000
The Group										
Balance at 1.1.2023	464,542	228,671	2,294	29,918	(2,651)	33,824	66,415	823,013	54,765	877,778
Profit after taxation for the financial year	-	-	-	-	-	-	44,143	44,143	3,549	47,692
Other comprehensive income for the financial year:										
- Foreign currency translation differences	-	-	-	-	1,765	-	-	1,765	220	1,985
- Fair value changes of equity instruments	-	-	-	-	-	11,313	-	11,313	-	11,313
Total comprehensive income for the financial year	-	-	-	-	1,765	11,313	44,143	57,221	3,769	60,990
Contribution by and distribution to owners of the Company:										
- ESOS options vested	-	-	1,885	-	-	-	-	1,885	-	1,885
- Issuance of shares:										
- Exercise of ESOS options	3,518	-	-	-	-	-	-	3,518	-	3,518
- Transfer to share capital for ESOS options exercised	902	-	(902)	-	-	-	-	-	-	-
Deconsolidation of a subsidiary upon dissolution	4,420	-	983	-	-	-	-	5,403	-	5,403
Total transactions with owners	4,420	-	983	-	5,990	-	(5,990)	5,403	-	5,403
Transfer of employees' share option reserve for lapsed ESOS options	-	-	(85)	-	-	-	85	-	-	-
Balance at 31.12.2023	468,962	228,671	3,192	29,918	5,104	45,137	104,653	885,637	58,534	944,171

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

Note	Share Capital RM'000	ICPS RM'000	Non-distributable				Distributable		Attributable To Owners Of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
			Employees' Share Option Reserve RM'000	Capital Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000				
The Group											
Balance at 1.1.2024	468,962	228,671	3,192	29,918	5,104	45,137	104,653	885,637	58,534	944,171	
Profit after taxation for the financial year	-	-	-	-	-	-	39,499	39,499	3,289	42,788	
Other comprehensive expenses for the financial year:											
- Foreign currency translation differences	-	-	-	-	(4,802)	-	-	(4,802)	(537)	(5,339)	
- Fair value changes of equity instruments	-	-	-	-	-	(6,224)	-	(6,224)	-	(6,224)	
9											
Total comprehensive (expenses)/income for the financial year	-	-	-	-	(4,802)	(6,224)	39,499	28,473	2,752	31,225	
Contribution by and distribution to owners of the Company:											
- ESOS options vested	-	-	1,813	-	-	-	-	1,813	-	1,813	
- Issuance of shares:											
- Exercise of ESOS options	4,139	-	-	-	-	-	-	4,139	-	4,139	
- Transfer to share capital for ESOS options exercised	1,108	-	(1,108)	-	-	-	-	-	-	-	
16											
- Dividend paid:											
- by the Company	-	-	-	-	-	-	(9,696)	(9,696)	-	(9,696)	
Total transactions with owners	5,247	-	705	-	-	-	(9,696)	(3,744)	-	(3,744)	
Transfer of employees' share option reserve for lapsed ESOS options	-	-	(848)	-	-	-	848	-	-	-	
Adjustment to fair value reserves attributable to investment in unquoted shares previously disposed of	-	-	-	-	-	1,435	(1,435)	-	-	-	
Balance at 31.12.2024	474,209	228,671	3,049	29,918	302	40,348	133,869	910,366	61,286	971,652	

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	Note	Share Capital RM'000	ICPS RM'000	Non-distributable Employees' Share Option Reserve RM'000	Fair Value Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
The Company							
Balance at 1.1.2023		464,542	228,671	2,294	33,824	7,646	736,977
Profit after taxation for the financial year		-	-	-	-	6,862	6,862
Other comprehensive income for the financial year:							
- Fair value changes of equity instruments	9	-	-	-	11,313	-	11,313
Total comprehensive income for the financial year		-	-	-	11,313	6,862	18,175
Contribution by and distribution to owners of the Company:							
- ESOS options vested		-	-	1,885	-	-	1,885
- Issuance of shares:							
- Exercise of ESOS options	16	3,518	-	-	-	-	3,518
- Transfer to share capital for ESOS options exercised	16	902	-	(902)	-	-	-
Total transactions with owners		4,420	-	983	-	-	5,403
Transfer of employees' share option reserve for lapsed ESOS options		-	-	(85)	-	85	-
Balance at 31.12.2023		468,962	228,671	3,192	45,137	14,593	760,555

The annexed notes form an integral part of these financial statements.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Note	Share Capital RM'000	ICPS RM'000	Non-distributable Employees' Share Option Reserve RM'000	Fair Value Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
The Company							
Balance at 1.1.2024		468,962	228,671	3,192	45,137	14,593	760,555
Profit after taxation for the financial year		-	-	-	-	9,055	9,055
Other comprehensive expenses for the financial year:							
- Fair value changes of equity instruments	9	-	-	-	(6,224)	-	(6,224)
Total comprehensive (expenses)/ income for the financial year		-	-	-	(6,224)	9,055	2,831
Contribution by and distribution to owners of the Company:							
- ESOS options vested		-	-	1,813	-	-	1,813
- Issuance of shares:							
- Exercise of ESOS options	16	4,139	-	-	-	-	4,139
- Transfer to share capital for ESOS options exercised	16	1,108	-	(1,108)	-	-	-
- Dividends paid		-	-	-	-	(9,696)	(9,696)
Total transactions with owners		5,247	-	705	-	(9,696)	(3,744)
Transfer of employees' share option reserve for lapsed ESOS options		-	-	(848)	-	848	-
Adjustment to fair value reserves attributable to investment in unquoted shares previously disposed of		-	-	-	1,435	(1,435)	-
Balance at 31.12.2024		474,209	228,671	3,049	40,348	13,365	759,642

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit before taxation		45,673	49,506	9,076	7,119
Adjustments for:-					
Amortisation of intangible assets	10	6,759	2,740	-	-
Depreciation:					
- property, plant and equipment	7	82,653	74,794	-	-
- right-of-use assets	8	1,000	1,190	-	-
Employees' share options expenses		1,813	1,885	-	-
Impairment losses:					
- trade receivables	13	4,113	1,764	-	-
- investments in subsidiaries	5	-	-	-	1,716
- inventories	12	15,564	15,970	-	-
Interest expense		22,045	20,945	-	-
Interest expense on lease liabilities		48	48	-	-
Inventories written off	12	8	10,496	-	-
Property, plant and equipment written off	7	-	117	-	-
Share of results of equity accounted joint venture		14	5	-	-
Unrealised gain on foreign exchange		(8,244)	(9,016)	-	-
Dividends income:					
- quoted ordinary shares		(854)	(1,031)	(854)	(1,031)
- redeemable preference shares		-	-	(8,640)	(8,640)
Gain on disposal of property, plant and equipment		(28)	-	-	-
Interest income		(6,852)	(9,601)	(725)	(163)
Reversal of impairment losses:					
- trade receivables	13	(2,560)	(527)	-	-
Operating profit/(loss) before working capital changes		161,152	159,285	(1,143)	(999)
Increase in inventories		(46,982)	(159,871)	-	-
Decrease in trade and other receivables		10,677	6,330	-	2,160
Increase/(Decrease) in trade and other payables		3,609	51,410	88	(144)
CASH FROM/(FOR) OPERATIONS		128,456	57,154	(1,055)	1,017
Income tax paid		(9,170)	(3,189)	(225)	(462)
Interest paid		(22,093)	(20,993)	-	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES		97,193	32,972	(1,280)	555

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Acquisition of a subsidiary, net of cash and cash equivalents acquired		-	-	(10)	-
Additions of intangible assets		(10,487)	(22,659)	-	-
Dividends received:					
- quoted ordinary shares		854	1,031	854	1,031
- redeemable preference shares		-	-	8,640	8,640
Interest income received		6,852	9,601	725	163
Proceeds from disposal of property, plant and equipment		29	301	-	-
Purchase of property, plant and equipment	35(a)	(130,113)	(90,101)	-	-
(Advances to)/Repayment from subsidiaries		-	-	(3,390)	11,293
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(132,865)	(101,827)	6,819	21,127
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Net (repayment)/drawdown:					
- trade financing		(24,221)	15,171	-	-
- hire purchase payables		(152)	(137)	-	-
- term loans		(59,021)	10,943	-	-
- revolving credits		101,939	30,632	-	-
Proceeds from exercise of ESOS options	16	4,139	3,518	4,139	3,518
Repayment of lease liabilities		(763)	(1,151)	-	-
Dividends paid to shareholders of the Company		(9,696)	-	(9,696)	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		12,225	58,976	(5,557)	3,518
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(23,447)	(9,879)	(18)	25,200
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		1,190	17,212	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		261,211	253,878	26,362	1,162
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	35(d)	238,954	261,211	26,344	26,362

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : No. 15, Bukit Ledang, Off Jalan Duta,
50480 Kuala Lumpur.

Principal place of business : Lot 6, Batu Berendam Free Trade Zone, Phase III,
75350 Melaka.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 27 March 2025.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangement

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

3. BASIS OF PREPARATION (CONT'D)

3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statements of financial position and the statements of cash flows will also be affected. The Group and the Company are currently assessing the impact of implementing this new standard.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(b) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date and key assumptions and the sensitivity analysis are disclosed in Note 11 to the financial statements.

(c) Impairment of Property, Plant and Equipment, Right-of-use Assets and Intangible Assets

The Group and the Company determine whether its property, plant and equipment, right-of-use assets and intangible assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of property, plant and equipment, right-of-use assets and intangible assets as at the reporting date are disclosed in Notes 7, 8 and 10 to the financial statements.

(d) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 12 to the financial statements.

(e) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amounts of trade receivables as at the reporting date are disclosed in Note 13 to the financial statements.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Share-based Payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity investments at the date at which they are granted. The estimating of the fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option volatility and dividend yield and making assumptions about them.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

4.3 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The Group has elected to designate the equity instrument as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial Liabilities At Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

Redeemable Preference Shares ("RPS")

Preference shares are classified as financial liabilities if they are redeemable on a specific date or at the option of the preference shareholders, or if dividend payments are not discretionary.

RPS are classified as financial liabilities in accordance with the substance of the contractual arrangement of the instruments. The RPS are measured at amortised cost using the effective interest method.

Dividends to holders of the RPS are recognised as finance costs, on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.3 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

(i) Ordinary Shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(ii) ICPS

ICPS are classified as equity if they are non-redeemable and any dividends are discretionary.

ICPS are classified as equity in accordance with the substance of the contractual arrangement of the instruments. Dividends on ICPS are recognised as distributions within equity.

(d) Derivative Financial Instruments

Derivatives are initially measured at fair value. Subsequent to the initial recognition, the derivatives are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss.

(e) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries including the share options granted to employees of the subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

4.5 INVESTMENT IN A JOINT VENTURE

Investment in a joint venture is stated in the separate financial statements of the Company at cost less impairment losses, if any. The Group recognises its interest in the joint venture using the equity method.

4.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, all property, plant and equipment, are stated at cost less accumulated depreciation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Freehold land is not depreciated. Depreciation is charged to profit or loss (unless it is included in the carrying amount of another asset) on the straight-line method to allocate their depreciable amounts over the estimated useful lives.

The principal annual rates used for this purpose are:-

Buildings	5%
Renovation	10 - 20%
Plant and machinery	10 - 20%
Motor vehicles	10 - 20%
Furniture and fittings, office equipment and electrical installation	10 - 50%

Capital work-in-progress represents building, plant and machinery under construction. They are not depreciated until such time when the assets are available for use.

4.7 INTANGIBLE ASSETS

Intangible assets are initially measured at cost. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(a) Patent Licence

The patent licence is amortised on a straight-line method to allocate its depreciable amounts over the periods of 10 to 20 years. In the event that the expected future economic benefits are no longer probable of being recovered, the patent licence is written down to its recoverable amount.

(b) Research and development expenditure

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as non-current assets to the extent that such expenditure is expected to generate future economic benefits.

Development expenditure initially recognised as an expense is not recognised as assets in the subsequent period.

Capitalised development expenditure is amortised on a straight-line method over a period of 3 to 5 years when the products are ready for sale or use. Prior to that, the capitalised development expenditure is tested for impairment annually and whenever there is an indication that they may be impaired. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

During the financial year, the Group and the Company have reviewed the useful life and changed the amortisation rate for the following asset:-

Development expenditure	From 33.33% per annum to 20% to 33.33% per annum
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The change in the amortisation rate has increased the profit before taxation of the Group by RM790,681 for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. The cost of raw materials is determined on the weighted average cost method and comprises the purchase price and incidentals incurred in bringing the raw materials to their present location and condition.

