



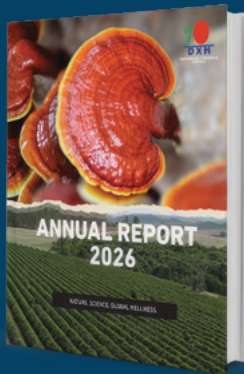
DXN Holdings Bhd.
Registration No.: 199501033918
(363120-V)

ANNUAL REPORT 2026

NATURE. SCIENCE. GLOBAL WELLNESS.

INSIDE THIS REPORT

COVER RATIONALE



Six thousand years ago, *Ganoderma lucidum* was already changing lives.

That ancient wisdom became the founding vision of DNX, a company that now reaches across 180 countries and touches the lives of 22 million people worldwide.

The cover brings that scale to life through two images rooted in reality. Above, *Ganoderma lucidum* cultivated at DNX's own proprietary facility in Jitra, Kedah, Malaysia, the origin of it all, grown and owned entirely by DNX, with over six millennia of wellness heritage behind it and growing scientific validation ahead. Below, the sweeping rows of DNX's coffee plantation in Ibia, Minas Gerais, Brazil, spanning 155 hectares, a supply chain that now extends across continents and continues to grow.

From farm to shelf, every step of that journey belongs to DNX. It is this vertically integrated model, rooted in nature and anchored in science, that gives DNX its enduring resilience and positions the company for sustainable growth well into the future.

Nature. Science. Global Wellness. The three pillars that have guided DNX from its founding and the enduring promise that continues to carry it forward.

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30th ANNUAL GENERAL MEETING



DATE

Monday, 10 August 2026



TIME

10.00am



VENUE

Held physically at
**DXN Cyberville, Jalan Teknokrat 1,
Cyber 3, 63000 Cyberjaya,
Selangor Darul Ehsan**



For more information, visit our website
www.dxn2u.com

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BUSINESS OVERVIEW



BLUE

BLUE represents water. It symbolises the Company as the flowing foundation for all the vigorous developments.

The Blue Horizontal Line symbolises the Company's power source for the business.

RED

RED represents fire. It symbolises the Company's resilience and spirit to develop and progress.

The Red Oval symbolises the rising sun and represents aggressiveness, single mindedness, and persistence in achieving DXN Group's vision.

GREEN

GREEN represents trees, showing the dynamic growth and expansion of our market.

The Green Branches symbolise Ganoderma which represents the Company's strong commitment to growth and relentless strive towards excellence by focusing on the health-based industry.

OUR MISSION

To uplift global well-being by offering high-quality, affordable products through an inclusive business model. We empower individuals with accessible entrepreneurial opportunities, guided by integrity and simplicity. We are dedicated to elevating the quality of life of people across the globe through tangible solutions.

OUR VISION

To promote health, wealth, and happiness.

NATURAL WELLNESS, GLOBAL REACH, HUMAN CONNECTION

ONE WORLD ONE MARKET

WHO WE ARE AND WHAT WE DO

Established in 1995 in Kedah, Malaysia, under the visionary leadership of Datuk Lim Siow Jin ("DLSJ"), DXN Holdings Bhd. and its subsidiaries ("DXN Group" or "the Group") have evolved into a global force in the wellness industry. Driven by DLSJ's pioneering commitment to the benefits of traditional medicines and herbal remedies across key Asian markets and beyond, DXN today stands as a vertically-integrated, multinational manufacturer of premium nutraceutical products. Leveraging the synergistic properties of natural sources, notably mushroom and Spirulina, our innovation yields a comprehensive portfolio encompassing fortified food and beverages ("FFB"), health and dietary supplements ("HDS"), and personal care and cosmetics ("PCC") formulations, all designed to empower health and well-being through our expansive network.

DXN Group's operations are underpinned by a robust, vertically integrated supply chain, a key strength enabling our global reach. This includes our dedicated research team across facilities in Malaysia and China, focused on product development and continually enhancing our cultivation and manufacturing processes. Supporting this are our eight (8) cultivation facilities worldwide, strategically located to ensure the sustainable growth of core ingredients such as Spirulina, *Ganoderma lucidum* (also known as Lingzhi or Reishi), tiger milk mushroom, noni, and roselle, guaranteeing

a consistent supply of quality raw materials. Complementing this upstream control is our network of fourteen (14) manufacturing facilities across strategic locations including Malaysia, Indonesia, India, China, Mexico, Dubai, Bangladesh and Nepal where 474 of our 702 product offerings are produced in-house, underscoring our commitment to quality and control.

DXN Group's global reach extends across 59 countries through 85 strategically positioned sales branches and 14 external distribution agencies, effectively serving our extensive membership. This network is further amplified by 2,001 stockists worldwide. Our vibrant global community comprises over 21.6 million registered members spanning more than 180 countries, with a strong base of 3.5 million active members who are integral to DXN's ecosystem and its widespread adoption of its wellness solutions.

Looking ahead, DXN Group is strategically positioned for further expansion, with seven (7) cultivation facilities and seven (7) manufacturing facilities forming part of its long-term growth and capacity enhancement strategy. These initiatives reflect the Group's commitment to strengthening production capabilities and supporting increasing global demand for its products.



PRESENCE IN

59 countries
with

85 sales branches

14

external distribution agencies



MEMBERS IN MORE THAN

180
countries
with

21.6
million registered members



OPERATIONS SUPPORTED BY

2
research facilities in Malaysia and China

14
manufacturing facilities, with 7 more in the pipeline

8
cultivation facilities, with 7 more in the pipeline

BUSINESS OVERVIEW

OUR VALUE CHAIN



UPSTREAM

DXN's coffee plantation in Minas Gerais, Ibia, Brazil

RESEARCH

- In-house research team to optimise cultivation and manufacturing processes, develop new products and test products for certification and compliance.
- Provides testing services to third-party clients.

CULTIVATION

Internal Cultivation

- In-house cultivation of Ganoderma, Mycelium, Spirulina, coffee beans and various other herbs and ingredients.
- Enables close control over quality and efficacy of active ingredients.

External Cultivation

- Diversified supply base.
- Opportunistic purchases from external suppliers when prices of certain commodities are temporarily depressed.



MIDSTREAM

The packing section in our facility in Jitra, Kedah.

MANUFACTURING

Internal Manufacturing

- In-house manufacturing capabilities across a broad range of product formats.
- Enables close quality control to reduce contamination.

External Manufacturing

- All externally manufactured products are solely DXN Group-branded.
- For products requiring niche expertise outside of DXN Group's core competency.
- For low-volume products with minimal technical capabilities of value to be built internally.



DOWNSTREAM

DXN key leaders from across the globe celebrating the Group's 30th Anniversary at DXN Cyberville

DISTRIBUTION

Sales Branches

Sales branches keep sufficient buffer stocks of at least three (3) months and not more than six (6) months of sales volume to avoid stockout situation for any product.

Stockists

- Members (appointed as stockists) operate service centres which can on-sell our products to Members.
- Facilitate physical distribution in areas without local branches by reselling our products to other members without a mark-up.

External Distribution Agencies

- Exclusively carries our products to on-sell and distribute to other Members and/or end consumers.
- May have their own sales branches which are not managed by us.

Members

- No joining fees.
- Members purchase and distribute products within their personal network, and can conduct sales online and host personal e-commerce shopfronts on our website and mobile application.

OUR COMPETITIVE STRENGTHS

DXN has Built a Solid Presence in Emerging Markets, Where Our Business Model has Proven Highly Effective.

Continuous product innovation and a self-sustaining vertically-integrated supply chain have enabled DXN to maintain operational efficiency, strengthen supply chain resilience, and support scalability across high-growth markets. The significant market share we command in key Latin American countries reflects our operational strength and market responsiveness, a key driver of our global expansion and long-term growth trajectory. This reinforces our position as a resilient and forward-looking player in the international health and wellness industry.

01

02

Delivering Innovation and Quality Through In-House Expertise.

The growing demand for quality, health-focused products is met through our commitment to product innovation and in-house manufacturing. We exclusively market our products with our own brand to ensure sound quality control from development to the consumer, a process informed by nutrition science. Our in-house Research & Development ("R&D") team allows us to proactively address evolving consumer needs and current health trends with timely and relevant innovations.

Global Reach Anchored by a Resilient Business Model.

DXN maintains a wide-reaching global distribution network, spanning 59 countries across Europe, Latin America, North America, Central and South Asia, Southeast Asia, the Middle East, Africa, and Oceania. This diversified geographical presence ensures stable revenue generation and reduces dependence on any single market.

03

04

Consistent Track Record of Profitable Growth, Strong Cash Generation, and Shareholder Returns.

As a growth-focused company with a consistent track record of year-on-year ("YoY") growth in both revenue and profit, DXN's efficient business model enables rapid expansion into new and existing markets, supported by streamlined operational processes and extensive market experience.

Our business strategy is designed to drive sustainable consumer sales while fostering long-term engagement. Central to this is our "One World One Market" compensation plan, which is structured to reward performance-based sales across global markets. To further empower our distributor network, DXN provides comprehensive support, including marketing tools, training, and business development resources—ensuring that each member is equipped for success.

Robust Technology Ecosystem Enabling Scalable Global Operations.

DXN's integrated technology infrastructure enables efficient scaling across global markets while streamlining operations and supporting agile decision-making. Our information technology ("IT") ecosystem, connected through Application Programming Interfaces ("API"), ensures seamless data flow across business functions, and is tailored to local market needs. This digital backbone is vital to our members, who depend on it for transactions, performance tracking, and business tools. As we grow, digital innovation remains central to driving both operational excellence and member success.

05

Our strong operating performance consistently generates healthy cash flows, underpinning our commitment to delivering shareholder value. In line with this, we have maintained a policy of distributing attractive dividends, reflecting both the strength of our fundamentals and our disciplined approach to capital management.

BUSINESS OVERVIEW



Clear Pathway for Growth in New and Existing Markets

We will continue to expand our presence by establishing new sales branches or partnering with external distribution agencies in regions where a strong member base and sufficient sales volume support sustainable network marketing efforts.



Adapting to Evolving Consumer Needs and Strengthening Member Engagement

Our structured approach to product ideation, development, and launch is driven by our proven ability to introduce a diverse range of offerings. We remain focused on delivering relevant, high-quality products while deepening engagement with our members.

STRATEGIC PILLARS DRIVING SUSTAINABLE GLOBAL GROWTH



Ongoing Expansion of Our Vertically-Integrated Global Supply Chain

We aim to scale our global supply infrastructure to ensure consistent and reliable demand fulfilment. This proactive supply chain management minimises the risk of disruptions and supports our continued topline growth.



Advancing Our Technological Ecosystem

Leveraging on digital platforms and social media, we enhance our global reach and facilitate member enrolment. Our technology enables members to share success stories across their networks, amplifying our brand's visibility and effectively communicating the value we offer to a broader audience.

OUR PRODUCT PORTFOLIO

702 Stock Keeping Units ("SKUs")

of Health-Oriented and Wellness Consumer Products

280

FFB products



Fortified Food and Beverages ("FFB")

Out of our 280 products under FFB, Lingzhi Black Coffee and Lingzhi Coffee 3-in-1 are our main revenue contributors, each accounting for more than 5% of our gross revenue. The key products under this category include:



DXN Lingzhi Coffee 3-in-1



DXN Lingzhi Black Coffee



DXN Cocozhi



DXN Spirulina Cereal

186

HDS products



Health and Dietary Supplements ("HDS")

We produce and sell 186 types of supplements made with various natural ingredients such as Ganoderma, Spirulina, Cordyceps, and Green Chiretta. Following are the key products of this category:



DXN RG/GL



DXN Spirulina



DXN Lion's Mane Mushroom



DXN Cordyceps

137

PCC products



Personal Care and Cosmetics ("PCC")

Key products under our range of 137 PCC products are:



Ganozhi Toothpaste



Ganozhi Soap



Gano Massage Oil



Ganozhi Shampoo

99

Lifestyle & Living products



Other Products and Other Business Activities

Our portfolio also includes a range of 99 other products including DXN Kimono, pressure cooker, tea infuser, diesel fuel additives, fruit and vegetable washing liquid, laundry detergent, kettles, air purifiers, and a home water filtration system.



DXN Energy Plus Water System



Dyna Clean Laundry Detergent

CORPORATE MILESTONES



- Awarded a five-year pioneer status incentive from 2001 to 2006 for Ganoderma cultivation and processing from the Ministry of Agriculture and Food Security (formerly known as Ministry of Agriculture and Agro-Based Industry), Malaysia
- Built a new DXN Pharma facility for food supplement products in Kedah, Malaysia
- Reached two (2) million registered Members in 25 countries

- Constructed our manufacturing facility in Pondicherry, India

- Listed on the Main Market of Bursa Securities (formerly known as Main Board of Kuala Lumpur Stock Exchange)

- Awarded a 10-year pioneer status incentive from March 2011 to February 2021 for Spirulina cultivation and processing from the Ministry of Agriculture and Food Security (formerly known as Ministry of Agriculture and Agro-Based Industry), Malaysia

2001

2002

2003

2005

2017

2018

2019

2020

- Launched our first café outlet at our Stargate branch in Kedah, Malaysia
- Signed an agreement with the Dawukou District Government, Ningxia Hui Autonomous Region of the People's Republic of China, for a R&D project for Ganoderma, Spirulina and Cordyceps
- Received an investment by KV Asia Capital Pte Ltd through its investment vehicle, Gano Global, which acquired a 25.7% equity stake in our Company
- Received the USDA-NOP Certificate for DXN Pharma's facility
- Awarded a five-year pioneer status incentive from 2017 to 2022 for Bio Synergy from the Malaysian Investment Development Authority, which partially reduced our income tax

- Reached more than eight (8) million registered members worldwide, across more than 180 countries
- Received HACCP certification for Food for DXN Industries – Food production (Coffee & Juice)

- Acquired Boulder Valley, a lifestyle resort in Penang, Malaysia
- Commenced construction of DXN Cyberville, a wellness and retreat centre and main administrative centre with apartments in Cyberjaya, Malaysia

- Reached ten (10) million registered members worldwide
- Received the ISO 22716:2007 (Cosmetic) certification for DXN Industries
- Received the EU Organic certification for DXN Pharma's facility
- Launched the "One Dollar One Child" campaign against child malnutrition

CORPORATE MILESTONES

DXN Cyberville

- Completed construction of its first wellness and retreat centre, along with its new corporate headquarters, located in Cyberjaya, Malaysia. It features an apartment complex, recreational facilities, a global cyber hub and versatile event venues suitable for corporate functions, meetings, seminars, social gatherings, and personal/private events

The Public Listing of DXN

- DXN's commitment to ensuring continuous growth and prosperity through constant development led to its successful relisting on Bursa Malaysia's Main Market on 19 May 2023, providing opportunities for both the Company and its members

DXN IPO Prospectus Launch

- Held on 28 April 2023 at DXN Cyberville, the event was attended by DXN's key management, directors, employees, Crown Ambassadors, members, banking officials, Bursa Malaysia representatives and the press
- The event featured a corporate video, speeches by DXN Group's Executive Chairman and Maybank Investment Bank Berhad's CEO, and concluded with an official launch of the IPO Prospectus

2023

30th Anniversary

- Celebrated its 30th Anniversary at DXN Cyberville on 15 October 2023, with DXN Group's Executive Chairman, CEO, Key Senior Management, Board of Directors, Crown Ambassadors and distributors worldwide in attendance
- Highlights of the event included inspiring speeches delivered by the Company's key figures, recognition of top distributors, an exclusive product series launch, entertaining performances and a lucky draw

Tokoh Kebajikan Negara 2023

- DXN Group's Executive Chairman, Datuk Lim Siow Jin, received the Tokoh Kebajikan Negara 2023 award at the Majlis Malam Simfoni Kasih 2023 on 27 December 2023, in Kuala Lumpur, Malaysia
- The award recognised his global health contributions and philanthropic efforts, reflecting DXN Group's dedication and tireless endeavours in making a positive impact on society

- Achieved a remarkable milestone, surpassing seventeen (17) million registered members worldwide. This accomplishment showcases DXN Group's global influence and the dedication and hard work of the DXN Group family
- Expanded into new markets Brazil and Argentina

2024

DXN Crown Ambassador Private Jet Trips

- DXN organised a series of exclusive private jet trips for its Crown Ambassadors in 2024, providing them with a luxurious travel experience while enhancing brand visibility and market engagement. These trips significantly impacted sales growth across various regions, reinforcing DXN's premium status in the industry. Key trips are stated below:
 - Morocco Trip (June 2024)
 - India Trip (August 2024)
 - Malaysia Trip (November 2024)
 - Philippines Trip (December 2024)

Record-Breaking Financial Performance (FY2025)

- Achieved a record net profit of RM329 million, with revenue reaching a record high of RM1.9 billion, while sustaining strong profitability and maintaining dividend distribution in line with the more than 50% payout policy

Global Expansion and Market Growth

- Achieved more than nineteen (19) million registered members worldwide across over 180 countries.
- Expanded into new markets, namely Kyrgyzstan, Egypt, the United Kingdom, Tajikistan and Syria.
- DXN further strengthened its presence in Latin America, particularly in Peru, Bolivia, and Mexico, while Brazil and Argentina continued to gain momentum

Memorandum of Understanding (MOU) with Invest Kedah Berhad (Malaysia)

- DXN Holdings Bhd. entered into a Memorandum of Understanding (MOU) with Invest Kedah Berhad on 15 July 2025 to facilitate investment and industrial development in Kedah. The collaboration is primarily aimed at supporting strategic growth initiatives, particularly in the expansion of the manufacturing sector, by leveraging Invest Kedah's role in investment promotion, coordination, and infrastructure facilitation within the state

2025

Memorandum of Understanding (MOU) with the Municipality of Ibiá, Minas Gerais (Brazil)

- DXN Holdings Bhd. entered into a Memorandum of Understanding (MOU) with the Municipality of Ibiá on 1 December 2025 to explore the development of an industrial plant in Brazil as part of its strategy to strengthen its expansion in the Latin American market. Under the MOU, the local authority is expected to facilitate the project by providing approximately 10 hectares of land. The MOU is non-binding in nature and serves as a preliminary framework for further feasibility studies and discussions

DXN Establishes Its First Factory in Peru

- DXN held the groundbreaking ceremony for its first factory in Peru on 15 September 2025, marking a significant expansion in the region. The facility is designed to strengthen local production capabilities and support the rapidly growing Latin American market, which remains a key contributor to DXN's global revenue

DXN India – Landmark Achievement

- 25th Anniversary Mega Convention: A Global Benchmark in Excellence
- DXN India set a global record by bringing together over 150,000 members for its 25th Anniversary Celebration, redefining benchmarks across the global direct selling industry
- Hosted at Prabhat Tara Maidan, Jharkhand, on 9 December 2025, this historic event featured the distinguished presence of DXN's Top Management, Crown Diamonds, top-tier leaders, and an ocean of passionate members, creating an atmosphere of unmatched energy, unity, and purpose
- The sheer scale of participation was not only remarkable but industry-defining, positioning DXN India at the forefront as a global powerhouse and demonstrating the true strength of its network at its peak

CORPORATE MILESTONES

DXN India – Landmark Achievement (Cont'd)

- Adding emotional significance to the celebration, long-standing members and leaders who shaped DXN India's 25-year journey were honoured and felicitated, recognising their unwavering dedication and pivotal contributions to building this massive movement
- This milestone was more than a celebration; it is a global statement of dominance, unity, and unstoppable momentum, firmly establishing DXN India as a benchmark for scale and success in the world of direct selling

2025

Dubai Camp 2.0 2025

- DXN held the Crown Ambassador Making Programme C.A.M.P 2025 from 11 to 14 December 2025 at Festival City, Dubai, UAE. The programme, attended by over 1,500 DXN members from around the globe, was specially designed to build on existing momentum and elevate aspiring leaders to even greater heights

2026

Memorandum of Understanding (MOU) with Apex-Brasil (Brazilian Trade & Investment Promotion Agency)

- DXN Holdings Bhd. entered into a Memorandum of Understanding (MOU) with Apex-Brasil on 21 January 2026 to explore Brazil as a regional hub for its Latin American expansion. The collaboration aims to support investment facilitation, regulatory navigation, and enhanced market access through strategic partnerships. The initiative outlines a potential investment with a focus on agriculture (including Ganoderma and mushroom cultivation), as well as processing and distribution activities aligned with ESG principles. The MOU is non-binding in nature and serves as a framework for further evaluation and collaboration

AWARDS, RECOGNITIONS, AND CERTIFICATIONS

Our commitment to product quality, safety and sustainable business practices has been instrumental in our successful expansion into new markets. We are proud to have received recognition through several key awards, which highlight our achievements in the industry. The following is a list of the notable awards, recognitions and certifications we have received over the years:

1999

- DXN Malaysia received Certificate of Membership from the Direct Selling Association of Malaysia ("DSAM").
- DXN Indonesia received Certificate of Membership from the Direct Selling Association of Indonesia ("APLI").

2004

- DXN received the "3rd Asia Pacific International Honesty Enterprise" award.
- DIPL Philippines Branch received the "Most Outstanding Direct Selling Company" and "Top Innovative Company of the Year" award.

2005

- DXN received the "2nd Super Excellence Master Award of Direct Sales 2005" award for its outstanding performance in the development of innovative marketing strategies, good business practices and effective planning.

2006

- DXN received the "5th Asia Pacific International Honesty Enterprise - Keris Award 2006" for its vision and mission, innovation and strategies, management of human resources, operations efficiency, and research and technology for the production of quality products.
- DXN received the "Asia Pacific Super Excellent Brand Book of Records 2006" award for its outstanding achievements, excellent service and good quality products.

2007

- DXN Pharma and DXN Industries received the "28th International Award for Technology and Quality (New Millennium Award)" for its trajectory and business excellence.
- DXN Philippines received Certificate of Membership from the Direct Selling Association of the Philippines ("DSAP").

2008

- DXN was selected as the "Most Outstanding Participant" at the First Direct Selling Festival (Middle East) in Dubai.

2009

- DXN received the "Direct Selling Award for Outstanding Management" award at the Direct Selling Festival (Middle East) in Dubai.

2010

- DXN Spirulina was selected as the "Best Food Supplement in Pakistan" and received the "Brand of the Year Award 2010".

2011

- DXN Dubai received the "Most Successful Network Marketing Company in the UAE" award at the 2nd Malaysia Business Awards in Dubai organised by the Malaysia Business Council UAE.

2012

- DXN Pharma received the "Industry Excellence Award" from the National Pharmaceutical Control Bureau, MOH.
- DXN Peru was ranked #5,225 by sales in the 2012 Edition of "Peru: The Top 10,000 Companies".
- DXN Singapore received Certificate of Membership from the Direct Selling Association of the Singapore ("DSAS").

2013

- DXN Peru was ranked #4,427 by sales in the 2013 Edition of "Peru: The Top 10,000 Companies".
- DXN Pakistan received the "Brands Scientist Certificate for the Year" award.
- DIPL Philippines Branch received the "Perfect 10 Award".

2014

- DXN Peru was ranked #3,032 by sales in the 2014 Edition of "Peru: The Top 10,000 Companies".

2015

- DXN Peru was ranked #2,870 by sales in the 2015 Edition of "Peru: The Top 10,000 Companies".

2016

- DXN India received Certificate of Membership from the Indian Direct Selling Association ("IDSA").

2017

- DXN Pakistan received the "Brand of the Year Award" under the "Herbal Food Supplement" category from the Federation of Pakistan Chambers of Commerce & Industry.
- DXN UAE received Certificate of Membership from the Direct Selling Association in UAE ("DSA UAE").

AWARDS, RECOGNITIONS, AND CERTIFICATIONS

2020

- DXN Marketing received the Best Direct Selling Company (Global) Award in the Domestic Trade Award ("APDN 2020") from the MDTCA.

2022

- DXN USA received Certificate of Membership from the Direct Selling Association ("DSA").
- On 12 January 2022, Mr Saleem Shajeer was appointed as Chairman of the DSA UAE, reflecting DXN's continued role in elevating standards and leadership within the direct selling industry.
- DSA UAE, the sole national trade association for direct selling in the UAE and MENA region, is a Silver Member of the World Federation of Direct Selling ("WFDSA"). Since 2012, it has been a significant socioeconomic force, providing a unified voice to engage with stakeholders locally and internationally.

2023

- DXN Industries received Product Certification License from SIRIM QAS International Sdn. Bhd.
- Empowering Global Connections: DXN Leads as Platinum Sponsor at WFDSA 2023 World Congress.
 - DXN Middle East served as platinum sponsor at the WFDSA World Congress from 16 to 18 October 2023 at the Grand Hyatt Hotel, Dubai.
- Best Incentive Programme in an International Destination award at the 12th Annual Malt Excellence Award.
 - DXN Middle East ITSI 2023 won the Best Incentive Programme in an International Destination award at the 12th Annual Malt Excellence Awards held in Grand Hyatt Abu Dhabi, UAE.
 - The MALT Excellence Awards celebrate trailblazers in Meetings, Incentives, Conferences, Events ("MICE"), Business and Luxury Travel in the MENA region, highlighting extraordinary accomplishments and groundbreaking initiatives.

2024

- Datuk Dr Lim Siow Jin was conferred with an Honorary Doctorate (D. Litt) by Balaji University, Pune, one of India's most prestigious institutions. This esteemed recognition honours his extraordinary vision, pioneering spirit, and unwavering dedication to advancing holistic health and well-being of people worldwide over the past three decades.

2025

- DXN received the Asia Book of Records Award and India Book of Records Award on 9 February 2025 at Bodh Gaya, Bihar, India, for the largest simultaneous gathering of people practicing meditation.
- DXN Group of Companies received a Certificate of Appreciation from DUN Jitra in 2025 in recognition of its continued commitment and contribution to the DUN Jitra community.
- On 15 July 2025, DXN Retreat & Wellness Centre, also known as DXN Cyberville in Cyberjaya, Selangor, officially achieved certified ratings under the Green Building Index ("GBI").
 - CV1 – Main Building: 5-star energy rating at 63 kWh/m³/year
 - CV2 – accommodation: 4.5-star energy rating at 139 kWh/m³/year
- DXN made its debut on the 2025 Fortune Southeast Asia 500 list, ranking No. 491 among the region's top companies by revenue. This recognition reflects DXN's consistent financial growth and expanding global presence in the wellness sector.
- On 22 September 2025, DXN launched the World's First Direct Worker Voice Human Rights Platform and completed the first phase of its MillionMakers™ Direct Worker Voice ("DWV") initiative, becoming the first company globally to embed a Human Rights Due Diligence ("HRDD") platform directly into its own factories. The rollout covers more than 1,700 workers across its manufacturing operations in Malaysia, India and China, setting a new global benchmark for integrating direct worker voice into HRDD across multiple countries.
- On 15 December 2025, DXN was recognised as a Regional Social Category Winner at the ESG PLUS Awards 2025. The award highlights the company's strong ESG strategy and community programmes in areas such as education, healthcare, and poverty alleviation.

2026

- DXN Industries (M) Sdn. Bhd. received a Certificate of Appreciation on 29 January 2026 in recognition of its continued commitment and contribution to economic growth and sustainable industrial development in the state of Kedah Darul Aman.

CORPORATE INFORMATION

SEC.01

ABOUT US



BOARD OF DIRECTORS

DATUK LIM SIOW JIN

Non-Independent Executive Chairman

DATO' LIM BOON YEE

Non-Independent Non-Executive Director

PRAJITH PAVITHRAN

Non-Independent Executive Director & CEO

DATUK NORIPAH BINTI KAMSO

Senior Independent Non-Executive Director

YM TUNKU AFWIDA BINTI TUNKU**A. MALEK**

Independent Non-Executive Director

STEFAN HEITMANN

Independent Non-Executive Director

ABRAHAM VERGHESE A/L T V**ABRAHAM**

Independent Non-Executive Director

ONG HUEY MIN

Independent Non-Executive Director

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan

Tel : +603-7890 4700

Fax : +603-7890 4680

Email : BSR.Helpdesk@boardroomlimited.com

AUDITORS

KPMG PLT
(LLP0010081-LCA & AF0758)
Chartered Accountants
Level 18, Hunza Tower
163E, Jalan Kelawei
10250 Penang
Tel : +604-375 1800
Fax : +604-238 2222

PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad/
OCBC Al-Amin Bank Berhad
United Overseas Bank (Malaysia) Bhd

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad
Stock Name: DXN
Stock Code: 5318

WEBSITE

www.dxn2u.com

BOARD AUDIT COMMITTEE

Chairman

Abraham Verghese A/L T V Abraham

Members

YM Tunku Afwida Binti Tunku A. Malek

Stefan Heitmann

Ong Huey Min

EXECUTIVE COMMITTEE

Members

Datuk Lim Siow Jin

Prajith Pavithran

Lim Beng Cheng

BOARD NOMINATION AND REMUNERATION COMMITTEE

Chairman

YM Tunku Afwida Binti Tunku A. Malek

Members

Datuk Noripah Binti Kamso

Ong Huey Min

BOARD RISK COMMITTEE

Chairman

Stefan Heitmann

Members

Prajith Pavithran

Abraham Verghese A/L T V Abraham

Ong Huey Min

COMPANY SECRETARIES

Yeow Sze Min (MAICSA 7065735)
(SSM Practicing Certificate No.
201908003120)

Tan Ley Theng (MAICSA 7030358)
(SSM Practicing Certificate No.
201908001685)

Lim Yew Lin (MIA Membership No. 20906)
(SSM Practicing Certificate No.
202008001679)

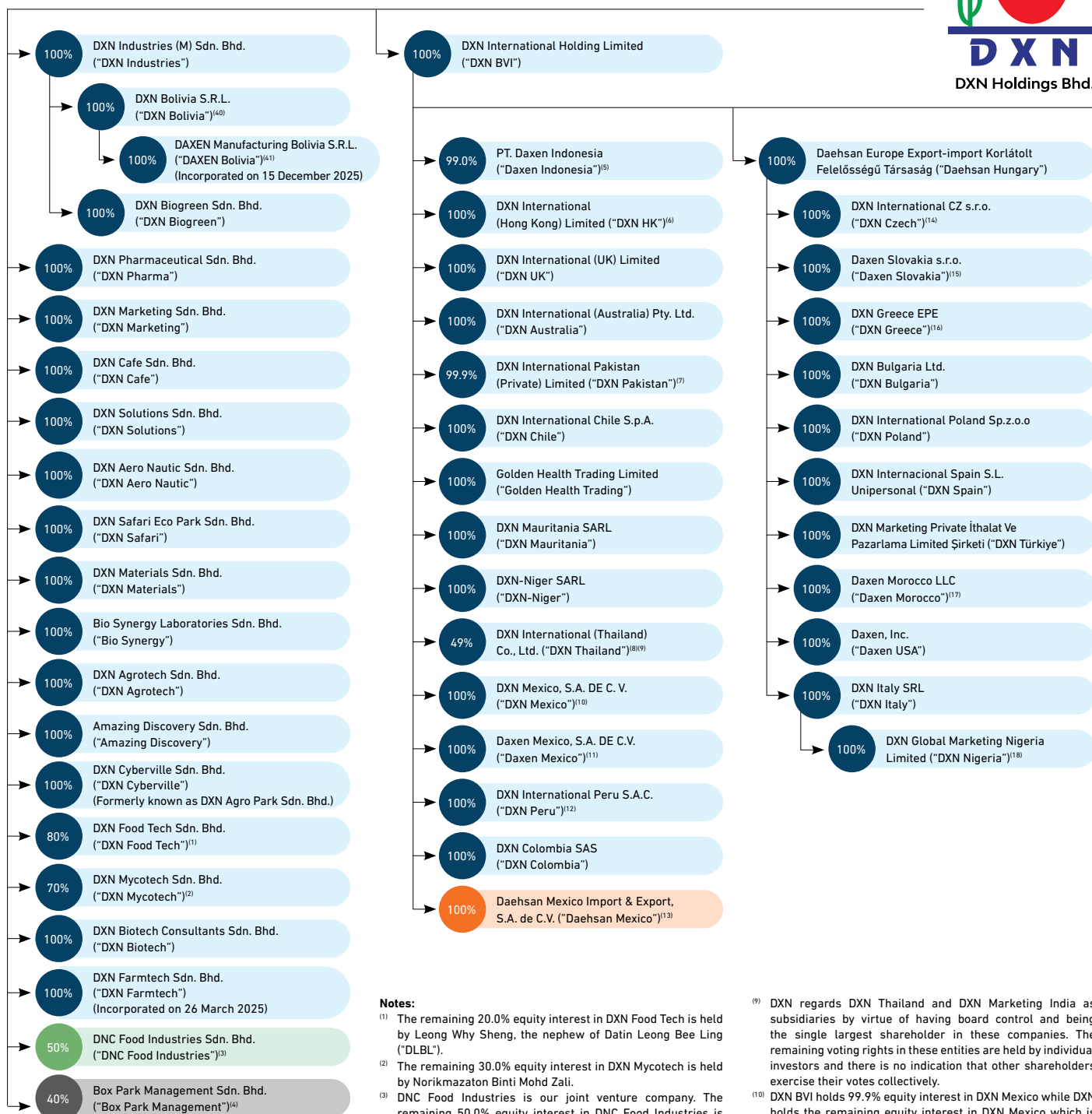
REGISTERED OFFICE

Securities Services (Holdings) Sdn Bhd
(Registration No. 197701005827 (36869-T))
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CORPORATE STRUCTURE



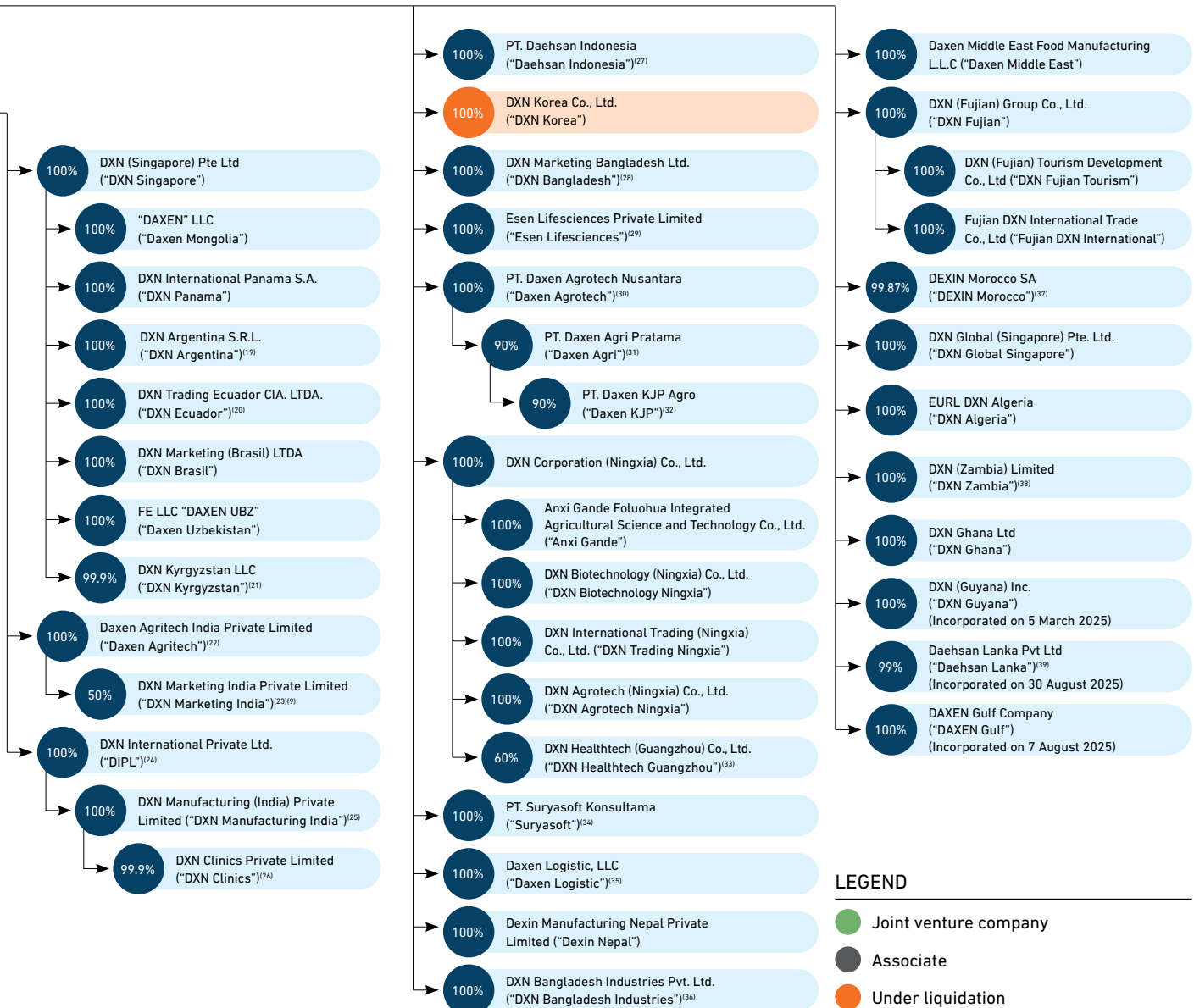
ABOUT US



Notes:

- (1) The remaining 20.0% equity interest in DXN Food Tech is held by Leong Why Sheng, the nephew of Datin Leong Bee Ling ("DLBL").
- (2) The remaining 30.0% equity interest in DXN Mycotech is held by Norikmazaton Binti Mohd Zali.
- (3) DNC Food Industries is our joint venture company. The remaining 50.0% equity interest in DNC Food Industries is held by CSC Food Industries Sdn. Bhd.
- (4) The remaining 60.0% equity interest in Box Park Management is held by Aman Infrastructure Development Sdn. Bhd.
- (5) The remaining 1.0% equity interest in Daxen Indonesia is held by Jong Sui Shia, the director of Daxen Indonesia.
- (6) DXN BVI holds 99.9% equity interest in DXN HK while DXN holds the remaining equity interest in DXN HK which is less than 0.1%.
- (7) DXN BVI holds 99.9% equity interest in DXN Pakistan while DLBY and Lim Yew Lin hold the remaining equity interest in DXN Pakistan which is less than 0.1%.
- (8) The remaining 51.0% equity interest in DXN Thailand is held by Anong Phoungtong and Nongluck Wongworn with shareholdings of 26.0% and 25.0% respectively.