Cost of finished goods and work-in-progress are determined using the standard cost method, which approximates the actual costs and includes the cost of materials, labour and an appropriate proportion of production overheads. They are regularly reviewed and, if necessary, revised in the light of current condition.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

4.9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost:		
- At 1 January	453,557	453,557
- Additions during the financial year	10	-
- At 31 December	453,567	453,557
Redeemable preference shares:		
- At 1 January/31 December	226,000	226,000
ESOS granted to the employees of subsidiaries:		
- At 1 January	27,006	25,121
- Additions during the financial year	1,813	1,885
- At 31 December	28,819	27,006
	708,386	706,563
Less: Accumulated impairment losses	(33,853)	(33,853)
	674,533	672,710
Accumulated impairment losses:		
- At 1 January	(33,853)	(32,137)
- Additions during the financial year	-	(1,716)
- At 31 December	(33,853)	(33,853)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Equity Interest		Principal Activities
		2024 %	2023 %	
<i>Subsidiaries of the Company:-</i>				
Omega Semiconductor Sdn. Bhd.	Malaysia	100	100	Dormant.
Dominant Opto Technologies Sdn. Bhd. ("Dominant Malaysia")	Malaysia	90	90	Manufacturing semiconductor components and machineries.
Dominant Electronics Sdn. Bhd.	Malaysia	93.20	93.20	Design, manufacturing and sales of printed circuit board assemblies and provision of engineering services.
Dominant Technologies Sdn. Bhd. ("Dominant Technologies")	Malaysia	93.45	93.45	An investment holding company and design, develop, purchase and sales of integrated circuits ("IC") chips.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Equity Interest		Principal Activities
		2024 %	2023 %	
<i>Subsidiaries of the Company (Cont'd):-</i>				
D Capital Sdn. Bhd. ("D Capital")	Malaysia	100	-	An investment holding company.
<i>Subsidiaries of Dominant Malaysia:-</i>				
Dominant Semiconductors Europe GmbH [^]	Germany	90	90	Merchandising semiconductor components.
Dominant Opto Technologies Korea Inc [^]	The Republic of Korea	90	90	Merchandising semiconductor components.
Dominant Opto Technologies (Shanghai) Co., Ltd [#]	The People's Republic of China	90	90	Merchandising semiconductor components.
Dominant Opto Technologies North America, Inc.*	United States of America	90	90	Merchandising semiconductor components and receiving sales commission of related products.
Dominant Opto Technologies Japan K.K.*	Japan	90	90	Merchandising semiconductor components and provision of marketing services.
<i>Subsidiaries of Dominant Technologies:-</i>				
Dominant Technologies (Singapore) Pte. Ltd. [#]	Singapore	93.45	93.45	Research and development on electronics and trade of electronic components.
Dominant Technologies (Taiwan) Co. Ltd. [#]	Taiwan, Republic of China	93.45	93.45	Design, develop, purchase and sales of IC chips.
DOT Semiconductor Inc. [@]	United States of America	-	93.45	Dormant.

Notes:-

[#] These subsidiaries were audited by other firms of chartered accountants.

[^] These subsidiaries were audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.

* Not required to be audited under the laws of the country of incorporation.

[@] The subsidiary was dissolved during the current financial year on 8 April 2024.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (a) In the previous financial year, the Company has carried out a review of the recoverable amounts of its investments in certain subsidiaries that had been persistently making losses. A total impairment losses of RM1,716,000, representing the write-down of the investments to their recoverable amounts, was recognised in "Other Expenses" line item of the statement of profit or loss and other comprehensive income.
- (b) On 13 May 2024, the Company incorporated a wholly-owned subsidiary known as D Capital Sdn. Bhd. for a total cash consideration of RM10,000. The intended business activity of D Capital is investment holding.
- (c) The non-controlling interests at the end of the reporting period comprised the following:-

	Effective Equity Interest		The Group	
	2024 %	2023 %	2024 RM'000	2023 RM'000
Dominant Malaysia Group	10.00	10.00	61,844	58,711
Other individual immaterial subsidiaries			(558)	(177)
			61,286	58,534

- (d) The summarised financial information (before intra-group elimination) for a subsidiary that has non-controlling interests that is material to the Group is as follows:-

	Dominant Malaysia Group	
	2024 RM'000	2023 RM'000
<u>At 31 December</u>		
Non-current assets	583,110	556,656
Current assets	1,116,379	1,111,041
Non-current liabilities	(389,404)	(400,284)
Current liabilities	(663,238)	(653,623)
Net assets	646,847	613,790
<u>Financial Year Ended 31 December</u>		
Revenue	1,080,454	1,016,602
Profit for the financial year	36,762	38,653
Total comprehensive income	31,333	40,862
Net cash flows from operating activities	89,976	19,558
Net cash flows for investing activities	(111,333)	(97,368)
Net cash flows (for)/from financing activities	(2,691)	42,687

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

6. INVESTMENT IN A JOINT VENTURE

	The Group	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost:-		
At 1 January	49	54
Share of losses	(14)	(5)
At 31 December	35	49

The details of the joint venture are as follows:-

Name of Joint Venture	Principal Place of Business/ Country of Incorporation	Effective Equity Interest		Principal Activities
		2024 %	2023 %	
Domi-Star Optoelectronics Corporation ("Domi-Star")*	Taiwan, Republic of China	45.90	45.90	Dormant.

Note:-

* Held through a 90%-owned subsidiary with 51% ownership in the joint venture.

- (a) The Group's involvement in joint arrangement is structured through separate entity which provide the Group rights to the net assets of the entity. Accordingly, the Group has classified this investment as joint venture.
- (b) Although Dominant Malaysia holds more than 50% of the voting power in Domi-Star, Dominant Malaysia has determined that it does not have sole control over the investee considering that strategic and financial decisions of the relevant activities of the investee require unanimous consent by all shareholders.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

7. PROPERTY, PLANT AND EQUIPMENT

The Group	At	Additions	Disposal	Transfers	Currency	Depreciation	At
2024	1.1.2024	(Note 35(a))	RM'000	RM'000	Translation	Charges	31.12.2024
<i>Carrying Amount</i>	RM'000	RM'000	RM'000	RM'000	Differences	RM'000	RM'000
Freehold land	-	15,470	-	-	-	-	15,470
Buildings	34,376	516	-	-	-	(2,351)	32,541
Renovation	29,403	427	-	16,583	(3)	(6,143)	40,267
Plant and machinery	414,334	15,449	-	83,500	(13)	(70,294)	442,976
Motor vehicles	548	855	-	-	(8)	(259)	1,136
Furniture and fittings, office equipment and electrical installation	8,127	4,271	(1)	(9)	(70)	(3,606)	8,712
Capital work-in-progress	27,882	93,625	-	(100,074)	-	-	21,433
	514,670	130,613	(1)	-	(94)	(82,653)	562,535

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.1.2023 RM'000	Additions (Note 35(a)) RM'000	Disposals RM'000	Write off RM'000	Transfer from Right-of-Use Assets (Note 8) RM'000	Transfers RM'000	Currency Translation Differences RM'000	Depreciation Charges RM'000	At 31.12.2023 RM'000
The Group									
2023									
<i>Carrying Amount</i>									
Buildings	34,557	2,256	-	-	-	35	-	(2,472)	34,376
Renovation	28,238	2,545	(300)	-	-	3,771	2	(4,853)	29,403
Plant and machinery	404,781	12,943	-	(33)	407	59,710	10	(63,484)	414,334
Motor vehicles	773	-	-	-	-	-	5	(230)	548
Furniture and fittings, office equipment and electrical installation	8,022	3,912	(1)	(84)	-	-	33	(3,755)	8,127
Capital work-in- progress	22,953	68,445	-	-	-	(63,516)	-	-	27,882
	499,324	90,101	(301)	(117)	407	-	50	(74,794)	514,670

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
The Group			
2024			
Freehold land	15,470	-	15,470
Buildings	49,894	(17,353)	32,541
Renovation	79,849	(39,582)	40,267
Plant and machinery	829,161	(386,185)	442,976
Motor vehicles	2,606	(1,470)	1,136
Furniture and fittings, office equipment and electrical installation	32,393	(23,681)	8,712
Capital work-in-progress	21,433	-	21,433
	1,030,806	(468,271)	562,535
2023			
Buildings	43,188	(8,812)	34,376
Renovation	62,866	(33,463)	29,403
Plant and machinery	739,028	(324,694)	414,334
Motor vehicles	1,853	(1,305)	548
Furniture and fittings, office equipment and electrical installation	28,765	(20,638)	8,127
Capital work-in-progress	27,882	-	27,882
	903,582	(388,912)	514,670

- (a) Capital work-in-progress represents building, plant and machinery under construction which are not ready for commercial use at the end of the reporting period.
- (b) As at 31 December 2024, the property, plant and equipment of the Group with a carrying amount of RM318,457,082 (2023 - RM330,267,611), were pledged to financial institutions for credit facilities granted to the Group.
- (c) Included in the property, plant and equipment of the Group were motor vehicles held under hire purchase arrangements with a total carrying amount of RM651,107 (2023 - RM236,128). These assets have been pledged as security for the hire purchase payables of the Group as disclosed in Note 27 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

8. RIGHT-OF-USE ASSETS

	At 1.1.2024 RM'000	Addition (Note 35(a)) RM'000	Currency Translation Differences RM'000	Depreciation Charges RM'000	Modification Of Lease Liabilities (Note 20) RM'000	At 31.12.2024 RM'000
The Group						
2024						
<i>Carrying Amount</i>						
Leasehold lands	16,675	-	-	(246)	-	16,429
Buildings	945	122	(54)	(692)	949	1,270
Motor vehicles	90	-	(4)	(62)	-	24
	17,710	122	(58)	(1,000)	949	17,723

	At 1.1.2023 RM'000	Additions (Note 35(a)) RM'000	Transfer to Property, Plant and Equipment (Note 7) RM'000	Currency Translation Differences RM'000	Depreciation Charges RM'000	At 31.12.2023 RM'000
The Group						
2023						
<i>Carrying Amount</i>						
Leasehold lands	16,921	-	-	-	(246)	16,675
Buildings	808	912	-	35	(810)	945
Motor vehicles	74	134	-	6	(124)	90
Machinery	417	-	(407)	-	(10)	-
	18,220	1,046	(407)	41	(1,190)	17,710

(a) As at 31 December 2024, the right-of-use assets of the Group with a carrying amount of RM13,874,787 (2023 - RM14,077,773) was pledged to financial institutions for credit facilities granted to the Group.

(b) The Group leasing activities are summarised below:-

- (i) Leasehold lands The Group has 2 (2023 - 2) leasehold factory lands and 1 (2023 - 1) workers hostel land. It is under lease period of 71, 75 and 90 (2023 - 71, 75 and 90) years respectively. These leases do not allow the Group to transfer or create any charge, whole or any part of the land unless prior consent from the state authority.
- (ii) Buildings The Group has leased 5 (2023 - 5) office buildings under operating leases agreements that run between 2 to 5 (2023 - 2 to 5) years.
- (iii) Motor vehicles The Group has leased certain motor vehicles under operating leases with lease terms of 3 (2023 - 3) years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

9. OTHER INVESTMENTS

	The Group/The Company	
	2024 RM'000	2023 RM'000
Quoted ordinary shares, at fair value:-		
At 1 January	51,242	39,929
Fair value changes	(6,224)	11,313
At 31 December	45,018	51,242

Equity Investments at Fair Value Through Other Comprehensive Income

The Group and the Company have designated the below equity investments at fair value through other comprehensive income because the Group and the Company intend to hold the investments for the long term.

The fair value of the investment is summarised below:-

	The Group/The Company	
	2024 RM'000	2023 RM'000
Quoted ordinary shares:		
- Securitag Assembly Group Co., Ltd.	45,018	51,242
	45,018	51,242

10. INTANGIBLE ASSETS

	At 1.1.2024 RM'000	Additions RM'000	Transfer RM'000	Currency Translation Differences RM'000	Amortisation Charges RM'000	At 31.12.2024 RM'000
The Group						
2024						
<i>Carrying Amount</i>						
Patent licence	4,915	-	-	-	(1,057)	3,858
Development expenditure	11,798	1,739	15,633	-	(5,702)	23,468
Development expenditure- in-progress	17,248	8,748	(15,633)	(402)	-	9,961
	33,961	10,487	-	(402)	(6,759)	37,287

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

10. INTANGIBLE ASSETS (CONT'D)

	At 1.1.2023 RM'000	Additions RM'000	Transfer RM'000	Currency Translation Differences RM'000	Amortisation Charges RM'000	At 31.12.2023 RM'000
The Group						
2023						
<i>Carrying Amount</i>						
Patent licence	5,973	-	-	-	(1,058)	4,915
Development expenditure	958	10,855	1,667	-	(1,682)	11,798
Development expenditure-in-progress	6,843	11,804	(1,667)	268	-	17,248
	13,774	22,659	-	268	(2,740)	33,961

	At Cost RM'000	Accumulated Amortisation RM'000	Carrying Amount RM'000
The Group			
2024			
Patent licence	13,224	(9,366)	3,858
Development expenditure	31,288	(7,820)	23,468
Development expenditure-in-progress	9,961	-	9,961
	54,473	(17,186)	37,287
2023			
Patent licence	13,224	(8,309)	4,915
Development expenditure	13,918	(2,120)	11,798
Development expenditure-in-progress	17,248	-	17,248
	44,390	(10,429)	33,961

- (a) The intangible assets are in respect of patent licence and development expenditure of Light Emitting Diodes ("LED").
- (b) The amortisation charges are recognised in "Other Expenses" line item of the statements of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

10. INTANGIBLE ASSETS (CONT'D)

(c) Included in additions during the financial year are:-

	The Group	
	2024 RM'000	2023 RM'000
Staff costs	1,314	1,308

11. GOODWILL

	The Group	
	2024 RM'000	2023 RM'000
Goodwill	24,207	24,207

The goodwill arose from the investment in a subsidiary and is reviewed for impairment annually.

During the financial year, the Group has assessed the recoverable amount of goodwill on consolidation, and determined that goodwill is not impaired.

The recoverable amounts of the cash-generating units are determined using the value in use approach, and this is derived from the present value of the future cash flows from the operating segments computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts are as follows:-

	2024 %	2023 %	Basis
Budgeted gross profit margin	20.59	22.5 - 22.7	Based on prior year performance.
Discount rate (pre-tax)	15.30	16.80	Reflects specific risks.

In accordance with the applicable accounting standards, the growth rate assumption is based on existing plant capacities of the cash-generating units without any further expansion.

The values assigned to the key assumptions represent management's assessment of future trends in the cash-generating units and are based on both external sources and internal historical data.

The management believes that no reasonable possible change in the above key assumptions applied that is likely to materially cause the carrying value of the goodwill to exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

12. INVENTORIES

	The Group	
	2024 RM'000	2023 RM'000
Raw materials	73,845	92,425
Work-in-progress	440,739	384,021
Finished goods	95,826	102,554
	610,410	579,000
Recognised in profit or loss:-		
Inventories recognised as cost of sales	721,706	669,677
Allowance for impairment losses on inventories	15,564	15,970
Inventories written off	8	10,496
	8	10,496

13. TRADE RECEIVABLES

	The Group	
	2024 RM'000	2023 RM'000
Trade receivables	264,963	272,424
Allowance for impairment losses	(2,095)	(1,847)
	262,868	270,577
Allowance for impairment losses:-		
At 1 January	(1,847)	(571)
Addition during the financial year (Note 30)	(4,113)	(1,764)
Reversal during the financial year (Note 30)	2,560	527
Written off during the financial year	1,166	-
Currency translation differences	139	(39)
	(2,095)	(1,847)
At 31 December	(2,095)	(1,847)

The Group's normal trade credit terms range from 30 to 90 (2023 - 30 to 90) days.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group	
	2024 RM'000	2023 RM'000
Other receivables	4,680	6,777
Allowance for impairment losses	(475)	(934)
	4,205	5,843
Deposits	1,343	1,265
Prepayments	2,196	2,112
	7,744	9,220
Allowance for impairment losses:-		
At 1 January	(934)	(934)
Written off during the financial year	459	-
	(475)	(934)

15. DEPOSITS WITH FINANCIAL INSTITUTIONS

The deposits with financial institutions of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 3.70% to 4.85% (2023 - 2.90% to 5.75%) per annum and 3.70% to 3.80% (2023 - 3.80% to 3.90%) per annum respectively. The deposits have maturity period of 1 to 3 months (2023 - 4 days to 3 months) and 1 to 3 months (2023 - 1 to 3 months) for the Group and the Company respectively.

16. SHARE CAPITAL

	The Group/The Company			
	2024 Number Of Shares '000	2023 '000	2024 RM'000	2023 RM'000
Issued and Fully Paid-up				
Ordinary Shares				
At 1 January	1,238,290	1,237,261	468,962	464,542
New shares issued upon exercise of ESOS options	1,193	1,029	4,139	3,518
Transfer from employee share option reserve upon exercise of ESOS options	-	-	1,108	902
	1,239,483	1,238,290	474,209	468,962

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

16. SHARE CAPITAL (CONT'D)

- (a) During the financial year, the Company increased its issued and paid-up share capital from RM468,961,771 to RM474,209,384 by:-
- (i) issuance of 1,081,600 new ordinary shares at an exercise price of RM3.49, pursuant to the ESOS;
 - (ii) issuance of 107,400 new ordinary shares at an exercise price of RM3.27, pursuant to the ESOS; and
 - (iii) issuance of 4,000 new ordinary shares at an exercise price of RM3.32, pursuant to the ESOS.
- The new ordinary shares issued ranked pari passu in all respects with the existing ordinary shares of the Company.
- (b) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share at meetings of the Company.

17. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES

	The Group/The Company			
	2024 Number Of Shares '000	2023 '000	2024 RM'000	2023 RM'000
At 1 January/31 December	377,074	377,074	228,671	228,671

In 2018, the Company issued 451,168,029 ICPS at an issue price of RM0.61 per ICPS share for the acquisition of 27.95% equity interests in a subsidiary for a total purchase consideration of RM275,212,500.

The salient terms of the ICPS are as follows:-

- (a) Each ICPS shall be converted at the option of the holders into one ordinary share of the Company at any time, subject to the terms of ICPS;
- (b) The ICPS will not be listed on the Main Market of Bursa Securities ("Bursa"), however, the converted shares will be listed and quoted on Bursa;
- (c) There is no dividend rate for ICPS, however, if the Company declares, makes or pays any dividends and/or other distributions to the shareholders, the Company shall declare the same dividends and/or distribution to the ICPS holder;
- (d) The ICPS shall not be transferable, save and except for transfers between the holders of the ICPS, subject to the applicable laws, regulations and rules that would apply to the securities of the Company; and

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

17. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (CONT'D)

- (e) The ICPS shall rank equally among themselves. Upon the liquidation, dissolution or winding-up of the Company, the ICPS holders are entitled to distribution in equal priority with the holders of the ordinary shares. The entitlement of ICPS holders to the distribution shall be calculated as follows:-

$$X = \left(\frac{A}{B + 1.2C} \right) \times 1.2$$

Where:

A = Total net assets or surplus funds available for distribution

B = Total number of ordinary shares in issue at the point in time

C = Total number of ICPS in issue at the point in time

X = Distribution entitlement per ICPS

Save that in the event that X is more than the issue price of the ICPS, then the distribution shall be equal to the higher of, the issue price of the ICPS and Y based on the following formula:

$$Y = \frac{A}{B + C}$$

The ICPS shall rank subordinated to all the Company's creditors in respect of payment of debt and payments out of assets of the Company upon liquidation, dissolution, or winding-up of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

18. RESERVES

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Distributable:-					
Retained profits		133,869	104,653	13,365	14,593
Non-distributable:-					
Fair value reserve	(a)	40,348	45,137	40,348	45,137
Foreign exchange translation reserve	(b)	302	5,104	-	-
Employees' share option reserve	(c)	3,049	3,192	3,049	3,192
Capital reserve	(d)	29,918	29,918	-	-
		207,486	188,004	56,762	62,922

(a) Fair Value Reserve

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of investment designated at fair value through other comprehensive income.

(b) Foreign Exchange Translation Reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

(c) Employees' Share Option Reserve

The employees' share option reserve represents the equity-settled share options granted to eligible persons. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry, exercise or lapse of the share options.

The Employees' Share Option Scheme of the Company ("ESOS") is governed by the ESOS By-Laws and was approved by shareholders on 8 June 2022. The ESOS will be in force for a period of 10 years effective from 15 June 2022.

The main features of the ESOS are as follows:-

- (i) Eligible persons are employees and/or executive directors of the Group, excluding employees of dormant subsidiaries within the Group and non-executive directors, who have attained the age of at least eighteen years old.
- (ii) The maximum number of new ordinary shares of the Company, which may be available under the scheme, shall not exceed in aggregate two percent (2%), or any such amount or percentage as may be permitted by the relevant authorities of the issued and paid-up share capital of the Company at any one time during the existence of the ESOS.
- (iii) The option price shall be determined by the Board of Directors of the Company upon recommendation of the Option Committee which is at a discount of not more than ten percent (10%) on the five (5)-day weighted average market price of shares of the Company immediately preceding the offer date of the option.
- (iv) The option may be exercised by the option holders by notice in writing to the Company in the prescribed form during the option period in respect of all or any part of the new ordinary shares of the Company comprised in the ESOS.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

18. RESERVES (CONT'D)

(c) Employees' Share Option Reserve (Cont'd)

The main features of the ESOS are as follows (Cont'd):-

- (v) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to the date of allotment and issuance of the new ordinary shares.
- (vi) The aggregate allocation to the Executive Directors and Senior Management of the Group shall not exceed sixty percent (60%) of new shares of the Company available under the Scheme.

The option prices and the details in the movement of the options granted are as follows:-

Date of Offer	Exercised Price RM	← Number of Options over Ordinary Shares →							
		At 1.1.2024 '000	Granted '000	Lapsed [^] '000	Exercise '000	At 31.12.2024 '000	← Cumulative At 31.12.2024 →		
						Granted '000	Lapsed '000	Exercised '000	
20.06.2022 [#]	3.49	1,658	-	(576)	(1,082)	-	2,665	(772)	(1,893)
06.06.2023 [#]	3.27	2,222	-	(98)	(107)	2,017	2,626	(164)	(445)
02.07.2024 [#]	3.32	-	2,711	(341)	(4)	2,366	2,711	(341)	(4)
		3,880	2,711	(1,015)	(1,193)	4,383	8,002	(1,277)	(2,342)

Notes:-

[#] These options are exercisable upon acceptance within 2 years from the date of the offer.

[^] The options which lapsed during the financial year were due to resignation of employees.

During the financial year, the Company granted 2,711,000 share options under the ESOS. These options were exercisable upon acceptance of the offer.

The fair values of the share options granted were estimated using the modified Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The fair value of the share options measured at grant date and the assumptions used are as follows:-

	Granted on 2.7.2024	Granted on 6.6.2023	Granted on 20.6.2022
Fair value of share options at the grant date (RM)	0.67	0.73	0.95
Weighted average ordinary share price (RM)	3.69	3.63	3.87
Exercise price of share option (RM)	3.32	3.27	3.49
Expected volatility (%)	25.65	29.47	49.20
Expected life from the grant date (years)	2	2	2
Risk free rate (%)	3.90	3.80	3.23
Expected dividend yield (%)	-	-	0.71

Expected volatility has been based on the evaluation of the historical volatility of the Company's share price over the last 1 year. Expected dividends are based on historical dividends. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability and general behavior of option holders.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

18. RESERVES (CONT'D)

(d) Capital Reserve

The capital reserve arose from the issuance of new shares by a subsidiary to non-controlling interest at a premium. The issuance of new shares affected the ownership interest in the subsidiary without a change in control.

19. REDEEMABLE PREFERENCE SHARES ("RPS")

	The Group	
	2024 RM'000	2023 RM'000
<u>Non-current liabilities</u>		
At 1 January/31 December	24,000	24,000

On 30 September 2022, Dominant Malaysia issued a 5-year RPS at RM1.00 per RPS.

The salient features of the RPS are as follows:-

- (a) The issue price of each of the RPS was RM1.00.
- (b) The tenure of the RPS is five (5) years commencing from and inclusive of the date of issuance on 30 September 2022.
- (c) The maturity date shall fall on the fifth (5th) anniversary of the Issue Date ("Initial Maturity Date") unless extended to such other date(s) as may be agreed in writing between Dominant Malaysia and all the RPS holders provided that such extension(s) shall not in any event be more than a period of 3 years from the Initial Maturity Date.
- (d) The RPS shall be redeemed by Dominant Malaysia on the Maturity Date at RM1.00 for each RPS plus a sum equal to any arrears or accruals of the dividend payable calculated up to the date of redemption. On the Maturity Date, the holder of RPS shall deliver to Dominant Malaysia the original share certificate(s) (if any) in respect of his RPS which are to be redeemed on the date for cancellation.
- (e) The RPS carry a dividend of 4% per annum, payable yearly in arrears. The dividend rights are cumulative. No dividends shall be paid on the ordinary shares of Dominant Malaysia unless the dividends on the RPS have first been paid.
- (f) The RPS holders shall not carry any right to vote at any general meeting except for capital reduction, variation of rights attached to the RPS and issuance of further shares ranking in priority to pari passu with the RPS.
- (g) Save in respect of the RPS holders' rights to receive the cumulative preferential dividends, the RPS holders shall not be entitled to participate in the surplus profits (if any) remaining at such time after the payment of the cumulative preferential dividends.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

20. LEASE LIABILITIES

	The Group	
	2024 RM'000	2023 RM'000
At 1 January	1,061	1,123
Additions (Notes 8 and 35(b))	122	1,046
Interest expense recognised in profit or loss (Note 31)	48	48
Changes due to lease modification (Notes 8 and 35(b))	949	-
Repayment of principal	(763)	(1,151)
Repayment of interest expense	(48)	(48)
Currency translation difference	(60)	43
	<hr/>	<hr/>
At 31 December	1,309	1,061
	<hr/>	<hr/>
Analysed by:-		
Current liabilities	703	585
Non-current liabilities	606	476
	<hr/>	<hr/>
	1,309	1,061
	<hr/>	<hr/>

21. LONG-TERM BORROWINGS

	The Group	
	2024 RM'000	2023 RM'000
Term loans (Note 28)	94,215	137,343
Hire purchase payables (Note 27)	393	145
Revolving credits (Note 26(b))	55,379	-
	<hr/>	<hr/>
	149,987	137,488
	<hr/>	<hr/>

22. (DEFERRED TAX ASSETS)/DEFERRED TAX LIABILITIES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Deferred tax assets</u>				
At 1 January/31 December	(265)	(265)	-	-
<u>Deferred tax liabilities</u>				
At 1 January	22,469	28,108	150	150
Recognised in profit or loss (Note 32)	(3,892)	(5,205)	-	-
Currency translation difference	(70)	(434)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December	18,507	22,469	150	150
	<hr/>	<hr/>	<hr/>	<hr/>
	18,242	22,204	150	150
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

22. (DEFERRED TAX ASSETS)/DEFERRED TAX LIABILITIES (CONT'D)

The deferred tax assets and deferred tax liabilities represent the tax effects of:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unutilised reinvestment allowances	(42,740)	(35,392)	-	-
Provisions	(107)	(1,059)	-	-
Allowances for impairment losses:				
- inventories	(1,439)	(1,169)	-	-
- trade receivables	(16)	(296)	-	-
Excess of depreciation over capital allowances	(264)	(265)	-	-
Accelerated capital allowances over depreciation	62,808	60,385	150	150
	18,242	22,204	150	150

23. TRADE PAYABLES

- (a) The normal trade credit terms granted range from 30 to 120 (2023 - 30 to 120) days.
- (b) The amount owing is unsecured, interest-free and subject to the normal trade credit terms. The amount owing is to be settled in cash.
- (c) Included in trade payables of the Group are:-

	The Group	
	2024 RM'000	2023 RM'000
Amount owing to related parties	240	459
Amount owing to a 10% shareholder of a subsidiary	136,126	142,220
	136,366	142,679

The nature of the related party relationship and details of the transactions involved are disclosed in Note 37(b) to the financial statements.

24. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other payables	12,361	7,409	33	5
Accruals and provision	15,789	19,158	502	442
	28,150	26,567	535	447
Deposits received	213	338	-	-
	28,363	26,905	535	447

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

24. OTHER PAYABLES AND ACCRUALS (CONT'D)

Included in provision are derivatives assets/(liabilities) as follows:-

	Contract/ Notional Amount		The Group	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Forward currency contract:				
- Chinese Renminbi ("RMB")	6,404	9,827	273	140
- Euro	29,966	82,607	1,990	(1,177)
- United States Dollar ("USD")	-	41,563	-	254
			2,263	(783)

The Group does not apply hedge accounting.

Forward currency contracts are used to hedge the Group's foreign currency receivables denominated in RMB and Euro (2023 - RMB, Euro and USD) at the end of the reporting period. The settlement dates of outstanding forward currency contracts at the end of the reporting period range between 1 and 3 (2023 - 1 and 7) months.

25. AMOUNT OWING BY SUBSIDIARIES

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

26. SHORT-TERM BORROWINGS

	Note	The Group	
		2024 RM'000	2023 RM'000
Hire purchase payables (Note 27)		160	60
Term loans (Note 28)		62,812	80,530
Trade financing	(a)	132,573	157,005
Revolving credits	(b)	137,400	91,477
		332,945	329,072

(a) The trade financing of the Group at the end of the reporting period bore effective interest rates ranging from 1.99% to 4.09% (2023 - 3.20% to 4.84%) per annum and are secured by a corporate guarantee of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

26. SHORT-TERM BORROWINGS (CONT'D)

(b) Revolving credits

	The Group	
	2024 RM'000	2023 RM'000
Current liabilities (Note 26)	137,400	91,477
Non-current liabilities (Note 21)	55,379	-
	192,779	91,477

(i) The revolving credits of the Group at the end of the reporting period are secured by a corporate guarantee of the Company and a corporate guarantee of a subsidiary.

(ii) The repayment terms of the revolving credits are as follows:-

Repayment terms	Effective Interest Rate As At 31 December		The Group	
	2024 %	2023 %	2024 RM'000	2023 RM'000
Subject to monthly rollover and to be repaid over 3 years by monthly principal repayment of RM834,000, commencing from the full drawdown of revolving credit or the 25 th month after the first drawdown (i.e. June 2026), whichever is earlier	4.24	-	5,592	-
Subject to monthly rollover and to be repaid over 5 years by monthly principal repayment of RM834,000, commencing from the full drawdown of revolving credit or the 25 th month after the first drawdown (i.e. December 2026), whichever is earlier	4.24	-	23,000	-
Repayable in 35 monthly instalments of RM139,000 each, with a final instalment of RM135,000, commencing in April 2024	4.01	-	43,467	-
Maturity period ranging from 1 to 9 (2023 - 1 to 9) months	2.95 - 4.73	3.30 - 4.80	120,720	91,477
			192,779	91,447

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

27. HIRE PURCHASE PAYABLES

	The Group	
	2024 RM'000	2023 RM'000
Minimum hire purchase payments:		
- not later than 1 year	178	66
- later than 1 year and not later than 5 years	440	159
	618	225
Less: Future finance charges	(65)	(20)
	553	205
Analysed by:-		
Current liabilities (Note 26)	160	60
Non-current liabilities (Note 21)	393	145
	553	205

The hire purchase payables bore an effective interest rate ranging from 1.96% to 2.46% (2023 - 1.96%) per annum. The interest rates are fixed at the inception of the hire purchase arrangements.

The hire purchase payables of RM144,510 (2023 - RM204,510) are secured by a guarantee of a director of the Company and Group's property, plant and equipment as disclosed in Note 7(a) to the financial statements.

28. TERM LOANS (SECURED)

	The Group	
	2024 RM'000	2023 RM'000
Current liabilities (Note 26)	62,812	80,530
Non-current liabilities (Note 21)	94,215	137,343
	157,027	217,873

The repayment terms of the term loans are as follows:-

Repayment terms	Effective Interest Rate As At		The Group	
	31 December 2024	2023	2024	2023
	%	%	RM'000	RM'000
Term loan I, repayment in 60 monthly instalments effective from August 2022	5.54 #	6.44 #	21,964	31,724
Term loan II, repayment in 120 monthly instalments effective from April 2022	4.23 #	4.31 #	9,675	11,025

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

28. TERM LOANS (SECURED) (CONT'D)

The repayment terms of the term loans are as follows (Cont'd):-

Repayment terms (Cont'd)	Effective Interest Rate As At		The Group	
	31 December 2024	2023	2024	2023
	%	%	RM'000	RM'000
Term loan III, repayment in 36 monthly instalments effective from July 2023	5.62 #	6.30 #	44,755	76,500
Term loan IV, repayment in 60 monthly instalments effective from July 2020	4.44 #	4.50 #	1,317	6,440
Term loan V, repayment in 180 monthly instalments effective from November 2024	4.08 #	-	14,668	-
Term loan VI, repayment in full in June 2025	-	1.00 ^	-	233
Term loan VII, repayment in 50 monthly instalments effective from February 2022	1.00 ^	1.00 ^	15	27
Term loan VIII, repayment in 36 monthly instalments effective from March 2022	5.59 #	6.32 #	3,904	19,248
Term loan IX, repayment in 36 monthly instalments effective from April 2022	5.80 #	6.50 #	1,641	8,415
Term loan X, repayment in 60 monthly instalments	4.84 #	4.88 #	54,734	57,311
Term loan XI, repayment in 36 monthly instalments effective from August 2023	4.44 #	4.50 #	4,354	6,950
			<u>157,027</u>	<u>217,873</u>

Notes:-

^ Fixed rate term loan

Floating rate term loan

Term loans I, III, VIII, IX and X are secured by a corporate guarantee of the Company and a fixed charge over plant and machinery which is included in the property, plant and equipment as disclosed in Note 7(b) to the financial statements.

Term loans II, IV and XI are secured by a corporate guarantee of the Company and a fixed charge over leasehold land and building which is included in the property, plant and equipment and right-of-use assets as disclosed in Notes 7(b) and 8(a) respectively to the financial statements.

Term loan V is secured by a corporate guarantee of the Company and a fixed charge over freehold land which is included in the property, plant and equipment as disclosed in Note 7(b) to the financial statements.

Term loans VI and VII are disbursed under Paycheck Protection Program enacted under the Coronavirus Aid Relief and Economic Security Act, United States of America. The Coronavirus Aid Relief and Economic Security Act provides that all or a portion of these loans may be forgiven upon request by the Borrower to the Lender provided the loan proceeds are used in accordance with the term of the Coronavirus Aid Relief and Economic Security Act.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

28. TERM LOANS (SECURED) (CONT'D)

The interest rate profile of the term loans are summarised below:-

	Effective Interest Rate		The Group	
	As at 31 December		2024	2023
	2024	2023	RM'000	RM'000
	%	%		
Fixed rate term loans	1.00	1.00	15	260
Floating rate term loans	4.08 - 5.80	4.31 - 6.50	157,012	217,613
			157,027	217,873

29. REVENUE

	The Group	
	2024	2023
	RM'000	RM'000
Revenue from contracts with customers		
<u>Recognised at a point in time</u>		
Sale of goods	1,076,163	1,016,614

(a) The information on the disaggregation of revenue by geographical market is disclosed in Note 38 to the financial statements.

(b) The information about the performance obligations in contracts with customers is summarised below:-

Nature of Revenue	Timing and Method of Revenue Recognition	Significant Payment Terms	Variable Considerations	Warranty and Obligation for Returns or Refunds
Sale of goods	When the goods are delivered in accordance with the Incoterms agreed by both parties.	Credit periods ranging from 30 - 90 days from the invoice date.	Not applicable.	Not applicable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

30. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group	
	2024 RM'000	2023 RM'000
Impairment losses:		
- trade receivables (Note 13)	4,113	1,764
Reversal of impairment losses:		
- trade receivables (Note 13)	(2,560)	(527)
	1,553	1,237

31. PROFIT BEFORE TAXATION

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees:				
- auditors of the Company	217	216	64	64
- member firms of the auditors of the Company	292	271	-	-
- other auditors	61	54	-	-
- non-audit fees:				
- auditors of the Company	5	5	5	5
- underprovision in the previous financial year	-	23	-	5
Compensation to customers	15,672	12,576	-	-
Directors' remuneration (Note 36(a))	3,024	2,964	466	398
Amortisation of intangible assets	6,759	2,740	-	-
Depreciation:				
- property, plant and equipment *	82,653	74,794	-	-
- right-of-use assets	1,000	1,190	-	-
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- trade financing	6,041	5,126	-	-
- hire purchase payables	17	14	-	-
- revolving credits	3,749	2,207	-	-
- term loans	11,278	12,638	-	-
- RPS dividends	960	960	-	-
Interest expense on lease liabilities (Note 20)	48	48	-	-
Impairment losses:				
- investments in subsidiaries	-	-	-	1,716
- inventories	15,564	15,970	-	-
Inventories written off	8	10,496	-	-
Loss/(Gain) on foreign exchange:				
- realised	10,921	11,044	32	4
- unrealised	(8,244)	(9,016)	-	-
Property, plant and equipment written off	-	117	-	-
Research and development expenses	31,926	30,868	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

31. PROFIT BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation is arrived at after charging/(crediting) (Cont'd):-				
Staff costs (including other key management personnel as disclosed in Note 36(b)):				
- salaries and other benefits	137,636	121,142	154	155
- defined contribution benefits	7,963	8,164	12	8
- employees' share options expenses	1,713	1,674	-	-
Dividend income from:				
- quoted ordinary shares	(854)	(1,031)	(854)	(1,031)
- redeemable preference shares	-	-	(8,640)	(8,640)
Gain on disposal of property, plant and equipment	(28)	-	-	-
Interest income:				
- deposits with financial institutions	(2,593)	(6,374)	(678)	(163)
- cash and bank balances	(4,259)	(3,227)	(47)	-

Note:-

* Included in the depreciation of property, plant and equipment of the Group is an amount of RM2,790,344 (2023 - RM3,231,634) incurred for the research and development activities.

32. INCOME TAX EXPENSE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax:				
- for the financial year:				
- Malaysian taxation	3,065	3,750	118	241
- Foreign taxation	3,383	3,132	-	-
- under/(over)provision in the previous financial year:				
- Malaysian taxation	611	241	(204)	4
- Foreign taxation	(389)	(116)	-	-
	6,670	7,007	(86)	245
Deferred tax (Note 22):				
- for the financial year	(4,040)	(5,205)	-	-
- underprovision in the previous financial year	148	-	-	-
	(3,892)	(5,205)	-	-
Withholding tax on dividend received	107	12	107	12
	2,885	1,814	21	257

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

32. INCOME TAX EXPENSE (CONT'D)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at rates prevailing in the respective jurisdictions.

A reconciliation of income tax expense applicable to the profit before taxation at the Malaysia statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation	45,673	49,506	9,076	7,119
Tax at the statutory tax rate of 24% (2023 - 24%)	10,962	11,881	2,178	1,708
Tax effects of:-				
Non-deductible expenses	916	3,231	219	749
Non-taxable income	(435)	(2,268)	(2,279)	(2,360)
Differential in tax rates of foreign subsidiaries	(324)	(390)	-	-
Deferred tax asset not recognised during the financial year (Note 32(a))	1,513	1,332	-	144
Utilisation of reinvestment allowance	(10,224)	(12,109)	-	-
Under/(over)provision of in the previous financial year:				
- current tax	222	125	(204)	4
- deferred tax	148	-	-	-
Withholding tax on dividend received	107	12	107	12
Income tax expense for the financial year	2,885	1,814	21	257

- (a) At the end of the reporting period, the amounts of deferred tax assets (stated at gross) not recognised due to uncertainty of their realisation are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax assets				
Unutilised tax losses:				
- expiring within 5 years	612	612	612	612
- expiring within 6 to 10 years	15,145	14,637	-	-
- no expiring date	3,759	3,819	-	-
	19,516	19,068	612	612
Unabsorbed reinvestment allowances	2,412	-	-	-
Unabsorbed capital allowances	17,032	14,331	-	-
Other deductible temporary differences	823	446	-	-
Provision	397	257	-	-
Balance carried forward	40,180	34,102	612	612

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

32. INCOME TAX EXPENSE (CONT'D)

- (a) At the end of the reporting period, the amounts of deferred tax assets (stated at gross) not recognised due to uncertainty of their realisation are as follows (Cont'd):-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Balance brought forward	40,180	34,102	612	612
<u>Deferred tax liability</u>				
Accelerated capital allowances over depreciation	(3,797)	(4,024)	-	-
	36,383	30,078	612	612

- (b) For the Malaysia entities, the unused tax losses and unabsorbed reinvestment allowances are allowed to be utilised for 10 (2023 - 10) and 7 (2023 - 7) consecutive years of assessment respectively while unabsorbed capital allowances are allowed to be carried forward indefinitely.