- (9) DXN regards DXN Thailand and DXN Marketing India as subsidiaries by virtue of having board control and being the single largest shareholder in these companies. The remaining voting rights in these entities are held by individual investors and there is no indication that other shareholders exercise their votes collectively.
- (10) DXN BVI holds 99.9% equity interest in DXN Mexico while DXN holds the remaining equity interest in DXN Mexico which is less than 0.1%.
- (11) DXN BVI and DXN hold 99.0% and 1.0% equity interests respectively in Daxen Mexico.
- (12) DXN BVI and DXN hold 98.9% and 1.1% equity interests respectively in DXN Peru.
- (13) DXN BVI holds 99.9% equity interest in Daehsan Mexico while DXN holds the remaining equity interest in Daehsan Mexico which is less than 0.1%.
- (14) Daehsan Hungary and DXN Peru hold 96.0% and 4.0% equity interests respectively in DXN Czech.
- (15) Daehsan Hungary and DXN Peru hold 97.5% and 2.5% equity interests respectively in Daxen Slovakia.
- (16) Daehsan Hungary holds 99.3% equity interest in DXN Greece while DXN Peru holds the remaining equity interest in DXN Greece which is less than 0.7%.



LEGEND

- Joint venture company
- Associate
- Under liquidation

⁽¹⁷⁾ Daehsan Hungary and Daxen Slovakia hold 99.0% and 1.0% equity interests respectively in Daxen Morocco.

⁽¹⁸⁾ DNX Italy and DIPL hold 99.0% and 1.0% equity interests respectively in DNX Nigeria.

⁽¹⁹⁾ DNX Singapore and DNX hold 95.0% and 5.0% equity interests respectively in DNX Argentina.

⁽²⁰⁾ DNX Singapore holds 99.9% equity interest in DNX Ecuador while DNX Bolivia holds the remaining equity interest in DNX Ecuador which is less than 0.1%.

⁽²¹⁾ DNX Singapore holds 99.9% equity interest in DNX Kyrgyzstan while the remaining equity interest which is less than 0.1% held by Padinharu Valappil Asik Rehman.

⁽²²⁾ DNX BVI and DNX hold 99.0% and 1.0% equity interests respectively in Daxen Agritech.

⁽²³⁾ The remaining 50.0% equity interest in DNX Marketing India is held by Jacob Antony and Jipna Jijith with shareholdings of 24.5% and 25.5% respectively.

⁽²⁴⁾ DIPL, which is incorporated in Labuan, Malaysia, has a branch office located in the Philippines.

⁽²⁵⁾ DIPL holds 99.9% equity interest in DNX Manufacturing India while DNX BVI holds the remaining equity interest in DNX Manufacturing India which is less than 0.1%.

⁽²⁶⁾ The remaining equity interest in DNX Clinics which is less than 0.1% is held by TH Strategic Investment Pvt Ltd.

⁽²⁷⁾ DNX holds 99.9% equity interest in Daehsan Indonesia while DNX BVI holds the remaining equity interest in Daehsan Indonesia which is less than 0.1%.

⁽²⁸⁾ DNX holds 98.9% and DNX BVI holds less than 1.1% equity interests in DNX Bangladesh.

⁽²⁹⁾ DNX holds 99.98% in Esen Lifesciences while DNX Manufacturing India holds the remaining equity interest in Esen Lifesciences, which is less than 0.02%.

⁽³⁰⁾ DNX and DNX BVI hold 90.0% and 10.0% equity interests respectively in Daxen Agrotech.

⁽³¹⁾ The remaining 10.0% equity interest in Daxen Agri is held by PT. Kirana Investama Nusantara.

⁽³²⁾ The remaining 10.0% equity interest in Daxen KJP is held by PT. KJP Cipta Desa Sejahtera.

⁽³³⁾ The remaining 40.0% equity interest in DNX Healthtech Guangzhou is held by Lin Jiming and Zhang Jingjun with shareholdings of 27.3% and 12.7% respectively.

⁽³⁴⁾ DNX and DNX BVI hold 99.0% and 1.0% equity interest respectively in Suryasoft.

⁽³⁵⁾ The entire 100.0% equity interest in Daxen Logistic is held on trust by the shareholders of Daxen Logistic for DNX.

⁽³⁶⁾ DNX holds 99.9% in DNX Bangladesh Industries while DNX BVI holds less than 0.1% in DNX Bangladesh Industries.

⁽³⁷⁾ DNX holds 99.9% equity interest in Dexin Morocco, the remaining equity interest of less than 0.1% is equally held by DNX BVI, Lim Yew Lin, Foo Wai Leong, and Jijith Nelliyyote Kakkunnath.

⁽³⁸⁾ DNX and DNX BVI hold 99.0% and 1.0% equity interests respectively in DNX Zambia.

⁽³⁹⁾ 99% of the equity interest in Daehsan Lanka is held by DNX, with the remaining 1% held by Mohamed Jaupher Errsaath Mohamed Shiraz.

⁽⁴⁰⁾ 99.96% of the equity interest in DNX Bolivia is held by DNXI. DNX BVI holds more than 0.03% of the equity interest, while DNX Peru holds less than 0.01%.

⁽⁴¹⁾ 99% of the equity interest in DAXEN Bolivia is held by DNX Bolivia, with the remaining 1% is held by DNX.

Unless specified above, the remaining equity interests not held by our Group in our subsidiaries, associate, and joint venture are held by unrelated third parties.

CHAIRMAN'S STATEMENT

Strategic Precision, *Sustainable Growth*

DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present to you the Annual Report of DXN Holdings Bhd. ("DXN" or the "Company") and its subsidiaries (the "Group") for the financial year ended 28 February 2026 ("FY2026").

DATUK LIM SIOW JIN

Executive Chairman and Founder

The year was characterised by a more challenging global operating environment, marked by currency volatility, cost pressures and evolving consumer sentiment across markets. Amid these conditions, the Group delivered a resilient set of results, recording revenue of RM1.9 billion and profit after tax and non-controlling interests ("PATANCI") of RM271.5 million, reflecting the resilience of its business model and the continued demand across its key markets. This performance was underpinned by the Group's diversified geographical presence and vertically integrated operations, which continue to provide stability and support its long-term growth trajectory.

The Group's 5-year revenue compound annual growth rate ("CAGR") of 12.2%, return on equity ("ROE") of 20.7%, return on capital employed ("ROCE") of 30.4%, and net cash position of RM440.0 million reflect a business of genuine financial quality. Despite this, DXN trades at a significant discount to its global wellness peers. Hence, the Board believes this gap reflects limited market familiarity rather than fundamental weakness and we are addressing it directly. In FY2026, we initiated a structured investor relations programme, expanded our environmental, social, and governance ("ESG") disclosure, and strengthened our governance framework. Closing this gap is a managed priority, not an aspiration.

GLOBAL MARKET LANDSCAPE

Global economic growth in 2025 held steady at 3.4%, mirroring the pace achieved in 2024, according to the International Monetary Fund. Despite increased trade tensions and policy uncertainty, the global economy demonstrated remarkable resilience, with activity supported by a

stockpiling of goods, strong risk appetite, and a surge in AI-related investments. Closer to home, Malaysia's economic environment remained stable, with inflation moderating to its lowest in five years to 1.4% in 2025 from 1.8% in the prior year. This was supported by the stronger Malaysian Ringgit, sustained household spending, and government initiatives including the targeted distribution of RON95 petrol subsidies, based on data published by the Department of Statistics Malaysia.

The global nutraceuticals market reached USD500.6 billion in 2025 from USD455.1 billion in 2024, benefitting from structural demand for preventive health and wellness products. Consumers are increasingly prioritising nutrition, immunity, digestive health, energy, healthy ageing and overall well-being. This shift is supported by rising health awareness, higher disposable income in emerging markets, growing adoption of functional foods and supplements, and broader access to health and wellness products through digital and direct selling channels.

These trends remain evident across the Group's core markets. In Latin America, demand continues to be supported by an expanding middle class, increasing health consciousness and stronger interest in immune-supporting and functional products. In Asia Pacific, growth is underpinned by rising consumer awareness, urbanisation, ageing populations and greater acceptance of preventive healthcare as part of daily lifestyle.

As demand for preventive health and wellness products continues to grow across core markets, the Group is actively building the capacity to meet it. New manufacturing facilities coming online across Latin America, Asia, and Africa will bring production closer to the markets they serve, reducing lead times and improving responsiveness to local consumer needs.

At its core, DXN is a vertically integrated global wellness company. From proprietary Ganoderma cultivation, built on more than three decades of scientific expertise, through to manufacturing, quality control, and distribution across 180 markets. DXN controls its value chain end to end. This Farm-to-Shelf integrity delivers product provenance, cost resilience, and quality consistency that we are committed to uphold.

Reaching the end consumer is DXN's global member network of over 21.6 million registered members across 180 markets which represents a distribution asset that would cost multiples of our current market cap to replicate. In FY2026, active member engagement in Latin America and Asia Pacific continued to grow, driving the underlying commercial momentum of the business. This network compounds quietly but its effect on long-term revenue quality is anything but quiet.

Together, they form the structural foundation that will continue to drive DXN's growth in the years ahead.

CHAIRMAN'S STATEMENT

FY2026 FINANCIAL PERFORMANCE

The Group delivered a resilient financial performance in FY2026, with normalised revenue growth of 12.1% year-on-year, where normalised growth excludes the impact of foreign currency translation effects arising from the strengthening of the Malaysian Ringgit. This reflects the continued commercial strength of the Group's operations across core markets including Peru, Bolivia and India. Reported revenue of RM1.9 billion was maintained in line with the prior year, shaped by the strengthening of the Malaysian Ringgit against several of the Group's operating currencies. This translation effect masks the underlying momentum of the business, as in constant currency terms, the Group's key markets continued to expand, reflecting a translation effect and not a slowdown in commercial activity.



Revenue

RM1.9 billion

Declined by 0.5% year-on-year ("YoY")

Total Dividend

3.2 sen

per ordinary share, amounted to RM159.1 million, representing a payout ratio of 58.6%

Total Assets

RM2.2 billion

The Group successfully completed Phase 1 of the MillionMakers™ Direct Worker Voice initiative, embedding Human Rights Due Diligence into its own manufacturing facilities in Malaysia, India, and China, covering over 1,700 workers.

Beyond the top line, the Group's capital efficiency remains a defining strength. The ROCE of 30.4% reflects the quality of the Group's vertically integrated model and its disciplined approach to capital deployment. Earnings per share for FY2026 stood at 5.5 sen, with cash and cash equivalents of RM617.4 million, reflecting a healthy liquidity position that supported both capital investment and the Group's commitment to consistent shareholder returns.

The Board has declared a total dividend of 3.2 sen per ordinary share for FY2026, amounting to RM159.1 million and representing a payout ratio of 58.6%, which is above the Group's policy of distributing at least 50% of net profit. With cash and cash equivalent of RM617.4 million against total loans and borrowings of RM177.5 million, and a debt-to-equity ratio of 0.15, the Group's balance sheet provides strong and visible support for sustained distributions. At current market prices, DXN's dividend yield places it among the

most attractive income propositions in the Malaysian consumer and wellness space.

As at 28 February 2026, total assets stood at RM2.2 billion, with total equity of RM1.4 billion and total liabilities of RM725.3 million, reflecting a prudent and balanced capital structure. This financial strength, underpinned by the Group's resilient business model and continued investment in manufacturing capacity across its key markets, provides a solid foundation for sustained growth and long-term value creation for shareholders.

For detailed insights into the Group's financial performance, please refer to the Management Discussion & Analysis section within this Annual Report.

SUSTAINABILITY INITIATIVES

The Group's commitment to responsible business practices continued to gain external recognition. During the year it was named winner of the Social Category Award at The Exchange Asia ESG PLUS Awards 2025, in acknowledgement of its efforts to safeguard the rights and well-being of its global workforce.

Separately, the Group successfully completed Phase 1 of the MillionMakers™ Direct Worker Voice initiative, embedding Human Rights Due Diligence into its own manufacturing facilities in Malaysia, India, and China, covering over 1,700 workers. The programme operationalises the International Labour Organisation's 11 forced labour indicators and fully aligns with the UN Guiding Principles on Business and Human Rights, reflecting the Group's standing as a direct manufacturer with genuine worker engagement across its own operations.

The Group also maintained its inclusion in the FTSE4Good Bursa Malaysia and FTSE4Good Bursa Malaysia Shariah Indices, as well as the Bursa Quality 50 and Bursa Quality 50 Shariah Indices, reflecting its financial strength, earnings quality, and adherence to sustainability standards.

These recognitions were accompanied by tangible progress in the Group's ESG ratings. The Group's FTSE4Good Russell score rose to 3.5 in December 2025 from 2.7 in December 2024, with its Percentile Rank within the Food and Beverages ICB Supersector climbing from the 14th to the 49th percentile. The Group holds a 3-out-of-4-star ESG rating as at December 2025, reinforcing its standing as a credible ESG investment and reflecting the sustained effort to embed responsible practices across its operations and value chain.

These achievements are a direct contributor to the Group's institutional investability, and as the ESG scores improve, the Group enters the consideration set of a broader range of ESG-mandated funds, sovereign wealth vehicles, and sustainability-indexed strategies. Continued progress on this trajectory is a deliberate and managed priority for the Board.

Cyberville, the Group's corporate headquarters in Cyberjaya, further contributes to this commitment, holding a Green Building Index ("GBI") Silver certification. The building incorporates energy-efficient systems, waste-reducing features, and environmentally responsible materials, meeting GBI benchmarks including the Building Energy Index, which measures energy consumption per square metre, and the Space Energy Intensity measure, which assesses energy use across specific functional areas.

In FY2027, the Group will extend Phase 2 of the MillionMakers™ programme to additional manufacturing facilities across our supply chain. We are targeting a continued improvement in our FTSE4Good Russell score and are committed to publishing our inaugural standalone Sustainability Report, aligned with GRI Standards, ahead of our next annual reporting cycle.



PROSPECTS AND OUTLOOK

The global operating environment in FY2027 continues to be shaped by geopolitical developments, particularly in the Middle East. While these conditions introduce demand uncertainty and upward pressure on energy prices across certain markets, the Group's geographically diversified presence and vertically integrated supply chain provide resilience and reduce exposure to market-specific disruptions.

The structural growth opportunity within the nutraceuticals sector is substantial and growing. The World Health Organization projects that by 2030, one in six people globally will be aged 60 or older, a demographic that is a natural and growing consumer of the health and wellness products the Group offers. Across Latin America and Asia Pacific, the Group's two largest revenue regions, nutraceuticals demand continues to expand, underpinned

by rising health consciousness, an expanding middle class, and growing preference for natural and preventive health solutions.

Against this backdrop, the Group enters FY2027 with a clear focus on raising capacity to meet growing demand across its key markets. The Group has committed a meaningful amount in capital investment, including new manufacturing facilities in Malaysia, Morocco, and Peru, with progressive commissioning expected through FY2027 and FY2028, as well as capacity expansion of its facility in Nepal. Upon full completion, total installed production capacity will increase by approximately 500%, reducing lead times to key markets and improving cost efficiency across the supply chain. Each facility has been evaluated against a minimum return threshold, which is consistent with the Group's historical approach to capital allocation discipline.

CHAIRMAN'S STATEMENT

These initiatives are increasingly important as global energy and freight costs remain elevated, reinforcing the need for a more localised and efficient production network that can mitigate supply chain disruptions.

At the same time, the Group's coffee plantation development in Malaysia, Brazil and Bolivia is advancing as planned. As these estates mature, they will meet a growing share of the Group's own coffee requirements, reducing its reliance on third-party suppliers and its exposure to movements in global bean prices.

In parallel, newer markets across Africa and Europe, including Egypt, the United Kingdom, Ghana, and Zambia, are steadily building member networks, which will broaden the Group's revenue base in the years ahead.

Underpinning this next phase of growth is a leadership structure that is increasingly aligned with the Group's operational ambitions. The appointment of Mr. Prajith Pavithran as Executive Director, effective 6 April 2026, reflects the Board's confidence in his leadership and marks an important step in aligning strategy and execution at the highest level of governance. Having served as Chief Executive Officer since June 2024, Mr. Prajith has been central to the sharpening of DXN's commercial operations across key markets. His elevation to the Board ensures that operational priorities and market realities are represented directly in the Group's strategic deliberations as we enter our next phase of growth.

With this foundation in place, the Group will continue to maintain a disciplined approach to capital allocation, balancing ongoing investment in infrastructure with its commitment to delivering consistent and sustainable returns to shareholders.

APPRECIATION

On behalf of the Board of Directors of DXN, I wish to extend our sincere appreciation to all stakeholders who have contributed to the Group's continued progress. We are grateful to our valued suppliers, bankers, customers, government agencies, and regulatory authorities for their continued support and collaboration. Their role remains important as we expand our operations across multiple markets and navigate an increasingly complex global business environment.

To our shareholders, thank you for your trust and continued support. We remain committed to creating sustainable value and strengthening DXN's position as a global nutraceutical manufacturer.

To our people across the world, in the farms, the laboratories, the manufacturing floors, and the field, you are the custodians of a 33-year heritage and the architects of what comes next. As DXN grows into new markets, builds new facilities, and earns its place on the global stage, it is your daily work that makes it real. We are building something that lasts, and we are building it together.

Equally, we are thankful to our worldwide member network, whose commitment, entrepreneurial spirit and close engagement with customers continue to support the growth of DXN and the reach of our products.

To the investment community, analysts, fund managers, and institutional investors who have engaged with us or are exploring DXN for the first time, we welcome your insights. Our door is open. We are committed to a regular investor relations calendar and to the quality of disclosure that helps you understand this business as well as we do.

My appreciation also goes to my fellow Board members for their counsel and stewardship to sound governance. Their collective experience and guidance have been valuable in supporting the Group's strategic direction and long-term value development.

I wish to place on record the Board's appreciation to Mr. Vibhav Panandiker, our former Non-Independent and Non-Executive Director, and to Miss Lim Yew Lin, our former Chief Financial Officer, for their leadership, dedication, and contributions during their tenure. These individuals have played a meaningful role in supporting the Group's development, and we wish them well in their future endeavours.

We also warmly welcome Miss Lim Beng Cheng in her new role as our Chief Financial Officer, having previously served as our Group Financial Controller. We look forward to her continued contribution in this expanded role as the Group pursues its next phase of growth.

As we move into FY2027, the Board's commitment is clear: to build on the Group's operational and financial strength, to accelerate the recognition of its intrinsic value, and to deliver returns that reflect the quality of the business we have built. We have the balance sheet, the infrastructure, the scientific heritage, and the global reach to do so. We intend to.

Datuk Lim Siow Jin

Executive Chairman and Founder



FY2026 Financial Results:

Resilient Performance Through A Challenging Macro Year

DXN delivered revenue of RM1,898.5 million in FY2026, a marginal 0.5% decline from the prior year driven by foreign exchange ("FOREX") translation effects from the appreciating Malaysian Ringgit. Excluding these currency effects, the Group achieved underlying constant-currency growth of 12.1% year-on-year ("YoY"), reflecting genuine commercial momentum across key markets. Profit after tax and non-controlling interest ("PATANCI") of RM271.5 million reflects a year of deliberate investment: pre-operating costs for new manufacturing facilities across six countries and expanded member engagement programmes that support long-term network growth. The Group maintained its strong capital position with RM617.4 million in cash and closed the year with zero net debt.

PRAJITH PAVITHRAN

Executive Director and
Chief Executive Officer

MANAGEMENT DISCUSSION AND ANALYSIS

The Group declared a total dividend of 3.2 sen per ordinary share for FY2026, translating into a total payout of RM159.1 million, representing a payout ratio of 58.6% of net profit. This is consistent with our policy to distribute a minimum of 50% of net profit.

CORPORATE MILESTONES AND STRATEGIC HIGHLIGHTS

NEW MARKET EXPANSION — LATIN AMERICA, AFRICA, AND EUROPE

FY2026 was a year of significant geographic breadth for DXN. The Group continued to translate its 'One World One Market' strategy into tangible new market footprints.

Brazil



(Third from left) Mr. Prajith Pavithran, Executive Director and Chief Executive Officer with Mr. Jorge Ney Viana Macedo Neves, President of Apex-Brasil during the signing of the MoU

Brazil reached its first anniversary of operations in May 2025. Since its launch in May 2024, registered members have grown by 92.27% to reach 13,203 as at February 2026, with active members expanding by 201.28% to 5,396 over the same period. 13 products have been launched, with a further 26 in the pipeline.

In a significant strategic step, DXN signed a Memorandum of Understanding ("MoU") with Apex-Brasil, the Brazilian Trade and Investment Promotion Agency, on 21 January 2026. The agreement provides a structured, government-facilitated framework to explore Brazil as a potential regional hub for DXN's Latin American operations, with a preliminary indicative investment interest of up to approximately USD50 million. Collaboration areas

include agricultural production, product registration for Ganoderma-based offerings, and the evaluation of sustainable supply chain opportunities across the region.

Argentina

Argentina launched in January 2025 and has demonstrated strong early momentum. Registered members grew from 67,859 at launch to 105,966 by February 2026, while active members expanded from 26,468 to 46,893 over the same period. With 42 products now launched, Argentina continues to show encouraging progress as it builds towards becoming one of DXN's leading markets.

Egypt

Egypt commenced operations in May 2025. Registered members grew from 95,758 at launch to 118,714 by February 2026. Active membership reached 43,525 over the same period. The Group has launched 15 products, with a further 11 in the pipeline.

United Kingdom

The United Kingdom launched in June 2025. Registered members grew from 9,786 at launch to 10,616 by February 2026, with 104 products now available. The UK is positioned as a gateway to broader European growth.

FURTHER NEW MARKETS

We extended our geographic reach with new market entries in Chile (commenced operations February 2026), Algeria (DXN Cafe Algeria commenced operations October 2025; first product launched), Ghana (target launch July 2026), and Zambia (target launch June 2026, with first product shipments already arrived). Each market is progressing through company incorporation, product registration, and office establishment in line with the Group's disciplined market entry framework.

Operational Expansion

Bukit Kayu Hitam, Kedah



Mr. Mahmood Hisham, Chief Operating Officer of DXN shaking hands with Mr. Noor Ikhsan bin Abdul Aziz, Chief Operating Officer of Invest Kedah Berhad at the signing ceremony of the MoU

Building on the five-year MoU signed with Invest Kedah Berhad on 15 July 2025 (covering agroforestry, aquaculture, and eco-tourism development), we formalised a 60-year lease agreement with Perbadanan Kemajuan Negeri Kedah subsequent to the financial year ended 28 February 2026 for five parcels of industrial land in Bukit Kayu Hitam, Kedah. The combined land area of approximately 1.2 million square feet (or 26.6 acres) was secured for a total consideration of RM27.8 million.

Together with the existing Jitra facility, this establishes an integrated manufacturing base within Peninsular Malaysia's northern industrial corridor. The facility is expected to significantly expand our production capacity and directly support growing international demand. DXN's Jitra facility has been the Group's primary global manufacturing base since 1995, exporting approximately 90% of its output to 59 countries and supporting around 1,825 employees.

Kelantan

On the upstream side, we are making meaningful progress in Gua Musang, Kelantan, where we are developing a large-scale coffee plantation spanning approximately 11,606.6 acres. The plantation forms a key part of the Group's long-term strategy to strengthen supply chain resilience and enhance self-sufficiency in coffee bean sourcing.

Upon reaching full production capacity, the plantation is targeted to yield more than 2.0 million kilogrammes of coffee beans annually. This is expected to support the Group's coffee bean requirements across its global operations, while also creating opportunities to supply third-party buyers, thereby contributing an additional potential revenue stream for the Group.

Complementing these upstream initiatives, the Group continues to expand its manufacturing footprint to support future growth and improve operational efficiency. The Group's manufacturing facilities in Gua Musang, Kelantan and Bukit Kayu Hitam, Kedah are targeted for progressive commissioning from H2 FY2027, with international facilities in Morocco, Peru and Bolivia expected to follow on a phased basis thereafter. Upon commissioning, these facilities are expected to materially enhance the Group's production capacity and proximity to key consumer markets.

Product Innovation

DXN launched the DXN Lingzhi Egg in November 2025. The Lingzhi Egg, produced from chickens fed a diet enriched with Ganoderma, represents a novel functional food that brings the health benefits of Lingzhi into everyday nutrition. Complementing this launch, we also introduced DXN Butter Cookies enriched with Ganoderma.

These launches reflect DXN's continued commitment to extending its Ganoderma expertise beyond traditional supplement formats into accessible, everyday consumer categories.

NAVIGATING GLOBAL ECONOMIC CONDITIONS IN FY2026

The global economic backdrop in FY2026 remained complex. Geopolitical tensions, particularly in the Middle East, a region of growing strategic importance to us, contributed to demand uncertainty and elevated energy costs. Trade uncertainties, including elevated tariff measures between major economies, continued to influence supply chain decisions globally.

Currency dynamics were the defining macro challenge for DXN during the year: the Malaysian Ringgit strengthened materially against several of DXN's key operating currencies. The USD:MYR rate moved from 4.44 at February 2025 to 3.92 at February 2026, an appreciation of approximately 11.7%, reducing the Ringgit value of DXN's foreign-currency revenues upon consolidation.

Latin America, our largest revenue region, maintained broadly stable economic conditions, with improving household purchasing power in key markets as inflationary pressures eased. The global nutraceutical market continues to exhibit strong structural growth fundamentals, driven by rising health consciousness, ageing demographics, and growing interest in preventive wellness solutions.

MANAGEMENT DISCUSSION AND ANALYSIS

The following section provides a detailed discussion of DXN's financial results for FY2026, including revenue performance, earnings drivers, balance sheet position, and cash flow generation.

FINANCIAL PERFORMANCE: BUILDING ON SOLID FOUNDATIONS

FY 28 February/RM mil unless stated otherwise	FY2025	FY2026	YoY Change %
Revenue	1,908.5	1,898.5	(0.5)
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	583.2	521.5	(10.6)
Profit Before Tax ("PBT")	522.7	451.1	(13.7)
Profit After Tax & Non-Controlling Interests ("PATANCI")	328.1	271.5	(17.3)
EBITDA Margin	30.6%	27.5%	n.a.
PBT Margin	27.4%	23.8%	n.a.
PATANCI Margin	17.2%	14.3%	n.a.

Revenue

DXN recorded revenue of RM1,898.5 million in FY2026, broadly in line with the RM1,908.5 million achieved in the previous financial year ("FY2025"). The marginal 0.5% YoY decline in reported revenue was attributable to adverse FOREX translation effects from the appreciation of the Malaysian Ringgit, which moved from MYR4.44/USD in February 2025 to MYR3.92/USD in February 2026, an appreciation of approximately 11.7%. Stripping out this translation, we achieved underlying constant-currency revenue growth of 12.1% YoY, with key markets including Peru (+18.7%), Bolivia (+35.7%), and India (+15.3%) each delivering double-digit local-currency growth.

Revenue Breakdown by Business Segment

FY 28 February/ RM mil unless stated otherwise	FY2025	FY2025 %	FY2026	FY2026 %	YoY %
Fortified Food & Beverages ("FFB")	1,390.0	69.0	1,355.8	67.5	(2.5)
Health & Dietary Supplements ("HDS")	368.5	18.3	336.2	16.7	(8.8)
Personal Care & Cosmetics (PCC)	128.1	6.4	125.9	6.3	(1.7)
Others	126.5	6.3	190.7	9.5	50.8
Total Gross Sales	2,013.1	100.0	2,008.6	100.0	(0.2)
Less: Consideration due/paid to customers	(104.6)		(110.1)		
Total Net Sales	1,908.5		1,898.5		(0.5)

FFB remained the Group's dominant product category in FY2026, accounting for approximately 67.5% of gross revenue and reflecting the sustained appeal of DXN's flagship coffee and beverage offerings across all key markets.

HDS contributed 16.7% of gross revenue and PCC accounted for 6.3%, with the remainder from the Others segment at 9.5%. The Others segment, comprising third-party laboratory testing services, lifestyle products, and DXN Café operations, grew 50.8% YoY to RM190.7 million from RM126.5 million recorded in FY2025. This growth was primarily driven by two factors: (i) expanded throughput at the Group's laboratory testing facility; and (ii) increased uptake of promotion packages, whereby members purchased bundled DXN product packages. While Others remains a relatively small share of total revenue, its rate of growth and structural diversity make it an increasingly important contributor to the Group's earnings base.

MANAGEMENT DISCUSSION AND ANALYSIS

SEC.02

Revenue Breakdown by Geographical Region

FY 28 February/ RM mil unless stated otherwise	FY2025	FY2025 %	FY2026	FY2026 %	YoY %
Latin America	1,182.3	58.7	1,229.4	61.2	4.0
Asia	486.9	24.2	478.3	23.8	(1.8)
Middle East & Africa	204.6	10.2	175.3	8.7	(14.3)
Europe	109.3	5.4	99.8	5.0	(8.7)
North America	26.4	1.3	22.6	1.1	(14.4)
Oceania	3.6	0.2	3.2	0.2	(11.1)
Total Gross Sales	2,013.1	100.0	2,008.6	100.0	(0.2)
Less: Consideration due/paid to customers	(104.6)		(110.1)		
Total Net Sales	1,908.5		1,898.5		(0.5)

At the Group level, the ratio of active members to registered members remained broadly stable in FY2026, reflecting sustained engagement across established markets. In newer markets — notably Argentina, Brazil, and Egypt — active member ratios are improving sequentially as member onboarding programmes mature and product availability deepens. The Group views active member growth as a leading indicator of future revenue momentum and will continue to invest in member engagement initiatives across all markets.

Latin America retained its position as our largest revenue-contributing region, delivering sustained growth of 4.0% YoY to RM1,229.4 million from RM1,182.3 million in FY2025. While growth momentum was partially offset by unfavourable FOREX movements stemming from the appreciation of the Malaysian Ringgit, underlying business fundamentals remained strong. The continued expansion was supported by resilient demand across our FFB products, alongside effective member engagement programmes, well-executed marketing efforts, and the introduction of new offerings that collectively fostered organic growth across the region. Encouragingly, newer markets within Latin America, namely

Argentina and Brazil, are gaining traction and are expected to become meaningful contributors to the region's performance over time.

Asia, the Group's second-largest market, remained broadly stable with revenue of RM478.3 million compared to RM486.9 million in FY2025. The region's performance was underpinned by strong sales in India, driven by deepened member involvement and the rollout of a strategically curated product portfolio tailored to local market preferences.

Other international markets, including the **Middle East and Africa, Europe, North America, and Oceania**, contributed a combined 15.0% to our total revenue. Although these territories currently represent a smaller proportion of overall sales, they are viewed as high-potential growth corridors. We remained focused on unlocking these opportunities through selective market entry strategies, localisation of offerings, and enhanced distribution capabilities. In Africa, the Group's entry into Egypt in May 2025 marks a significant step in broadening DXN's footprint on the continent, complemented by preparatory groundwork underway in Ghana and Zambia ahead of their respective launches.



MANAGEMENT DISCUSSION AND ANALYSIS

Earnings Performance

The decline in reported profitability was driven by four (4) factors: structural investments in new upstream and manufacturing capacity, higher marketing expenses in line with business expansion, FOREX translation effects, and a higher comparative base from a one-off indirect tax refund in the prior year. The Group's underlying earnings power remains intact as the margin compression reflects deliberate investment decisions, not a change in business fundamentals.

Foreign Currency Translation Impact.

The strengthening of the Malaysian Ringgit against several of our key operating currencies reduced the Ringgit equivalent of overseas earnings upon consolidation. Gross profit margin, however, held firm at 80.6% (FY2025: 80.1%), demonstrating the resilience of our integrated production model.

Operating and Marketing Costs.

We expanded our marketing and member engagement initiatives during the year, including premium member reward programmes. These initiatives are designed to deepen member loyalty, drive recruitment, and sustain the Group's network effect across all markets.

Strategic Upstream and Midstream Investment.

We incurred pre-operating expenses associated with the development of manufacturing facilities and plantation projects in Gua Musang (Malaysia), Brazil, Bolivia, Peru, and Bangladesh, as well as capacity expansion works at our existing facility in Nepal. These costs reflect the Group's deliberate investment in long-term supply chain self-sufficiency and geographic production capacity, expected to yield meaningful benefits over the medium-term.

Prior Year Non-Recurring Gain.

FY2025 results included a one-off indirect tax refund and certain other non-recurring gains that elevated the prior year's comparative base.

“These results affirm that DXN's core earnings power remains intact, underpinned by a business model that continues to generate strong underlying returns.”



MANAGEMENT DISCUSSION AND ANALYSIS

SEC.02

Key Metrics

FY 28 February	FY2025	FY2026
Earnings per share, sen	6.6	5.5
Net asset value per share, sen	27.0	29.0
ROE	25.9%	20.7%
ROCE	37.8%	30.4%

Note: ROE: PATANCI ÷ average equity attributable to owners of the Company. ROCE: EBIT (PBT + finance costs - finance income) ÷ capital employed (total assets - current liabilities).

ROE of 20.7% and ROCE of 30.4% reflect a year in which we meaningfully expanded our capital base through strategic investments in manufacturing and upstream capacity. The returns on this capital are expected to build progressively as the new facilities are commissioned.