- (c) Income tax savings during the financial year arising from:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Utilisation of current financial year's tax losses	35	35	-	-
Utilisation of current financial year's capital allowance	82,411	70,732	-	-
Utilisation of current financial year's reinvestment allowance	15,887	13,604	-	-

33. EARNINGS PER SHARE

(a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	The Group	
	2024 RM'000	2023 RM'000
Profit attributable to owners of the Company (RM'000)	39,499	44,143
Dividends on ICPS (RM'000)	(2,262)	-
Profit attributable to ordinary equity holders of the Company (RM'000)	37,237	44,143
Weighted average number of ordinary shares in issue:-		
Issued ordinary shares at 1 January ('000)	1,238,290	1,237,261
Effect of new ordinary shares issued under ESOS during the financial year ('000)	707	697
Weighted average number of ordinary shares at 31 December ('000)	1,238,997	1,237,958
Basic earnings per share (sen)	3.006	3.566

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

33. EARNINGS PER SHARE (CONT'D)

(b) Diluted Earnings Per Share

The diluted earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year and adjusted for the effects of dilutive potential ordinary shares.

	The Group	
	2024	2023
Profit attributable to owners of the Company (RM'000)	39,499	44,143
Weighted average number of ordinary shares for the year ('000) (as above)	1,238,997	1,237,958
Weighted average number of shares deemed to have been issued under ESOS at no consideration ('000)	-	541
Weighted average number of shares deemed to have been issued under ICPS at no consideration ('000)	377,074	377,074
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	1,616,071	1,615,573
Diluted earnings per share (sen)	2.444	2.732

The potential conversion of ESOS are anti-dilutive as their exercise prices are higher than the average market price of the Company's ordinary shares during the current financial year. Accordingly, the exercise of ESOS has been ignored in the calculation of dilutive earnings per share.

34. DIVIDENDS

	The Company	
	2024	2023
	RM'000	RM'000
Ordinary shares		
<u>In respect of the financial year ended 31 December 2023</u> A first interim dividend of 0.30 sen per ordinary share	3,715	-
<u>In respect of the financial year ended 31 December 2024</u> A first interim dividend of 0.30 sen per ordinary share	3,719	-
	7,434	-
ICPS		
<u>In respect of the financial year ended 31 December 2023</u> A first interim dividend of 0.30 sen per ICPS	1,131	-
<u>In respect of the financial year ended 31 December 2024</u> A first interim dividend of 0.30 sen per ICPS	1,131	-
	2,262	-
	9,696	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

35. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	The Group	
	2024 RM'000	2023 RM'000
Property, Plant and Equipment		
Cost of property, plant and equipment purchased (Note 7)	130,613	90,101
Less: Acquired through hire purchase arrangements	(500)	-
	130,113	90,101
Right-of-use Assets		
Cost of right-of-use assets acquired (Note 8)	122	1,046
Less: Additions of new lease liabilities (Note 35(b))	(122)	(1,046)
	-	-

- (b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM'000	Revolving Credits RM'000	Trade Financing RM'000	Lease Liabilities RM'000	Hire Purchase Payables RM'000	Total RM'000
2024						
At 1 January	217,873	91,477	157,005	1,061	205	467,621
<u>Changes in Financing</u>						
<u>Cash Flows</u>						
Proceeds from drawdown	19,445	366,648	556,781	-	-	942,874
Repayment of principal	(78,466)	(264,709)	(581,002)	(763)	(152)	(925,092)
Repayment of interests	(11,278)	(3,749)	(6,041)	(48)	(17)	(21,133)
	(70,299)	98,190	(30,262)	(811)	(169)	(3,351)
Balance carried forward	147,574	189,667	126,743	250	36	464,270

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

35. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Term Loans RM'000	Revolving Credits RM'000	Trade Financing RM'000	Lease Liabilities RM'000	Hire Purchase Payables RM'000	Total RM'000
2024 (Cont'd)						
Balance brought forward	147,574	189,667	126,743	250	36	464,270
<u>Other Changes</u>						
Acquisition of new leases (Notes 20 and 35(a))	-	-	-	122	-	122
Modification of leases (Notes 8 and 20)	-	-	-	949	-	949
Interest expense recognised in profit or loss	11,278	3,749	6,041	48	17	21,133
Unrealised foreign exchange gain	(1,823)	(637)	(211)	-	-	(2,671)
Property, plant and equipment acquired through hire purchase arrangements	-	-	-	-	500	500
Currency translation difference	(2)	-	-	(60)	-	(62)
	9,453	3,112	5,830	1,059	517	19,971
At 31 December	157,027	192,779	132,573	1,309	553	484,241
2023						
At 1 January	200,182	63,951	140,681	1,123	342	406,279
<u>Changes in Financing Cash Flows</u>						
Proceeds from drawdown	74,914	209,508	550,299	-	-	834,721
Repayment of principal	(63,971)	(178,876)	(535,128)	(1,151)	(137)	(779,263)
Repayment of interests	(12,638)	(2,207)	(5,126)	(48)	(14)	(20,033)
	(1,695)	28,425	10,045	(1,199)	(151)	35,425
<u>Other Changes</u>						
Acquisition of new leases (Notes 20 and 35(a))	-	-	-	1,046	-	1,046
Interest expense recognised in profit or loss	12,638	2,207	5,126	48	14	20,033
Unrealised foreign exchange loss/(gain)	6,736	(3,106)	1,153	-	-	4,783
Currency translation difference	12	-	-	43	-	55
	19,386	(899)	6,279	1,137	14	25,917
At 31 December	217,873	91,477	157,005	1,061	205	467,621

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

35. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a lessee are as follows:-

	The Group	
	2024 RM'000	2023 RM'000
Interest paid on lease liabilities	48	48
Payment on lease liabilities	763	1,151
	811	1,199

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits with financial institutions	39,270	125,899	25,843	26,305
Cash and bank balances	199,684	135,312	501	57
	238,954	261,211	26,344	26,362

36. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(a) Directors of the Company				
Executive Directors:				
- salaries, bonus and other benefits	706	745	-	-
- defined contribution benefits	51	83	-	-
- employees' share options expenses	43	102	-	-
	800	930	-	-
Non-executive Directors:				
- fees	424	358	424	358
- allowances	42	40	42	40
	466	398	466	398
	1,266	1,328	466	398

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

36. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows (Cont'd):-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(a) Directors of the Company (Cont'd)				
Directors of the Subsidiaries				
Executive Directors:				
- salaries, bonus and other benefits	1,619	1,462	-	-
- defined contribution benefits	82	65	-	-
- employees' share options expenses	57	109	-	-
	1,758	1,636	-	-
Total directors' remuneration (Note 31)	3,024	2,964	466	398
(b) Other Key Management Personnel				
Salaries, bonus and other benefits	1,937	2,480	-	-
Defined contribution benefits	165	157	-	-
Employees' share options expenses	70	123	-	-
Total compensation for other key management personnel (Note 31)	2,172	2,760	-	-

37. RELATED PARTY DISCLOSURES

(a) Subsidiaries, related parties and joint venture

The subsidiaries and related parties are disclosed in Notes 5 and 23 to the financial statements.

The joint venture of the Group is disclosed in Note 6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

37. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transaction and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with related parties during the financial year:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Subsidiaries</u>				
Advances to	-	-	17,990	2,850
Payment on behalf for	-	-	15,600	28
<u>Related parties</u>				
(i) <u>From the companies in which certain directors have substantial interests:</u>				
- Purchases of raw materials	779	1,154	-	-
- Rental expense	186	218	-	-
(ii) <u>From a 10% shareholder of a subsidiary:</u>				
- Purchases of raw materials	266,404	286,453	-	-

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

38. OPERATING SEGMENTS

BUSINESS SEGMENTS

Information on business segments is not presented as the Group operates primarily in the semiconductor industry.

GEOGRAPHICAL SEGMENTS

Revenue is based on the country in which the customers are located.

Segment assets and capital expenditure are determined according to the country where these assets are located.

The following is an analysis of the Group's business by geographical segments:-

The Group	Asia RM'000	Europe RM'000	North America RM'000	Other Countries RM'000	Total RM'000
2024					
Revenue	701,788	292,636	78,187	3,552	1,076,163
Segment assets	1,734,498	86,751	2,481	-	1,823,730
Capital expenditure:					
- property, plant and equipment	130,593	12	8	-	130,613
- right-of-use assets	711	-	360	-	1,071
- intangible assets	10,487	-	-	-	10,487

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

38. OPERATING SEGMENTS (CONT'D)

GEOGRAPHICAL SEGMENTS (CONT'D)

The Group	Asia RM'000	Europe RM'000	North America RM'000	Other Countries RM'000	Total RM'000
2023					
Revenue	690,615	248,747	77,129	123	1,016,614
Segment assets	1,676,496	97,476	2,339	-	1,776,311
Capital expenditure:					
- property, plant and equipment	89,938	163	-	-	90,101
- right-of-use assets	911	134	-	-	1,046
- intangible assets	22,659	-	-	-	22,659

MAJOR CUSTOMERS

During the current financial year, there is a (2023 - 1) major customer with revenue more than 10% of the Group's total revenue which summarised below:-

	The Group	
	2024 RM'000	2023 RM'000
Customer #1	107,235	114,873

39. CAPITAL COMMITMENTS

	The Group	
	2024 RM'000	2023 RM'000
Purchase of property, plant and equipment	27,974	56,233

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

40.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar, Euro, Korean Won, New Taiwan Dollar, Chinese Renminbi and Yen. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against the foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	United States Dollar	Euro	Korean Won	New Taiwan Dollar	Chinese Renminbi	Yen	Others	Ringgit Malaysia	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024									
Financial Assets									
Other investments	-	-	-	45,018	-	-	-	-	45,018
Trade receivables	69,162	42,651	6,427	-	144,348	-	-	280	262,868
Other receivables	-	3,677	2	-	218	29	-	279	4,205
Deposits with financial institutions	13,427	-	-	-	-	-	-	-	25,843
Cash and bank balances	125,486	18,034	2,820	241	43,698	37	4	9,364	199,684
	208,075	64,362	9,249	45,259	188,264	66	4	35,766	551,045

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group	United States Dollar	Euro	Korean Won	New Taiwan Dollar	Chinese Renminbi	Yen	Others	Ringgit Malaysia	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024									
Financial Liabilities									
Redeemable preference shares	-	-	-	-	-	-	-	24,000	24,000
Trade payables	245,912	114	-	-	13,983	3,021	135	33,710	296,875
Other payables and accruals	2,690	1,376	615	236	2,714	96	94	20,329	28,150
Term loans	72,279	-	-	-	-	-	-	84,748	157,027
Trade financing	-	9,366	-	-	74,488	-	-	48,719	132,573
Hire purchase payables	-	-	-	-	-	-	-	553	553
Revolving credits	-	-	-	-	63,120	-	-	129,659	192,779
	320,881	10,856	615	236	154,305	3,117	229	341,718	831,957

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

	United States Dollar RM'000	Euro RM'000	Korean Won RM'000	New Taiwan Dollar RM'000	Chinese Renminbi RM'000	Yen RM'000	Others RM'000	Ringgit Malaysia RM'000	Total RM'000
The Group									
2024									
Net financial (liabilities)/ assets	(112,806)	53,506	8,634	45,023	33,959	(3,051)	(225)	(305,952)	(280,912)
Less: Net financial (assets)/ liabilities denominated in the entities' functional currencies	(1,589)	(42,822)	(8,629)	1	(128,566)	37	-	305,952	124,384
Less: Forward foreign currency contracts (contracted notional principal)	36,370	(29,966)	-	-	(6,404)	-	-	-	-
Currency Exposure	(78,025)	(19,282)	5	45,024	(101,011)	(3,014)	(225)	-	(156,528)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group	United States Dollar RM'000	Euro RM'000	Korean Won RM'000	New Taiwan Dollar RM'000	Chinese Renminbi RM'000	Yen RM'000	Others RM'000	Ringgit Malaysia RM'000	Total RM'000
2023									
Financial Assets									
Other investments	-	-	-	51,242	-	-	-	-	51,242
Trade receivables	77,326	50,474	8,819	-	133,010	-	-	948	270,577
Other receivables	457	4,543	334	-	452	24	2	31	5,843
Deposits with financial institutions	97,056	2,538	-	-	-	-	-	26,305	125,899
Cash and bank balances	78,434	7,580	6,459	205	38,476	49	6	4,103	135,312
	253,273	65,135	15,612	51,447	171,938	73	8	31,387	588,873
Financial Liabilities									
Redeemable preference shares	-	-	-	-	-	-	-	24,000	24,000
Trade payables	255,662	554	-	-	5,947	4,407	55	24,520	291,145
Other payables and accruals	236	2,257	607	183	4,672	127	52	18,433	26,567
Term loans	136,148	-	-	-	-	-	-	81,725	217,873
Trade financing	-	13,332	-	-	77,173	-	-	66,500	157,005
Hire purchase payables	-	-	-	-	-	-	-	205	205
Revolving credits	-	-	-	-	49,877	-	-	41,600	91,477
	392,046	16,143	607	183	137,669	4,534	107	256,983	808,272

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure Risk (Cont'd)

	2023							Total RM'000		
	The Group RM'000	United States Dollar RM'000	Euro RM'000	Korean Won RM'000	New Taiwan Dollar RM'000	Chinese Renminbi RM'000	Yen RM'000		Others RM'000	Ringgit Malaysia RM'000
Net financial (liabilities)/ assets	(138,773)		48,992	15,005	51,264	34,269	(4,461)	(99)	(225,596)	(219,399)
Less: Net financial (assets)/ liabilities denominated in the entities' functional currencies	(1,927)		(49,677)	(15,000)	(20)	(135,166)	26	-	174,206	(27,558)
Less: Forward foreign currency contracts (contracted notional principal)	41,044		(82,607)	-	-	(9,827)	-	-	51,390	-
Currency Exposure	(99,656)		(83,292)	5	51,244	(110,724)	(4,435)	(99)	-	(246,957)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Company	United States Dollar RM'000	New Taiwan Dollar RM'000	Ringgit Malaysia RM'000	Total RM'000
2024				
Financial Assets				
Other investments	-	45,018	-	45,018
Amount owing by subsidiaries	-	-	14,224	14,224
Deposits with financial institutions	-	-	25,843	25,843
Cash and bank balances	7	-	494	501
	7	45,018	40,561	85,586
Financial Liability				
Other payables and accruals	-	-	535	535
Net financial assets	7	45,018	40,026	85,051
Less: Net financial assets denominated in the entity's functional currency	-	-	(40,026)	(40,026)
Currency Exposure	7	45,018	-	45,025

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Company	United States Dollar RM'000	New Taiwan Dollar RM'000	Ringgit Malaysia RM'000	Total RM'000
2023				
<u>Financial Assets</u>				
Other investments	-	51,242	-	51,242
Amount owing by subsidiaries	-	-	10,834	10,834
Deposits with financial institutions	-	-	26,305	26,305
Cash and bank balances	8	-	49	57
	8	51,242	37,188	88,438
<u>Financial Liability</u>				
Other payables and accruals	-	-	447	447
Net financial assets	8	51,242	36,741	87,991
Less: Net financial assets denominated in the entity's functional currency	-	-	(36,741)	(36,741)
Currency Exposure	8	51,242	-	51,250

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Effects on Profit After Taxation				
United States Dollar/RM: - weakened by 5%	2,965	3,787	-	-
Euro/RM: - weakened by 5%	733	3,165	-	-
Korean Won/RM: - weakened by 5%	#	#	-	-
Chinese Renminbi/RM: - weakened by 5%	3,838	4,207	-	-
Japanese Yen/RM: - weakened by 5%	115	169	-	-
Others/RM: - weakened by 5%	8	4	-	-

Note:-

Amount less than RM1,000

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Effects on Equity				
New Taiwan Dollar/RM: - weakened by 5%	(2,251)	(2,562)	(2,251)	(2,562)

A 5% (2023 - 5%) strengthening in the foreign currencies would have had an equal but opposite effect on the profit or loss after taxation and equity. This assumes that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's and the Company's deposits with financial institutions and fixed rate borrowings are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 28 to the financial statements.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Effects on Profit After Taxation				
Increase of 1%	(1,193)	(1,654)	-	-
Decrease of 1%	1,193	1,654	-	-

There is no impact on the Group's equity.

(iii) Equity Price Risk

The Group's and the Company's principal exposure to equity price risk arises mainly from changes in quoted investment prices.

If prices for quoted investments at the end of the reporting period strengthened by 5% (2023 - 5%) with all other variables being held constant, the Group's and the Company's equity would have increased by RM2,250,917 (2023 - RM2,562,124). A 5% (2023 - 5%) weakening in the quoted prices would have had an equal but opposite effect on the Group's equity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments and cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to a subsidiary. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by 2 (2023 - 2) customers which constituted approximately 39% (2023 - 37%) of its trade receivables (including related parties), net of loss allowance, at the end of the reporting period.

In addition, the Group also determines the concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables (including related parties), net of loss allowance, at the end of the reporting period is as follows:-

	The Group	
	2024 RM'000	2023 RM'000
The People's Republic of China	175,702	168,450
Europe	48,950	56,947
United States of America	10,622	13,018
India	13,904	8,863
Korea	8,364	11,211
Japan	1,937	1,742
Malaysia	1,567	4,418
Singapore	142	2,114
Taiwan, Republic of China	1,509	3,771
Others	171	43
	262,868	270,577

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantee provided to its subsidiary of RM352,062,000 (2023 - RM347,440,000), representing the outstanding banking facilities of the subsidiary as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group assesses whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 150 days past due unless the Group has reasonable and supportable information to demonstrate that a lagging default criterion is more appropriate.

Trade Receivables

The Group applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over a period of 12 months (2023 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the Gross Domestic Product (GDP), as the key macroeconomic factor of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables is as follows:-

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2024				
Current (not past due)	202,001	(978)	(530)	200,493
- 1 to 30 days past due	37,364	(424)	(72)	36,868
- 31 to 60 days past due	11,340	(1)	(4)	11,335
- 61 to 90 days past due	5,285	(85)	(1)	5,199
- more than 90 days past due	8,973	-	#	8,973
	264,963	(1,488)	(607)	262,868
2023				
Current (not past due)	226,696	-	(586)	226,110
- 1 to 30 days past due	37,366	-	(66)	37,300
- 31 to 60 days past due	4,457	-	(5)	4,452
- 61 to 90 days past due	533	-	(2)	531
- more than 90 days past due	3,372	(1,166)	(22)	2,184
	272,424	(1,166)	(681)	270,577

Note:-

Amount less than RM1,000

The movements in the loss allowances in respect of trade receivables are disclosed in Note 13 to the financial statements.

Trade receivables that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 90 days past due in making a contractual payment.

The Group uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Deposits with Financial Institutions, Cash and Bank Balances

The Group and the Company consider banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing By Subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. 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 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.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

	Gross Amount RM'000	12-month Loss Allowance RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
The Company				
2024				
Low credit risk	14,224	-	-	14,224
2023				
Low credit risk	10,834	-	-	10,834

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2024						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	296,875	296,875	296,875	-	-
Other payables and accruals *	-	30,413	30,413	30,413	-	-
Lease liabilities	1.48 - 4.90	1,309	1,398	750	648	-
Hire purchase payables	1.96 - 2.46	553	618	178	440	-
Term loans	1.00 - 5.80	157,027	173,727	69,348	89,670	14,709
Trade financing	1.99 - 4.09	132,573	132,573	132,573	-	-
Revolving credits	2.95 - 4.73	192,779	198,924	140,401	58,523	-
Redeemable preference shares	4.00	24,000	24,000	-	24,000	-
		835,529	858,528	670,538	173,281	14,709

Note:-

* Excluded the derivative assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Group	Effective Interest Rate %	Contractual Undiscounted Carrying Amount RM'000	Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2023						
<u>Non-derivative</u>						
<u>Financial</u>						
<u>Liabilities</u>						
Trade payables	-	291,145	291,145	291,145	-	-
Other payables and accruals *	-	25,784	25,784	25,784	-	-
Lease liabilities	0.97 - 4.90	1,061	1,110	619	491	-
Hire purchase payables	1.96	205	225	66	159	-
Term loans	1.00 - 6.50	217,873	238,214	90,818	147,396	-
Trade financing	3.20 - 4.84	157,005	157,005	157,005	-	-
Revolving credits	3.30 - 4.78	91,477	91,477	91,477	-	-
Redeemable preference shares	4.00	24,000	24,000	-	24,000	-
<u>Derivative</u>						
<u>Financial</u>						
<u>Liabilities</u>						
Forward currency contracts:						
- gross payments	-	-	134,780	134,780	-	-
- gross receipts	-	-	(133,997)	(133,997)	-	-
- derivative liabilities	-	783	-	-	-	-
		809,333	829,743	657,697	172,046	-

Note:-

* Excluded the derivative liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Company	Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2024						
<u>Non-derivative Financial Liabilities</u>						
Other payables and accruals	-	535	535	535	-	-
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary	-	-	352,062	352,062	-	-
		535	352,597	352,597	-	-
2023						
<u>Non-derivative Financial Liabilities</u>						
Other payables and accruals	-	447	447	447	-	-
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary	-	-	347,440	347,440	-	-
		447	347,887	347,887	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the Company and non-controlling interest. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group	
	2024	2023
	RM'000	RM'000
Trade financing (Note 26)	132,573	157,005
Revolving credits (Notes 21 and 26)	192,779	91,477
Lease liabilities (Note 20)	1,309	1,061
Hire purchase payables (Note 27)	553	205
Term loans (Note 28)	157,027	217,873
	484,241	467,621
Less:-		
Cash and cash equivalents (Note 35(d))	(238,954)	(261,211)
	245,287	206,410
Net debt	245,287	206,410
	971,652	944,171
Total equity	971,652	944,171
	0.25	0.22
Debt-to-equity ratio	0.25	0.22

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Assets				
<u>Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition</u>				
Quoted investments	45,018	51,242	45,018	51,242
<u>Amortised Cost</u>				
Trade receivables	262,868	270,577	-	-
Other receivables	4,205	5,843	-	-
Amount owing by subsidiaries	-	-	14,224	10,834
Deposits with financial institutions	39,270	125,899	25,843	26,305
Cash and bank balances	199,684	135,312	501	57
	506,027	537,631	40,568	37,196
Financial Liability				
<u>Amortised Cost</u>				
Redeemable preference shares	24,000	24,000	-	-
Trade payables	296,875	291,145	-	-
Other payables and accruals	28,150	26,567	535	447
Hire purchase payables	553	205	-	-
Term loans	157,027	217,873	-	-
Trade financing	132,573	157,005	-	-
Revolving credits	192,779	91,477	-	-
	831,957	808,272	535	447

40.4 GAINS/(LOSSES) ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Assets				
<u>Equity Investments at Fair Value Through Other Comprehensive Income</u>				
(Loss)/gain recognised in other comprehensive income	(6,224)	11,313	(6,224)	11,313
<u>Amortised Cost</u>				
Net gains recognised in profit or loss	5,299	8,364	725	163
Financial Liability				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(22,045)	(20,945)	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of the financial instruments that are carried at fair value and those not carried at the fair value at the end of the reporting period:-

The Group	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	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024								
<u>Financial Assets</u>								
Other investments:								
- quoted shares	45,018	-	-	-	-	-	45,018	45,018
Derivative assets:								
- forward currency contracts	-	2,263	-	-	-	-	2,263	2,263
<u>Financial Liabilities</u>								
Redeemable preference shares	-	-	-	-	24,000	-	24,000	24,000
Term loans:								
- fixed rate	-	-	-	-	15	-	15	15
- floating rate	-	-	-	-	157,012	-	157,012	157,012
Hire purchase payables	-	-	-	-	553	-	553	553

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of the financial instruments that are carried at fair value and those not carried at the fair value at the end of the reporting period (Cont'd):-

The Group	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 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2023								
<u>Financial Asset</u>								
Other investments:								
- quoted shares	51,242	-	-	-	-	-	51,242	51,242
<u>Financial Liabilities</u>								
Redeemable preference shares	-	-	-	-	24,000	-	24,000	24,000
Term loans:								
- fixed rate	-	-	-	-	260	-	260	260
- floating rate	-	-	-	-	217,613	-	217,613	217,613
Hire purchase payables	-	-	-	-	205	-	205	205
Derivative liabilities:								
- forward currency contracts	-	783	-	-	-	-	783	783
2024								
<u>Financial Asset</u>								
Other investments:								
- quoted shares	45,018	-	-	-	-	-	45,018	45,018
2023								
<u>Financial Asset</u>								
Other investments:								
- quoted shares	51,242	-	-	-	-	-	51,242	51,242

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 FAIR VALUE INFORMATION (CONT'D)

(a) Fair Value of Financial Instruments Carried at Fair Value

- (i) The fair values above have been determined using the following basis:-
- (aa) The fair value of quoted investments is determined at their quoted closing bid prices at the end of the reporting period.
- (bb) The fair values of forward currency contracts are determined by discounting the difference between the contractual forward prices and the current forward prices for the residual maturity of the contracts using a risk-free interest rate (government bonds).
- (ii) There were no transfer between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:-

- (i) The fair values of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair values of redeemable preference shares, term loans and hire purchase payables that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	The Group	
	2024	2023
	%	%
Term loans (fixed rate)	1.00	1.00
Hire purchase payables	1.96 - 2.46	1.96
Redeemable preference shares	4.00	4.00