Capital Health and Liquidity Position

Financial Position Highlights

FY 28 February/RM mil unless stated otherwise	FY2025	FY2026
Total Assets	2,088.4	2,161.5
Total Equity	1,337.5	1,436.2
Total Liabilities	750.9	725.3
Cash and Cash Equivalents	672.2	617.4
Total Loans and Borrowings	154.9	177.5
Net Gearing	Net Cash	Net Cash
Quick Ratio	1.2x	1.2x
Net Asset Value per Share (sen)	27.0	29.0

We maintained a healthy balance sheet and net cash position throughout the financial year under review:

- Total assets grew to RM2,161.5 million in FY2026 compared to RM2,088.4 million in FY2025, supported by an increase in property, plant and equipment, reflecting the Group's ongoing capital investment programme.
- Cash and cash equivalents of RM617.4 million (FY2025: RM672.2 million) remain substantial, providing significant capacity to fund ongoing capital investment, continue dividend payments, and support new market development.
- Total borrowings of RM177.5 million remain modest relative to our equity and cash base, sustaining our net cash position.
- Capital commitments of RM162.2 million have been contracted for property, plant and equipment as at 28 February 2026 (FY2025: RM38.3 million).

MANAGEMENT DISCUSSION AND ANALYSIS

Net Operating Cash Flow and Capital Expenditure

Net cash from Operating Activities for FY2026 amounted to RM355.8 million (FY2025: RM450.5 million). The YoY difference is resulting from lower reported profit, increased working capital requirements and timing of collections. Operating cash generation remained robust, comfortably funding both dividend distributions and capital investment.

FY 28 February/RM mil unless stated otherwise	FY2025	FY2026
PBT	522.7	451.1
Net Cash from Operating Activities	450.5	355.8
Net Cash used in Investing Activities	(65.4)	(165.3)
Net Cash used in Financing Activities	(214.4)	(227.1)
Net Increase/(Decrease) in Cash and Cash Equivalents	170.7	(36.6)

Capital expenditure for FY2026 amounted to RM153.2 million (FY2025: RM118.2 million), directed towards:

- Construction of manufacturing facilities in Gua Musang, Kelantan and international markets;
- Procurement of plant and machinery for facilities in Malaysia and overseas;
- Acquisition of land in Morocco and Bolivia;
- Acquisition of office building in Bolivia and residential property in Middle East.

Looking ahead, we have earmarked meaningful capital investment to be deployed through FY2027, covering Malaysia expansion (Gua Musang, Bukit Kayu Hitam), global manufacturing footprint development (Morocco, Peru, Bolivia), Latin America agricultural and plantation development (Brazil, Bolivia), and factory optimisation in Mexico. The Group intends to fund this capital programme from internally generated funds and bank facilities. No equity issuance is contemplated in connection with this investment plan. The Board is satisfied that the Group's liquidity position and cash generation capacity are sufficient to support the programme while maintaining the Group's dividend policy and net cash position.

Dividends

In line with the Group's commitment to delivering shareholder value, we declared and paid the following interim dividends during FY2026:

Dividend	Sen per share	Total RM million	Date paid
First interim	0.90	44.75	29 August 2025
Second interim	0.80	39.78	28 November 2025
Third interim	0.80	39.78	27 February 2026
Fourth interim	0.70	34.81	29 May 2026
Total in FY2026	3.20	159.12	

The total FY2026 dividend of 3.2 sen per share, amounting to RM159.1 million, represents a payout ratio of 58.6% of net profit — above the Group's stated minimum policy of 50%.

The Board remains committed to maintaining a progressive and sustainable dividend policy. Subject to the Group's financial performance, cash requirements, and prevailing business conditions, the Board intends to continue distributing a minimum of 50% of net profit to shareholders, consistent with its stated policy since listing. Since its listing in May 2023, DXN has distributed cumulative dividends exceeding RM520 million — a track record the Board views as a core component of DXN's shareholder value proposition.

MANAGEMENT DISCUSSION AND ANALYSIS

SEC.02

The Group's risk management framework is designed to identify, assess, and mitigate material risks across its global operations. The principal risks relevant to FY2026 and the Group's mitigation approach are summarised below.

RISKS AND MITIGATION STRATEGIES

DXN operates across more than 59 countries with active distribution operations, within a broader presence spanning 180 markets.



Foreign Currency Exposure.

DXN generates the substantial majority of its revenues in foreign currencies, which are translated into Malaysian Ringgit upon consolidation. A strengthening Ringgit reduces reported revenue and earnings. The Group manages this exposure through operational diversification across a broad portfolio of currencies and natural hedging. Over the medium term, the development of local manufacturing capacity in key markets will reduce reliance on centralised Malaysian exports and partially mitigate translation exposure.



Geopolitical and Trade Policy Risk.

Ongoing geopolitical tensions, particularly in the Middle East, and the continuing evolution of global trade policies introduce uncertainty across several of our key operating markets. The Group's geographic diversification across Latin America, Asia, the Middle East, Africa, and Europe provide a natural buffer against concentration risk. While the evolving global trade environment, including shifts in tariff regimes among major economies, has introduced broader uncertainty across supply chains and currency markets, DXN's geographically diversified revenue base and limited reliance on any single trade corridor position the Group to navigate these conditions with resilience.



Volatility in Raw Material and Supply Chain Costs.

The Group is exposed to fluctuations in the cost of key agricultural inputs, particularly coffee and Ganoderma. We are actively advancing our vertically integrated strategy through the development of in-house coffee plantations in Brazil, Bolivia, and Malaysia, expected to improve cost certainty and supply security over time. Expanded in-house cultivation of Spirulina and Ganoderma further reduces reliance on third-party suppliers.



Intensifying Market Competition.

The global nutraceutical and direct channel market continues to attract new entrants. DXN's competitive advantages, a 33-year Ganoderma heritage, proprietary biotechnology capabilities, an integrated global supply chain, a member network across 59 countries, and a Shariah-compliant product portfolio, underpin our differentiated positioning. Ongoing investment in R&D supports the Group's ability to sustain product differentiation over time.



Regulatory Compliance Across Multiple Jurisdictions.

Operating across more than 59 countries exposes DXN to a complex and evolving regulatory landscape. We maintain dedicated regional regulatory teams who monitor changes in product registration requirements, labelling standards, and ingredient regulations across all jurisdictions. Compliance infrastructure is proactively invested in as part of our market entry process.



MANAGEMENT DISCUSSION AND ANALYSIS

“
Peru and Bolivia,
our two largest markets
within the region,
continue to record
robust local currency
revenue growth of 18.7%
and 35.7% respectively
in FY2026.
”

Looking ahead, the Group's strategic priorities for FY2027 are anchored on three objectives: converting capital investments into operational capacity, accelerating member growth in newer markets, and restoring margin trajectory as pre-operating costs normalise.

OUTLOOK

The global nutraceutical market continues to present compelling structural growth opportunities. According to Fortune Business Insights¹, the global nutraceuticals market was valued at approximately USD500.6 billion in 2025 and is projected to reach USD1.1 trillion by 2034, expanding at a compound annual growth rate of 10.6%. Across all major forecasts, the key structural drivers remain consistent: rising health consciousness globally, growing demand for preventive healthcare solutions, scientific advances in functional nutrition, personalised dietary formulations, and the rapid ageing of the global population. The World Health Organization projects that by 2030, one in six people globally will be aged 60 or older², a demographic



that is a natural and growing consumer of the health and wellness products that DXN offers.

The nutraceutical market in Latin America, which accounts for approximately 61.2% of our gross revenue, is estimated to reach USD68.9 billion by 2032, expanding from USD35.5 billion in 2024 at a compound annual growth rate of 8.7%³. This growth is driven by an expanding middle class, strengthening health awareness, and increasing consumer preference for natural and preventive health solutions — all of which align closely with DXN's product proposition. Peru and Bolivia, our two largest markets within the region, continue to record robust local

currency revenue growth of 18.7% and 35.7% respectively in FY2026. Meanwhile, Argentina and Brazil, both relatively recent market entries, are gaining meaningful traction and are expected to become increasingly significant contributors to the region's performance over the coming years.

In Asia, the Asia-Pacific nutraceutical market reached USD116.3 billion in 2025 and is projected to grow to USD182.6 billion by 2031 at a compound annual growth rate of 7.8%⁴, underpinned by consumers' increasing focus on preventive healthcare, significant improvements in regulatory frameworks, and the widespread adoption of digital retail platforms. Within the

¹ <https://www.fortunebusinessinsights.com/nutraceuticals-market-102530> - Nutraceuticals Market Size, Trends & Growth Report

² <https://www.who.int/news-room/fact-sheets/detail/ageing-and-health> - Ageing and health

³ <https://www.marketdataforecast.com/market-reports/latin-america-nutraceuticals-market> - Latin America Nutraceuticals Market

⁴ <https://www.mordorintelligence.com/industry-reports/asia-pacific-nutraceutical-market> - ASIA-PACIFIC NUTRACEUTICAL MARKET SIZE & SHARE ANALYSIS - GROWTH TRENDS AND FORECAST (2026 - 2031)

MANAGEMENT DISCUSSION AND ANALYSIS

SEC.02

MANAGEMENT'S PERFORMANCE REVIEW

region, India is set to post the fastest growth at a compound annual growth rate of 8.3% through 2031, making it one of our most strategically significant markets going forward. India delivered 15.3% local currency revenue growth for DXN in FY2026, reflecting the Group's deepening penetration and growing member engagement in the country.

The Middle East and Africa, which together contributed approximately 8.7% of DXN's gross revenue in FY2026, remains a region of long-term strategic importance. While near-term conditions have been shaped by geopolitical developments, DXN's long-established member base, our manufacturing presence in Dubai, and our progressive entry into Egypt and sub-Saharan Africa provide a solid and expanding foundation in the region.

Against this backdrop, we enter FY2027 with a clear strategic agenda: to

convert the significant infrastructure and market development investments of FY2026 into growing revenue and earnings contributions. The progressive commissioning of manufacturing facilities in Gua Musang, Bukit Kayu Hitam, Morocco, Peru, and Bolivia, alongside agricultural plantation development in Brazil and Bolivia, will enhance our production proximity to key markets, improve cost efficiency, and support margin recovery over the medium term. Newer markets in Africa and Europe, including Egypt, the United Kingdom, Ghana, and Zambia, are steadily building member networks and product pipelines that are expected to broaden our revenue base in the years ahead.

On the currency front, should the Malaysian Ringgit stabilise or depreciate modestly against key operating currencies, our strong underlying volume and value growth would flow more visibly

into reported results, providing further affirmation of the commercial momentum that constant-currency metrics already reflect.

With a robust balance sheet, a net cash position, and a disciplined approach to capital allocation, the Group enters FY2027 focused on converting its investment cycle into growing revenue and earnings contributions. The Board and Management remain firmly committed to delivering sustainable long-term value to shareholders, members, and the communities we serve.

Yours sincerely,

PRAJITH PAVITHRAN

Executive Director and Chief Executive Officer



FINANCIAL HIGHLIGHTS

FINANCIAL YEAR ENDED 28 FEBRUARY 2026

	FY2022 ⁽¹⁾ RM'000	FY2023 RM'000	FY2024 RM'000	FY2025 RM'000	FY2026 RM'000
Financial Results					
Revenue	1,242,856	1,600,814	1,803,214	1,908,476	1,898,479
Earnings Before Interest, Tax, Depreciation & Amortisation ("EBITDA")	401,382	496,383	537,147	583,201	521,511
Profit for the year	245,444	289,327	323,966	334,230	283,403
Profit After Tax & Non-controlling Interests ("PATANCI")	242,922	275,396	310,994	328,066	271,520
Financial Position					
Total assets	1,473,580	1,759,937	2,091,884	2,088,404	2,161,450
Total liabilities	661,965	734,806	733,621	750,906	725,263
Total equity	811,615	1,025,131	1,358,263	1,337,498	1,436,187
Financial Ratios					
EBITDA margin (%) ⁽²⁾	32.3%	31.0%	29.8%	30.6%	27.5%
PATANCI margin (%) ⁽³⁾	19.5%	17.2%	17.2%	17.2%	14.3%
Basic earnings per share (EPS) (sen)	5.03 ⁽⁴⁾	5.71 ⁽⁴⁾	6.28 ⁽⁴⁾	6.60 ⁽⁴⁾	5.46
Net gearing ratio ⁽⁵⁾	Net cash	Net cash	Net cash	Net cash	Net cash

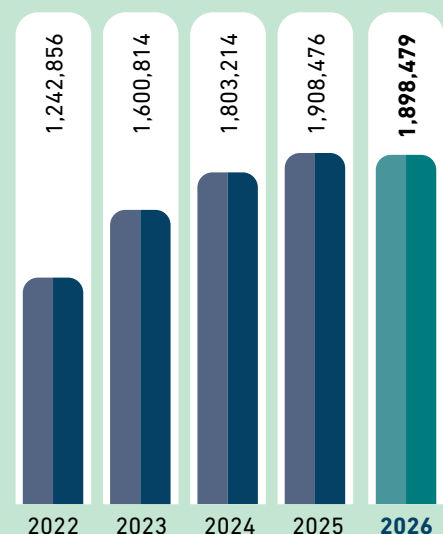
Notes:

- (1) Based on Section 12 and Section 13 of the Prospectus of the Company dated 28 April 2023.
 (2) Computed based on EBITDA divided by revenue.
 (3) Computed based on PATANCI divided by revenue.
 (4) Computed based on PATANCI divided by enlarged issued share capital of 4,825,000,000 ordinary shares after the completion of Bonus Issue subsequent to the year end as part of the Company's Initial Public Offering scheme.
 (5) Computed based on total borrowings (excluding lease liabilities), less cash and cash equivalents, divided by total equity as at the end of the financial year.

REVENUE

(RM' 000)

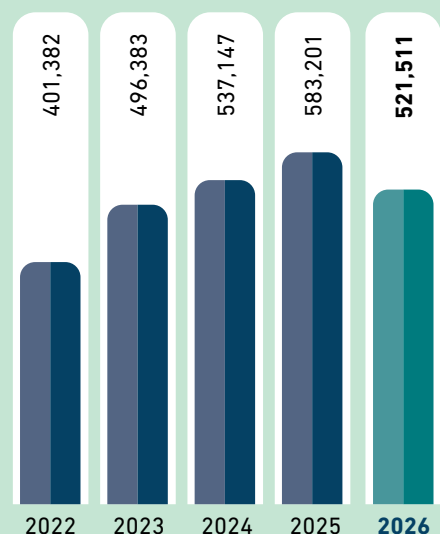
1,898,479



EBITDA

(RM' 000)

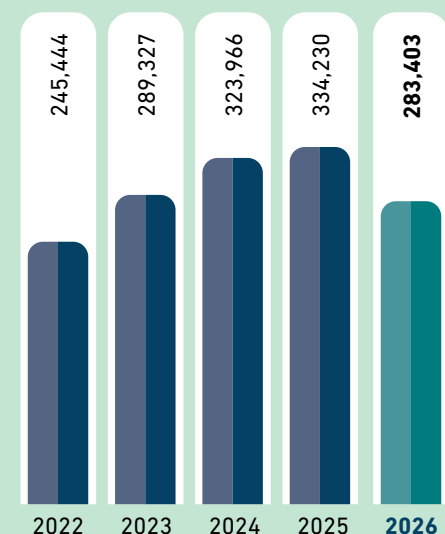
521,511



PROFIT FOR THE YEAR

(RM' 000)

283,403



FINANCIAL HIGHLIGHTS

SEC.02

MANAGEMENT'S PERFORMANCE REVIEW



REVENUE
RM1.9 billion
(FY2025: RM1.9 billion)



EBITDA
RM522 million
(FY2025: RM583 million)

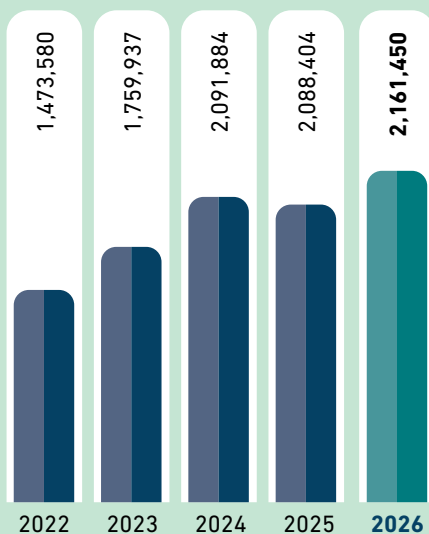


PATANCI
RM272 million
(FY2025: RM328 million)



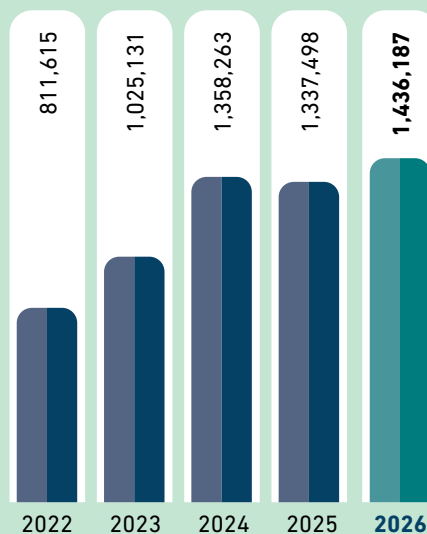
TOTAL ASSETS (RM' 000)

2,161,450



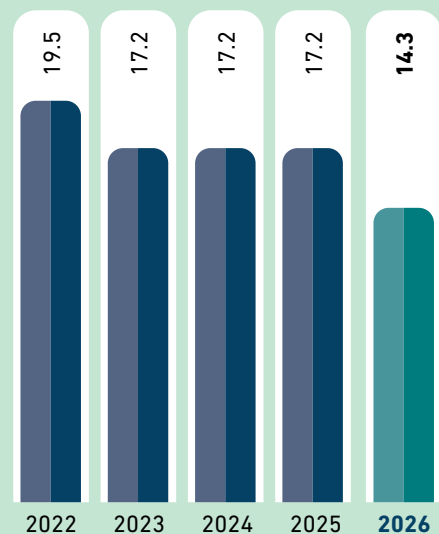
TOTAL EQUITY (RM' 000)

1,436,187



PATANCI MARGIN (%)

14.3%





Sustainability Statement FY2026

One World
One Market
One Mind

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About This *Sustainability Statement*

REPORTING PERIOD, SCOPE AND BOUNDARIES

We are pleased to present our fourth Sustainability Statement of DXN Holdings Bhd. ("DXN" or "the Company") and its subsidiaries ("DXN Group" or "the Group"). Our Sustainability Statement 2026 aims to provide our stakeholders with comprehensive details of our sustainability performance for the reporting period of 1 March 2025 to 28 February 2026, which aligns with DXN Group's 2026 financial year ("FY2026").

This statement reviews our key Economic, Environmental, and Social, including Governance ("ESG") commitments, strategies and achievements. It is structured around DXN's three overriding sustainability themes: One World (Environmental), One Market (Economic and Governance), and One Mind (Social).

STATEMENT OF LIMITED ASSURANCE

To enhance the credibility and reliability of our sustainability disclosures, the Group has engaged an independent third-party assurance provider, British Standards Institution ("BSI"), to perform a limited assurance engagement on selected sustainability information reported in this Sustainability Statement 2026. This assurance aligns with the Bursa Malaysia Main Market Listing Requirements ("MMLR") and reflects our commitment to strengthening transparency and accountability in our reporting practices.

The limited assurance engagement was conducted in accordance with ISAE 3000 (Revised) and ISO 14064-3:2019. The scope of assurance covered six ("6") selected Key Performance Indicators



("KPIs") disclosed in this report. Through this independent limited assurance process, the Group aims to enhance stakeholder confidence by ensuring that the selected sustainability data is prepared, presented, and disclosed in a consistent and reliable manner. The engagement brings additional value and credibility to our sustainability disclosures, while supporting continuous improvements in our data management and reporting processes.

Their opinion statement report is available on pages 130 to 133.

REPORTING GUIDELINES, FRAMEWORKS, STANDARDS AND SUSTAINABILITY-RELATED REFERENCES

This Sustainability Statement ("This Report") has been prepared in accordance with the Bursa Malaysia's Main Market Listing Requirements on Sustainability Reporting and with reference to relevant reporting frameworks, standards and sustainability-related guidance, where applicable, including the following:

Reporting Frameworks and Standards

- Global Reporting Initiative ("GRI") Standards 2021
- International Sustainability Standards Board ("ISSB") - International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures¹
- Sustainability Accounting Standards Board ("SASB")
- The Greenhouse Gas Protocol ("GHG Protocol")
- Task Force on Climate-related Financial Disclosures ("TCFD")

- The International Standard on Assurance Engagements ("ISAE") 3000 for our assurance process
- Malaysian Code on Corporate Governance ("MCCG")

Global Goals

- United Nations Sustainable Development Goals ("UN SDGs")

Sustainability-related Indices

- FTSE4Good Bursa Malaysia ("F4GBM") Index
- Carbon Disclosure Project ("CDP")

Note: ¹ In preparing this Report, the Group has applied the transition reliefs available under the National Sustainability Reporting Framework ("NSRF") for the current reporting period FY2026.

FEEDBACK

We welcome feedback from our stakeholders on the disclosures presented in this Sustainability Statement. Your views and suggestions are important to us, as they help strengthen our reporting practices and guide our ongoing efforts towards creating long-term sustainable value. We remain committed to continuously improving the quality, relevance, and transparency of our sustainability disclosures.

Should you have any comments, questions, or suggestions regarding this report, please feel free to contact us at:

Contact Person : Group Sustainability Department
Address : DXN Cyberville, Jalan Teknokrat 1, Cyber 3, 63000 Cyberjaya, Selangor Darul Ehsan
Email : sustainability@dxn2u.com
Telephone : +603-6033 9800

One World

One Market

One Mind

Statement From *Executive Director and Chief Executive Officer*

“ **Dear Valued Stakeholders,**

As I reflect on FY2026, I do so with a profound sense of both pride and responsibility. This marks our fourth Sustainability Statement and, more significantly, a year in which DXN Group's commitment to sustainability moved decisively from aspiration to action. In a world characterised by rapid regulatory evolution, mounting environmental pressures and heightened stakeholder expectations, we have strengthened the foundations of our business not by retreating from complexity, but by engaging it directly — with transparency, purpose and discipline. Our sustainability journey is built on a simple but enduring conviction: that a company rooted in health and wellness must itself be a healthy and well-governed enterprise. That conviction binds our environmental stewardship, our governance rigor and our commitment to people into one coherent direction — **One World, One Market, One Mind.**

”



A YEAR OF MEASURABLE PROGRESS

FY2026 delivered results that we believe speak to the seriousness and consistency of our sustainability commitment. Across the three pillars of our framework, we recorded outcomes that reflect both discipline and genuine progress.

3.5

FTSE4Good ESG Score (up from 2.7)

Zero

Work-related fatalities in the 3rd consecutive year

42.86%

Women on the Board
(exceeds 30% MCCG target)

RM2.58M

Community Investment
(+35.9% from FY2025)

21.6M

Registered members across more than 180 countries

CDP-C

Climate & Water Score 1st year of CDP participation

Our inclusion in the FTSE4Good Bursa Malaysia Index, with an improved ESG score of 3.5 and a perfect Governance score of 5.0, is an independent validation of the progress we have made. I am equally proud that DXN achieved GBI

Certified status for our headquarters at DXN Cyberville — a tangible demonstration that sustainability is being embedded into the fabric of our infrastructure, not just our reporting.

I am also pleased to share a milestone that carries particular meaning for DXN: FY2026 marks our first year of participation in the Carbon Disclosure Project (“CDP”) questionnaire, and we received a score of C for both Climate Change and Water Security. For a company disclosing to CDP for the very first time, a C score signals that we have a credible foundation — structured governance, meaningful data and a clear awareness of our environmental risks — while honestly reflecting the improvement journey that lies ahead. CDP’s scoring methodology rewards not just disclosure quantity but the quality of management responses and strategic ambition. We enter the CDP cycle for FY2027 with a determined intent to improve, and our ongoing investments in climate scenario analysis, GHG inventory expansion and energy management will form the backbone of that effort.

PROTECTING OUR ONE WORLD

Our environmental performance in FY2026 reflects both progress and honest recognition of the work that remains. We continued to expand our greenhouse gas inventory, adding Scope 3 : Category 1 - Purchase Goods and Services, Category 2 - Capital Goods, Category 3 - Fuel- and Energy- Related Activities Not Included in Scope 1 or Scope 2 - to our disclosure boundary, bringing greater completeness to our climate reporting. Our combined Scope 1 and Scope 2 emissions of 16,804.35 tCO₂e represent a modest reduction from the prior year, and we have now established three years of consecutive data — an essential baseline for future target-setting. On energy, our on-site solar generation reached 6,399.69 GJ in FY2026, a meaningful increase from the prior year that reflects our growing investment in renewable energy under the Net Energy Metering arrangement. Our total energy consumption also declined

“
Climate resilience
is not a distant
aspiration for DXN.
It is an operational
imperative that shapes
how we cultivate,
manufacture, source
and distribute today.
”

to 129,994.19 GJ, indicating improved operational efficiency across our sites.

The formal climate-related risk and opportunity assessment we completed this year, using the MESSAGEix-GLOBIOM model under the Malaysia Nationally Determined Contributions pathway, gives us a structured view of how transition and physical climate risks may evolve across the short-, medium- and long-term. Energy management and climate action have been identified as our principal climate-related focus area — and we intend to build upon this initial qualitative assessment with progressively more quantitative disclosures in the years ahead, consistent with our obligations under the National Sustainability Reporting Framework. Water stewardship remains a priority, particularly given that several of our facilities operate in regions classified as high to extremely high water stress under the WRI Aqueduct framework, including sites in India, Nepal and the UAE. Our total water consumption rose to 410,146.33 m³ in FY2026, reflecting expanded operations, and we are actively developing site-specific mitigation plans for groundwater-dependent locations. Zero non-compliance incidents were recorded across all water discharge operations.

SUSTAINABILITY STATEMENT

SEC.03

SUSTAINABILITY

BUILDING OUR ONE MARKET WITH INTEGRITY

Sound governance is not a compliance exercise for DXN — it is the cornerstone of the trust that our 21.6 million registered members and our broader stakeholder ecosystem place in us. In FY2026, we took several decisive steps to strengthen our governance architecture.

The Board approved our new Group-wide Personal Data Protection Policy, and we implemented a Data Breach Notification Framework aligned with the requirements of the Personal Data Protection Department. These measures complement our zero-incident record on customer privacy breaches — maintained for the third consecutive year — and reflect our recognition that data integrity is fundamental to the DXN brand.

We also launched our Procurement Policy, publicly available through our investor relations platform, formalising ESG-aligned standards for all sourcing activities across the Group. Our New Supplier Due Diligence and Declaration ("NSDDD") process screened 386 new suppliers in FY2026, with 100% completion and zero non-compliance detected. Our local supplier spend of 81.77% in FY2026 reflects our continued commitment to supporting local economies and strengthening supply chain resilience. While our global operations continue to evolve in scale and complexity, we remain focused on building meaningful partnerships with local suppliers, reducing dependency on distant sourcing networks and ensuring that the value we create is shared more closely with the communities and markets in which we operate.

On anti-corruption, I wish to be transparent: one confirmed case of bribery and corruption was reported in FY2026 and one case remains under investigation. We do not take these matters lightly. Our Anti-Bribery and Corruption Committee continues to oversee compliance, our internal audit function conducts annual assessments across all 58 subsidiaries,

and every employee is required to complete mandatory ABC training through our digital learning platform. Zero tolerance is our standard, and we will continue to enforce it.

EMPOWERING OUR ONE MIND

Our 3,805 employees are the foundation of everything DXN does. In FY2026, we invested significantly in their development, their safety and their well-being — and we committed to listening to their experiences more directly than ever before.

The Human Rights Due Diligence ("HRDD") programme we completed this year — covering 1,815 workers across 10 countries using the Direct Worker Voice methodology — represents one of the most significant social investments in DXN's sustainability history. By compensating workers directly for the data they contributed and using those findings to inform management decisions, we have established a repeatable, rights-based baseline that will guide our human rights governance for years to come. I am honoured that this programme was recognised at the 7th UN Responsible Business and Human Rights Forum in Bangkok, where our COO presented DXN's approach as a practical model for ASEAN-based multinationals.

“
When we listen
directly to our workers
— compensating
them fairly and acting
on what they tell
us — we define what
responsible governance
looks like in practice.
”



Safety is non-negotiable at DXN. For the third consecutive year, we recorded zero work-related fatalities across all our direct operations. Our Lost Time Injury Rate improved from 0.84 to 0.76, reflecting disciplined implementation of Occupational Safety and Health ("OSH") Policy and the work of site safety teams across manufacturing, warehousing and cultivation. While 31 work-related injuries were recorded — a further reduction from 33 in the prior year — each one is a reminder that our work is not finished.

We also launched the Employee Assistance Programme in Malaysia, introduced our DXN Motivational Series and began monthly Stretch at Your Desk wellness micro-sessions — initiatives that may seem modest in isolation but collectively signal a workplace culture that values the whole person, not just the professional contribution.

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the Employee Assistance Programme to additional operating locations, and continue to invest in training and leadership development — with a particular focus on increasing average training hours per employee.

And for our communities, we will build on the RM 2.58 million invested in FY2026 by developing a more structured community investment framework that links contributions to measurable social outcomes aligned with the UN Sustainable Development Goals.

A MESSAGE OF GRATITUDE

None of what we have achieved in FY2026 would have been possible without the dedication of our employees, the loyalty of our members and distributors, the partnership of our suppliers, and the confidence of our investors and regulators. To each of you, I offer my sincere gratitude.

Sustainability is not a destination we arrive at — it is a discipline we practise, a standard we hold ourselves to and a promise we renew with every decision we make. DXN Group enters FY2027 with stronger foundations, clearer targets and a deeper understanding of what it means to be a responsible global business.

We are committed to doing more, disclosing more and delivering more — for our stakeholders, for our communities and for the world we share.

Yours sincerely,

Prajith Pavithran

Executive Director and Chief Executive Officer
DXN Holdings Bhd.

On gender diversity, women represent 46.86% of our global workforce and 42.86% of our Board — the latter surpassing the 30% target recommended by the MCCG. At the management level, 46.23% of positions are held by women. We are proud of this record and committed to sustaining it.

OUR COMMITMENTS FOR THE ROAD AHEAD

FY2026 was a year of building — building baselines, building policies, building systems and building a culture of accountability that can withstand scrutiny. As we look to FY2027 and beyond, our focus turns to deepening and quantifying the commitments we have made.

Under our environmental agenda, we will expand Scope 3 emissions coverage, develop measurable GHG reduction targets anchored in Climate-Related Risks

and Opportunities (“CRRO”) assessment findings, and progress the ISO 14001 certification roadmap across all principal manufacturing and cultivation sites. We will also strengthen water management at our groundwater-dependent facilities in high-stress regions and continue to extend the renewable energy contribution from our solar PV installations.

On governance, we will complete the full rollout of IFRS S1 and S2 disclosures in line with the NSRF phase-in schedule, deepen our financial materiality assessment with quantitative estimates as data maturity permits, and formalise our climate transition planning in a structured, publicly disclosed framework.

For our people, we will repeat the Direct Worker Voice HRDD assessment to measure improvements against the baseline established in FY2026, extend

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Sustainability Highlights & Events

Recognition & Ratings

FTSE4GOOD BURSA MALAYSIA INDEX • 2025 INCLUSION

DXN joins the F4GBM & F4GBM Shariah indices, with the Group's ESG score advancing nearly a full point.

PRIOR ESG RATING

2.7



DECEMBER 2025 REVIEW

3.5

Inclusion Confirmed

5.0

Achieved Highest Score on Governance - F4GBM

Top among Food Products subsector peers - strong governance & enhanced disclosures,

ESG PLUS AWARD • 2025



Recognised under the ESG Plus Awards 2025 for advancing social impact and inclusion across the Group's sustainability journey.

Strengthening Foundations

HUMAN RIGHTS •
DUE DILIGENCE

Worker-centred HRDD completed

Strengthening the visibility over labour and human rights across the Group's global footprint.

14 subsidiaries • 10 countries

DATA PRIVACY •
GROUP POLICY

Personal Data Protection Policy

Group-wide policy reinforcing responsible data governance, privacy protection and stakeholder trust.

NEW • Group-wide rollout

INFORMATION SECURITY •
CERTIFICATION

ISO/IEC 27001:2022 Certified

PT. Suryasoft Konsultama achieves ISMS certification – strengthening DXN's digital trust foundation.

ISMS • Issued 2025

DISCLOSURE •
CDP ASSESSMENT

First CDP submission complete

Climate & Water questionnaires submitted - informing roadmap for measurement, target-setting and reduction.

Climate • C • Water • C

By the Numbers

RM2.58M

COMMUNITY
INVESTMENT

Deployed across community, education and well-being programmes in FY2026.

21.6M

REGISTERED
MEMBERS

Reach extended across **more than 180 countries** – the largest annual cohort to date.

42.86%

WOMEN ON THE
BOARD

Exceeds MCCC's 30% target – a marker of inclusive leadership.

Well-being •
MALAYSIA

EAP Launched

Employee Assistance Programme supporting mental, family and financial well-being across the region.

Zero fatality

3RD CONSECUTIVE
YEAR

Zero workplace fatalities – sustained safety culture across operations.

Engagement Throughout 2025

08 APR 2025

High-level Dialogue on Supply Chain Resilience

Shared insights on greening value chains and strengthening responsible procurement practices.

INDUSTRY DIALOGUE

15 JUL 2025

GBI Recognition for Greener Buildings

Green Building Index recognition presented to DXN - marking a commitment to efficient and responsibly managed building.

CERTIFICATION •
MALAYSIA

24 JUL 2025

DATUM: GBI Forum at KLAF 2025

Presented DXN Group's sustainability and green-building journey to industry peers and practitioners.

CONFERENCE • KLAF

14-16 AUG 2025

DXN Team Building Programme

Strengthening collaboration, engagement and shared purpose across teams Group-wide.

PEOPLE • INTERNAL

17 SEP 2025

UN Responsible Business & Human Rights Forum

Represented DXN at UNCC Bangkok – engaging in Asia-Pacific human rights and responsible-business dialogue.