LIST OF PROPERTIES HELD AS AT 31 DECEMBER 2024

No	Name of Registered Owner/ Location	Description/ Existing Use	Land Area (Sq Ft)	Built-up Area (Sq Ft)	Approximate Age of Building	Year of Acquisition	Tenure	Audited Net Book Value as at 31 Dec 2024 RM'000
1	HS(D) 21091 PT4623 Mukim Bachang Daerah Melaka Tengah 75350 Melaka Postal Address Lot 6 8726 Batu Berendam FTZ Phase 3 Batu Berendam 75350 Melaka	One (1) block of double storey factory cum office premise and one (1) block four storey factory.	231,862	202,011	33 years	2000	Leasehold 90 years Expiring on 16.02.2091	11,625
2	HS(D) 62241 PT6560 (New Lot no.9422) Mukim Bachang Daerah Melaka Tengah 75350 Melaka Postal Address Lot 7 8730 Batu Berendam FTZ Phase 3 Batu Berendam 75350 Melaka	Four (4) adjoining blocks that consist of one block of three-storey factory, one block of two-storey factory cum office premise, one block of single-storey extension for lobby and one block of three-storey extension building.	258,915	336,010	6 years	2016	Leasehold 75 years Expiring on 19.12.2091	58,399
3	HS(D) 27923 PT16948 Lot 5808 Mukim Bachang Daerah Melaka Tengah 75350 Melaka Postal Address No 8729, Kawasan Industri Batu Berendam, 75350, Hang Tuah Jaya, Melaka	5-storey hostel building and other ancillary buildings.	217,646	49,171	31 years	2022	Leasehold 71 years expiring on 30.12.2093	15,171
4	GRN 9475 Lot 518 Mukim Sungei Petai Daerah Alor Gajah, Melaka	Agriculture Land	924,299	Not Applicable	Not Applicable	2024	Freehold	15,470

RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

In accordance with Section 3.1.5 of Practice Note 12 and Para 10.09(2)(b) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a breakdown of the aggregate value of recurrent related party transactions conducted during the financial year ended 31 December 2024 pursuant to the Shareholders' Mandate is disclosed as follows:-

No.	Nature of Transactions	Companies within Group	Related Parties	Relationship	Aggregated Amount RM('000)
1	Supply of chips or dies manufactured by Epistar	Dominant Malaysia	Epistar Corporation ("Epistar")	Note a	266,404

Note:-

- a) Epistar subscribed 11,000,000 new ordinary shares in Dominant Malaysia on 9 November 2015 which is equivalent to 10% of Dominant Malaysia's total share capital.

STATISTICS ON SHAREHOLDINGS

AS AT 27 MARCH 2025

ANALYSIS OF SHAREHOLDINGS

ORDINARY SHARES AS AT 27 MARCH 2025

Total Number of Issued Shares : RM474,209,384 divided into 1,239,483,654 ordinary shares; and

Class of Shares : Ordinary shares

Voting Rights : One vote per ordinary share held

DISTRIBUTION OF ORDINARY SHAREHOLDINGS AS AT 27 March 2025

Size of Holdings	No. of Holders	% of Holders	Total Holdings	% of Holdings
Less than 100	232	2.169	7,561	0.000
100 to 1,000	3,081	28.800	1,989,667	0.161
1,001 to 10,000	5,363	50.131	23,286,322	1.879
10,001 to 100,000	1,708	15.965	50,243,109	4.053
100,001 to less than 5% of issued shares	311	2.907	735,917,123	59.373
5% and above of issued shares	3	0.028	428,039,872	34.534
Total	10,698	100.000	1,239,483,654	100.000

THIRTY LARGEST ORDINARY SHAREHOLDERS AS AT 27 MARCH 2025

No.	Name of Securities Account Holder	No. of shares held	%
1	PRT Capital Pte Ltd	161,785,200	13.053
2	Citigroup Nominees (Asing) Sdn Bhd UBS AG Singapore for Keen Capital Investments Limited	153,470,932	12.382
3	Omega Riang Sdn Bhd	112,783,740	9.100
4	Kumpulan Wang Persaraan (Diperbadankan)	50,764,300	4.096
5	Lembaga Tabung Haji	49,402,400	3.986
6	Cimsec Nominees (Tempatan) Sdn Bhd CIMB for Mohammed Azlan Bin Hashim (PB)	40,000,000	3.227
7	Camasia Limited	31,605,466	2.550
8	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mohammed Azlan Bin Hashim	28,784,302	2.322
9	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberdeen)	28,737,600	2.319
10	Lim Thiam Cheok	28,201,240	2.275
11	Tay Kheng Chiong	24,529,952	1.980
12	Kema Development Sdn Bhd	21,994,581	1.774
13	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	21,686,216	1.750
14	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (Aberdeen)	18,943,000	1.528
15	Low Tek Beng	15,828,666	1.277

STATISTICS ON SHAREHOLDINGS AS AT 27 MARCH 2025 (CONT'D)

THIRTY LARGEST ORDINARY SHAREHOLDERS (CONT'D) AS AT 27 MARCH 2025

No.	Name of Securities Account Holder	No. of shares held	%
16	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Nonadiah Binti Abdullah	13,200,000	1.065
17	Lim Thian Soo	11,925,999	0.962
18	Geo-Mobile Asia Sdn Bhd	11,900,000	0.960
19	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Hong Leong Dividend Fund	11,500,000	0.928
20	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberislamic)	11,183,800	0.902
21	Amanahraya Trustees Berhad Public Islamic Opportunities Fund	10,555,600	0.852
22	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Asianislamic)	10,291,000	0.830
23	RCI Ventures Sdn Bhd	10,182,666	0.821
24	Cartaban Nominees (Tempatan) Sdn Bhd PBTB for Takafulink Dana Ekuiti	9,668,300	0.780
25	Chu Beng Han	9,303,800	0.750
26	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	8,914,100	0.719
27	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	8,812,900	0.711
28	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	7,477,104	0.603
29	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad For Prulink Strategic Fund	6,831,400	0.551
30	DB (Malaysia) Nominee (Asing) Sdn Bhd Exempt An For State Street Bank & Trust Company (West CLT OD67)	6,600,600	0.532
Total		936,864,864	75.585

SUBSTANTIAL ORDINARY SHAREHOLDERS BASED ON REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 27 MARCH 2025

No	Name of Substantial Shareholder	Direct Interest		Deemed Interest	
		Shares	%	Shares	%
1	PRT Capital Pte Ltd	161,785,200	13.053	0	0.000
2	Keen Capital Investments Limited	153,470,932	12.382	0	0.000
3	Omega Riang Sdn Bhd	112,783,740	9.100	0	0.000
4	Goh Nan Kioh	0	0.000	376,301,530	30.360
5	Tan Sri Mohammed Azlan bin Hashim	68,784,302	5.549	31,314,113	2.526
6	Puan Sri Nonadiah binti Abdullah	21,314,113	1.720	78,784,302	6.356
7	Lim Yam Chiew	2,927,468	0.236	112,783,740	9.099
8	Employees Provident Fund Board	99,451,120	8.024	0	0.000
9	Kumpulan Wang Persaraan (Diperbadankan)	55,784,800	4.501	25,219,900	2.035
10	Aberdeen Group plc (Formerly known as Abrdn plc)	0	0.000	66,321,000	5.351
11	Abrdn Holdings Limited	0	0.000	66,321,000	5.351
12	Abrdn Malaysia Sdn Bhd	0	0.000	66,321,000	5.351

STATISTICS ON SHAREHOLDINGS AS AT 27 MARCH 2025 (CONT'D)

DIRECTORS' INTEREST IN ORDINARY SHARES AS AT 27 MARCH 2025

No	Name of Director	Direct Interest		Deemed Interest	
		Shares	%	Shares	%
1	Tan Sri Mohammed Azlan bin Hashim	68,784,302	5.549	31,314,113	^b 2.526
2	Tay Kheng Chiong	24,529,952	1.979	0	0.000
3	Yeow See Yuen	2,732,699	0.220	0	0.000
4	Jesper Bjoern Madsen	450,000	0.036	0	0.000
5	Jennifer Chong Gaik Lan	35,300	0.003	46,000	^e 0.004
6	Goh Chin San	0	0.000	0	0.000
7	Goh Chin Loong	0	0.000	0	0.000
8	Au Siew Loon	13,333	0.001	0	0.000
9	Lui Soek Kuen	0	0.000	0	0.000
10	Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah	0	0.000	0	0.000

NOTES:

- Deemed interest by virtue of his shareholdings held through Keen Capital Investments Limited, PRT Capital Pte Ltd, Geo-Mobile Asia Sdn Bhd, Lanai Etika Sdn Bhd, Rubber Thread Industries (M) Sdn Bhd, Mega First Housing Development Sdn Bhd, RCI Ventures Sdn Bhd, Camasia Limited and Enemax Trading Limited.*
- Deemed interest by virtue of his shareholdings held through his spouse, Puan Sri Nonadiah binti Abdullah and children.*
- Deemed interest by virtue of her shareholdings held through her spouse, Tan Sri Mohammed Azlan bin Hashim and children.*
- Deemed interest by virtue of her shareholdings held through Omega Riang Sdn Bhd.*
- Deemed interest by virtue of her shareholdings held through her spouse and children.*

Save as disclosed below, there are no other relationship or associations amongst the other substantial shareholders and Directors:-

- Goh Nan Kioh is the spouse of Lim Yam Chiew;
- Puan Sri Nonadiah binti Abdullah is the spouse of Tan Sri Mohammed Azlan bin Hashim;
- Goh Chin San and Goh Chin Loong are sons of Goh Nan Kioh and Lim Yam Chiew; and
- Goh Chin San and Goh Chin Loong are siblings.

IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AS AT 27 MARCH 2025

Class of Shares : Irredeemable Convertible Preference Shares ("ICPS")
Listing status : Unquoted on the Main Market of Bursa Securities
Voting Rights : The ICPS holders shall carry no right to vote at any general meeting of the Company except for the following circumstances:-
(a) when the dividend or part of the dividend on the ICPS is in arrears for more than 6 months;
(b) on a proposal to reduce the Company's share capital;
(c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
(d) on a proposal that affects rights attached to the ICPS;
(e) on a proposal to wind up the Company; and
(f) during the winding-up of the Company.

Number of ICPS : 377,073,768 ICPS

STATISTICS ON SHAREHOLDINGS AS AT 27 MARCH 2025 (CONT'D)

DISTRIBUTION OF ICPS SHAREHOLDINGS AS AT 27 MARCH 2025

Size of Holdings	No. of Holders	Total Holdings	%
Less than 100	0	0	0.000
100 to 1,000	0	0	0.000
1,001 to 10,000	0	0	0.000
10,001 to 100,000	0	0	0.000
100,001 to less than 5% of issued shares	0	0	0.000
5% and above of issued shares	3	377,073,768	100.000
Total	3	377,073,768	100.000

LIST OF ICPS SHAREHOLDERS AS AT 27 MARCH 2025

No.	Name of Securities Account Holder	No. of shares held	%
1	Golden Horizon Resources Limited	176,065,573	46.693
2	Thames Electronics Sdn Bhd	112,975,409	29.961
3	Camasia Limited	88,032,786	23.346
	Total	377,073,768	100.000

DIRECTORS' INTEREST IN ICPS AS AT 27 MARCH 2025

No	Name of Director	Direct Interest		Deemed Interest	
		Shares	%	Shares	%
1	Tan Sri Mohammed Azlan bin Hashim	0	0.000	0	0.000
2	Tay Kheng Chiong	0	0.000	0	0.000
3	Yeow See Yuen	0	0.000	0	0.000
4	Jesper Bjoern Madsen	0	0.000	0	0.000
5	Jennifer Chong Gaik Lan	0	0.000	0	0.000
6	Goh Chin San	0	0.000	0	0.000
7	Goh Chin Loong	0	0.000	0	0.000
8	Au Siew Loon	0	0.000	0	0.000
9	Lui Soek Kuen	0	0.000	0	0.000
10	Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah	0	0.000	0	0.000

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First Annual General Meeting (“21st AGM”) of D & O Green Technologies Berhad (“D&O” or “the Company”) will be held at Playhouse Theatre, The Campus Ampang, Lot 7706, Jalan Kolam Air Lama, Mukim, Hulu Kelang, 68000 Ampang, Selangor on Wednesday, 28 May 2025 at 10.00 a.m. for the following purposes: -

A G E N D A

1. To receive and consider the Directors’ Report and Audited Financial Statements (Please refer to Note 1 below) for the year ended 31 December 2024.
2. To re-elect Mr Tay Kheng Chiong, a director who retires by rotation pursuant to Article 120 of the Constitution of the Company and being eligible, offers himself for re-election. (Ordinary Resolution 1)
3. To re-elect Mr Yeow See Yuen, a director who retires by rotation pursuant to Article 120 of the Constitution of the Company and being eligible, offers himself for re-election. (Ordinary Resolution 2)
4. To re-elect Mr Goh Chin Loong, a director who retires by rotation pursuant to Article 120 of the Constitution of the Company and being eligible, offers himself for re-election. (Ordinary Resolution 3)
5. To approve the payment of Non-Executive Directors’ fees in respect of the financial year ending 31 December 2025 and Non-Executive Directors’ benefits from 21st AGM to the Twenty-Second Annual General Meeting (“22nd AGM”) as follow and the Directors of the Company be authorised to do all such acts and things (including executing all such documents as may be required and define the payment terms), as they may consider expedient or necessary in the payment of Non-Executive Directors’ fees :

Non-Executive Director	Fees	Benefits	
- Tan Sri Mohammed Azlan bin Hashim	59,700	5,000	(Ordinary Resolution 4)
- Goh Chin San	39,750	5,000	(Ordinary Resolution 5)
- Jesper Bjoern Madsen	55,950	10,000	(Ordinary Resolution 6)
- Yeow See Yuen	37,650	5,000	(Ordinary Resolution 7)
- Jennifer Chong Gaik Lan	51,850	10,000	(Ordinary Resolution 8)
- Goh Chin Loong	37,650	10,000	(Ordinary Resolution 9)
- Au Siew Loon	55,760	10,000	(Ordinary Resolution 10)
- Lui Soek Kuen	49,750	10,000	(Ordinary Resolution 11)
- Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah	37,650	5,000	(Ordinary Resolution 12)

6. To re-appoint Crowe Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to determine their remuneration. (Ordinary Resolution 13)
7. Special Business

By way of Special Business, to consider and if thought fit, to pass the following resolutions, with or without modification:-

- 7.1 **Retention of an Independent Director, Mr Jesper Bjoern Madsen** (Ordinary Resolution 14)

“**THAT** approval be and is hereby given to Mr Jesper Bjoern Madsen, who has served as an Independent Director of the Company for a cumulative of more than nine (9) years, to continue to act as an Independent Director of the Company.”

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

7.2 **Authority to issue shares pursuant to Section 75 and 76 of the Companies Act, 2016** (Ordinary Resolution 15)

“THAT subject always to the Companies Act, 2016 (“Act”), the Company’s Constitution, the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and approval of the relevant government/regulatory authorities, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Act, to allot and issue the Company Shares at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of the Company Shares to be allotted pursuant to the said allotment does not exceed ten percent (10%) of the total number of issued shares of the Company as at the date of such allotment and that the Directors be and are hereby authorised to obtain all necessary approvals from the relevant authorities for the allotment, listing of and quotation for the additional shares so allotted on Bursa Malaysia and that such authority to allot the Company Shares shall continue to be in force until the conclusion of the next AGM of the Company.

AND THAT pursuant to Section 85 of the Companies Act 2016, read together with Clause 16 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from any issuance of new shares pursuant to Section 75 and 76 of the Act.”

7.3 **Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“Proposed Shareholders’Mandate”)** (Ordinary Resolution 16)

“THAT approval and authority be and are hereby given to the Company and/ or its subsidiaries to enter into any of the transactions falling within the types of recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 4 of the Circular to Shareholders dated 28 April 2025 (“Circular”) provided that such transactions are undertaken in the ordinary course of business, at arm’s length and based on commercial terms and on terms which are not, in the Company’s opinion, detrimental to the minority shareholders,

AND THAT such approval shall continue to be in force until:-

- (i) the conclusion of the next AGM of the Company following this AGM at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act);or
- (iii) revoked or varied by resolution passed by shareholders in general meeting,

whichever is earlier.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed Shareholders’ Mandate.”

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend the 21st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 75 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 19 May 2025. Only a depositor whose name appears on the Record of Depositors as at 19 May 2025 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board
TAN PEI CHOO
(MAICSA 7023284)
SSM PC NO: 202008001020
Company Secretary

Kuala Lumpur
28 April 2025

NOTES:-

- 1) Item 1 of the Agenda is meant for discussion only as provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.
- 2) For the purpose of determining who shall be entitled to attend the 21st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 19 May 2025**. Only a member whose name appears on this Record of Depositors shall be entitled to attend the 21st AGM.
- 3) A member who is entitled to attend the 21st AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
- 4) A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint one (1) or more proxies to attend instead of the member at the 21st AGM.
- 5) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holding(s) to be represented by each proxy.
- 6) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint more than one (1) proxy in respect of each security account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- 7) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- 8) The appointment of a proxy may be made in a hard copy form and must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic means can be electronically lodged via TIIH Online website at <https://tiih.online>. Kindly refer to the Administrative Guide for further information on electronic lodgement of proxy form. All proxy forms submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 21st AGM or adjourned general meeting at which the person named in the appointment proposes to vote.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

- 9) Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- 10) Last date and time for lodging the proxy form is **Monday, 26 May 2025 at 10.00 a.m.**
- 11) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the 21st AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- 12) For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment at the Registered Office of the Company at No. 15, Bukit Ledang, Off Jalan Duta, 50480 Kuala Lumpur. The certificate of appointment should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- 13) Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all resolutions set out in this Notice will be put to vote by way of poll.

Abstention from Voting

- 14) All those Directors of the Company who are shareholders of the Company will abstain from voting on the respective resolutions under Ordinary Resolutions 4, 5, 6, 7, 8, 9, 10, 11 and 12, as applicable, in respect of their direct and/or indirect shareholdings in D&O.
- 15) Any Director referred in Ordinary Resolution 1, 2 and 3 who is a shareholder of the Company will abstain from voting on the resolution in respect of his re-election at the 21st AGM.

Explanatory Notes

- (a) Re-election of Directors

Based on the recommendation of the Nomination Committee according to *Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and Fit and Proper Policy*, the Board is satisfied with the performance and contributions of the following Directors and supports the re-election based on the following justifications:

- (1) Ordinary Resolution 1- Re-election of Mr Tay Kheng Chiong as Group Managing Director.

The profile of Mr Tay Kheng Chiong is found on the "Profile of Directors" section of this Integrated Report 2024.

Mr Tay has offered himself for re-election as director and had abstained from the deliberation and decision on his eligibility for re-election in the Board.

Mr Tay confirmed to his best knowledge, he has no conflict of interest or potential conflict of interest in any competing business with the Company and its Group.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Mr Tay has actively participated in the board meetings.

Mr Tay shows exemplary leadership in business expansion, sustainability management and value creation of the Group. He has contributed significantly to the Group by providing valuable inputs and steered the Group forward in the past years with notable achievements during his tenure as Group Managing Director

(2) Ordinary Resolution 2- Re-election of Mr Yeow See Yuen as Non-Executive Director

The profile of Mr Yeow See Yuen is found on the "Profile of Directors" section of this Integrated Report 2024.

Mr Yeow See Yuen has offered himself for re-election as director and had abstained from the deliberation and decision on his eligibility for re-election in the Board.

Mr Yeow confirmed to his best knowledge, he has no conflict of interest or potential conflict of interest in any competing business with the Company and its Group.

Mr Yeow has actively participated in the board meetings.

(3) Ordinary Resolution 3 - Re-election of Mr Goh Chin Loong as Non-Executive Director

The profile of Mr Goh Chin Loong is found on the "Profile of Directors" section of this Integrated Report 2024.

Mr Goh Chin Loong has offered himself for re-election as director and had abstained from the deliberation and decision on his eligibility for re-election in the Board.

Mr Goh confirmed to his best knowledge, he has no conflict of interest or potential conflict of interest in any competing business with the Company and its Group.

Mr Goh has actively participated in the board meetings.

(b) Retention of Independent Director

Ordinary Resolution 14, if passed, will allow Mr Jesper Bjoern Madsen to continue in office as an Independent Director of the Company. Mr Jesper Bjoern Madsen was appointed as an Independent Director on 21 August 2014.

Mr Madsen has offered himself for re-election as director and had abstained from the deliberation and decision on his eligibility for re-election in the Nomination Committee as well as Board.

The Board has via the Nomination Committee conducted an annual performance evaluation and assessment of Mr Madsen, who has served the Company for more than nine years as at the date of the notice of this 21st AGM and recommended him to continue to act as Independent Director of the Company based on the following justifications:

- i) he has met the independence guidelines set out in the MMLR;
- ii) he continues to be independent as he has no circumstances and relationships that create threats to his independence;
- iii) he has actively participated in board meetings and possesses the appropriate competencies to enable him to apply professional judgment; and
- iv) he has contributed sufficient time and efforts and exercised due care in all undertakings of the Company and has acted and carried out his fiduciary duties in the interest of the Company during his tenure as an Independent Director.

Pursuant to the Malaysian Code on Corporate Governance 2021, the Company would use two-tier voting process in seeking annual shareholders' approval to retain Mr Madsen, who served the Company as an Independent Director beyond nine years. The Board recommends you to support the resolution for the Director to continue in office.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Mr Madsen confirmed to his best knowledge, he has no conflict of interest or potential conflict of interest in any competing business with the Company and its Group.

- (c) Authority to issue shares pursuant to Section 75 and 76 of the Companies Act, 2016

Ordinary Resolution 15, if passed, will give authority to the Directors of the Company, from the date of the 21st AGM, to issue and allot ordinary shares in the Company up to and not exceeding in total ten percent (10%) of the issued share capital of the Company for the time being, for such purposes as they consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

The renewed mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment, working capital and/or acquisitions.

- (d) Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Ordinary Resolution 16, if passed, will provide a new mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, particulars of which are set out in Section 4 of the Circular to Shareholders of the Company dated 28 April 2025 that is circulated together with the Company's Notice of the 21st AGM. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

There is no person seeking election as Director of the Company at the 21st AGM.

Details of the general mandate to issue securities in the Company pursuant to Section 75 and 76 of the Companies Act 2016 are set out in Explanatory Note (b) of the Notice of the 21st AGM.

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D&O

Greentech

D & O GREEN TECHNOLOGIES BERHAD

(Registration No: 200401006867/645371-V)
(Incorporated in Malaysia)

PROXY FORM

(To be completed in capital letters)

No. of Shares held:	CDS Account No.

* I/We _____

I/C or Company No _____ of _____

being a Member/Members of **D & O Green Technologies Berhad** hereby appoint:

Full Name (in Block Letters)	NRIC/Passport No.	Proportion of shareholdings	
		No. of D&O Shares	%
Address			

And/Or

Full Name (in Block Letters)	NRIC/Passport No.	Proportion of shareholdings	
		No. of D&O Shares	%
Address			

Or failing #THE CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us on *my/our behalf at the Twenty-First Annual General Meeting of the Company will be held at Playhouse Theatre, The Campus Ampang, Lot 7706, Jalan Kolam Air Lama, Mukim, Hulu Kelang, 68000 Ampang, Selangor on Wednesday, 28 May 2025 at 10.00 a.m. or at any adjournment thereof, in the manner indicated below:

Ordinary Resolution	For	Against	Abstain
1 Re-election of Mr Tay Kheng Chiong as Director			
2 Re-election of Mr Yeow See Yuen as Director			
3 Re-election of Mr Goh Chin Loong as Director			
4 Approval of Non-Executive Director's fees and benefits for Tan Sri Mohammed Azlan bin Hashim			
5 Approval of Non-Executive Director's fees and benefits for Mr Goh Chin San			
6 Approval of Non-Executive Director's fees and benefits for Mr Jesper Bjoern Madsen			
7 Approval of Non-Executive Director's fees and benefits for Mr Yeow See Yuen			
8 Approval of Non-Executive Director's fees and benefits for Madam Jennifer Chong Gaik Lan			
9 Approval of Non-Executive Director's fees and benefits for Mr Goh Chin Loong			
10 Approval of Non-Executive Director's fees and benefits for Mr Au Siew Loon			
11 Approval of Non-Executive Director's fees and benefits for Madam Lui Soek Kuen			
12 Approval of Non-Executive Director's fees and benefits for Mr Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah			
13 Re-appointment of Auditors			
14 Retention of Independent Director (Mr. Jesper Bjoern Madsen)			
15 Authority to Issue Shares			
16 Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature			

Please indicate with an "X" how you wish your vote to be cast. In the absence of specific directions, your Proxy may vote or abstain at his/her discretion.

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:-	
Proxy 1	%
Proxy 2	%
Total	100 %

Signature/Common Seal of Member(s)

Date: _____

Tel. No. _____

If you wish to appoint other person(s) to be your proxy/proxies, kindly delete the words "The Chairman of the Meeting" and insert the name(s) of the person(s) desired.

* Delete if not applicable.

Notes:

- i) For the purpose of determining who shall be entitled to attend the 21st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 19 May 2025**. Only a member whose name appears on this Record of Depositors shall be entitled to attend the 21st AGM.
- ii) A member who is entitled to attend the 21st AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
- iii) A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint one (1) or more proxies to attend instead of the member at the 21st AGM.
- iv) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holding(s) to be represented by each proxy.
- v) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint more than one (1) proxy in respect of each security account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- vi) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- vii) The appointment of a proxy may be made in a hard copy form and must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic means can be electronically lodged via TIH Online website at <https://tiih.online>. Kindly refer to the Administrative Guide for further information on electronic lodgement of proxy form. All proxy forms submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 21st AGM or adjourned general meeting at which the person named in the appointment proposes to vote.
- viii) Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

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AFFIX
STAMP

The Share Registrar
D & O GREEN TECHNOLOGIES BERHAD
Registration No: 200401006867 (645371-V)
Tricor Investor & Issuing House Services Sdn Bhd
Registration No: 197101000970 (11324-H)
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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Fold This Flap For Sealing

D & O GREEN TECHNOLOGIES BERHAD

Registration No: 200401006867 (645371-V)

Lot 6, Batu Berendam FTZ
Phase III, 75350 Melaka, Malaysia

Telephone: 06 283 3566

Facsimile: 06 284 7988

Email: corp@do.com.my

www.do.com.my

www.dominant-semi.com