UNCC • BANGKOK

Sustainability Performance FY2026

Key Material Issue	Our Performance	Our Target	Management Plan	Corresponding Reporting Topic	UN SDGs Contribution
Business Performance	DXN Group succeeded in maintaining the total revenue of the Group with RM1,898,479,000 <i>FY2025: 1,908,476,000</i>	Continue to enhance business model to be the leader in healthcare and wellness products to increase the revenue globally	To grow existing portfolios and explore more opportunities ahead to ensure the Group's growth trajectory	GRI 201	  
Sustainable Supply Chain	The Group spent on local suppliers as much as 81.77% of total purchase <i>FY2025: 93%</i>	To increase local suppliers and to lower purchasing from overseas by achieving at least 97% local purchase from overall total purchase	Initiate and offer more opportunities to local suppliers to participate in business operations	GRI 204 FTSE4Good Bursa Malaysia ("F4GBM") Theme: - Supply Chain (Social) - Supply Chain (Environment)	    
Anti-Corruption	1 case reported; 1 case under investigation <i>FY2025: One case reported</i>	To achieve zero cases of bribery and corruption	Emphasise ABC training for all employees and demonstrate zero tolerance to corruption and bribery at all levels of the Company	GRI 205 F4GBM Theme: Anti-Corruption	 
Product Quality, Safety, and Labelling	Achieved ISO/IEC 27001:2022 Information Security Management System certification for PT. Suryasoft Konsultama	Propose all the manufacturing sites to be certified with relevant standards such as Good Manufacturing Practices ("GMP"), Hazard Analysis and Critical Control Points ("HACCP"), and ISO14001:2015	Prepare sites for recognition whilst adhering to regulations with production capabilities maintained	GRI 417	 
	Maintained 97% satisfaction feedback from the customer <i>FY2025: 97% satisfaction feedback</i>	Continually seeks customer feedback to improve positive feedback to ensure satisfaction experienced by all customers	Ensure maintenance of product quality, in-house research, and cultivation, as well as customer representative	GRI 417	 
Information Security	Zero data breach cases (3rd consecutive year) <i>Achieving FY2025's target of maintaining zero cases of data breach</i>	Maintain a zero-case of data breach	Keep uphold and alert with the technology transition to strengthen the cybersecurity guard	GRI 418	    

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Key Material Issue	Our Performance	Our Target	Management Plan	Corresponding Reporting Topic	UN SDGs Contribution
Climate Change	Scope 1: 5,245.88 tCO₂e, Scope 2: 11,558.47 tCO₂e, Scope 3: 50,782.62 tCO₂e FY2025 performance: <i>Scope 1 (↑42.6%),</i> <i>Scope 2 (↓12.4%),</i> <i>Scope 3 (↑19.54%)</i>	Aim to reduce the emissions from the operation, especially from the highest contributor for all Scope 1, 2, and 3	Ensure an effective reduction plan is applied to all the operation sites. Monitor time-to-time carbon usage	GRI 305 F4GBM Theme: Climate Change	      
Energy Management	Energy consumption: 129,994.19 GJ; Solar generated: 6,399.69 GJ FY2025 performance: <i>Energy consumption: (↓24.18%);</i> <i>Solar generated: (↑25.96%)</i>	Improve energy intensity; increase on-site renewable generation	Monitoring across sites; GBI energy benchmarking	GRI 302	  
Water Stewardship	Withdrawal: 421,045.03 m³ Total Water Discharge: 10,898.70 m³ Total Water Consumption: 410,146.33 m³ FY2025 performance: <i>Withdrawal (↑26.73%),</i> <i>Discharge (↓40.80%),</i> <i>Consumption (↑30.70%)</i>	Ensure compliance with local regulations regarding water management	Proper planning and mitigate action plan to reduce water usage	GRI 303 F4GBM Theme: Water Security	    
Waste Management	59 entities selected Total Hazardous Waste: 132.80 MT Total Non-Hazardous Waste: 1,448.92 MT 56 entities on waste generation: <i>Hazardous (↑109.79%),</i> <i>Non-Hazardous (↓21.56%)</i>	Reduce waste generate and practise 6R initiatives: refuse, reduce, reuse, repurpose, recycle, and recreate	Ensure the Group aligns with jurisdiction laws and regulations of waste management and Environmental & Energy Policy	GRI 306 F4GBM Theme: Pollution & Resources	  

● Economic & Governance ● Environmental ● Social

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Key Material Issue	Our Performance	Our Target	Management Plan	Corresponding Reporting Topic	UN SDGs Contribution
Workforce Diversity and Labour Rights	Employment diversity, comprising 53.14% male and 46.86% female employees Turnover rate stands at 12.86% <i>↓0.85% compared to FY2025</i> 46.86% of women in the global workforce <i>↓1.14% compared to FY2025</i> 42.86% of women's representation on the Board <i>↓5.36% compared to FY2025</i>	Achieve 50% composition between female and male employees	Offer and open more job opportunities to our local people	GRI 401, GRI 405 F4GBM Theme: 1. Labour Standard 2. Human Rights & Community	     
	Zero cases of human rights violations were reported across the Group Achieved FY2025 target and maintained zero cases	Maintain zero reported cases	Ensure high engagement with employees to ensure open communication	GRI 401, GRI 405 F4GBM Theme: 1. Labour Standard 2. Human Rights & Community	     
Training and Development	Total training hours collected, 38,780 hours, with an average of 10.19 hours per employee FY2025: 40,355 total hours 11.56 average hours per employee	Increase the average training hours per employee	Actively involve employees with internal and external training based on needs	GRI 404 F4GBM Theme: Labour Standard	   
Occupational Health and Safety	Zero fatalities (3rd consecutive year); 31 work-related injuries; LTIR: 0.76 FY2025: Zero-fatality cases 33 work-related injuries	1. Maintain zero-fatality cases across the Group 2. Reducing work-related injuries and illnesses in the upcoming years	Implement best practices in safety and health aspects throughout the business operation	GRI 403 F4GBM Theme: Health & Safety	 
Community Engagement	RM 2,576,841.65 invested in local community engagement activities ↓35.9% from FY2025	Continue to be involved in CSR activities with our key stakeholders and communities	Continue to support community engagement through various activities	GRI 413 F4GBM Theme: Human Rights & Community	      

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Our Sustainability Framework

As a global health and wellness brand, DXN Group positions sustainability as a practical driver of resilience, trust and long-term value creation. Our sustainability approach is organised around three (3) overarching themes that translate our ESG priorities into focused actions across the Group's core operating areas. This structure enables us to connect governance, environmental stewardship, responsible business conduct and social value with the way we grow, manufacture, distribute and engage with stakeholders across markets.



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DXN Group's commitment to sustainability is articulated through three (3) overarching themes, each supporting the core ESG sustainability pillars that guide our strategic and operational practices, here is how each theme embodies our philosophy:



One World

Under the "One World" theme, DXN Group pledges to be a steward of the environment. We are committed to implementing eco-friendly practices to reduce our environmental impact and promote sustainability on a global scale. We strive to protect our planet for future generations by embracing renewable energy, optimising energy, minimising waste, and emission reduction. This commitment to environmental stewardship is integral to our corporate identity and is a reflection of our dedication to preserving the world in which we operate.



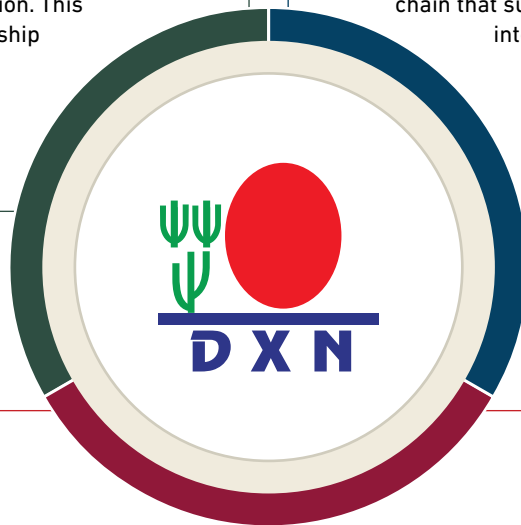
One Market

At the heart of the "One Market" theme, DXN Group embeds sustainability into every aspect of our business operations. Our holistic approach focuses on sustainable business practices and sound governance to boost economic performance. We adhere to stringent ethical standards and transparency, ensuring a robust and sustainable supply chain that supports our long-term business goals. By integrating these practices, we aim not only to sustain our economic growth but also to fortify our business against future challenges.



One Mind

The "One Mind" theme underscores our commitment to the well-being of the global community. DXN Group is dedicated to creating an inclusive workplace culture that reflects our broader social responsibilities. We actively engage in social initiatives that empower our staff and improve community welfare, fostering an environment of diversity and safety. Through continuous participation in social programme, we support our employees and contribute positively to societal development, ensuring that our growth is inclusive and beneficial to all stakeholders. By integrating global citizenship into our "One Mind" philosophy, we promote a sense of shared responsibility and encourage active participation in addressing global challenges. This commitment empowers individuals across our operations to act as global citizens who contribute to sustainable development, enhancing our collective impact on global well-being.



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Sustainability Governance

The Board of Directors ("Board"), chaired by the Executive Chairman, holds ultimate accountability for sustainability and provides strategic oversight over the development, implementation and continuous enhancement of the Group's sustainability strategy, related policies and risk mitigation plans, with the support of the Sustainability Management Committee ("SMC"). In fulfilling its oversight role, the Board oversees the identification, assessment and management of Climate-Related Risks and Opportunities ("CRRO") and Sustainability-Related Risks and Opportunities ("SRRO") across the Group's operations and value chain.

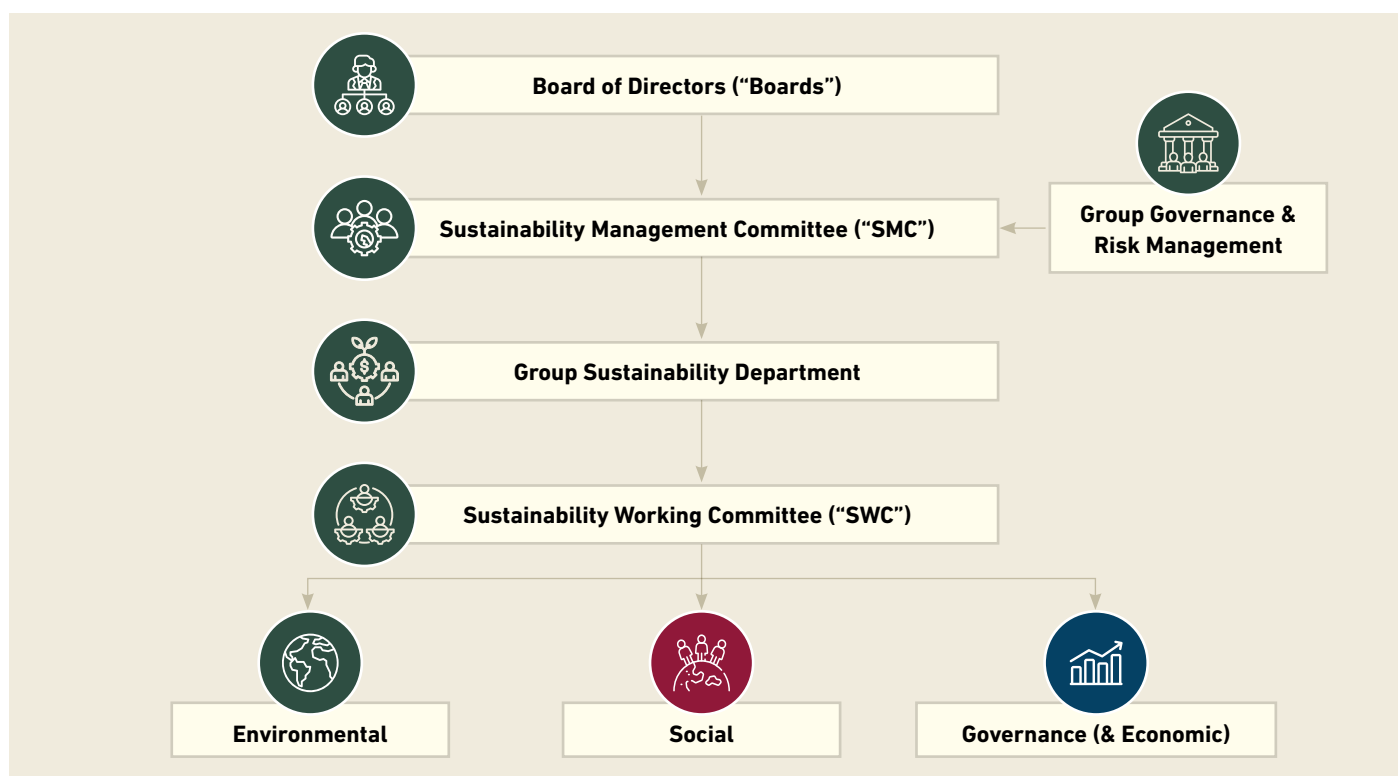
To ensure accountability and effective governance, significant sustainability matters are integrated into the Group's key performance indicators and Enterprise Risk Management ("ERM") framework. The Board recognises sustainability as a critical driver of long-term value creation and sustainable business success and therefore ensures the integration of Economic, Environmental, Social and Governance ("ESG") considerations into

the Group's business strategies, decision-making processes and risk management framework. The Group Governance & Risk Management Department supports the Board and SMC by integrating sustainability-related risks and opportunities into the ERM framework, establishing governance structures, internal controls and escalation mechanisms and providing oversight on the effectiveness of risk identification, assessment, monitoring and mitigation processes in line with sustainability standards.

The SMC comprises members of the Board, the Key Senior Management ("KSM") and the Senior Management team. The SMC supports the Board by formulating and implementing the Group's sustainability goals, policies, strategies and action plans, as well as reviewing sustainability-related risks and opportunities across all operations. The SMC plays a key role in monitoring CRRO and SRRO, including risks related to climate change, OSH and human rights and provides regular updates

and recommendations to the Board, with inputs and assurance from the Group Governance & Risk Management Department.

The Sustainability Working Committee ("SWC"), coordinated by the Group Sustainability Department, is responsible for managing and executing key sustainability initiatives and for keeping the SMC informed of emerging sustainability challenges including climate-related risks and opportunities. The SWC regularly monitors sustainability performance and reports progress, issues and outcomes to the SMC, which are deliberated during quarterly SMC meetings as a standing agenda item. The SWC manages the Group's material sustainability issues across operations and subsidiaries by coordinating with designated persons-in-charge to enhance sustainability practices through the Group's sustainability platform. The SWC is chaired by the Sustainability Manager and comprises operational and departmental heads from the Group's core operations and corporate functions.



Sustainability Policies

DXN Group's sustainability-related policies provide the governance backbone for consistent decision-making, responsible conduct and operational accountability across the Group. They set out clear expectations for employees, business partners and relevant stakeholders, while supporting a common culture of integrity, care, compliance and environmental responsibility. By embedding these policies into day-to-day practices, the Group strengthens the foundation for sustainable growth and disciplined value creation.

SUSTAINABILITY POLICY

The Sustainability Policy sets the tone for how DXN Group integrates ESG considerations into business strategy and daily operations. It reinforces the Group's commitment to ethical conduct, compliance, responsible product delivery, respect for human rights, employee well-being and environmental stewardship. Through this policy, DXN seeks to strengthen resource efficiency, climate awareness, biodiversity consideration and responsible product life-cycle management, while continuing to improve sustainability targets, monitoring practices and transparent reporting to stakeholders.

ETHICAL BUSINESS PRACTICES



Anti-Bribery & Corruption Policy

Our commitment is to eradicate and prevent any type of corruption and bribery with clear definitions of specific scenarios, such as gifts, conflicts of interest, and interactions with public officials.



Donation and Sponsorship Policy

Our commitment is to maintain transparency, ethical standards, and accountability in all our giving practices, ensuring that our contributions make a meaningful difference.



Code of Conduct & Ethics

Our commitment is to set clear guides to ensure all operational and business are conducted ethically according to the Policy.



Whistleblowing Policy

Our commitment is to provide a formal and confidential channel for stakeholders to report any suspected misconduct, unethical behaviour or violations of laws and regulations within the organisation.

ENVIRONMENTAL STEWARDSHIP



Environmental & Energy Policy

Our commitment is to comply with all relevant environmental laws and regulations to mitigate and minimise environmental impacts across our operations.

SOCIAL RESPONSIBILITY



Human Rights Policy

Our commitment is to respect and uphold the fundamental human rights of all individuals. We strive to create a work environment and conduct business operations free from discrimination, harassment, and exploitation, ensuring dignity, fairness, and equality for everyone.



Occupational Safety and Health Policy

Our commitment is to ensure the highest standards of Occupational Safety and Health ("OSH"). We are dedicated to providing a safe and healthy work environment for all employees, actively preventing accidents and promoting a culture of safety through continuous training, risk assessment, and adherence to safety regulations.

GOVERNANCE AND COMPLIANCE



Gender Diversity Policy

Our commitment is to promote gender diversity and an inclusive workplace culture.



Remuneration Policy & Procedures

Our commitment is to attract and retain highly qualified and diverse Board members and employees capable of driving the Company's business strategy, objectives, values, and long-term interests.

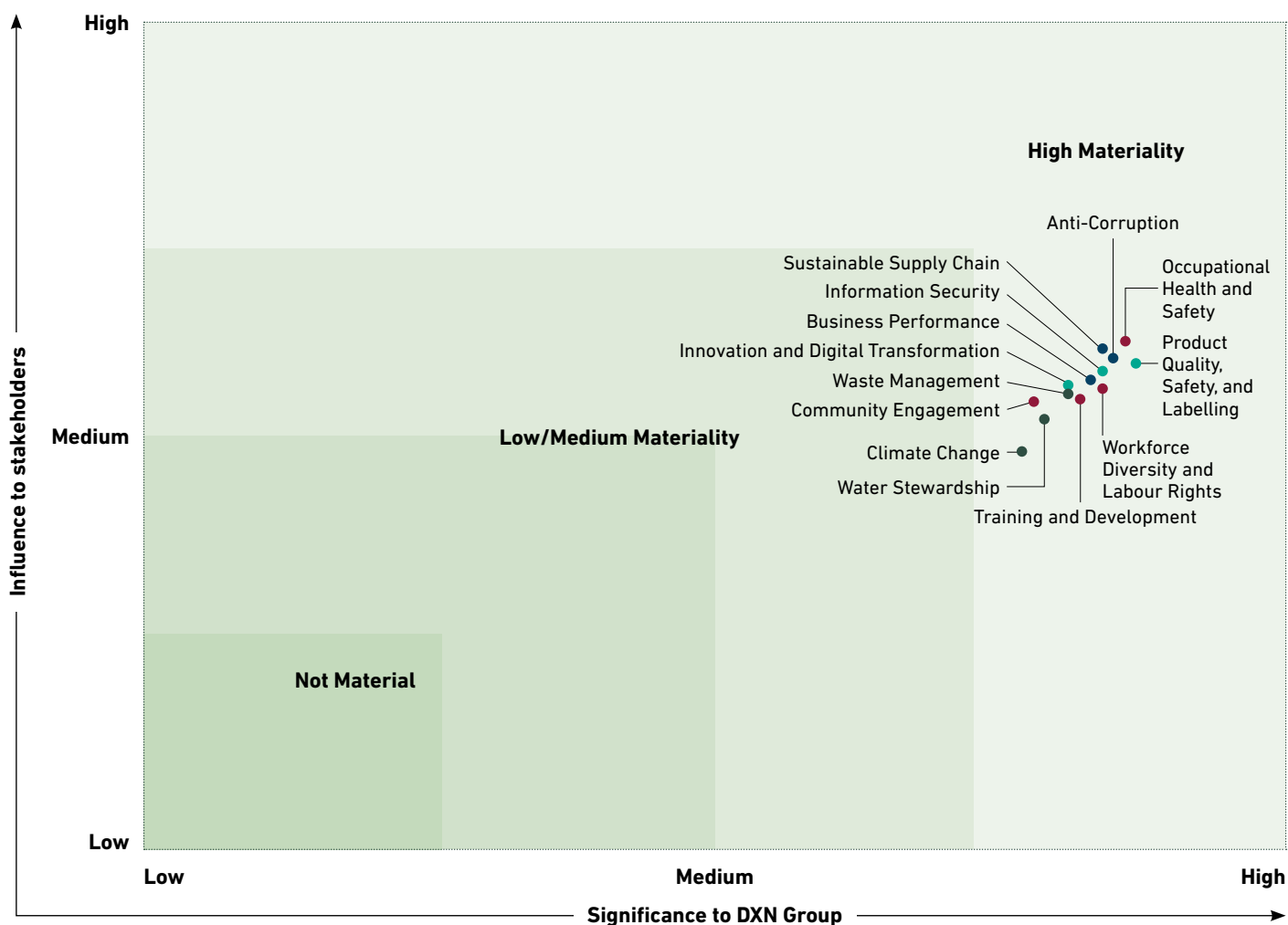
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Our Materiality Matters

This Sustainability Statement focuses on the matters that have the greatest relevance to DXN Group's ability to create, protect and sustain value over time. These matters reflect the Group's assessment of significant economic, environmental, social and governance considerations, together with the impacts, risks and opportunities that may influence our operations, value chain and stakeholder relationships. Stakeholder feedback is also incorporated so that the Group's priorities remain grounded in the issues that matter most to those who are affected by, or can influence, our business.

The Group conducts a comprehensive materiality assessment every two (2) years to keep our sustainability priorities aligned with changing stakeholder expectations, business developments and regulatory requirements. The assessment results continue to guide the content of this Sustainability Statement, including the way we prioritise resources, manage sustainability-related risks and opportunities, and structure our disclosures. This periodic review supports more focused reporting and helps ensure that our sustainability agenda remains relevant, responsive and connected to long-term business value.

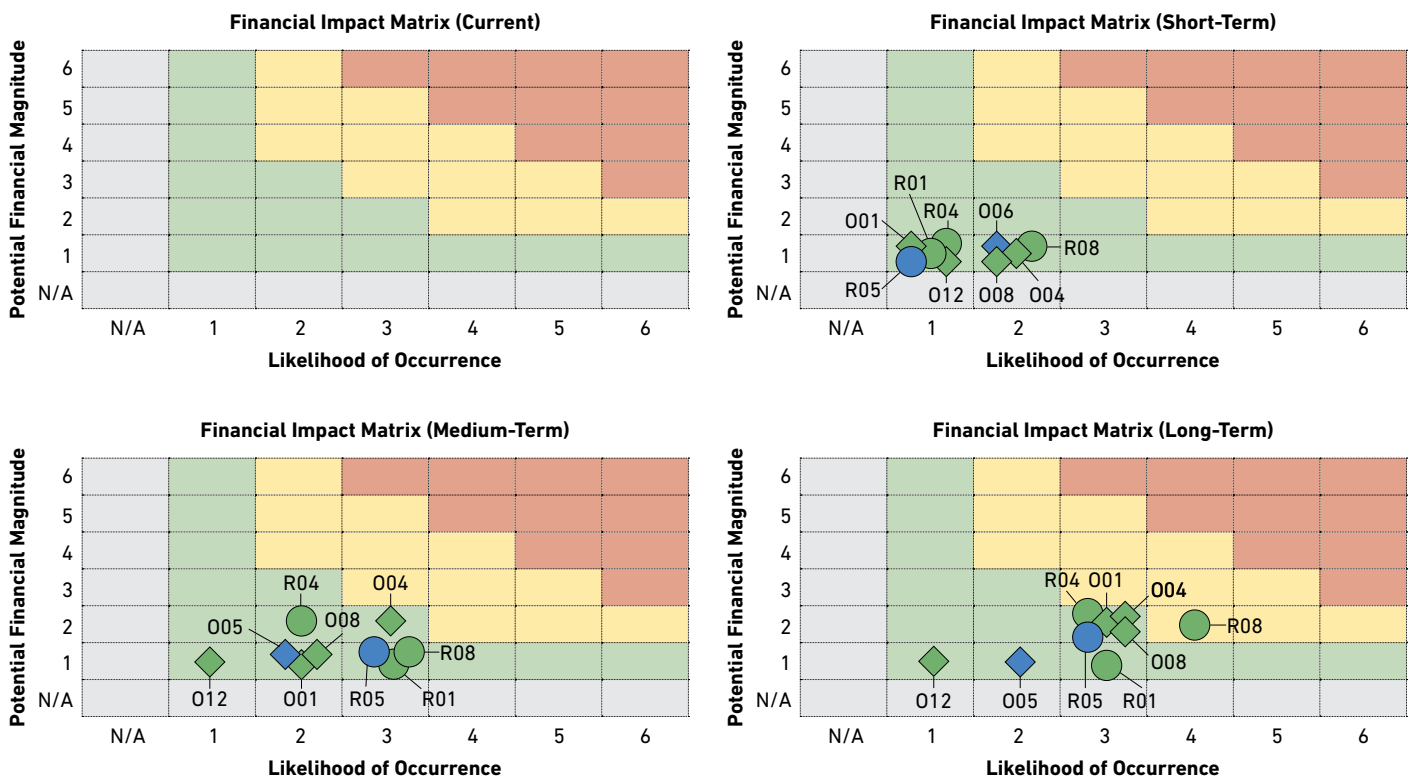


- | | | | |
|------------------------------------|--|-----------------------------|--|
| M1 Business Performance | M4 Product Quality, Safety, and Labelling | M7 Climate Change | M10 Workforce Diversity and Labour Rights |
| M2 Sustainable Supply Chain | M5 Information Security | M8 Water Stewardship | M11 Training and Development |
| M3 Anti-Corruption | M6 Innovation and Digital Transformation | M9 Waste Management | M12 Occupational Health and Safety |
| | | | M13 Community Engagement |

DXN'S FINANCIAL MATERIALITY ASSESSMENT

DXN's financial materiality assessment is intended to identify sustainability-related and climate-related risks and opportunities that could reasonably be expected to affect the Group's enterprise value over the short-, medium-, and long-term. In the current reporting year, the assessment has been undertaken as an initial qualitative exercise informed by management inputs, the Group's operating profile and the financial materiality matrix.

○ Risk ◇ Opportunity ■ CRRO ■ SRRO **Region** □ N/A (N/A Score) ■ Low (1-6) ■ Medium (7-16) ■ High (17-36)



DXN has undertaken an initial qualitative assessment of sustainability-related and climate-related risks and opportunities that could reasonably be expected to affect the Group's enterprise value, cash flows, financial performance, financial position, access to finance or cost of capital over the short-, medium-, and long-term. This approach is aligned with the disclosure objective of IFRS S1, which focuses on sustainability-related risks and opportunities that could reasonably affect an entity's prospects, and IFRS S2, which applies this disclosure logic specifically to climate-related risks and opportunities.

The assessment was informed by internal ESG team inputs, DXN's operating profile, and the financial materiality matrix

prepared for the current reporting cycle. For the purpose of this assessment, the Group considered the current period, short-, medium-, and long-term. The assessment focuses on the potential financial pathways through which each identified risk or opportunity may affect DXN, including operating expenditure, procurement costs, margins, working capital, capital allocation, revenue continuity, compliance readiness, business continuity and stakeholder confidence. This is consistent with the current draft table, which identifies Regulatory Compliance, Supply Chain Management, Energy Management & Climate Action, Health & Safety and Community Engagement as the principal focus areas.

At this stage, DXN has applied a qualitative mapping approach because the financial effects of certain sustainability-related and climate-related matters are not yet separately identifiable in the Group's financial statements. Accordingly, the assessment does not seek to quantify all current or anticipated financial effects, but instead provides a directional view of the magnitude and likelihood of potential financial implications across the defined time horizons. The results should therefore be read together with the Group's broader sustainability strategy, risk management process and future data enhancement efforts.

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Label	CRRO/ SRRO	Risk/ Opportunity	Focus area	Short-Term (by 2030)	Medium- Term (by 2040)	Long-Term (by 2050)	Assessment result	Financial implication to DXN
R01	SRRO	Risk	Regulatory Compliance	Low	Low	Low	The risk is assessed as insignificant across all time horizons. However, the likelihood increases to Possible in the medium and long-term as regulatory, tax, product, sustainability and supply-chain disclosure requirements become more demanding. This includes Malaysia's e-invoicing implementation and DXN's planned initiation of EUDR-related disclosure for relevant overseas projects.	Potential effects may arise through higher compliance costs, system implementation and costs, documentation and traceability requirements, supplier oversight, internal control enhancements, and advisory or assurance costs. If not managed effectively, these requirements may affect market access, supplier readiness, operational efficiency, business continuity and stakeholder confidence over time.
O01	SRRO	Opportunity	Regulatory Compliance	Low	Low	Low	No separately identifiable current-period financial effect has been identified. The opportunity becomes more relevant over the long-term as proactive compliance readiness, including e-invoicing adoption and EUDR-related disclosure preparation, may support smoother adaptation to regulatory and customer requirements.	Proactive compliance may reduce future implementation disruption, improve data quality, strengthen supplier traceability, support market access and enhance stakeholder confidence. Potential benefits may be reflected through cost avoidance, improved reporting efficiency, operating resilience and protection of revenue continuity.
R04	SRRO	Risk	Supply Chain Management	Low	Low	Low	No separately identifiable current-period financial effect has been identified. The risk increases from insignificant in the short term to Minor in the medium and long-term, with likelihood rising to Possible by 2050 as supplier, logistics and raw material pressures become more financially relevant.	Raw material shortages, supplier concentration, logistics disruption, supplier ESG non-compliance and responsible procurement requirements may affect production continuity, procurement costs, inventory requirements, working capital and margins. These matters are directly linked to DXN's revenue continuity, operating efficiency and margin protection.

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Label	CRR0/ SRR0	Risk/ Opportunity	Focus area	Short-Term (by 2030)	Medium- Term (by 2040)	Long-Term (by 2050)	Assessment result	Financial implication to DXN
004	SRR0	Opportunity	Supply Chain Management	Low	Low	Low	No separately identifiable current-period financial effect has been identified. The opportunity becomes Minor/Possible from the medium-term onward as supplier resilience, sourcing flexibility and procurement efficiency become more important to DXN's operating model.	Supplier diversification, long-term supplier arrangements, local sourcing, responsible procurement and digital procurement processes may improve supply reliability, reduce disruption exposure, support procurement efficiency and protect margins. Benefits may be reflected through cost savings, improved working capital management and stronger operating continuity.
R05	CRR0	Risk	Energy Management & Climate Action	Low	Low	Low	No separately identifiable current-period financial effect has been identified. This is DXN's initial climate-related focus area. The risk remains insignificant in the short and medium term but increases to Minor/Possible in the long-term due to potential energy cost, transition, climate resilience and operating efficiency pressures.	Energy consumption, climate transition expectations, climate resilience needs and operating intensity may increase operating expenditure and future capital allocation needs. Potential effects may include higher utility costs, investment in energy-efficient assets, asset efficiency considerations and long-term cost competitiveness.
005	CRR0	Opportunity	Energy Management & Climate Action	Low	Low	Medium	No separately identifiable current-period financial effect has been identified. The opportunity remains Insignificant/Rare across future horizons, indicating that the financial upside is currently expected to be limited under the existing assessment, although the area remains strategically important.	Energy efficiency initiatives, climate resilience measures and disciplined operating practices may generate modest cost savings and support emissions management. However, significant financial upside is not currently expected unless DXN undertakes larger-scale energy efficiency, renewable energy, low-carbon or climate-resilient investment initiatives.

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Label	CRRO/ SRRO	Risk/ Opportunity	Focus area	Short-Term (by 2030)	Medium- Term (by 2040)	Long-Term (by 2050)	Assessment result	Financial implication to DXN
R08	SRRO	Risk	Health & Safety	Low	Low	Low	No separately identifiable current-period financial effect has been identified. This is the highest relative long-term risk among the assessed matters, increasing to Minor/Likely by 2050 as operational expansion, site exposure and project-related activities may increase exposure to health and safety risks.	Health and safety incidents, regulatory non-compliance or inadequate site controls may result in penalties, downtime, remediation costs, higher insurance costs, project delays, productivity losses and reputational impact. These may affect operating expenditure, cash flows, workforce well-being and continuity of operations.
008	SRRO	Opportunity	Health & Safety	N/A	N/A	N/A	No separately identifiable current-period financial effect has been identified. The opportunity becomes Minor/Possible in the long-term as stronger safety systems, preventive controls and compliance practices may reduce incident exposure.	Improved safety management may reduce incident-related costs, minimise operational disruption, improve workforce productivity, support regulatory compliance and strengthen workforce well-being. Potential benefits may be reflected through cost avoidance, operational reliability and continuity of production or site activities.
012	SRRO	Opportunity	Community Engagement	Low	Low	Low	The opportunity remains insignificant across all time horizons, with future likelihood assessed as Unlikely. Direct financial effects are expected to remain limited, although the matter supports stakeholder relationship management and responsible growth.	Community investment and local stakeholder engagement may support DXN's social licence to operate, strengthen local trust, enhance reputation and reduce the risk of community-related disruption. Direct measurable financial effects are expected to remain limited, but the matter may contribute to long-term operating stability and stakeholder confidence.

Based on the assessment, no separately identifiable current-period material financial effect has been identified for the matters assessed. However, the table indicates that several matters may become more financially relevant over time, particularly Supply Chain Management, Health & Safety, Regulatory Compliance and Energy Management & Climate Action. These matters show clearer potential linkages to DXN's operating continuity, cost discipline, procurement resilience, compliance readiness, site safety, asset efficiency and long-term competitiveness.

The most financially relevant anticipated effects are expected to arise through changes in operating expenditure, compliance and monitoring costs, procurement and logistics costs, production continuity, working capital requirements, future capital allocation and margin protection. While some opportunities may support cost avoidance, operational efficiency and stakeholder trust, the current assessment indicates that most benefits remain qualitative and may only become more measurable as DXN strengthens its internal data collection, financial mapping and scenario analysis capabilities.

The assessment also recognises that Energy Management & Climate Action represents the Group's core climate-related risk and opportunity area under IFRS S2, while the other focus areas represent broader sustainability-related risks and opportunities considered under IFRS S1. Going forward, DXN will continue to refine this assessment as regulatory expectations, market conditions, supply chain exposure, climate transition factors and internal data maturity evolve. Where reliable and supportable information becomes available, DXN may progressively enhance the disclosure by quantifying the financial effects on cash flows, financial performance and financial position. The IFRS Foundation's implementation guidance also recognises the importance of explaining current and



anticipated financial effects on financial performance, financial position and cash flows, particularly where quantitative estimates are not yet available or are subject to measurement uncertainty.

POTENTIAL CLIMATE-RELATED RISKS AND OPPORTUNITIES IDENTIFIED FOR DXN'S PROCESSED FOODS CLASSIFICATION

To assess the potential climate-related risks and opportunities associated with DXN's Health and Wellness Consumer Products segment, the Group adopted MESSAGEix-GLOBIOM under the Malaysia Nationally Determined Contributions ("NDCs") 3.0 pathway as the primary scenario basis. This scenario combination was considered the most appropriate to DXN's operating profile, as the Group's value chain extends beyond consumer product sales to encompass cultivation, agricultural raw-material handling, manufacturing, processing and global distribution. In this regard, MESSAGEix-GLOBIOM provides a closer strategic fit to DXN as it integrates energy systems

with land-use, agriculture, forestry and bioenergy dynamics, thereby offering a more relevant basis for assessing transition and operational exposures across the Group's business activities than a purely broad-based economy-wide model.

The Malaysia NDCs pathway was selected as the Group's primary scenario on the basis that DXN is headquartered in Malaysia and its governance, capital allocation and sustainability reporting continue to be principally anchored in its home market, notwithstanding its presence across 59 countries. As Malaysia's latest NDC 3.0 sets out an economy-wide absolute emissions reduction target of 15–30 MtCO₂e from the projected peak, with national emissions expected to peak between 2029 and 2034, the pathway provides an appropriate policy-led transition baseline against which the Group may evaluate the potential implications of climate-related developments on the segment across the short-, medium- and long-term.

Potential Climate-Related Risks and Opportunities for DNX's Processed Foods Segment

POTENTIAL CLIMATE-RELATED RISKS AND OPPORTUNITIES FOR DNX'S PROCESSED FOODS SEGMENT

Time horizon	NGFS scenario analysis result	TCFD transition risks and DNX response	TCFD physical risks and DNX response	Climate-related opportunities for SASB Processed Foods	Financial implications aligned with IFRS S2/NSRF
2025 Current	Carbon pricing is USD0.00/tCO ₂ under all five NGFS scenarios. Policy-rate signals differ by pathway: Below 2°C -0.10%, Delayed Transition 0.00%, Fragmented World 0.00%, NDCs -0.04% and Net Zero 2050 -0.19%. As the current-year model output does not indicate direct carbon-price exposure, but it still supports transition-readiness review because disclosure, financing, energy, packaging, supply-chain and customer expectations are already evolving for processed food and packaged consumer-product businesses.	Policy and legal: NSRF, IFRS S2, Bursa and TCFD increase expectations for climate governance, climate resilience and decision-useful disclosure even before a direct local carbon price applies. Technology: DNX uses grid electricity and non-renewable fuels across operations, making energy efficiency, solar generation and process control relevant. Market and reputation: SASB Processed Foods highlights product integrity, responsible sourcing, packaging and supply-chain resilience as decision-useful topics. Response: Continue emissions and energy tracking, supplier due diligence, quality controls, ISO/GMP/HACCP alignment and Board/SMC oversight through sustainability governance.	Acute: Flooding, heavy rainfall or storm disruption can affect cultivation areas, farm-factory access, warehouses and distribution routes. Chronic: Higher temperature, rainfall variability and water stress can affect agricultural inputs, water availability, storage quality and cooling needs. Response: Maintain site emergency preparedness, water monitoring, effluent control, business-continuity planning and operational SOPs.	Resource efficiency: Reduce electricity, fuel, water and waste intensity across cultivation, processing, warehousing and logistics. Product and market trust: GMP, HACCP, Halal, ISO 9001/ISO 14001 and customer satisfaction support product integrity and market access. Supply-chain resilience: Supplier screening and local-supplier engagement support continuity of ingredients and packaging materials.	Revenue and cash flows: FY2026 economic value generated of RM736.7 million (net operating income RM704.6 million plus other income RM32.1 million) is used as the current reporting-period baseline. OPEX: Direct carbon-cost exposure is USD0.00m because carbon pricing is USD0/tCO₂, but energy, compliance, assurance, quality-control and resilience costs remain relevant. CAPEX and financing: Near-term capex remains focused on monitoring systems, efficiency, facility resilience and supplier readiness. Capital providers and retained value: FY2026 distributions to capital providers of RM180.9 million and retained value of RM172.9 million provide the current reporting-period baseline for assessing investment headroom.

Time horizon	NGFS scenario analysis result	TCFD transition risks and DFN response	TCFD physical risks and DFN response	Climate-related opportunities for SASB Processed Foods	Financial implications aligned with IFRS S2/NSRF
2030 Short-term	Carbon pricing diverges materially by 2030: USD0.00/tCO ₂ under Delayed Transition and Fragmented World, USD220.08/tCO ₂ under Below 2°C, USD416.73/tCO ₂ under NDCs and USD1,512.83/tCO ₂ under Net Zero 2050. Policy-rate signals range from 0.00% to 1.63%. Malaysia's NDC 3.0 peak-emissions window of 2029-2034 and 15-30 MtCO ₂ eq reduction target by 2035 support the direction of policy-led transition readiness.	Policy and legal: Stronger climate disclosure and transition expectations may affect DFN through utilities, supplier, packaging, freight and market-access requirements even if DFN is not directly subject to a carbon tax. Technology: Delaying energy efficiency, renewable electricity, packaging optimisation or process modernisation may increase future cost exposure. Market and reputation: Buyers, members, regulators and investors may expect stronger climate, product stewardship and supply-chain transparency. Response: Integrate climate assumptions into ERM, capex planning, supplier assessment, packaging review, logistics efficiency and product-quality governance.	Acute: Flood events can disrupt ingredient delivery, manufacturing, warehousing and distribution, particularly where operations depend on reliable roads, utilities and logistics. Chronic: Water stress and heat can affect cultivation, water consumption, effluent management, worker safety and storage conditions. Response: Strengthen site-level resilience mapping, alternative sourcing, inventory planning and critical-facility preparedness.	Energy source: NETR/MyRER direction strengthens the business case for renewable electricity and energy efficiency. Ingredient supply chain: Supplier diversification, due diligence and water-stress review can protect revenue continuity across DFN's global footprint. Packaging lifecycle: Packaging design and material optimisation can moderate future cost pass-through and waste exposure.	Revenue: Moderate exposure if supply disruption, product availability or market-access requirements affect sales continuity. OPEX: Scope 1+2 carbon-cost exposure increases under Below 2°C (USD3.71m), NDCs (USD7.03m) and Net Zero 2050 (USD25.53m); Delayed Transition and Fragmented World remain USD0.00m in 2030. CAPEX: Higher need for energy, packaging, facility and supplier-readiness investments. Finance cost: The 0.00%-1.63% policy-rate signal should be used only as a financing-stress assumption, not as a DFN borrowing forecast.

SUSTAINABILITY STATEMENT

Time horizon	NGFS scenario analysis result	TCFD transition risks and DNX response	TCFD physical risks and DNX response	Climate-related opportunities for SASB Processed Foods	Financial implications aligned with IFRS S2/NSRF
2040 Medium-term	Carbon pricing ranges from USD0.00/tCO ₂ under Fragmented World to USD2,361.12/tCO ₂ under Net Zero 2050. Other scenario values are USD432.30/tCO ₂ under Below 2°C, USD470.85/tCO ₂ under Delayed Transition and USD583.67/tCO ₂ under NDCs. Policy-rate signals range from -0.11% to 1.03%. The delayed-transition pathway becomes relevant from 2031 onward, which explains why its 2040 carbon price is no longer zero.	Policy and legal: Climate, environmental and product-stewardship requirements may become more demanding across DNX's markets. Technology: Inefficient manufacturing, high-carbon energy use, limited traceability and weak supplier transition readiness may reduce competitiveness. Market and reputation: Processed-food expectations on packaging, food safety, water and responsible ingredient sourcing may intensify. Response: Plan resilient asset renewal, renewable-energy options, process controls, climate-informed procurement and product-stewardship improvements.	Acute: Severe weather may cause recurring business interruption, logistics delays, repair costs and service disruption. Chronic: Water availability, heat stress and rainfall variability can influence agricultural inputs, production scheduling, storage quality and site reliability. Response: Use water-stress assessment, preventive maintenance, risk-based supplier engagement and climate-resilient operating procedures.	Resource efficiency: Lower process intensity can protect margins as transition signals rise. Products and services: Responsibly produced, safe and traceable health and wellness products support differentiation. Supply-chain resilience: Certified and monitored suppliers can reduce exposure to ingredient disruption, reputational risk and potential market-access constraints.	Revenue: Moderate to high sensitivity if productivity, product availability, customer confidence or market relevance weaken. OPEX: Scope 1+2 carbon-cost exposure is USD0.00m under Fragmented World, USD7.29m under Below 2°C, USD7.94m under Delayed Transition, USD9.85m under NDCs and USD39.84m under Net Zero 2050. CAPEX: Moderate to high need for energy, water, logistics, packaging, facility resilience and supplier transition readiness. Financing: Policy-rate signals remain scenario inputs only and should be used to test funding flexibility, not to book finance costs.

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Time horizon	NGFS scenario analysis result	TCFD transition risks and DXN response	TCFD physical risks and DXN response	Climate-related opportunities for SASB Processed Foods	Financial implications aligned with IFRS S2/NSRF
2050 Long-term	Carbon pricing ranges from USD0.00/tCO ₂ under Fragmented World to USD4,227.21/tCO ₂ under Net Zero 2050. Other values are USD782.13/tCO ₂ under NDCs, USD928.02/tCO ₂ under Delayed Transition and USD1,013.71/tCO ₂ under Below 2°C. Policy-rate signals range from 0.14% to 0.69%. The positive policy-rate signals across all scenarios reflect long-horizon macro-financial assumptions in the NGFS model, not company-specific financing rates.	Policy and legal: Higher-ambition pathways imply materially tighter carbon, disclosure, product-stewardship and value-chain expectations. Technology: Long-lived inefficient assets, high-emission logistics and weak supplier traceability may face structural competitiveness risk. Market and reputation: Long-term brand trust will depend on product quality, climate resilience, responsible sourcing and transparent disclosure. Response: Maintain a long-term transition and adaptation roadmap, prioritise efficient assets, renewable-energy linkage, resilient facilities and supplier climate readiness.	Acute: Extreme weather can still create episodic disruption to sites, transport routes and utilities. Chronic: Heat, water stress and climate variability may become strategic for cultivation, processing and distribution continuity. Response: Embed climate resilience into facility renewal, sourcing strategy, water stewardship, emergency preparedness and long-horizon capital allocation.	Resilience: Lower energy, water, packaging and logistics intensity supports long-term earnings continuity. Markets: Better alignment with NSRF, IFRS S2, TCFD and SASB Processed Foods can improve investor and stakeholder confidence. Supply chain: Certified, diversified and climate-aware supplier networks can protect ingredient availability and brand trust.	Revenue and business model: High strategic relevance because long-term earnings depend on supply continuity, product relevance and stakeholder trust. OPEX: Scope 1+2 carbon-cost exposure is USD0.00m under Fragmented World, USD13.20m under NDCs, USD15.66m under Delayed Transition, USD17.10m under Below 2°C and USD71.33m under Net Zero 2050, assuming FY2025 emissions remain constant and full exposure is applied. CAPEX: High and strategic for asset renewal, resilience and lower-carbon operating systems. Finance and retained earnings: Scenario results should inform capital allocation, cost-of-capital sensitivity and retained-growth planning, not be presented as forecasts.

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NDC • 2050 CARBON PRICE

\$782 / tCO₂e

USD per tonne — national policy baseline

NDC • 2050 OPEX IMPACT

\$13.2M USD

≈ 7.8% of FY2025 net operating income

WORST CASE • NET ZERO 2050

\$71.3M USD

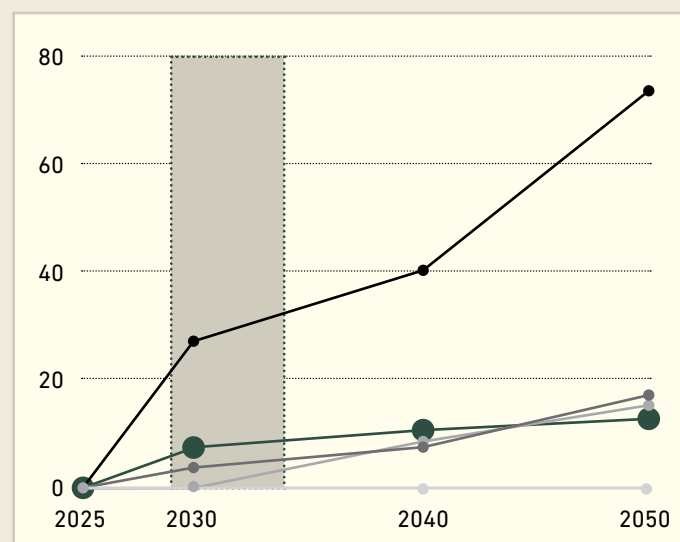
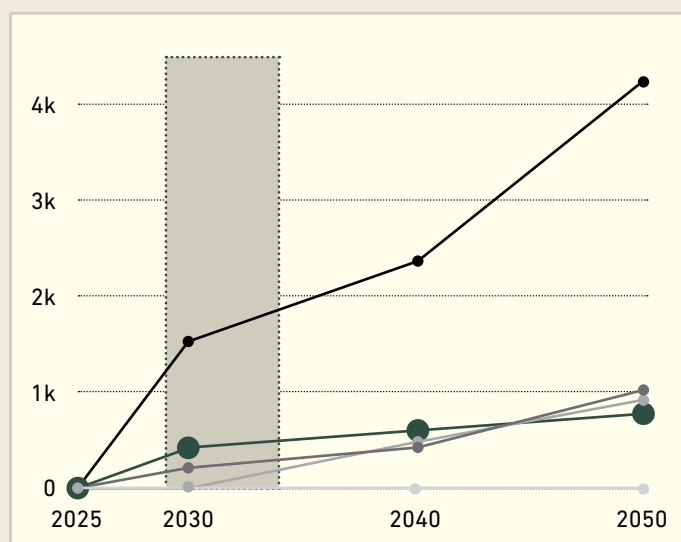
OPEX exposure if Paris-aligned price activates

Carbon price trajectory

USD / tCO₂e

OPEX Exposure

USD millions



— Net Zero 2050 — NDCs Malaysia — Below 2°C — Delayed Transition — Fragmented World

POLICY ANCHOR

15 - 30

MtCO₂e by 2035

Malaysia's NDC 3.0 sets an absolute emission reduction target from peak.

The target comprises an **unconditional 20 MtCO₂e** reduction plus a further **10 MtCO₂e conditional** on international climate finance, technology transfer and capacity building.

National GHG emissions are projected to peak between **2029 and 2034** — the gold-shaded window in both charts above marks the period during which Malaysian carbon pricing is most likely to activate against DXN's manufacturing footprint.

One World

Our Commitment to the Environment



- 64 Climate Change
- 70 Energy Management
- 72 Water Stewardship
- 77 Waste Management

Eco-Friendly Practices

PROGRAMMES AND INITIATIVES

DXN Group's environmental approach is anchored in the belief that responsible growth must be supported by disciplined resource use, climate awareness and continuous operational improvement. Guided by our Sustainability Policy and Environmental & Energy Policy, we seek to embed eco-friendly practices across our operations, from energy and water management to waste reduction and climate-related preparedness. This approach supports the Group's long-term resilience while reinforcing our responsibility to reduce environmental impact and contribute to a more sustainable future.

Climate action at DXN Group is being strengthened through better emissions visibility, energy management and site-level resilience planning. The Group continues to track Scope 1 and Scope 2 emissions, while progressively enhancing Scope 3 data coverage to support a fuller understanding of climate-related impacts across operations and the value chain. We also continue to explore renewable energy opportunities, including solar photovoltaic systems at selected facilities, and to incorporate greener building practices through GBI-certified infrastructure. These actions help DXN move beyond disclosure towards practical climate readiness, supporting lower operating intensity, stronger environmental performance and long-term business resilience.



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Climate Change

GRI 3-3, GRI 305-1, GRI 305-2, GRI 305-3



Climate change is material because DXN's business model spans cultivation, manufacturing, warehousing, logistics and distribution. This means climate-related issues can affect the Group through both transition channels, such as energy, fuel, packaging and compliance expectations, and physical channels, such as weather disruption, site resilience and supply continuity. The climate narrative is therefore broader than emissions reporting alone.

DXN Group has summarised the broader climate-related risks and opportunities within its financial materiality assessment. This Climate Change section, therefore, focuses on current climate action and management response, including emissions and energy tracking, operational resilience, renewable-energy initiatives, green building implementation and data improvements that can support future reduction planning. By presenting climate action in this way, the Group connects risk awareness with practical measures that can be monitored and improved over time.

For the financial year ended 28 February 2026, DXN has reported total GHG emissions 67,586.97 metric tonnes of CO₂ equivalent ("tCO₂e"). This comprehensive figure encompasses all three emission scopes assessed across 128 companies and operational entities globally, representing individual data points reported from our subsidiaries and operational units.

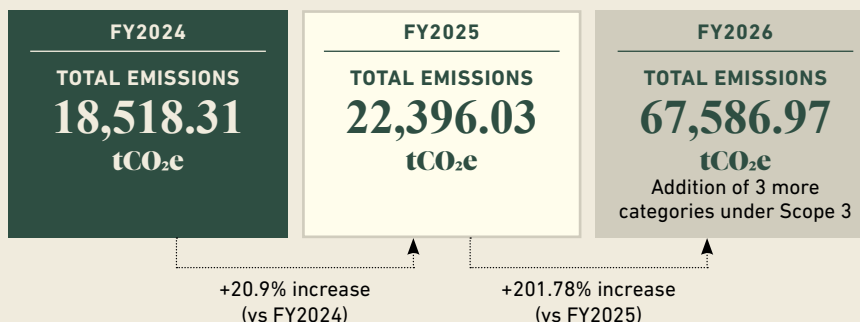
Our emissions assessment covers a diverse range of operational activities, including:

- Agricultural cultivation operations (Ganoderma, mushrooms, fruits)
- Manufacturing and processing facilities across six continents
- Corporate offices and administrative centres
- Research and development facilities
- Distribution and logistics operations
- Air transport operations
- Employee commuting patterns across all countries of operation

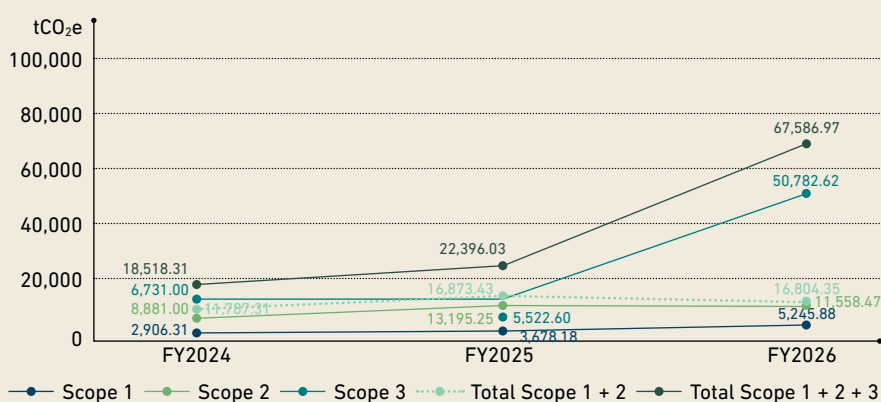
DXN's three-year GHG emissions trajectory reveals significant operational changes and enhanced reporting coverage. Total emissions have fluctuated over the period, reflecting business expansion and improved data collection methodologies.

DXN's Three-Year GHG Emissions Trajectory

Total emissions have fluctuated over the period, reflecting business expansion and improved data collection methodologies.



Three-Year GHG Emissions Trend (tCO₂e)

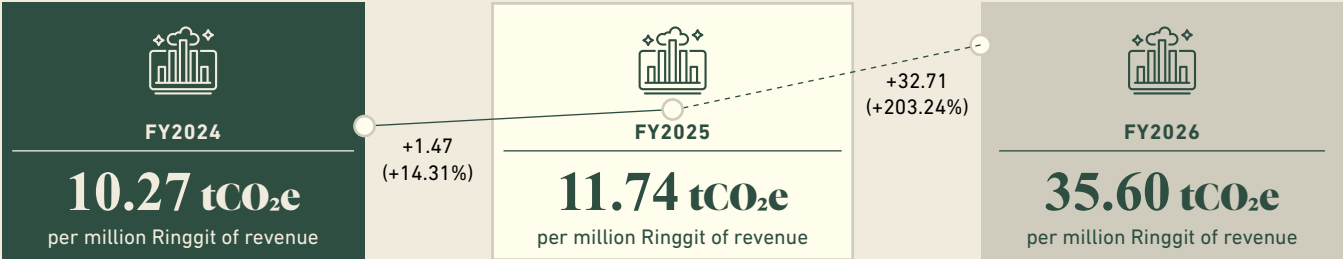


DXN remains committed to operational excellence and continuous improvement to reduce emissions and build a more sustainable future.

Emission intensity, measured as tCO₂eq per million RM of revenue, provides a critical indicator of carbon efficiency relative to economic output. This metric enables assessment of how effectively DXN decouples emissions growth from business growth.

Emission Intensity Trend

Emission intensity, measured as tCO₂e per million Ringgit of revenue, provides a critical indicator of carbon efficiency relative to economic output. This metric enables assessment of how effectively we decouple emissions growth from business growth.



 Emission intensity increased from 10.27 in FY2024 to 11.74 in FY2025, reflecting a 14.31% increase. The significant rise to 35.6 in FY2026 is driven by a substantial increase in Scope 3 emissions. 

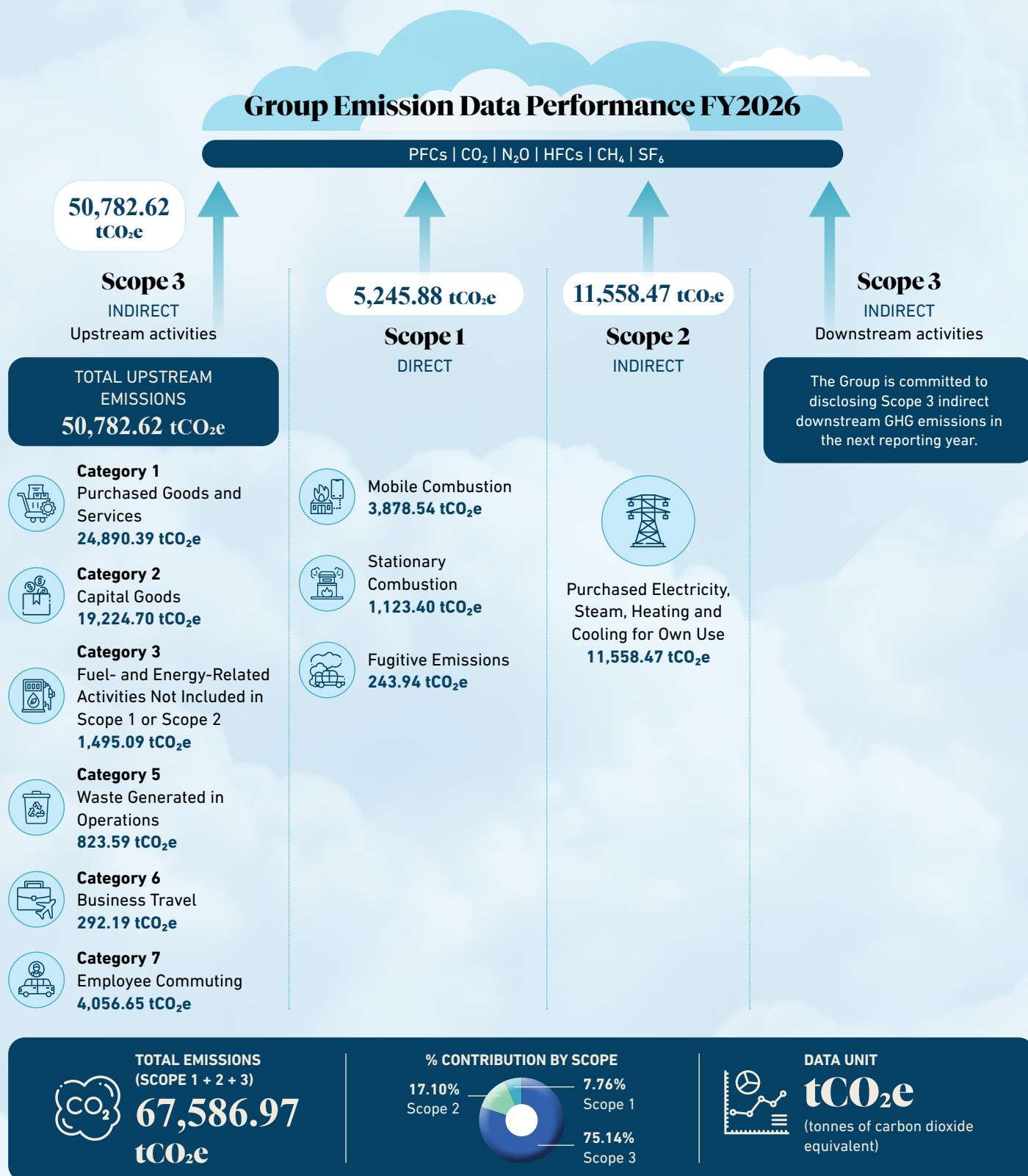


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Emissions scope breakdown FY2026 data performance:



Scope 1 emissions increased from 2,906.31 tCO₂e (FY2024) to 5,245.88 tCO₂e (FY2026), an 80.4% increase. The primary driver is DXN Aero Nautic Sdn. Bhd. (formerly DXN Biofuels), which focuses on aircraft operation with full-year reporting in FY2026. Aviation fuel consumption accounts for 2,630.07 tCO₂e (67.8% of mobile combustion). Additional contributions include ground vehicle fleets (1,248.47 tCO₂e), stationary combustion (1,123.40 tCO₂e), and fugitive emissions from refrigerants (243.94 tCO₂e).

Scope 2 emissions increased from 8,881.00 tCO₂e (FY2024) to 11,558.47 tCO₂e (FY2026), a 30.1% increase. This reflects enhanced electricity emission factors provided by Tenaga Nasional Berhad ("TNB") and improved data collection across manufacturing facilities. Total electricity consumption is 16.18 million kWh. DXN Pharmaceutical Sdn Bhd is the largest consumer (3,828.36 tCO₂e), followed by Manufacturing (India) – Siddipet Unit (2,640.31 tCO₂e). Scope 2 remains the dominant emissions source at 52.6% of total, presenting significant opportunities for energy efficiency and renewable energy integration.

In the previous reporting cycle, DXN disclosed Scope 3 emissions from three categories:

- Category 5: Waste Generated in Operations
- Category 6: Business Travel
- Category 7: Employee Commuting

For the current reporting year, DXN has expanded its Scope 3 boundary to include an additional category:

- Category 1: Purchased Goods and Services*
- Category 2: Capital Goods*
- Category 3: Fuel- and Energy-related Activities (Not Included in Scope 1 or Scope 2)*

Note: * - Inclusion of Malaysia entities ONLY

The inclusion of the additional upstream Scope 3 categories reflects DXN's commitment to strengthening the completeness and credibility of its Scope 3 reporting, in alignment with the GHG Protocol. This expansion demonstrates a deliberate effort to improve transparency across the company's value chain impact.

Scope 3 emissions increased significantly from 6,731.00 tCO₂e in FY2024 to 50,782.62 tCO₂e in FY2026, primarily due to the expansion of reporting boundaries to include Category 1 (Purchased Goods and Services), Category 2 (Capital Goods) and Category 3 (Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2). These categories contributed 24,890.39 tCO₂e, 19,224.70 tCO₂e and 1,495.09 tCO₂e, respectively, substantially enhancing the completeness of DXN's greenhouse gas inventory and visibility over emissions across its value chain.

In FY2026, Purchased Goods and Services emerged as the largest Scope 3 emissions source, accounting for approximately 36.8% of total Scope 3 emissions, followed by Capital Goods at 28.4% and Employee Commuting at 6.0%. The inclusion of these upstream value chain categories provides a more comprehensive representation of the Group's indirect environmental impacts and supports more informed emissions management strategies.

We are committed to further expanding our Scope 3 emissions monitoring up to upstream operations by the FY2027 reporting year. This further strengthens our accountability in supporting the Paris Agreement and Malaysia's Nationally Determined Contributions ("NDCs") 3.0.

Analysis of DXN's emissions reveals concentration among key operations. The top five entities account for approximately 48.3% of total emissions, indicating significant opportunities for targeted reduction initiatives.



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Top Emission Contributors

DXN Industries (M) Sdn Bhd was the Group's largest emitter in FY2026, contributing 26,273.24 tCO₂e or 38.87% of total GHG emissions. This was followed by DXN Biogreen Sdn Bhd with 10,868.05 tCO₂e (16.08%) and DXN Pharmaceutical Sdn Bhd with 7,430.85 tCO₂e (10.99%).

Together, these three subsidiaries accounted for more than half (65.94%) of the Group's total emissions, making them key focus areas for emission reduction initiatives.

The remaining subsidiaries in the top ten contributed between 1.12% and 4.93% of total emissions each, reflecting emissions from manufacturing, operational and support activities across the Group. By identifying its highest-emitting subsidiaries, DXN can better prioritise energy efficiency and carbon reduction efforts where they will have the greatest impact.

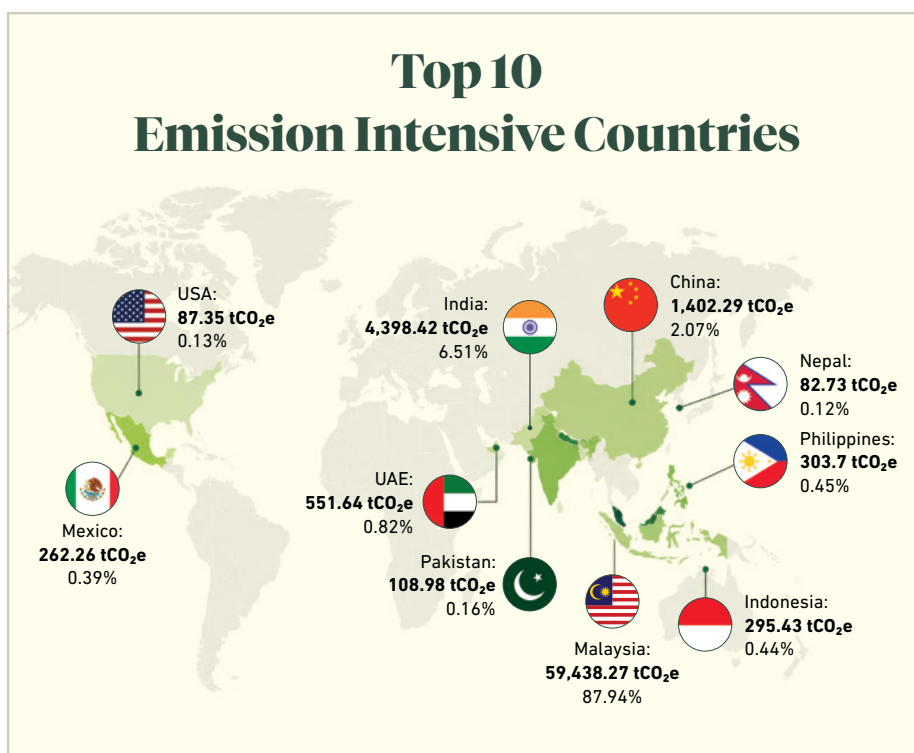
#	Subsidiary	Total GHG Emission	tCO ₂ e	Share
1.	DXN Industries (M) Sdn Bhd (Largest Emitter)		26,273.24	38.87%
2.	DXN Biogreen Sdn Bhd		10,868.05	16.08%
3.	DXN Pharmaceutical Sdn Bhd		7,430.85	10.99%
4.	DXN Aero Nautic Sdn Bhd		3,333.05	4.93%
5.	DXN Manufacturing India – Siddipet		3,047.45	4.51%
6.	DXN Holdings Bhd		2,715.81	4.02%
7.	Bio Synergy Laboratories Sdn Bhd		2,541.54	3.76%
8.	DXN Agrotech Sdn Bhd		2,056.01	3.04%
9.	DXN Corporation (Ningxia) Co., Ltd		1,208.08	1.79%
10.	DXN Materials Sdn Bhd		756.09	1.12%

Top Emission by Countries

Malaysia remained the largest contributor to the Group's GHG emissions in FY2026, recording 59,438.27 tCO₂e, which accounted for 87.94% of total emissions. This was mainly driven by the concentration of manufacturing and operational activities within the country.

India was the second-largest contributor with 4,398.42 tCO₂e (6.51%), followed by China with 1,402.29 tCO₂e (2.07%). Together, these three countries accounted for 96.52% of the Group's total emissions.

The remaining countries each contributed less than 1% of total emissions, with the United Arab Emirates, Philippines, Indonesia, Mexico, Pakistan, the United States and Nepal collectively accounting for approximately 2.48% of the Group's emissions. The distribution reflects DXN's global operational footprint, with emissions primarily concentrated in countries where its major manufacturing and business activities are located.



Programmes and Initiatives

Under the Environmental Pillar, DXN's climate initiatives are increasingly being shaped around transition readiness, operational visibility and business resilience. For the Group, climate change is not only an emissions issue, but also a strategic matter that can influence energy use, logistics reliability, sourcing conditions, facility resilience and future cost structures. The initiatives below, therefore, show how DXN is gradually building a more practical climate narrative that links sustainability commitments with long-term operational preparedness and stakeholder expectations.

01

Climate-Related Risks and Opportunities ("CRRO") Assessment

The Group has initiated a Climate-Related Risks and Opportunities assessment to support more structured consideration of transition and physical climate impacts. The assessment helps management identify where climate developments may influence energy costs, operating continuity, sourcing reliability, logistics, compliance readiness and capital planning. It also strengthens stakeholder confidence by showing that DXN is progressively embedding climate considerations into business planning rather than treating climate disclosure as a stand-alone reporting exercise.

02

Emissions and Energy Tracking for Operational Visibility

FY2024 and FY2025 reporting disclosed Scope 1, Scope 2, and Scope 3 emissions and energy consumption, providing a baseline for future management action. Establishing this data foundation is an important step because it improves visibility over operational impacts and creates a reference point for future reduction strategies, efficiency planning and climate-related target setting. For external stakeholders, the availability of emissions and energy data also makes DXN's climate narrative more measurable and decision-useful.

03

Business Continuity and Resilience Planning

Climate-related discussion is supported by risk management and business continuity mechanisms relevant to site, logistics, and supply chain resilience. These measures help position climate resilience as part of broader operational preparedness, especially for a business with cultivation, manufacturing and distribution exposures across different geographies. In sustainability terms, this strengthens the connection between environmental stewardship, enterprise risk management and the continuity of value delivery to stakeholders.

KEY METRICS AND PERFORMANCE DATA

Metric	FY2024	FY2025	FY2026
Scope 1 emissions (tCO ₂ e)	2,906.31	3,678.18	5,245.88
Scope 2 emissions (tCO ₂ e)	8,881.00	13,195.25	11,558.47
Scope 3 emissions (tCO ₂ e)	6,731.00	5,522.60	50,782.62
Total Scope 1 + 2 GHG Emissions	11,787.31	16,873.43	16,804.35
Total Scope 1 + 2 + 3 GHG Emissions	18,518.31	22,396.03	67,586.97
Emission Intensity (tCO ₂ e per RM million revenue) (Scope 1 + 2 + 3)	10.27	11.74	35.60

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
CRRO assessment and NGFS scenario analysis	Provide the scenario basis for the climate-related narrative and financial implications.
Sustainability Policy and Environmental & Energy Policy	Provides Group-level sustainability commitment relevant to climate matters.
Enterprise Risk Management Policy	Supports integration of climate-related risks into risk oversight.
Business Continuity Management Policy	Supports resilience planning for physical and operational disruption.
GRI 305	Relevant frameworks for emissions disclosure.

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Energy Management

GRI 3-3, GRI 302-1



DXN manages energy consumption as a key operational and environmental priority, given its relevance to production continuity, cost management and climate-related performance. In FY2026, the Group's energy profile comprised purchased electricity and non-renewable fuels used across operations, alongside on-site solar generation that contributed to its renewable energy mix. In line with the Group's disclosure boundary under GRI 302-1, electricity imported from the grid is reported as purchased electricity consumed, while on-site solar generation is presented separately to reflect its renewable contribution and to avoid double counting under the Net Energy Metering ("NEM") arrangement.

In FY2026, total energy consumption within the organisation amounted to 129,994.19 GJ. This comprised 71,738.77 GJ of non-renewable fuel consumption and 58,255.42 GJ of purchased electricity. For reporting purposes, energy data is converted into gigajoules ("GJ") using applicable conversion factors. On-site solar generation is disclosed separately as renewable energy generated and is not added to purchased electricity consumed, in order to maintain a clear disclosure boundary and prevent double-counting.

Total Energy Consumed Within
The Organisation

129,994.19 GJ

Non-renewable fuel consumed

71,738.77 GJ

Purchased electricity consumed

58,255.42 GJ

Programmes and Initiatives

Under the Environmental Pillar, DXN's energy management approach is increasingly centred on visibility, efficiency and the gradual integration of renewable energy into its operating model. Effective energy management supports the Group's cost discipline, operational resilience and climate-related performance, while stronger data transparency enhances the credibility of its environmental reporting. The initiatives below reflect DXN's efforts to strengthen monitoring, improve disclosure quality and support more informed energy-related decision-making across operations.

01 Energy Consumption Monitoring Across Operations

DXN tracks energy use across key fuel and electricity sources, including electricity, diesel, natural gas, gasoline, kerosene and other operational fuels. This provides management with a clearer view of the Group's energy profile and supports the identification of higher-consumption areas for closer review. In sustainability terms, stronger monitoring improves data quality, supports future efficiency measures and strengthens the reliability of energy-related disclosures.

02 On-Site Solar Generation and Renewable Electricity Management

The Group continues to disclose on-site solar generation separately from purchased electricity, reflecting a transparent presentation of its renewable energy contribution. This supports clearer reporting under the NEM arrangement, where grid-imported electricity is reported as purchased electricity consumed and on-site solar generation is tracked independently. The higher level of solar generation recorded in FY2026 demonstrates the growing role of renewable electricity in reducing dependence on conventional grid supply and strengthening DXN's environmental stewardship.

03 Energy Data Transparency and Performance Review

DXN's energy reporting framework is being strengthened through clearer presentation of energy units and disclosure boundaries, including the separate reporting of total operational energy use and solar-generated electricity. This is important because stakeholders increasingly expect energy data to be both decision-useful and transparent, especially where on-site renewable energy is involved. By improving the clarity of its disclosures, DXN is better positioned to support internal decision-making, respond to assurance expectations and reinforce confidence in its sustainability reporting.

04 GBI Implementation and Certified Green Building Performance

DXN continues to strengthen its green building practices through the implementation of Green Building Index ("GBI") requirements for the DXN Cyberville building, covering Phase 1 and Phase 2. As the building is certified under GBI, DXN will continue to report its total energy consumption and energy intensity, using the certification year as the baseline for performance monitoring. This enables the Group to assess the building's energy performance over time and identify opportunities to maintain or improve operational efficiency. These efforts will be carried forward under the Group's Programmes and Initiatives to support continued environmental performance and sustainable building management.

SUSTAINABILITY STATEMENT

SEC.03

SUSTAINABILITY

KEY METRICS AND PERFORMANCE DATA

Metric	FY2024	FY2025	FY2026
Total energy consumption within the organisation (excluding solar) (GJ)	86,240.00	167,240.00	129,994.19
Electricity consumption (net grid import under NEM) (GJ)	60,037.00	65,088.00	58,255.42
On-site solar generated (GJ)	5,577.00	5,080.00	6,399.69
Building Energy Intensity (GJ/m ²) ¹	N/A	N/A	0.0638

Note¹: The data reported for DXN Cyberville for Phase 1 and Phase 2 combined is located in Cyberjaya, Malaysia.

Compared with FY2025, DXN recorded lower total energy consumption in FY2026, while on-site solar generation increased. This indicates gradual progress in improving the Group's energy mix and strengthening the contribution of renewable electricity within operations. While purchased electricity and fuel consumption continue to represent the majority of energy use, the increasing role of solar generation supports DXN's broader efforts to improve energy visibility, manage reliance on conventional energy sources and enhance the transparency of its sustainability disclosures.

ENERGY CONSUMPTION WITHIN THE ORGANISATION BY SOURCE

Energy source	Classification	Energy (GJ)	Share of total	Disclosure treatment
Diesel	Non-renewable fuel	11,420.85	8.78%	Direct fuel consumption
Gasoline	Non-renewable fuel	11,530.26	8.89%	Direct fuel consumption
Liquefied petroleum gas (LPG)	Non-renewable fuel	66.03	0.05%	Direct fuel consumption
Natural gas	Non-renewable fuel	9,166.74	7.05%	Direct fuel consumption
Bituminous coal	Non-renewable fuel	2,907.66	2.24%	Direct fuel consumption
Kerosene-type jet fuel	Non-renewable fuel	36,646.50	28.18%	Direct fuel consumption
Propane	Non-renewable fuel	0.73	0.00%	Direct fuel consumption
Purchased electricity	Purchased electricity	58,255.42	44.80%	Electricity consumed within the organisation
Total energy consumption within the organisation		129,994.19	100.00%	

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Environmental & Energy Policy	Provides the operational foundation for responsible energy use, efficiency and environmental stewardship across the Group.
Sustainability Policy	Provides the overarching sustainability commitment relevant to energy management and resource efficiency.
Energy monitoring and reporting practices	Support the tracking of grid electricity, fuel consumption and energy performance across operations.
Solar PV/NEM reporting approach	Supports clearer disclosure of net grid import and separate reporting of on-site solar generation.
GRI 302	Relevant framework for energy-related disclosure.

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Water Stewardship

GRI 3-3, GRI 303-1, GRI 303-3, GRI 303-5



Water stewardship remains material because DXN's operations include processing, manufacturing and agricultural or cultivation-related activities where water availability, efficiency and compliance can affect both operating continuity and environmental performance. Although the Group's current disclosure is still relatively concise, water use is already tracked and should continue to be treated as a priority area for operational efficiency and responsible resource management.



RAINWATER HARVESTING



PLANTATION

SPIRULINA CULTIVATION



SPRINKLING WATER FOR MUSHROOM SHED HOUSE

CLEANING



Programmes and Initiatives

Under the Environmental Pillar, DXN's water stewardship initiatives are closely tied to operational discipline, site accountability and responsible resource use. Although the current disclosure remains relatively concise, the programmes below show that water is already being managed as a practical sustainability issue with implications for production continuity, compliance and efficiency. Strengthening this narrative also helps demonstrate to stakeholders that DXN recognises water as an essential shared resource that should be managed with care across its processing and cultivation-related activities.

01 Water Monitoring and Usage Review

Operational monitoring of water use supports visibility over consumption in manufacturing and cultivation-related activities. This provides an important baseline for identifying higher-use processes, understanding consumption trends and informing future efficiency actions at the site level. For stakeholders, more disciplined monitoring signals that DXN is taking a more data-informed approach to water stewardship rather than relying only on periodic reporting totals.

02 Site-Level Water Controls

Daily SOPs and process controls help manage water usage across water-intensive operations. These controls are important because water stewardship is often achieved through routine operating discipline, maintenance attention and staff accountability rather than through one-off projects alone. In practical terms, they help DXN build a culture of responsible resource use while supporting more stable and compliant operations.

03 Environmental Compliance Management

Water-related oversight is linked to broader environmental compliance and sustainable operations management practices. This broadens the significance of water stewardship by placing it within the Group's wider environmental management responsibilities, including process governance and regulatory adherence. It also helps stakeholders understand that water is being considered as part of a connected environmental control framework rather than as a stand-alone utility issue.

SUSTAINABILITY STATEMENT

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SUSTAINABILITY

KEY METRICS AND PERFORMANCE DATA

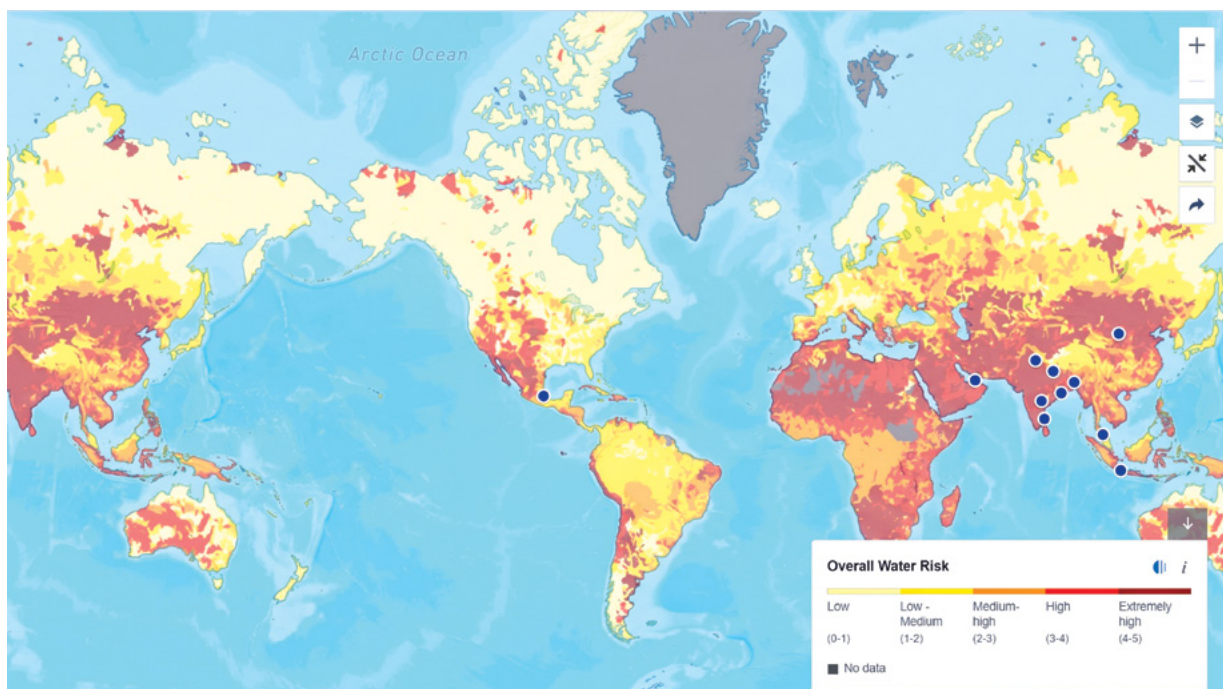
Metric	FY2024	FY2025	FY2026
Water Withdrawal (m³)	305,297.00	332,225.35	421,045.03
Third-party	N/A	N/A	362,228.76
Groundwater	N/A	N/A	58,816.27
Water Discharged (m³)	18,516.30	18,410.17	10,898.70
Third-party	N/A	N/A	4,816.70
Surface water	N/A	N/A	6,082.00
Water Consumption (m³)	286,780.70	313,815.18	410,146.33

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Water-use monitoring and compliance controls	Support tracking of withdrawal and site-level management.
Sustainability Policy	Provides overarching environmental commitment.
Environmental & Energy policy	Provides the operational foundation for water stewardship across the Group's operations.
GRI 303	Relevant reference for water-use disclosure.
Operational SOPs and site practices	Support daily management of water-intensive processes.

WATER STRESS REGION

The Group assesses water-related risks across its global operations using the Aqueduct Water Risk Atlas developed by the World Resources Institute. This location-based assessment enables the identification of sites operating in areas of varying water stress, independent of water source. Based on the assessment, several of the Group's manufacturing and cultivation facilities are located in regions classified as high to extremely high-water stress, including operations in the Arabian Peninsula, the Huang He Basin, and the Ganges–Brahmaputra Basin. These locations may be exposed to heightened risks related to water scarcity and supply reliability.



Map 1: Water Stress Mapping via Aqueduct Water Risk Level.

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OUR FY2026 PERFORMANCE:

Aqueduct Water Risk Level	Site Name	Country	Business Activity	Major Basin Name	Total Water Withdrawal (m ³)	Ground water (m ³)	Third-Party (m ³)	% Ground water
Extremely High (>80%)	Daxen Middle East Food Manufacturing L.L.C	United Arab Emirates	Manufacturing	Arabian Peninsula	1,373.22	N/A	1,373.22	N/A
	DXN Agrotech (Ningxia) Co., Ltd.	China	Cultivation	Huang He	2,896.00	N/A	2,896.00	N/A
	DXN Corporation (NingXia) Co., Ltd.	China	Cultivation	Huang He	18,053.00	N/A	18,053.00	N/A
	DXN International Trading (Ningxia) Co., Ltd.	China	Direct Selling	Huang He	N/A	N/A	N/A	N/A
	DXN Manufacturing (India) Private Limited - Telangana Branch	India	Manufacturing	Godavari	55,850.44	55,850.44	N/A	100%
	Dexin Manufacturing Nepal Private Limited	Nepal	Manufacturing	Ganges - Bramaputra	144.00	144.00	N/A	100%
	DXN Bangladesh Industries Pvt. Ltd.	Bangladesh	Manufacturing	Ganges - Bramaputra	N/A	N/A	N/A	N/A
High (40% - 80%)	DXN Industries (M) Sdn. Bhd.	Malaysia	Manufacturing	Peninsula Malaysia	8,680.00	N/A	8,680.00	N/A
	DXN Pharmaceutical Sdn. Bhd.	Malaysia	Manufacturing	Peninsula Malaysia	203,172.83	1,014.83	202,158.00	0.50%
	DXN Manufacturing (India) Private Limited - Pondicherry Branch	India	Manufacturing	India East Coast	N/A	N/A	N/A	N/A
	Esen Lifesciences Private Limited	India	Manufacturing	India East Coast	557.00	N/A	557.00	N/A
	PT. Daxen Indonesia	Indonesia	Manufacturing	Java - Timor	1,079.00	1,079.00	N/A	100%
	DXN Mexico, S.A. DE C.V.	Mexico	Manufacturing	Rio Balsas	857.00	N/A	857.00	N/A
Medium - High (20% - 40%)	Daxen Agritech India Private Limited - Odisha Branch	India	Cultivation	Brahamani	N/A	N/A	N/A	N/A
	Daxen Agritech India Private Limited - Baddi Branch	India	Cultivation	Indus	136.00	N/A	136.00	N/A
Grand Total (m ³)					292,798.49	58,088.27	234,710.22	19.84%

During the reporting period, the Group recorded a total water withdrawal of approximately 292,798.49 m³, of which around 19.84% was sourced from groundwater. The remaining water demand was primarily met through third-party supplies. While overall reliance on groundwater at the Group level remains moderate, a significantly higher dependency is observed at certain sites in extremely high water-stress areas, where groundwater is the primary source of water. This includes selected operations in India and Nepal, where groundwater usage accounts for up to 100% of total withdrawal.

This concentration of groundwater reliance in water-stressed regions underscores the importance of strengthened water stewardship practices. In response, the Group is progressively enhancing its water management approach by improving monitoring of water sources, promoting efficient water use across operations, and exploring alternative sourcing strategies in high-risk locations. These efforts aim to mitigate potential operational disruptions and support the long-term sustainability of water resources in the regions where the Group operates.

MITIGATION AND MANAGEMENT STRATEGIES

To mitigate over-reliance on a single water source, the Group is progressively diversifying its water supply, where feasible, by increasing the use of treated municipal water and exploring alternative sources such as rainwater harvesting and water recycling systems. In high-risk locations, site-specific action plans are being developed to ensure that water withdrawal remains within sustainable limits and does not adversely impact surrounding communities or ecosystems. The Group is also strengthening its governance and oversight of water management by integrating water-related risks into its enterprise risk management



framework and conducting periodic reviews of site-level water performance. Operational teams are guided to comply with applicable regulatory requirements and internal policies, while awareness initiatives are carried out to promote a culture of water conservation across the workforce.



RAINWATER HARVESTING

Installation of rainwater harvesting systems in facilities located in high-stress zones to support daily usage.



MONITORING AND REPORTING

Collecting monitoring data and setting reduction targets are key measures to enhance transparency and strengthen our overall mitigation efforts.



AWARENESS CAMPAIGN

Raising awareness among all DXN employees plays a crucial role in supporting on-site practices. Through effective communication and the implementation of our Environmental & Energy Policy, we are able to strengthen both our mitigation efforts and the action plans aimed at addressing environmental challenges in these areas.

Moving forward, the Group aims to enhance its data quality and monitoring capabilities to support more granular water risk assessments and performance tracking. This includes improving data coverage for sites with incomplete information and establishing measurable targets to reduce water intensity and groundwater dependency, particularly in water-stressed regions. Through these ongoing efforts, the Group seeks to minimise its exposure to water-related risks while contributing to the sustainable management of water resources across its global operations.

SUSTAINABILITY STATEMENT

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WATER EFFLUENT

DXN Group manages water effluent with the objective of protecting receiving environments, communities and regulatory confidence. Wastewater generated from relevant operations is treated and monitored before discharge in accordance with applicable local requirements and site-level operating procedures. This approach helps ensure that effluent quality is managed in a controlled manner, while supporting the Group's broader commitment to responsible environmental performance.

Parameter Standard	Temperature (°C)	pH	BOD	Suspended Solids	Ammoniacal Nitrogen	Colour	Total Discharge (m³)	Destination
DXN Industries (M) Sdn. Bhd. ¹	26.0	7.76	26.75	37.50	0.33	34.25	5028.00	Surface water
DXN Corporation (Ningxia) Co., Ltd. ²	35.2	7.89	49.90	1.31	5.23	N/A	3323.00	Third party
DXN Mexico S.A. de C.V. ³	19.4	7.77	65.74	35.66	12.83	92.50	1398.00	Third party

Parameter standards:

¹ *Environmental Quality (Industrial Effluent) Regulations 2009 – Standard B.*

² *Regulations on the Administration of Pollutant Discharge Permits (Order of the State Council of the People's Republic of China No. 736).*

³ *NOM-002-SEMARNAT-1996.*

Effluent monitoring includes laboratory testing of key parameters and final-discharge checks to verify compliance prior to release. By combining technical testing with operational oversight, DXN is able to identify potential issues, maintain regulatory adherence and reduce the risk of adverse environmental impacts. We are proud to announce that we fully comply with environmental regulations, with no instances of non-compliance reported. The Group remains committed to strengthening effluent management practices and maintaining responsible discharge performance across applicable sites.



Waste Management

GRI 3-3, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5



Waste management is one of our key environmental priorities as DXN Group's activities generate process-related, packaging, scheduled and general waste streams across cultivation, manufacturing, warehousing and distribution activities. Responsible waste handling supports regulatory compliance, cleaner operations, resource efficiency and stakeholder confidence in the Group's environmental discipline.

DXN continues to strengthen waste disclosure by distinguishing between hazardous and non-hazardous waste, as well as waste diverted from disposal and waste directed to disposal. This provides a clearer view of how waste is managed beyond total generation alone. For FY2026, DXN generated a total of 1,581.72 metric tonnes of waste, comprising 132.80 metric tonnes of hazardous waste and 1,448.92 metric tonnes of non-hazardous waste. Of the total waste generated, 222.62 metric tonnes were diverted from disposal through recycling and recovery initiatives, while 1,355.99 metric tonnes were directed to disposal.

Additionally, 3.11 metric tonnes of waste were managed through alternative treatment methods, including 2.50 metric tonnes composted and 0.61 metric tonnes incinerated. These initiatives demonstrate DXN's commitment to enhancing waste management practices, reducing reliance on conventional disposal methods, and promoting more sustainable waste treatment approaches.

The Group's 6R approach - refuse, reduce, reuse, repurpose, recycle and recreate - supports a more circular mindset by encouraging sites to minimise waste at source, improve segregation and identify opportunities for recovery or responsible diversion where practicable.

Programmes and Initiatives

Under the Environmental Pillar, DXN's waste management initiatives show how site-level discipline can translate environmental commitments into practical operational behaviour. For a business with manufacturing, warehousing and cultivation-related activities, responsible waste handling is closely linked to housekeeping, efficiency, compliance and brand credibility. The programme highlights below therefore help position waste management not simply as a disposal task, but as an ongoing sustainability practice that supports cleaner operations and more responsible resource use.

01 6R Practice and Resource Discipline

DXN references reduce, reuse, recycle and related waste-minimisation practices within its environmental management approach. This 6R orientation provides a useful sustainability lens for embedding resource discipline into routine operations and encourages the Group to consider how materials can be better managed before they become waste. For stakeholders, it signals that DXN's environmental approach includes a preventive mindset, not only end-of-pipe disposal controls.

02 Segregation, Storage and Disposal Controls

Waste handling practices cover separation, storage and disposal management, including tracking of waste diverted from disposal and waste directed to disposal. These controls are valuable because they improve visibility over how waste is managed across sites and support more informed decision-making on diversion, compliance and contractor oversight. They also strengthen stakeholder confidence that operational waste is being handled in a more structured and traceable manner.

03 Scheduled Waste Handling and Awareness

Training and site controls are used to reinforce responsible waste handling and regulatory compliance at operational locations. This is particularly important for scheduled or regulated waste streams where awareness, segregation accuracy and procedural discipline can significantly influence environmental outcomes. By pairing controls with staff awareness, DXN is better positioned to sustain responsible waste behaviour as part of day-to-day operations.

SUSTAINABILITY STATEMENT

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KEY METRICS AND PERFORMANCE DATA

Metric	FY2024	FY2025	FY2026
Total waste generated (metric tonnes)	2,292.09	1,910.51	1,581.72
<i>Hazardous Waste</i>	433.92	63.3	132.80
<i>Non-hazardous Waste</i>	1,858.17	1,847.21	1,448.92
Waste diverted from disposal (metric tonnes)	N/A	163.98	222.62
Waste directed to disposal (metric tonnes)	2,292.09	1,746.53	1,355.99

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Environmental & Energy Policy	Sets out DXN Group's commitment to reducing and minimising waste generation across operations, adopting best practices in waste management, promoting the 6Rs (Refuse, Reduce, Reuse, Repurpose, Recycle and Recreate) and applying circular economy principles to optimise the use of natural resources, raw materials, energy and water.
6R practices	Support waste reduction and circularity efforts.
Scheduled waste training	Supports handling awareness and regulatory compliance.
Environmental compliance and site SOPs	Support segregation, storage and disposal control.
GRI 306	Relevant frameworks for waste disclosure.



One Market

Our Commitment to Economic Performance and Governance



- 80 Business Performance
- 82 Sustainable Supply Chain
- 86 Anti-Corruption
- 89 Sustainable Product Stewardship
- 93 Information Security

Sustainable Business and Governance Practices

DXN Group's economic and governance approach is shaped by the scale and reach of its health and wellness business, which spans cultivation, manufacturing, marketing and distribution activities across 59 countries. Strong governance, ethical conduct and transparent management systems are essential to maintaining trust with members, customers, suppliers, employees, regulators and investors. In this chapter, we explain how the Group links business performance with responsible procurement, anti-corruption controls, product stewardship and information security to support resilient and sustainable value creation.



SUSTAINABILITY STATEMENT

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SUSTAINABILITY

Business Performance

GRI 3-3, GRI 201-1



Business performance remains material because DXN's ability to fund operations, strengthen product stewardship, invest in people, maintain systems and support future growth depends on the resilience of its earnings base. In DXN's case, economic performance cannot be viewed in isolation from sustainability. The Group's cultivation, manufacturing, research and distribution capabilities are part of the operating model that supports value creation across markets and helps preserve business continuity.

The FY2026 disclosures continue to show a business that is reinvesting for continuity and growth while sustaining meaningful economic value distribution to employees, governments, capital providers and retained expansion needs. The next stage of reporting should strengthen the explanation of how economic performance connects with reinvestment priorities, productivity improvement, resilience-building and long-term sustainability outcomes across the Group.



Programmes and Initiatives

Under the Economic Pillar, DXN's business performance is best demonstrated through operating initiatives that support market expansion, management visibility and disciplined execution across the Group. These programmes show that economic value creation at DXN is not limited to revenue generation alone, but is also tied to the strength of its member network, the reliability of its internal operating backbone and the credibility of its reporting practices. Together, they reflect how the Group seeks to build resilient growth while continuing to create value for members, employees, suppliers, regulators and the wider stakeholder ecosystem.

01 Expanding the One World One Market Reach

DXN continued to support business growth through its international member network, sales branches, external distribution agencies and stockist ecosystem, helping sustain recurring revenue and market reach. This programme reflects the Group's long-standing brand proposition of building a connected global business platform that brings products, opportunities and services closer to members and customers across markets. From a sustainability perspective, a broader and better-supported commercial footprint strengthens business continuity, supports local economic participation and improves the Group's ability to create and distribute value more consistently over time.

02 Strengthening the DXN Operating Backbone

ERP, ACIS, BPA and related internal systems support operating visibility, approval workflows and financial decision-making across the Group. These systems form part of DXN's operating backbone, helping management coordinate a geographically dispersed business with greater consistency, traceability and control. For stakeholders, stronger system integration enhances confidence that growth is being supported by disciplined processes rather than ad hoc expansion, thereby reinforcing productivity, accountability and long-term resilience.

03 Cohesive Production and Sourcing Capabilities

DXN's cohesive production and sourcing capabilities support the Group's ability to maintain product consistency, operational reliability and cost discipline across its markets. By undertaking in-house production of selected raw materials, DXN is able to exercise closer oversight over quality, traceability and process integrity, while reducing dependence on external sources for critical inputs. This operating approach strengthens confidence that product standards are being supported from the upstream stage of the value chain, rather than managed only at the point of final manufacturing.

At the same time, local sourcing across relevant markets enables the Group to respond more effectively to demand patterns, improve procurement efficiency and enhance supply responsiveness. For stakeholders, this integrated approach reflects DXN's effort to build a resilient operating model that balances quality assurance with commercial practicality. It also reinforces the Group's ability to support long-term growth through stronger control over sourcing decisions, better coordination across production activities and a more dependable supply foundation for customers, distributors and business partners.

04

Excellence in Quality & Product Portfolio

DXN continues to strengthen excellence in quality and product portfolio through its research and development capabilities, which support both product quality enhancement and the expansion of its offerings across markets. Through R&D, the Group is able to refine product formulations, improve consistency and strengthen the overall quality proposition of its health and wellness portfolio. This reflects DXN's commitment to ensuring that product development is supported by technical discipline, consumer relevance and long-term brand credibility.

In addition, R&D plays an important role in broadening the Group's product line to respond to evolving consumer preferences and market opportunities. By continuously developing and enhancing its portfolio, DXN is better positioned to sustain customer interest, remain competitive and reinforce its brand presence in the health and wellness sector. For stakeholders, this demonstrates that innovation at DXN is not limited to new offerings alone, but also contributes to maintaining product trust, supporting business continuity and creating longer-term value through a quality-led and innovation-driven approach.

KEY METRICS AND PERFORMANCE DATA

Metric	FY2024	FY2025	FY2026
Net operating income (RM'000)	689,471	753,739	704,645
Other income (RM'000)	30,334	27,813	32,055
Payments to employees in salary and personnel costs (RM'000)	171,833	198,351	215,189
Government payments in taxation (RM'000)	155,041	188,488	167,697
Capital providers: dividends, NCI and finance cost (RM'000)	205,645	200,226	180,925
Retained for future investment and growth (RM'000)	187,286	194,487	172,889

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Sustainability Policy	Provides the overarching sustainability commitment across the Group.



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Sustainable Supply Chain

GRI 3-3, GRI 204-1, GRI 308-1, GRI 414-1



Sustainable supply chain management remains material because DXN's operating model depends on stable sourcing, responsible supplier conduct, reliable logistics and disciplined distribution arrangements across a geographically dispersed business. For a Group that combines cultivation, manufacturing and member-based distribution, supply chain resilience influences both cost efficiency and service continuity.

The FY2026 disclosures show a stronger emphasis on supplier engagement, due diligence and logistics optimisation. Local supplier spending increased materially in FY2026, and supplier-facing engagement covered ethical sourcing, ESG and anti-corruption criteria. This provides a stronger base for future reporting, although subsequent drafts would benefit from clearer segmentation of supplier risk, sourcing strategy and the relationship between supplier engagement and procurement resilience.

Programmes and Initiatives

Within the Economic Pillar, DXN's supply chain programmes demonstrate how responsible procurement, supplier engagement and logistics discipline are being integrated into everyday operations. These initiatives are important because the Group's business continuity depends not only on product demand, but also on the reliability, integrity and responsiveness of its sourcing and distribution network. By strengthening supplier expectations and operational controls, DXN is reinforcing a supply chain model that is intended to be more resilient, more accountable and more closely aligned with stakeholder expectations on sustainable business conduct.

01 PROCUREMENT MANAGEMENT

Our procurement practices are embedded into two (2) categories:

Internal Procurement

Internal procurement at DXN is closely linked to the Group's integrated operating model, covering cultivation, manufacturing and research-related activities that support product quality, supply continuity and portfolio development. By maintaining closer oversight over selected upstream and production processes, the Group is better positioned to manage traceability, quality assurance, cost discipline and responsiveness to market demand. As DXN expands its operating footprint, internal procurement decisions are guided by practical sustainability considerations, including responsible resource use, compliance readiness, operational efficiency and alignment with recognised standards.



SUSTAINABILITY STATEMENT

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SUSTAINABILITY

13 countries, 38 units.

Cultivation, manufacturing, and research operations span three continents, together with the next wave of facilities currently in the pipeline.



13
COUNTRIES

24
CURRENT OPERATIONS

21
MANUFACTURING

25
LOCATIONS

14
PIPELINE

15
CULTIVATION

EVERY SITE, BY REGION

The full index. By coordinate.

21 MANUFACTURING • 15 CULTIVATION • 2 RESEARCH

ASIA — 27 UNITS

BANGLADESH (2U)

● Gazipur	24.2°, 90.5°
■ Gazipur	24.2°, 90.5°

CHINA (6U)

● NingXia ×2	39.0°, 106.3°
● Anxi	25.3°, 117.9°
■ Anxi	25.3°, 117.9°
■ NingXia	39.0°, 106.3°
◆ NingXia	39.0°, 106.3°

INDIA (8U)

● Odisha	20.7°, 85.6°
● Pondicherry	11.9°, 79.7°
● Telangana	18.1°, 78.9°
■ Pondicherry	11.9°, 79.7°
■ Telangana	18.1°, 78.9°
■ Baddi	30.9°, 76.8°
■ Odisha	20.7°, 85.6°
■ Esen Pondi	11.9°, 79.7°

INDONESIA (1U)

■ West Jawa	-6.4°, 106.9°
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MALAYSIA (7U)

○ Kodiang	6.4°, 100.3°
○ Gua Musang	4.9°, 102.0°
□ Bukit Kayu Hitam	6.5°, 100.4°
□ Gua Musang	4.8°, 102.0°
● Kedah	6.3°, 100.5°
■ Kedah	6.3°, 100.5°
◆ Kedah	6.3°, 100.5°

NEPAL (1U)

■ Lumbini	27.5°, 83.1°
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SAUDI ARABIA (1U)

□ Al-Ahsa	25.3°, 49.5°
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UAE (1U)

■ Dubai	24.8°, 55.1°
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LATIN AMERICA — 9 UNITS

BOLIVIA (4U)

○ Tarija	-21.6°, -64.7°
○ Los Troncos, Ballivan	-17.1°, -62.7°
○ Samaipata	-18.1°, -63.9°
□ Warnes	-17.5°, -63.2°

BRAZIL (2U)

○ Ibia	-19.5°, -46.5°
□ Ibia	-19.5°, -46.5°

MEXICO (2U)

■ Tlaxcala ×2	19.5°, -98.1°
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PERU (1U)

□ Chilca	-12.5°, -76.7°
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AFRICA — 2 UNITS

MOROCCO (2U)

○ Meknes	33.9°, -5.5°
□ Meknes	33.9°, -5.5°

SUSTAINABILITY STATEMENT

SEC.03

SUSTAINABILITY

External Procurement

DXN Group recognises that responsible procurement plays an important role in strengthening the Group's sustainability performance and long-term business resilience. In 2026, DXN formalised this commitment through its newly launched Procurement Policy, which sets out the principles, processes and standards for sourcing goods, services and works across the Group. The policy is designed to promote integrity, transparency, accountability, fair competition, value-for-money, risk mitigation and sustainable sourcing aligned with DXN's ESG commitments.

As part of this approach, DXN integrates sustainability considerations into both direct and indirect procurement activities. Suppliers are expected to comply with relevant DXN policies, applicable laws, labour standards and environmental practices, while procurement decisions take into account not only price, but also quality, delivery, lifecycle cost and vendor reputation. This reinforces a procurement culture that supports ethical conduct, operational efficiency and responsible supply chain management.

DXN's procurement processes are also aligned with the Group's broader governance and sustainability framework, including the Anti-Bribery and Corruption Policy, Code of Conduct and Ethics, Occupational Safety and Health Policy, Environmental and Energy Policy, and Human Rights Policy. Supplier onboarding is supported through the New Supplier Due Diligence & Declaration Form ("NSDDD"), which is required for suppliers providing direct and indirect materials, goods and services to DXN. Suppliers meeting the relevant criteria are also required to complete the annual acknowledgement of DXN's Anti-Bribery and Corruption Policy and Supplier Conflict of Interest Declaration Form.

In FY2026, DXN onboarded 386 new suppliers, with 100% undergoing due diligence and screening. All 386 suppliers were assessed for environmental impacts and social impacts, achieving 100% screening coverage. Notably, zero instances of non-compliance were detected, reflecting the effectiveness of our supplier screening and governance controls. We conduct annual performance evaluations for direct and indirect suppliers, ensuring ongoing compliance with ESG requirements and continuous improvement throughout our supply chain.

Through its Procurement Policy, DXN continues to advance sustainability across its business value chain by embedding responsible practices into procurement and supplier engagement. The policy further requires suppliers to declare their ESG practices as one of the key criteria for supplier selection, supporting DXN's efforts to strengthen stakeholder confidence, contribute to the United Nations Sustainable Development Goals and create long-term shared value.

Metric	FY2024	FY2025	FY2026
Local supplier spending (%)	29.00%	93.00%	81.77%
Number of new suppliers assessed for environmental impacts	N/A	361	386
Percentage of new suppliers that were screened using environmental criteria	N/A	100%	100%
Number of new suppliers assessed for social impacts	N/A	361	386
Percentage of new suppliers that were screened using social criteria	N/A	100%	100%



02 SUPPLIER CODE OF CONDUCT AND ETHICAL ONBOARDING

Supplier onboarding includes conflict of interest declarations and conduct expectations covering labour, ethics and responsible business practices. This programme strengthens DXN's ability to communicate a consistent baseline of expected conduct across its supply chain and supports a more transparent foundation for long-term supplier relationships. For stakeholders, it demonstrates that procurement is being managed with greater emphasis on integrity, fairness and accountability, rather than cost alone.

03 LOGISTICS AND DISTRIBUTION CHANNEL

DXN highlighted supplier diversification, local supplier participation, logistics optimisation and responsible procurement practices across sourcing and distribution activities. These actions are strategically relevant because they help the Group reduce concentration risks, improve responsiveness to operational needs and maintain service continuity across markets. They also contribute to a more sustainable value chain by encouraging broader supplier participation and reinforcing the link between procurement resilience, local economic contribution and operational efficiency.

Metric	FY2024	FY2025	FY2026
Sales branches (number)	78	82	85
External distribution agencies (number)	12	12	14
Stockists (number)	1,838	1,885	2,001
Registered members (number)	17,084,450	19,395,980	21,614,681
Active members (number)	3,559,955	3,557,553	3,498,198

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Supplier Code of Conduct	Sets conduct expectations for suppliers and business associates.
New Supplier Due Diligence & Declaration ("NSDDD")	Supports supplier screening and social due diligence.
Supplier Conflict of Interest Declaration	Supports ethical supplier onboarding and procurement governance.
GRI 204/GRI 414	Relevant frameworks for local procurement and supplier social assessment.
Logistics management practices	Support consolidation, routing efficiency and resource utilisation.



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Anti-Corruption

GRI 2-25, GRI 2-26, GRI 3-3, GRI 205-2, GRI 205-3



Anti-corruption remains a core governance priority for DXN Group because integrity is fundamental to stakeholder trust, responsible procurement and disciplined commercial conduct. As a business with a wide operating footprint, extensive supplier relationships and a large international member network, the Group recognises that strong anti-bribery controls protect not only compliance standing, but also brand credibility and long-term business resilience.

The Group maintains a zero-tolerance stance towards bribery and corruption, supported by its Anti-Bribery and Corruption Policy, Whistleblowing Policy and Code of Conduct & Ethics. These governance instruments are designed to support compliance with applicable requirements, including Section 17A of the Malaysian Anti-Corruption Commission Act, and to reinforce the ethical expectations set out under the Malaysia Direct Selling Act 1993 and the Direct Selling Association of Malaysia Code of Conduct. In line with the FTSE4Good Anti-Corruption theme, DXN communicates its expectations to employees, directors, suppliers and business associates through training, declarations, due diligence and reporting channels, helping to embed integrity into daily decision-making.

Internal Key Stakeholders:

- Directors, new employees and existing employees are required to acknowledge the ABC Policy and complete conflict-of-interest declarations where applicable. This helps reinforce individual accountability, ethical awareness and alignment with the Group's zero-tolerance approach from onboarding and throughout employment.



- Ongoing anti-bribery and anti-corruption communication and training are conducted to strengthen employee understanding of expected conduct, reporting responsibilities and practical examples of misconduct, supporting a workplace culture built on integrity and transparency.

External Key Stakeholders:

- Business associates, particularly suppliers, are subject to due diligence procedures that include acknowledgement of DXN Group's ABC expectations and submission of the Supplier Conflict of Interest Declaration where required. This strengthens ethical supplier onboarding and supports more transparent, responsible and accountable procurement relationships.

Programmes and Initiatives

Within the Governance Pillar, DXN's anti-corruption initiatives help translate zero-tolerance commitments into practical actions that employees and stakeholders can recognise. Rather than relying on policy statements alone, the programmes below show how the Group is reinforcing ethical conduct through communication, reporting channels and recurring declarations. This strengthens the credibility of DXN's governance narrative by linking integrity expectations with visible mechanisms for awareness, accountability and early escalation.

01 ANTI-BRIBERY AND CORRUPTION (ABC) COMMUNICATION AND TRAINING

The FY2026 disclosures report on employee communication and training coverage related to the Anti-Bribery and Corruption (“ABC”) Policy, reflecting the Group’s ongoing efforts to strengthen governance practices and promote a strong culture of integrity across the organisation. This is an important component of our internal control framework, as the effectiveness of anti-corruption measures depends on employees having a clear understanding of policy requirements and expected standards of ethical conduct.

In line with good governance practices, all employees are required to complete mandatory ABC training via the DXN POV channel. The training provides structured and comprehensive communication on the ABC Policy, including key requirements, reporting responsibilities, and examples of misconduct as defined under the Policy for both bribery and corruption acts. This ensures consistent awareness across the Group and supports compliance with applicable anti-corruption standards.

Metric	FY2025	FY2026
Percentage of employees who have received training on anti-corruption by employee category		
Management	87.00%	90.79%
Executive	90.00%	89.21%
Non-Executive	91.00%	90.57%
Female	51%	48%
Male	49%	52%
Subsidiaries assessed for corruption risk (%)	100%	100%
Subsidiaries assessed for corruption risk (number)	56	58
Confirmed incidents resolved through whistleblowing channel (number)	1	1
Confirmed corruption incidents still under investigation (number)	0	1

As part of our risk mitigation strategy, the Group’s Governance & Risk Management (“GGRM”) Department conducts comprehensive bribery and corruption risk assessments across the organisation for both current and new operations. The Anti-Bribery & Corruption Committee (“ABCC”) oversees the internal monitoring framework to ensure that the commitments outlined in the ABC Policy are consistently upheld across all operations. Any identified issues are deliberated during management meetings.

Complementing these efforts, our Group Internal Audit Department conducts annual audits to assess compliance with our policies and procedures. This helps to ensure that our processes remain aligned with established requirements while supporting data accuracy, integrity, and transparency across the organisation.

02 SPEAK-UP AND WHISTLEBLOWING CHANNELS

DXN maintains a whistleblowing mechanism that provides employees and external parties with an accessible avenue to report concerns relating to improper conduct, unethical behaviour or potential breaches of applicable laws and internal policies. As a key component of the Group’s governance framework, the mechanism supports the timely identification, escalation and resolution of matters that may affect organisational integrity. It also reinforces the principle that concerns may be raised through formal and accessible reporting channels, thereby strengthening accountability and fostering stakeholder confidence in the Group’s governance practices.

The Group has enhanced the accessibility of its grievance-reporting framework through the introduction of an online Whistleblowing Channel, enabling stakeholders to submit concerns in a more convenient and secure manner. The channel is available via DXN’s corporate website at <https://www.dxn2u.com/whistleblowing/>, while information relating to the Group’s Anti-Bribery and Corruption (“ABC”) Policy and Whistleblowing Policy is also publicly accessible through its investor relations platform at <https://www.dxn2u.com/investor-relations/>. This enhancement reflects DXN’s continued commitment to strengthening transparency, promoting ethical business conduct and ensuring that reporting mechanisms remain practical, visible and responsive to stakeholder needs.

Moving forward, DXN remains committed to upholding the integrity of its speak-up framework as part of its broader governance approach, recognising that trusted reporting pathways are essential to sustaining ethical conduct, sound oversight and long-term organisational resilience.

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03 CONFLICT OF INTEREST AND COMPLIANCE DECLARATIONS

Annual declarations and published compliance statements help reinforce ethical conduct, independence and zero-tolerance expectations. These recurring mechanisms are valuable because they keep integrity expectations visible and help anchor anti-corruption commitments within routine governance practices. In branding terms, they also contribute to a corporate identity built on responsibility, transparency and disciplined conduct.

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Anti-Bribery & Corruption Policy	Sets conduct expectations for suppliers and business associates.
Whistleblowing Policy	Supports supplier screening and social due diligence.
Code of Conduct & Ethics	Supports ethical supplier onboarding and procurement governance.
Conflict of Interest Policy/declarations	Relevant frameworks for local procurement and supplier social assessment.
MACC Act Section 17A alignment	Support consolidation, routing efficiency and resource utilisation.



Sustainable Product Stewardship

Product quality, safety and labelling remain fundamental to DXN because the Group's licence to operate depends on product integrity, regulatory compliance and customer confidence across multiple markets. Given the Group's health and wellness positioning, this material matter sits close to the centre of operational credibility and consumer trust.

PRODUCT QUALITY, SAFETY AND LABELLING

Product stewardship begins long before a product reaches the shelf. It starts at the source, in the selection of raw materials, the discipline of cultivation, the care of manufacturing, and the integrity of every label that carries the DXN name.

As a global health and wellness Group, our products are more than consumer goods. They are daily choices made by customers and members who place their trust in our promise of quality, safety and consistency. This trust is central to our licence to operate, especially as we continue to serve diverse markets with different regulatory expectations, product requirements and consumer preferences.

Our approach is guided by recognised food safety and management system certifications, product quality control and sampling procedures, regulatory and labelling requirements, and customer feedback mechanisms. Together, these controls help ensure that DXN's products are developed, produced and presented with care, reflecting not only compliance, but also the Group's commitment to responsible growth, consumer well-being and long-term brand trust.

In a business built on wellness, every product is a statement of responsibility. DXN's product stewardship framework reinforces this responsibility by connecting quality assurance, safety management, accurate product information and continuous improvement into one integrated discipline.



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Programmes and Initiatives

Within the Economic Pillar, DXN's product stewardship initiatives show how brand trust is built through discipline at every stage of the value chain, from raw material handling to final market delivery. For a health and wellness business, product quality, safety and labelling are not only compliance requirements but also core elements of customer confidence and brand credibility. The initiatives below therefore highlight how DXN seeks to protect stakeholder trust by combining technical controls, recognised standards and quality-focused engagement into a more integrated product assurance narrative.



Sustainable seed bank and organic farming practices

We prioritise quality from the initial phase, beginning with the selection of seeds for our products. The Group manages its own seed bank and conducts rigorous quality testing to ensure the highest standards.

Additionally, we use organic fertilisers and refrain from harmful pesticides to support natural growth.



Responsible raw material sourcing and efficient delivery

We optimise the production process by leveraging an integrated IT system to monitor raw material demand. Harvesting is scheduled accordingly to maintain a consistent supply. To ensure maximum freshness, ingredients such as fruits, rhizomes, and leaves are delivered to production facilities using the Just-In-Time method.



Enhancement of quality products and continuous improvement

Our R&D initiatives are dedicated to retaining the highest nutrient levels in natural raw materials such as Ganoderma, Spirulina, mushrooms, and fruits while improving their solubility and absorption. This is achieved through advanced techniques, including nano-fermentation, cold-dehydration, centrifuge filtration, and micro-powderisation. These processes enhance both the quality of our products and their health benefits.

DXN maintains product integrity through quality control procedures that include sampling of materials, packaging and labels in accordance with relevant SOPs. Quality assurance reports are prepared to document checks on product specifications, packaging accuracy and labelling requirements, supporting consistency from production to market delivery. This structured approach helps protect customer trust, reinforces regulatory compliance and supports the Group's commitment to safe, reliable and responsibly managed products.

FOOD SAFETY AND MANAGEMENT SYSTEM CERTIFICATIONS

Quality, safety and trust are central to the way DXN builds and delivers its products. The Group's various food safety and management system certifications and accreditations reflect a strong commitment to maintaining high standards across its operations, from product development and manufacturing to quality control and distribution.

More than a mark of compliance, these certifications demonstrate DXN's ongoing efforts to protect consumer well-being, strengthen confidence in its products and uphold the reliability of its global brand. By aligning with recognised international standards and regulatory requirements, DXN continues to reinforce its promise of providing safe, consistent and quality products to customers and business partners around the world.



INTERNATIONAL STANDARDS



ISO
9001:2015



ISO
14001:2015



ISO
22716:2007



MS ISO/IEC
17025:2017



ISO/IEC
27001:2022



Hazard Analysis
and Critical Control
Points ("HACCP")

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PRODUCT & FOOD SAFETY STANDARDS



Good Manufacturing Practices ("GMP")



Halal



myOrganic



EU Organic



USDA-NOP

OUR FY2026 PERFORMANCE:

NO.	LOCATION / SUBSIDIARY	HALAL	GMP	HACCP	ISO9001	ISO14001
1	Jitra, Malaysia DXN Industries (M) Sdn. Bhd. DXN Pharmaceutical Sdn. Bhd.	Yes	Yes	Yes	Yes	Yes
2	Bogor, Indonesia PT. Daxen Indonesia	Yes	No	No	In Progress	In Progress
3	Telangana, India DXN Manufacturing (India) Private Limited	Yes	Yes	Yes	No	In Progress
4	Pondicherry, India DXN Manufacturing (India) Private Limited	Yes	Yes	Yes	No	In Progress
5	Esen Pondi, India Esen LifeScience Pvt Ltd	In Progress	In Progress	In Progress	No	No
6	Baddi, India Daxen Agritech India Private Limited	In Progress	No	No	No	In Progress
7	Odisha, India Daxen Agritech India Private Limited	In Progress	No	No	No	In Progress
8	Ningxia, China DXN Corporation (Ningxia) Co., Ltd	Yes	Yes	Yes	Yes	In Progress
9	Anxi, China Anxi Gande Foluohua Integrated Agricultural Science and Technology Co., Ltd	Yes	No	No	No	In Progress
10	Lumbini, Nepal Dexin Manufacturing Nepal Private Limited	In Progress	Yes	No	No	In Progress
11	Gazipur, Bangladesh DXN Bangladesh Ind. Pvt. Ltd.	In Progress	In Progress	In Progress	No	Yes
12	Factory 1, Mexico DXN Mexico S.A. DE C.V.	In Progress	No	No	No	No
13	Factory 2, Mexico DXN Mexico S.A. DE C.V.	In Progress	No	No	No	In Progress
14	Dubai, UAE Daxen Middle East Food Manufacturing LLC	In Progress	No	Yes	No	In Progress
Percentage of sites covered by recognised management systems (%)		42.86%	35.71%	35.71%	14.29%	14.29%

Note: The percentage data is collated based on 14 main operations in DXN Group as listed above.

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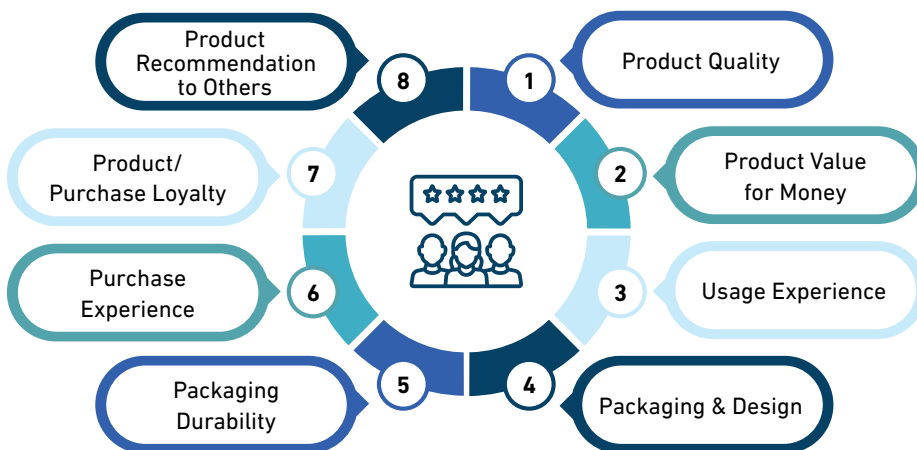
CUSTOMER FEEDBACK AND SATISFACTION

DXN believes that meaningful customer engagement is essential to sustaining a strong and responsive brand. As a customer-centric organisation, the Group actively encourages members and customers to share their experiences, preferences and concerns through a range of accessible feedback channels. These engagement platforms not only help DXN better understand evolving customer expectations, but also support continuous improvements to product quality, service delivery and overall customer experience.

The Group's eWorld online portal, accessible through its website, provides a convenient platform for users to share feedback on their experiences with DXN's products and services. In addition, the Members Feedback Form enables customers to provide more focused input on product attributes such as taste, smell, price, texture and packaging. By capturing this feedback in a structured manner, DXN is able to generate valuable consumer insights that support stronger quality management, product refinement and market responsiveness.

Customer satisfaction remains a key priority across the Group's operating model. To support this, DXN has established clear policies and standard operating procedures to manage complaints, concerns and product-related matters in a timely, fair and consistent manner. Through the Group's Feedback System, customers and distributors are able to raise issues for prompt attention and resolution, reinforcing DXN's commitment to responsive service and accountable customer care. This structured approach enhances trust in the brand by demonstrating that customer voices are not only heard, but also acted upon.

To further strengthen its understanding of customer expectations, DXN conducts its Customer Satisfaction Survey based on the critical factors that shape customer perceptions and decision-making. The findings provide an important basis for continuous improvement, enabling the Group to enhance product offerings, improve service responsiveness and reinforce the overall customer journey. Through these efforts, DXN seeks to deepen customer trust, strengthen brand affinity and deliver a consistent experience that reflects its commitment to quality, care and long-term stakeholder value.



Metric	FY2024	FY2025	FY2026
Customer satisfaction (%)	95%	97%	97%
Product non-compliance incidents leading to death, illness or adverse health effects (number)	0	0	0

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Food Safety and Management System certifications	Support product safety and quality assurance practices.
Product quality control and sampling procedures	Support end-to-end product assurance from raw material to finished goods.
Regulatory compliance and labelling requirements	Support consumer information and market compliance.
Customer feedback/complaint handling mechanisms	Support product improvement and issue escalation.

Information Security

GRI 418-1

As part of DXN's ongoing digital transformation journey, the Group continues to integrate advanced technologies and innovative practices across its business operations to enhance connectivity, operational efficiency and decision-making. As digitalisation becomes increasingly embedded within the Group's operating model, DXN recognises that strong cybersecurity and data protection practices are essential to preserving business continuity, safeguarding stakeholder trust and protecting the integrity of its digital ecosystem. In this regard, the Group views cybersecurity not only as a technical function, but as a critical enabler of resilient and responsible growth.

DXN remains committed to maintaining a reliable cybersecurity framework that supports the protection of data assets, as well as the timely detection and response to potential threats across its business locations. This is particularly important in an operating environment where digital platforms, internal systems and customer-facing channels play an increasingly central role in delivering products, services and stakeholder engagement. By strengthening its cyber resilience, the Group seeks to ensure that its digital progress is supported by robust safeguards, disciplined controls and a strong culture of accountability.

To protect customer privacy, DXN has adopted stringent cybersecurity measures and continues to adhere to relevant data protection requirements across the jurisdictions in which it operates. The Group maintains a zero-tolerance stance towards non-compliance involving customer privacy, with firm disciplinary action taken in the event of any infringement. At the Group level, DXN has established IT policies and related internal controls, including the conduct of basic Vulnerability Assessment and Penetration Testing ("VAPT") exercises to identify potential vulnerabilities and enhance preparedness against emerging

cybersecurity risks. In further strengthening its information security practices, DXN's subsidiary, PT. Suryasoft Konsultama, has obtained ISO/IEC 27001:2022 Information Security Management System certification. This certification reflects the subsidiary's commitment to implementing internationally recognised standards for managing information security risks, protecting data assets and supporting the Group's broader cybersecurity governance framework. In FY2026, DXN further enhanced its personal data protection governance through the establishment of a Group-wide Personal Data Protection Policy, which was approved by the Board. The policy provides a clearer governance foundation for managing personal data across the Group and reinforces DXN's commitment to responsible data handling. In line with regulatory expectations, DXN also implemented a Data Breach Notification framework aligned with the guidelines issued by the Personal Data Protection Department, enabling the timely identification, assessment, escalation and reporting of data breach incidents where required.

During the year, the Compliance Unit reviewed relevant business functions involved in the processing of personal data to assess compliance with applicable data protection requirements. Continuous monitoring will be carried out under the oversight of the designated Data Protection Officer to support ongoing improvement and ensure that DXN remains responsive to evolving regulatory obligations.

In FY2026, DXN recorded zero substantiated complaints concerning breaches of customer privacy and data loss across all operating countries. This marks the third consecutive year in which the Group reported no such incidents, underscoring the effectiveness of its cybersecurity controls and its sustained commitment to data protection. For DXN, this performance reflects more than operational discipline alone. It reinforces stakeholder confidence that the Group's digital transformation efforts are being pursued in a manner that is secure, responsible and aligned with the trust placed in the DXN brand across its global markets.

Metric	FY2024	FY2025	FY2026
Substantiated complaints concerning breaches of customer privacy and data loss (number)	0	0	0

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
IT Policy	Core governance document for information technology controls.
Personal Data Protection Notice	Supports customer and employee data privacy commitments.
Vulnerability Assessment and Penetration Testing ("VAPT")	Supports identification and mitigation of cyber risks.
Periodic cybersecurity audits and awareness sessions	Strengthen internal cyber resilience and staff preparedness.
GRI 418 Customer Privacy	Relevant framework for privacy-related disclosure.

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INNOVATION AND DIGITAL TRANSFORMATION

Innovation and digital transformation remain material because DXN's business efficiency, member support capability and sustainability data readiness increasingly depend on internal systems and digital tools. For DXN, digitalisation is not limited to customer-facing convenience. It also supports process control, approval flows, financial monitoring, human capital administration, risk oversight and the collection of ESG-related information.

Member Support Tools

DXN Portal

The DXN Portal is a one-stop online platform where DXN members can easily place orders or make bookings across various systems. A key feature is the Product Pre-Order, which lets members create their own pre-orders for DXN products. This system is linked to the DXN Online Billing System ("OBS"), also used at branch sales counters, ensuring smooth and consistent order processing.

eWorld/DXN App

Allows members to manage activities related to purchasing, earnings, access marketing content, and track and redeem their ePoints.

Regional/Member Personal Websites

Allows members to engage, recruit, and sell to end-customers online by setting up a personal website hosted on DXN Group regional websites.

Internal Management Tools

Risk, Compliance & Sustainability ("RCS")

Risk Module enables the continuous process of identifying, analysing, evaluating and addressing exposures by monitoring risk controls and action plans to mitigate the adverse effects of potential consequences.

The **Compliance module** is used to manage adherence to relevant rules and regulations for the DXN Group of Companies. The module consists of the Compliance Register section, the Non-Compliance Monitoring section, and the Annual Compliance Declaration. The Compliance module is also linked to the ABC e-learning platform, which provides an automated analysis of employee participation within the DXN Group of Companies.

Sustainability Module is used to manage the effectiveness and efficiency of data collections and analytics of EES (or ESG) factors to secure the long-term future and success of business and society.

Property Management System ("PMS")

System for managing reservations, daily operation of Hotel/Property.

Budget and Payment System ("BPA")

To enables users or PIC to request for payment approval related to marketing, operational, bonus and salary.

DXN Point of Sales ("POS")

To manage and create a retail sales transactions.

Workflow Management System ("WMS")

To create, manage and monitor workflow progress, e.g task, project, document or proposal and approval tracking.

Through its digital transformation journey, DXN Group continues to strengthen its commitment to sustainability by placing innovation at the centre of its business growth. These initiatives have helped improve operational productivity, enhance stakeholder experience and support more efficient ways of working. At the same time, they contribute to reducing the Group's environmental footprint and building a more resilient, future-ready organisation.

One Mind

Our Commitment to Our People



- 96 Workforce Diversity and Labour Rights
- 101 Human Rights Due Diligence ("HRDD")
- 105 Training and Development
- 107 Occupational Health and Safety
- 109 Employee Engagement
- 111 Community Engagement

Wellbeing of Society

DXN Group's social commitment is grounded in the belief that business growth should create value for people as well as markets. Through responsible employment practices, human-rights due diligence, training, occupational safety and health, employee engagement and community initiatives, the Group seeks to build a workplace and operating culture that is inclusive, safe and supportive. These efforts help strengthen the well-being of employees and communities while reinforcing DXN's role as a responsible health and wellness brand with a long-term social purpose.



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Workforce Diversity and Labour Rights

Workforce diversity and labour rights are material to DXN Group because the Group's long-term resilience depends on fair employment practices, inclusive participation and the protection of fundamental rights across a geographically diverse workforce. As DXN expands its business and operational footprint, it remains important to demonstrate that growth is supported by responsible labour management, respectful workplace practices and equal opportunity.

In FY2026, the Group continued to monitor workforce composition, new hires, turnover, gender representation and human-rights-related complaints as part of its people management disclosures. These indicators provide stakeholders with a clearer view of workforce trends and help management identify areas for continued improvement, including representation, retention, employee experience and the effectiveness of labour-rights controls across operations.



Programmes and Initiatives

Within the Social Pillar, DXN's workforce initiatives show how the Group translates its values into practical employment practices. By combining policies, workforce data, engagement mechanisms and monitoring processes, the Group seeks to create a working environment where employees are treated with dignity, given opportunities to contribute and supported by responsible labour standards. This strengthens both organisational culture and stakeholder confidence in the way DXN manages its people.

01 Human Rights Policy in Practice

DXN states that its Human Rights Policy supports dignity, respect, non-discrimination and labour rights across the workforce and supply chain. This policy sets an important tone from the top by framing workforce management around fundamental rights and respectful treatment, rather than around compliance alone. For employees and wider stakeholders, it reinforces the message that DXN's growth should be supported by fair and responsible employment practices.

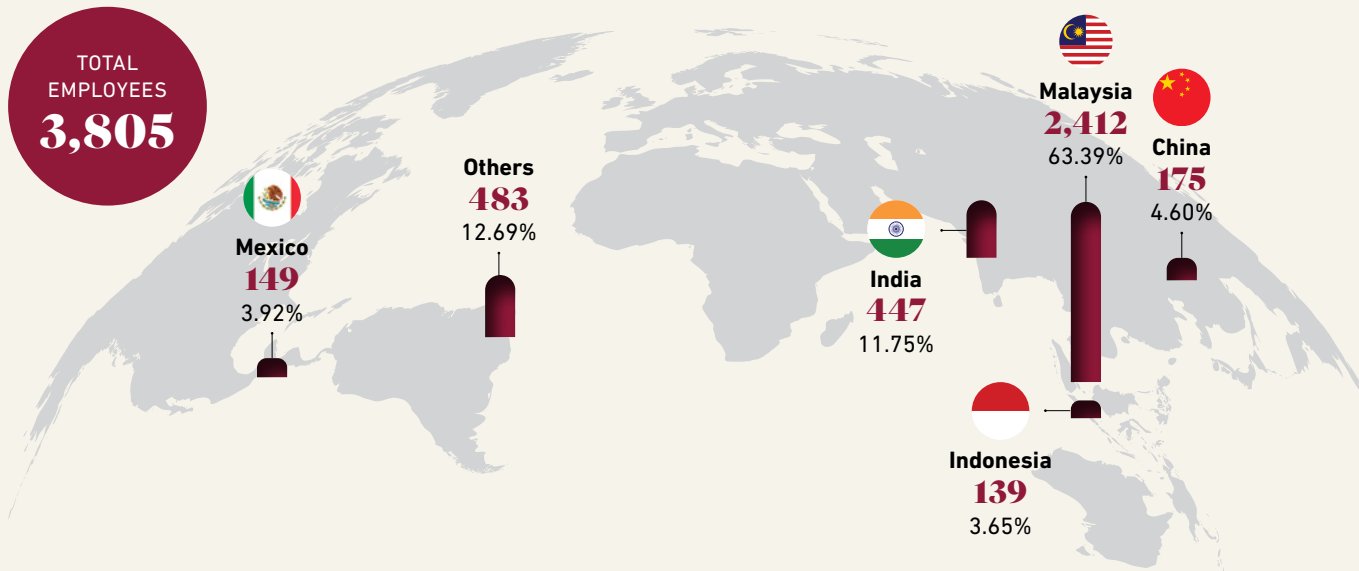
02 Diversity, Respect and Equal Opportunity

The Group references a Gender Diversity Policy together with anti-sexual harassment and whistleblowing mechanisms that support inclusion and fair treatment. Taken together, these measures help create a workplace environment where employees are better protected, more respected and more confident in raising concerns when needed. They also strengthen DXN's social narrative by linking diversity and inclusion with governance, accountability and employee trust.

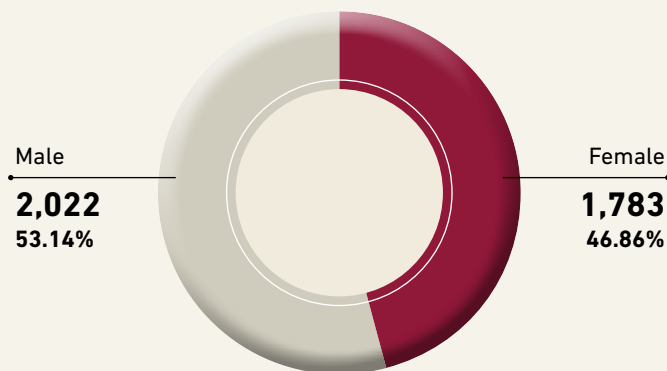
03 Workforce Data and Employment Monitoring

Headcount, workforce composition, new hires, turnover and related people indicators are tracked to support workforce planning and disclosure. This monitoring is important because it enables DXN to assess workforce trends more clearly and provides a basis for strengthening people-related decisions over time. For stakeholders, transparent workforce data also makes the Group's labour-rights and diversity narrative more measurable and more meaningful.

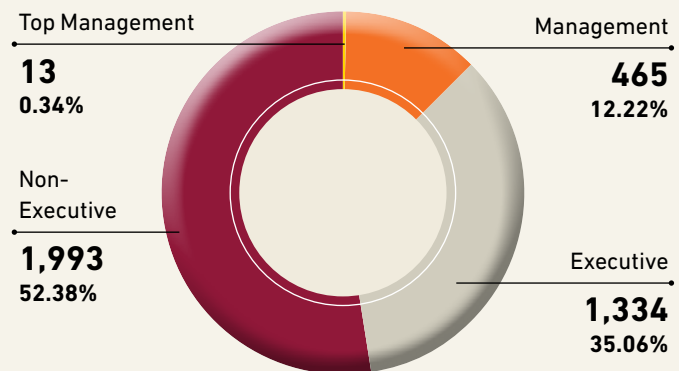
Total Employees By Country Overview



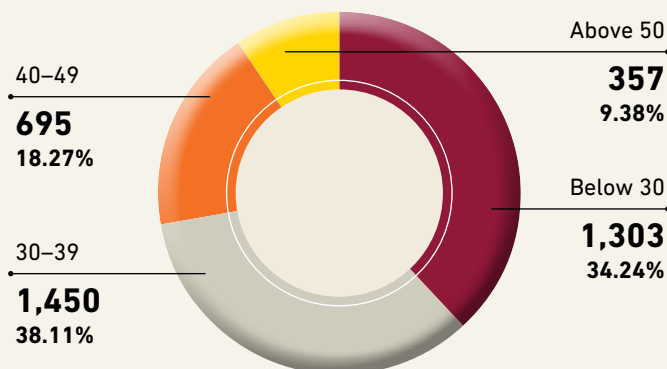
TOTAL EMPLOYEES BY GENDER CATEGORY



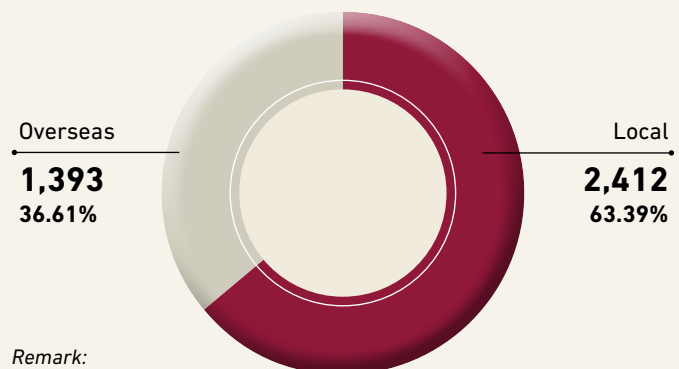
TOTAL EMPLOYEES BY EMPLOYEE CATEGORY



TOTAL EMPLOYEES BY AGE PROFILE



TOTAL EMPLOYEES BY LOCALITY



Remark:
Locality based on each country.

Our people, across every region, role and background, drive our success forward.

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WOMEN IN LEADERSHIP

Women in leadership remain an important indicator of DXN Group's commitment to inclusive participation and balanced decision-making. Guided by the Gender Diversity Policy, the Group continues to support equal opportunity through fair employment practices, leadership visibility and succession considerations that encourage women to contribute across different levels of the organisation. These efforts are aligned with the Group's broader commitment to SDG 5: Gender Equality and SDG 8: Decent Work and Economic Growth.

In FY2026, women represented 46.86% of DXN's global workforce and 46.23% of management-level employees, indicating meaningful female participation across the organisation. This level of representation reflects the Group's continued effort to sustain a balanced workforce and provide opportunities for leadership contribution without gender discrimination.

Percentage of Women in the
Global Workforce

46.86%

Women's Representation
on the Board

42.86%

Women's Representation at the
Management Level

46.23%

At the Board level, women accounted for 42.86% of members during the reporting period, exceeding the 30% target recommended under the Malaysian Code on Corporate Governance 2021. This representation strengthens diversity at the highest level of oversight and supports more balanced perspectives in decision-making. Moving forward, DXN will continue to promote inclusive leadership and strengthen gender diversity across business functions, management pipelines and governance structures.

NEW HIRE AND TURNOVER

DXN Group's new hire and turnover data provide insight into workforce renewal, retention and the Group's ability to attract talent across markets. In FY2026, the new hire rate increased to 23.20%, compared with 21.22% in FY2025, indicating continued recruitment activity to support business needs and operational growth. Meanwhile, the turnover rate decreased from 13.71% in FY2025 to 12.86% in FY2026, indicating better employee retention and workforce stability. The Group continues to monitor employee movement to support workforce planning, improve retention and enhance the overall employee experience.

Our performance in FY2026:

New Employment	Total Pax	Percentage (%)
Total New Employees by Gender Category		
Male	517	61.11
Female	329	38.89
Total New Employees by Age Group		
Below 30	448	52.96
Between 30 - 39	257	30.38
Between 40 - 49	91	10.76
Above 50	50	5.91
Total New Employees by Employee Category		
Top Management	1	0.12
Management	81	9.57
Executive	352	41.61
Non-Executive	412	48.70
Total New Employees by Country		
Malaysia	460	54.37
India	133	15.72
Mexico	53	6.26
China	12	1.42
Indonesia	50	5.91
Others	138	16.31
New Hire Rate:		23.20%

SUSTAINABILITY STATEMENT

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Our performance in FY2026:

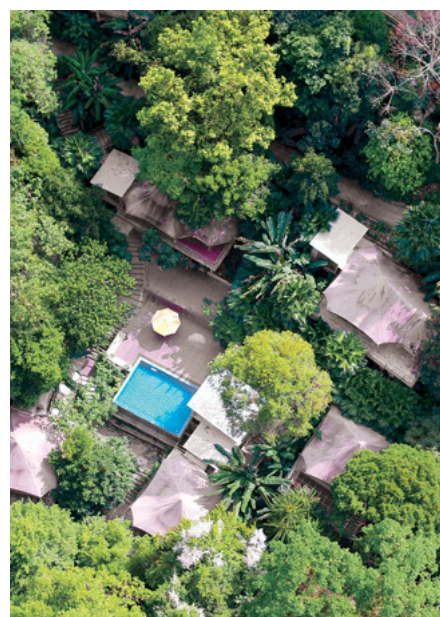
Turnover	Total Pax	Percentage (%)
Total Turnover by Gender Category		
Male	259	55.22
Female	210	44.78
Total Turnover by Age Group		
Below 30	203	43.28
Between 30 - 39	166	35.39
Between 40 - 49	69	14.72
Above 50	31	6.61
Total Turnover by Employee Category		
Top Management	0	0
Management	48	10.23
Executive	154	32.84
Non-Executive	267	56.93
Total Turnover by Country		
Malaysia	315	67.16
India	39	8.32
Mexico	34	7.25
China	17	3.62
Indonesia	2	0.43
Others	62	13.22
Turnover Rate:		12.86%

COMPENSATION AND EMPLOYEE BENEFITS

DXN Group recognises that fair compensation and meaningful employee benefits are important to workforce well-being, motivation and retention. The Group seeks to provide remuneration that complies with minimum wage requirements in the countries where it operates, while supporting employee welfare through benefits that contribute to health, security and work-life balance. This approach reinforces DXN's commitment to responsible employment and helps create a more supportive workplace experience.

DXN Group received the following benefits:

Leaves	Annual Leave, Marriage Leave, Parental Leave, Compassionate Leave, Sick Leave
Allowance	Travelling Allowance, Clothing Allowance, Phone Allowance, Hardship Allowance
Medical	Medical Attention
Insurance	Group Personal Accident Insurance, Group Hospitalisation & Surgical Insurance
Others	Long Service Award



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PARENTAL LEAVE

At DXN, we support our employees in balancing their work and family life. We offer parental leave to ensure that new parents have the time they need to care for their growing families.

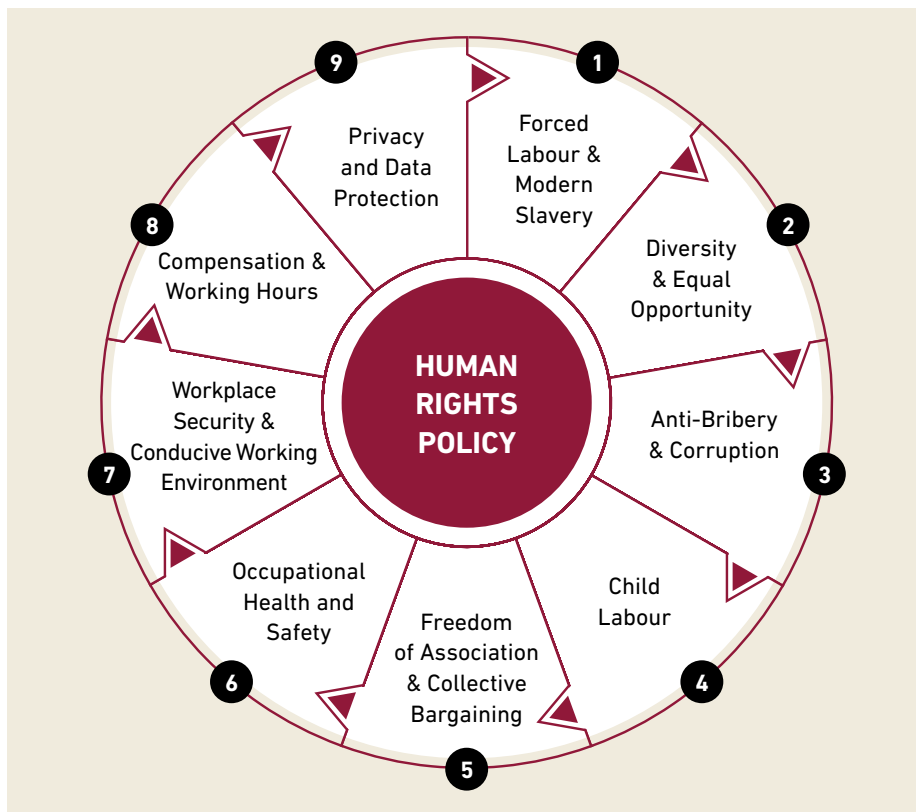
Parental Leave	Paternity	Maternity
Number of employees that took Parental Leave	82	98
Number of employees that returned after Parental Leave	82	98
Number of days taken	553	7885

Note: The data is only covered in Malaysian subsidiary companies and reported as recommended by GRI standards.

HUMAN RIGHTS AND LABOUR STANDARDS

DXN Group's Human Rights Policy continues to guide the way the Group manages labour standards, workplace dignity and respect for people across its operations and value chain. The policy reflects principles aligned with recognised international references, including the International Labour Organization's standards and the United Nations Universal Declaration of Human Rights. Rather than being a one-off policy milestone, it serves as an ongoing governance reference for employees, partners and suppliers, supporting fair treatment, non-discrimination and responsible business conduct.

The Human Rights Policy is supported by key principles that guide DXN's commitment to protecting and promoting human rights across its business operations. These principles provide a practical reference point for fair treatment, safe working conditions, non-discrimination, grievance access and responsible conduct across the Group.



In FY2026, DXN recorded zero substantiated complaints concerning human rights violations within its direct operations. This outcome reflects the Group's continued focus on prevention, awareness, monitoring and grievance access. DXN remains attentive to potential human-rights risks as its operations evolve and will continue strengthening due diligence, employee engagement and supplier-related controls to support a respectful and responsible working environment.

Number of substantiated complaints concerning human rights violations:

Case

FY2023

0

FY2024

0

FY2025

0

FY2026

0

No cases recorded for all years.

The Whistleblowing Policy and online Whistleblowing Channel provide employees and relevant stakeholders with a confidential avenue to raise concerns, including matters related to human rights. Reports are managed in line with established procedures to support fair review, appropriate escalation and accountability. This mechanism strengthens DXN's broader governance framework by ensuring that concerns can be raised safely and addressed responsibly.

Refer to <https://www.dxn2u.com/whistleblowing/> for more information.

Human Rights Due Diligence (“HRDD”)

DXN Group strengthened its Human Rights Due Diligence (“HRDD”) practices by implementing a worker-centred assessment across its global operations. This initiative was designed to establish a structured baseline for identifying, prioritising, and managing human rights risks, while integrating direct worker feedback into decision-making processes. The programme enhances transparency, strengthens governance, and supports continuous improvement across the Group’s international footprint.

Using MillionMakers™ and its Direct Worker Voice™ methodology, DXN Group established a group-wide baseline for worker-centred Human Rights Due Diligence across 10 countries, creating a structured foundation for risk identification, prioritised follow-up, and future progress measurement.

DXN commissioned HRDD reporting across Malaysia (“MY”), India (“IN”), China (“CH”), Indonesia (“ID”), the Philippines (“PH”), Hungary (“HU”), the United Arab Emirates (“UAE”), Mexico (“MX”), Peru (“PE”) and Morocco (“MR”) to better understand workers’ experience through their own direct input. Rather than treating each market individually, the programme aggregated findings across the international group, enabling management to compare results across geographies using a common reporting framework and to establish a first consolidated baseline. The initiative gathered direct feedback from 1,815 workers, enabling the Group to obtain comparable insights into workplace conditions, labour practices, and employee well-being. This consolidated dataset allowed DXN to assess human rights risks consistently across different geographies and operational environments.

Rather than evaluating each country independently, DXN aggregated the results using a unified methodology to generate a group-wide baseline. This approach improved visibility at both local and Group levels, enabling management to identify trends, compare performance across sites, and prioritise corrective actions where necessary. The baseline also serves as a reference point for tracking improvements in future assessments.

HRDD Methodology

The HRDD assessment followed a structured three-stage approach designed to ensure meaningful worker participation and actionable outcomes:

Engage

Gather direct worker input at a meaningful scale

Clarify

Consolidate, classify and interpret the dataset

Report

Translate findings into structured management outputs

Workers were invited to contribute direct input, the resulting dataset was consolidated and interpreted, and findings were translated into decision-ready outputs for group management. The final report covered 1,815 respondents and supported analysis at the site, country, and group levels, creating visibility both for local action and group-wide oversight.

Ethical Data Practice

A distinctive feature of the programme was its treatment of workers as both rights-holders and data contributors. Each respondent received a licence fee for the dataset they supplied, with RM 61,650 paid directly to workers.

The data is licensed for use in risk reporting, remedy and claims-making, reinforcing a non-exploitative approach to worker engagement and aligning the process with a rights-based model of due diligence.

2

data collection phases

10

countries in a global network

1,815

respondents

RM61,650

data licence fees paid to workers

RM512,235

Invested in HRDD for 10 countries

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What makes the programme distinctive



DIRECT WORKER VOICE

Findings are grounded in worker-reported data rather than relying on audits or management reporting.



COMPARABLE GLOBAL BASELINE

Country-level inputs are aggregated into a single architecture, making cross-country patterns visible.



STRUCTURED RISK TAXONOMY

The Group report distinguishes between site, country-level and group-specific risks, supporting more proportionate action.



COMPARABLE GLOBAL BASELINE

Scores of 95% and above are treated as within tolerance; scores below 95% are flagged for review, investigation and possible action.

What the data revealed

The 10-country baseline gave DXN Group its first consolidated view of worker-reported human rights conditions across multiple operating environments. Most sites returned scores within the tolerance threshold, while below-threshold findings highlighted areas requiring further review and targeted follow-up.

Under the methodology, scores below 95% are not treated as automatic conclusions; they are treated as signals for management consideration, investigation and, where appropriate, corrective action. The analysis is designed to answer four practical management questions:

WHAT IS THE
POTENTIAL RISK?

WHERE SHOULD OR
COULD INTERVENTION
TAKE PLACE?

WHICH GROUPS
ARE AFFECTED?

WHAT ACTIONS
COULD BE
CONSIDERED?

Value for DXN Group

The programme established a comparable baseline for human rights due diligence across a geographically diverse group footprint and brought direct worker voice into group-level decision-making, complementing conventional compliance and audit processes. It also created a practical structure for prioritising action at site, country and group level rather than relying on one-size-fits-all responses. Just as importantly, it provides a repeatable methodology that can support future annual reporting, remediation tracking and disclosure of progress.

Leadership implication

With this programme, DXN Group is not simply responding to evolving ESG and human rights expectations. It is helping define what leading practice can look like in worker-centred human rights due diligence: measurable, cross-country, worker-informed and action-oriented.

DXN at the UN Responsible Business and Human Rights (“UNRBHR”) Forum, Asia-Pacific 2025

Our work was recognised at the United Nations in September 2025 when DXN's COO, Mahmood Hisham, presented at the 7th UN Responsible Business and Human Rights Forum, Asia-Pacific in Bangkok. This annual event is the largest regional gathering of its kind, drawing over 2,300 participants from 93 countries.

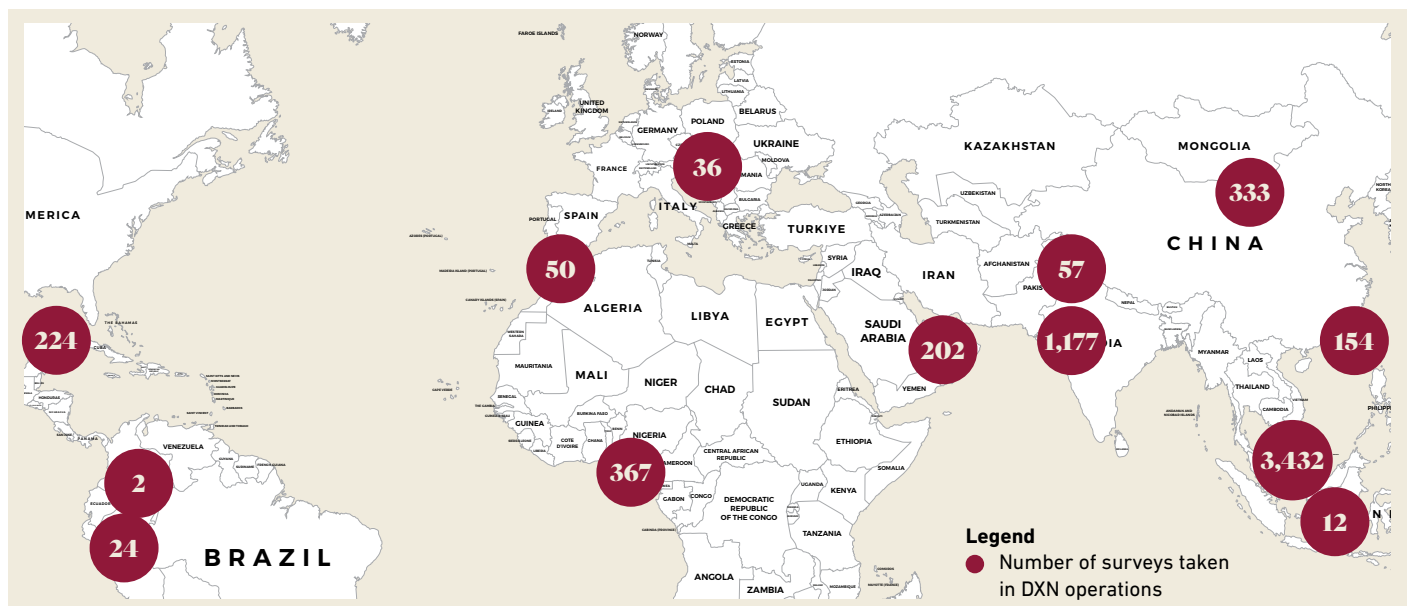
DXN presented on an expert panel titled “ASEAN’s Leap to HRDD by Direct Worker Voice,” a session on how ASEAN-based multinationals embed worker feedback directly into HRDD processes. Mahmood’s address drew on the Phase 1 findings of DXN’s programme, the 7-factory, 3-country rollout across Malaysia, China, and India. He presented a practical example of rights-based, worker-informed due diligence. The session positioned DXN alongside regional policymakers, civil society representatives, and fellow business leaders in shaping ASEAN-led compliance under tightening global trade expectations.

DXN’s position on this international forum signalled a clear institutional direction from reactive compliance toward proactive, evidence-based governance grounded in the dignity of every worker.



Looking ahead

DXN Group can build on this baseline by repeating the Direct Worker Voice assessment on a regular basis, using the same methodology to measure whether conditions improve after remedy or targeted management action. This creates a clear pathway from data to improvement, while strengthening human rights governance as an ongoing management capability rather than a one-off exercise. By listening directly to workers, compensating them fairly for the data they contribute, and using those findings to making informed decisions, DXN Group is helping set a stronger benchmark for how responsible global businesses listen, learn and act.



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Through the HRDD assessment, the Group identified several salient human rights risk themes across its operations, including freedom of movement, worker voice and grievance mechanisms, working conditions, supervisory conduct, worker welfare, employment security, and fair treatment. These findings are treated as indicators for further review and targeted improvement initiatives at the site and Group levels. The assessment also highlighted country-specific considerations related to legal compliance and safety practices, which are being addressed through corrective action plans.

Moving forward, DXN Group will build on the established HRDD baseline

by further embedding human rights considerations into its day-to-day operations across the Group. The Company will focus on strengthening oversight and accountability, while implementing targeted improvement actions to address key areas identified in the assessment, including worker voice, working conditions, supervisory conduct, and worker welfare. Efforts will also be made to enhance existing grievance mechanisms to ensure employees have access to trusted and confidential channels for raising concerns. In addition, DXN plans to roll out awareness and training initiatives to reinforce respectful workplace practices and improve understanding of human

rights expectations among employees and supervisors. The Group will continue to monitor progress and periodically repeat the Direct Worker Voice assessment to measure improvements, evaluate the effectiveness of corrective actions, and identify any emerging risks. Insights from the assessment will also be incorporated into relevant policies and operational procedures, with site-level initiatives implemented where necessary. Through these efforts, DXN aims to continuously strengthen its human rights governance and support a fair, safe, and inclusive working environment across its global operations.



Training and Development

GRI 3-3, GRI 404-1, GRI 404-2

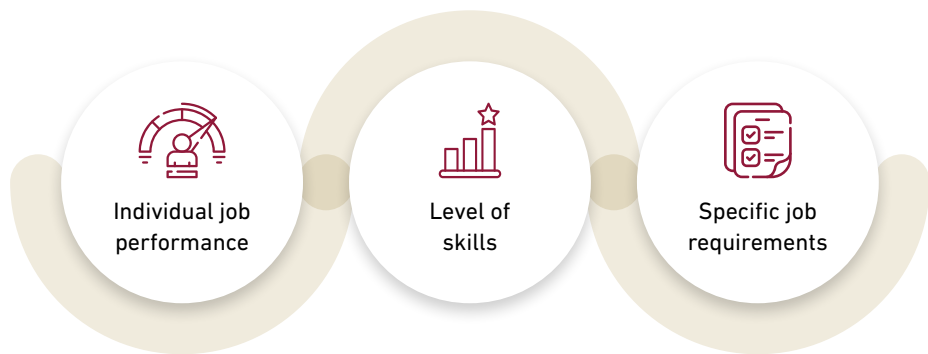


Training and development are material to DXN Group because capable employees are essential to sustaining product quality, safety, compliance, service delivery and future growth. With responsibilities spanning manufacturing, logistics, administration, technical functions and management across multiple locations, structured learning helps the Group build the competencies needed for reliable operations and long-term talent readiness.

The Group continues to monitor training investment, total training hours and average training hours per employee to assess the reach and relevance of learning activities. These indicators support better planning of capability-building initiatives and help management align development programmes with operational needs, compliance requirements, leadership readiness and employee growth.

Programmes and Initiatives

DXN continues to implement training procedures across its business units to ensure that learning needs are identified in a structured and practical manner. Training requirements are reviewed with reference to job responsibilities, performance expectations, operational changes, compliance needs and employee development priorities. This approach helps ensure that training remains relevant to both individual capability and the Group's wider business requirements.



DXN's training and development initiatives reflect the Group's belief that sustainable business performance depends on capable people, consistent knowledge-sharing and continuous learning across functions. These programmes help connect day-to-day training activity with broader priorities such as quality, safety, compliance, leadership readiness and talent retention. As a result, the initiatives below position employee development as both a workforce investment and an enabling factor for stronger long-term business resilience.

01 Structured Learning and Capability Building

DXN reported investment in employee training and training hours across staff categories, reflecting role-based capability building. This demonstrates that learning is being treated as a structured workforce priority rather than as an incidental activity, with development support extended across different employee groups. For stakeholders, it indicates that DXN is investing in the knowledge and competence needed to sustain operational quality and future readiness.

02 Functional, Compliance and Technical Training

Training records and narratives cover management, operational, laboratory, safety and compliance-oriented learning activities. This breadth is important because DXN's business model requires capability across technical, administrative and governance areas, not only general employee development. By aligning learning content with real operating needs, the Group strengthens both execution quality and the relevance of training outcomes.

03 Internship and Early Talent Exposure

DXN's CSR page indicates that students from universities, colleges and technical schools are recruited for industrial and practical training experience. These placements create value beyond the organisation by supporting employability, industry exposure and early talent development for younger stakeholders entering the workforce. For DXN, they also help strengthen its employer brand and contribute to a longer-term talent pipeline aligned with business needs.

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KEY METRICS AND PERFORMANCE DATA

Metric	FY2024	FY2025	FY2026
Investment in employee training and development (RM)	N/A	791,350.00	1,296,915.45
Average training hours per employee (hours)	27.07	11.56	10.19
Total training hours (hours)	91,350	40,355	38,780
Total training hours by employee category (hours)			
Top management	91,350	201	908
Management		7,056	7,457
Executive		13,719	19,438
Non-executive		19,379	10,977

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Training procedures across business units	Support structured training-needs identification.
Performance-based and job-based training needs assessment	Supports capability-building aligned to role requirements.
HR development practices	Support learning administration and employee capability tracking.



Occupational Health and Safety

GRI 3-3, GRI 403-1, GRI 403-2, GRI 403-4, GRI 403-5, GRI 403-8, GRI 403-9, GRI 403-10



Occupational health and safety remain among DXN's most immediate operational responsibilities because the Group's activities include manufacturing, warehousing, logistics and cultivation-related operations where ineffective controls can affect both people and business continuity. This is therefore a material matter that deserves a clear management narrative rather than a metric-only presentation.

The Group strengthened the safety narrative in FY2025 through the adoption of a Group-level OSH Policy and continued reference to SHEMS-oriented practices, training, emergency preparedness and review of SOPs. Zero fatalities were maintained, but injuries remained reportable and the statement should continue to focus on prevention, incident learning, higher-risk activities and leading indicators that show how management is working to reduce harm over time.

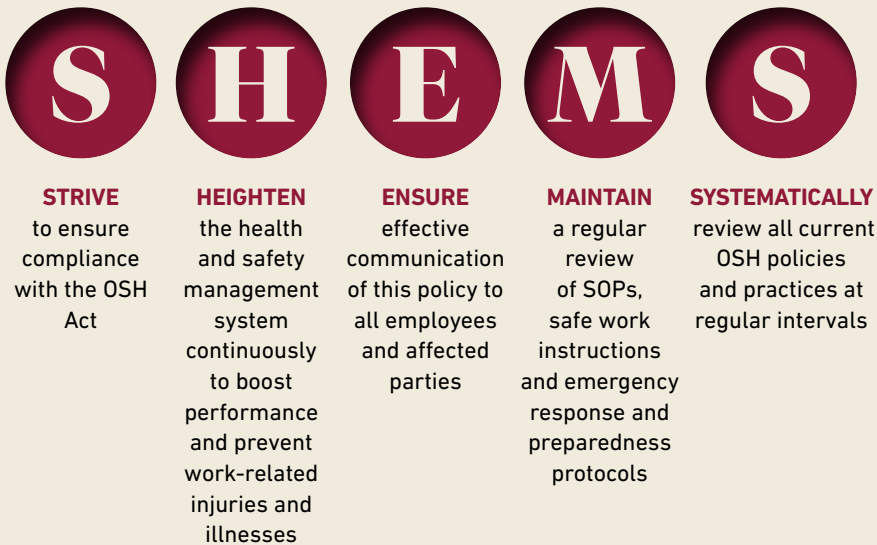


Programmes and Initiatives

DXN's occupational safety and health agenda is brought to life most clearly through practical programmes at site level that focus on prevention, awareness and operational readiness. These initiatives are important because they show how the Group's safety commitments are being embedded into daily work environments across manufacturing, warehouse and cultivation-related settings. They also add value for stakeholders by demonstrating that employee well-being and business continuity are being supported through visible action, not only through policy statements.

Health and safety remain a key priority for DXN Group and form an important part of our sustainability commitment. During the year, the Group adopted a new Occupational Safety and Health ("OSH") Policy at the Group level, further strengthening our efforts to provide a safe, healthy and responsible working environment.

The policy extends beyond our employees to include external stakeholders such as contractors, suppliers, vendors and distributors across our operations. Through this Group-wide approach, DXN reinforces its commitment to promoting a strong safety culture, protecting the well-being of people involved in our business and supporting long-term operational resilience.



The OSH Policy guides DXN's preventive and proactive approach to identifying hazards, managing risks and strengthening safety awareness across operations. Through training, resources, site controls and emergency preparedness, the Group encourages employees to take shared responsibility for their own safety and the safety of colleagues. Maintaining zero fatalities remains a key priority, while injury prevention and continuous improvement continue to shape DXN's safety agenda as part of responsible and resilient operations.

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01 OSH Training and Programme

We have conducted emergency response training and fire drill exercises on an annual basis. Such exercises are important for testing preparedness, clarifying roles and building confidence in the Group's ability to respond effectively during incidents. They also reinforce a safety culture in which readiness and prevention are treated as essential components of responsible operations.

02 Ergonomic and Manual Handling Programme

Training was conducted at the farm and factory in Kedah to improve ergonomic awareness and reduce musculoskeletal risks. This initiative is especially relevant for operational environments where repetitive work, lifting and manual handling can affect employee health over time if not managed proactively. By focusing on ergonomics, DXN strengthens the practical side of worker care and supports a safer, more sustainable workplace experience.

03 Safe Chemical Handling and National Safety Week

DXN's OSH training and programme activities cover practical safety topics such as emergency response, fire drill preparedness, ergonomic awareness, manual handling, safe chemical handling and National Safety Week engagement. These modules reinforce daily safety discipline and help employees understand the controls required for different work environments. By presenting OSH activities as structured training modules, DXN strengthens the link between safety awareness, prevention and operational resilience.

KEY METRICS AND PERFORMANCE DATA

Metric	FY2024	FY2025	FY2026
Total hours worked	N/A	7,878,906	8,163,407
Work-related fatalities (number)	0	0	0
Work-related injuries (number)	35	33	31
Work-related illnesses (number)	0	0	3
Lost Time Injury Rate ("LTIR")	N/A	0.84	0.76
Employees trained on health and safety standards (number)	2,242	1,743	2,571

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
OSH Policy	Core policy setting Group-level safety commitment.
SHEMS	Supports continuous health and safety management improvement.
SOPs, safe work instructions and emergency response protocols	Support operational control and preparedness.
First aid, fire drill, PPE, chemical handling and OSHA training	Support worker capability and prevention.
GRI 403	Relevant framework for occupational health and safety disclosure.



Employee Engagement

GRI 3-3, GRI 413-1



DXN believes that a connected, supported and inclusive workplace is fundamental to employee well-being, collaboration and long-term organisational resilience. During the year, the Group carried out a range of employee engagement initiatives aimed at strengthening workplace relationships, encouraging participation, supporting well-being and fostering a positive sense of belonging across its operations.

DXN's Annual Dinner 2025 & Team Building

DXN recognises that employee engagement is fundamental to building a sustainable and thriving organisation. In August 2025, we hosted our Annual Dinner, a significant occasion that brought our workforce together to celebrate achievements, strengthen interpersonal relationships, and reinforce our shared commitment to organisational values. This event exemplifies our dedication to creating an inclusive workplace culture where employees feel valued and connected to the broader DXN community.



The Annual Dinner serves as a platform for meaningful interaction across all organisational levels, fostering camaraderie and promoting a sense of belonging among our employees. By investing in such engagement initiatives, DXN demonstrates its commitment to employee well-being, recognising that a motivated and cohesive workforce is essential to our long-term success and contribution to sustainable business practices.

Chinese New Year Festive Lunch at DXN Stargate

DXN brought employees together at DXN Stargate for a festive Chinese New Year lunch in appreciation of the workforce and in celebration of the festive season. The gathering provided a valuable opportunity for employees to interact in a relaxed setting, strengthen workplace relationships and foster a stronger sense of camaraderie across teams.

Such festive celebrations continue to play an important role in cultivating an inclusive and harmonious workplace culture, while reinforcing employee connection, morale and engagement.

Employee Assistance Programme ("EAP") Launch

Reinforcing its commitment to employee well-being and holistic workforce support, DXN introduced the Employee Assistance Programme ("EAP") across Malaysia operations during the reporting period. The launch of the EAP marked a significant step in strengthening employee support initiatives and expanding access to confidential professional well-being resources within the workplace.

The EAP was established to provide employees with access to confidential support and professional assistance in

managing personal and work-related challenges that may affect their emotional well-being, mental health, and overall quality of life, including stress, burnout, family-related matters, emotional concerns, and financial-related stress.

Support services were made available through face-to-face and virtual consultation arrangements during working hours, with services offered in both English and Bahasa Malaysia. The programme includes confidential counselling and emotional support services, referral support to external professional services where appropriate, and work-life support initiatives.

Prior to the official launch of the EAP in December 2025, DXN undertook initial awareness efforts through internal pre-launch communications to introduce the initiative to employees. Following the launch, DXN continued its employee well-being communication efforts through mental health-related communication materials, internal awareness communications, introductory EAP awareness sharing as part of onboarding sessions, as well as employee engagement and HR-related initiatives.

As the programme was in its initial implementation phase during the reporting period, utilisation and formal outcome measurement data were not available during the reporting period. DXN may continue to evaluate broader accessibility and future development opportunities for the programme as implementation progresses.

Scan QR Below



Contact Us:
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Well-being Unit
DXN Group Human Resources

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DXN Cancer Awareness Programme

DXN organised the DXN Cancer Awareness Programme across its Farm & Factory in Malau, DXN Stargate and DXN Cyberville to strengthen awareness on the importance of early detection, preventive care and mutual support. Conducted in collaboration with Cancer Survivor Malaysia, the programme featured informative sharing sessions and engagement activities aimed at encouraging health consciousness and cultivating a caring workplace environment.



Through this initiative, employees were given the opportunity to deepen their understanding of cancer awareness while reinforcing a culture of empathy, positivity and collective well-being across the organisation.

DXN Blood Donation Programme

DXN organised blood donation programmes at DXN Cyberville and DXN Stargate with encouraging participation from employees and members. Undertaken in collaboration with the Ministry of Health, the National Blood Centre and Hospital Sultanah Bahiyah, the initiative reflected the Group's commitment to promoting meaningful employee participation in activities that create positive social impact.

The programmes collected a total of 87 packs of blood, comprising 32 packs at Cyberville and 55 packs at Stargate. This collective contribution demonstrated the strong spirit of volunteerism among employees while supporting the broader healthcare ecosystem.

DXN Motivational Series

DXN introduced the DXN Motivational Series as a year-long well-being initiative comprising four sessions in 2026. The series was designed to strengthen employees' resilience, motivation and workplace effectiveness through continuous learning and practical personal development insights.

The first session, held on 13 March 2026 via an online platform, was titled "Human Energy Management: Building Sustainable Motivation & Spiritual Resilience". Through this initiative, DXN seeks to inspire employees to remain engaged, adaptable and motivated in both their personal and professional lives.

Stretch at Your Desk Session

DXN introduced the "Stretch at Your Desk" online micro sessions on a monthly basis beginning in March 2026 as part of its ongoing efforts to promote healthier work habits and employee well-being. These 15-minute sessions were designed to encourage simple and sustainable movement practices during working hours.

The initiative supports posture awareness, helps reduce physical strain and contributes to a work environment that prioritises employee health, comfort and productivity.

Through these initiatives, DXN continues to strengthen employee engagement by creating opportunities for connection, support and shared participation across the organisation. By investing in programmes that promote well-being, inclusivity and workplace camaraderie, the Group remains committed to building a resilient workforce and a positive employee experience.

Community Engagement

GRI 3-3, GRI 413-1



Community engagement remains material to DXN Group because the Group's social licence to operate is strengthened by the trust, well-being and resilience of the communities connected to its operations. Beyond financial contribution, DXN approaches community engagement as a way to translate its health and wellness identity into practical support for public safety, healthcare awareness, education, human development and community cohesion.

In FY2026, DXN continued to channel donations and sponsorships towards initiatives that deliver clear community value, particularly programmes that build people, protect communities, encourage preventive health awareness and support learning opportunities. The initiatives highlighted below are organised by disbursement date and aligned with the official title and purpose of each event, demonstrating how the Group's community investments contribute to inclusive and meaningful social outcomes.

Programmes and Initiatives

Within the Social Pillar, DXN's community initiatives reflect a deliberate balance between strategic social investment and human-centred support. Each contribution was directed towards organisations and programmes with a clear community benefit, enabling the Group to support immediate needs while reinforcing longer-term value creation for stakeholders. This approach strengthens DXN's position as a responsible health and wellness brand that contributes not only through products and business opportunities, but also through care, partnership and shared progress.

FY2026 Community Engagement Highlights

The following programmes represent key donations and sponsorships undertaken during the reporting period. They are presented chronologically to provide a clearer view of how DXN supported different community priorities across FY2026.

01 World Police and Fire Games 2025

DXN Marketing Sdn. Bhd. sponsored Tabung Majlis Sukan PDRM with a contribution of RM37,000 in support of the World Police and Fire Games 2025, an international multi-sport platform that brings together police, fire and public safety personnel from around the world. The sponsorship reflects DXN's appreciation for the discipline, courage and service of those who safeguard communities. Beyond supporting Malaysia's participation on an international stage, the initiative promotes camaraderie, resilience, national pride and respect for public safety personnel, values that are closely aligned with DXN's commitment to community well-being and shared purpose.



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02 Programme Pembangunan Insan Negeri Kedah

DXN Industries (M) Sdn. Bhd. contributed RM2.0 million to the Programme Pembangunan Insan Negeri Kedah through Bendahari Negeri Kedah Darul Aman. As the largest recorded community contribution under the Group's FY2026 donation and sponsorship activities, this sponsorship reflects DXN's commitment to investing in people and strengthening community foundations in the state of Kedah, where the Group has a significant operational presence. By supporting a programme focused on human capital development and community empowerment, DXN reinforces its belief that business growth should be accompanied by meaningful social progress, local opportunity and long-term value creation for society.



03 Operational Support - Volunteer Fire Brigade

DXN Industries (M) Sdn. Bhd. provided sustained operational support to Pertubuhan Pasukan Bomba Sukarela Jalan Kundor through two equal cash contributions of RM30,000 each, amounting to RM60,000 for FY2026. Volunteer fire brigades play a vital role in emergency response and community protection, often serving as the first line of assistance in local incidents. DXN's half-yearly support demonstrates a practical and consistent approach to community resilience by helping the brigade remain prepared, responsive and adequately supported in carrying out its public safety responsibilities. This initiative also reflects the Group's preference for long-term community partnerships that strengthen preparedness rather than one-off assistance alone.

04 Cancer Awareness Programme 2025

DXN Holdings Bhd. contributed RM10,000 to Cancer Survivors Malaysia in support of the Cancer Awareness Programme 2025. The programme advances public understanding of cancer prevention, early detection and survivor support, while providing encouragement to individuals and families affected by the disease. As a health and wellness company, DXN recognises that community health is strengthened not only through products, but also through education, empathy and access to credible support networks. Through this contribution, the Group stood alongside a community-based organisation that helps transform awareness into care, confidence and hope for those navigating the cancer journey.



05 World Diabetes Blue Fun Run 2025

DXN Holdings Bhd. provided in-kind sponsorship valued at RM46,250 to Diabetes Malaysia Cawangan Pulau Pinang for the World Diabetes Blue Fun Run 2025, held in conjunction with World Diabetes Day. The event encouraged active living while raising awareness on diabetes prevention, management and healthier lifestyle choices. DXN's support reflects a natural extension of the Group's health and wellness identity, reinforcing the importance of preventive health education and community participation. By supporting an accessible public event that brings people together around a shared health message, DXN contributed to stronger health literacy and a more proactive culture of well-being.



01 Gala Dinner Fund Raising Event

Through Bio Synergy Laboratories Sdn. Bhd., DXN sponsored RM40,000 for the Gala Dinner Fund Raising Event organised by SJKC Keat Hwa (H). The sponsorship supported a community-led fundraising effort aimed at strengthening the school's learning environment and educational development. DXN recognises education as a foundation for social mobility, confidence and future opportunity, particularly where schools rely on the collective support of parents, alumni, local communities and corporate partners. Through this contribution, the Group helped reinforce the value of shared responsibility in nurturing future generations and supporting institutions that remain deeply rooted in their communities.



KEY METRICS AND PERFORMANCE DATA

Metric	FY2024	FY2025	FY2026
Total community investment/disclosed support (RM)	11,907,750.36	1,895,890.39	2,576,841.65
Community beneficiaries (number)	35	37	30

GOVERNANCE FRAMEWORKS, POLICIES & PRACTICES

Governance Frameworks, Policies & Practices	Description
Donation and Sponsorship Policy	Supports governance over community contributions and sponsorships.
Sustainability Policy	Provides an overarching basis for community-related commitments.
GRI 413 Local Communities	Relevant framework for community engagement disclosure.
CSR and community-support practices	Support education, health, welfare and emergency response programmes.

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OUR ESG PERFORMANCE DATA TABLE

Indicator	UoM	2024	2025	2026
ECONOMIC & GOVERNANCE				
Economic Value Generated				
Net operating income	RM'000	689,471	753,739	704,645
Other income	RM'000	30,334	27,813	32,055
Economic Value Distributed				
To employees in salary and other personnel costs	RM'000	171,833	198,351	215,189
To governments (in taxation)	RM'000	155,041	188,488	167,697
To capital providers (dividends, non-controlling interest, and finance cost)	RM'000	205,645	200,226	180,925
Retained for future investment and growth	RM'000	187,286	194,487	172,889
Sustainable Supply Chain				
Percentage of purchase value spent on local suppliers	%	29	93	81.77
Number of new suppliers assessed for environmental impacts	Number	N/A	361	386
Percentage of new suppliers that were screened using environmental criteria	%	N/A	100	100
Number of new suppliers assessed for social impacts	Number	N/A	361	386
Percentage of new suppliers that were screened using environmental criteria	%	N/A	100	100
Anti-Corruption				
Total percentage of operations assessed for risks related to corruption	%	-	100	100
Total number of employees who have received training on the ABC Policy	Pax	2,860	3,175	3,429
Total percentage of employees who have received training on Anti-Corruption by employee category				
Management	%	N/A	87.00	90.79
Executive	%	N/A	90.00	89.21
Non-executive	%	N/A	91.00	90.57
Total percentage of employees who have received training on Anti-Corruption by gender				
Male	%	N/A	51%	48%
Female	%	N/A	49%	52%
Total number of confirmed and reported incidents of corruption and bribery	Case	0	1	1
Confirmed corruption incidents still under investigation	Case	0	0	1
Product Quality, Safety and Labelling				
Total number of incidents of non-compliance concerning product and service information and labelling	Case	0	0	0

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Indicator	UoM	2024	2025	2026
Information Security				
Total number of incidents of non-compliance concerning product and service information and labelling	Case	0	0	0
Total number of identified leaks, thefts, or losses of customer data	Case	0	0	0
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Case	0	0	0
ENVIRONMENTAL				
Climate Change				
Total Scope 1 - Direct GHG emissions	tCO ₂ e	2,906.32	3,678.18	5,245.88
Mobile Combustion	tCO ₂ e	800.73	1,813.98	3,878.54
Fugitive Combustion	tCO ₂ e	939.24	712.11	243.94
Stationary Combustion	tCO ₂ e	1,166.34	1,152.09	1,123.40
Total Scope 2 - Indirect GHG emissions	tCO ₂ e	8,881	13,195.25	11,558.47
Electricity	tCO ₂ e	8,881	13,195.25	11,558.47
Total Scope 3 - Other Indirect GHG emissions	tCO ₂ e	6,731	5,522.60	50,782.62
Category 1 – Purchased Goods and Services	tCO ₂ e	N/A	N/A	24,890.39
Category 2 – Capital Goods	tCO ₂ e	N/A	N/A	19,224.70
Category 3 -Fuel- and Energy-Related Activities Not included in Scope 1 or Scope 2	tCO ₂ e	N/A	N/A	1,495.09
Category 5 - Waste Generated in Operations	tCO ₂ e	N/A	1,157.97	823.59
Category 6 - Business Travel	tCO ₂ e	3,649	324.66	292.19
Category 7 - Employee Commuting	tCO ₂ e	3,082	4,039.97	4,056.65
Total Scope 1 + 2 GHG Emissions	tCO ₂ e	11,787.31	16,873.43	16,804.35
Total Scope 1 + 2 + 3 GHG Emissions	tCO ₂ e	18,518.31	22,396.03	67,586.97
GHG Emission Intensity	tCO ₂ eq/ RM million revenue	10.27	11.74	35.60
Energy Management				
Total energy consumption within the organisation	GJ	91,051	171,446	129,994.19
Electricity	GJ	60,037	65,088	58,255.42
Diesel	GJ	11,449	30,432	11,420.85
Propane	GJ	1	0	0.73
Bituminous Coal	GJ	3,212	2,644	2,907.66
Natural Gas	GJ	8,728	9,313	9,166.74
Liquefied Petroleum Gas	GJ	95	21,044	66.03
Gasoline	GJ	2,718	25,189	11,530.26
Kerosene	GJ	0	13,530	36,646.50
Total Solar Energy Generated	GJ	5,577	5,080	6,399.69
Water Stewardship				
Total volume of water withdrawal	m ³	305,297.00	332,225.35	421,045.03

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Indicator	UoM	2024	2025	2026
Third-party	m ³	N/A	N/A	362,228.76
Ground water	m ³	N/A	N/A	58,816.27
Total water discharge by destination	m ³	18,516.30	18,410.17	10,898.70
Third-party	m ³	N/A	N/A	4,816.70
Surface water	m ³	N/A	N/A	6,082.00
Total volume of water consumption	m ³	286,780.70	313,815.18	410,146.33
Waste Management				
Total waste generated	MT	2,292.09	1,910.51	1,581.72
Hazardous Waste	MT	433.92	63.3	132.80
Non-hazardous Waste	MT	1,858.17	1,847.21	1,448.92
Total waste diverted from disposal	MT	-	163.98	222.62
Total waste directed to disposal	MT	2,292	1,746.53	1,355.99
SOCIAL				
Workforce Diversity and Labour Rights				
Total employees' headcount	Pax	3,374	3,489	3,805
Total employees by gender				
Male	Pax	1,729	1,803	2,022
Female	Pax	1,645	1,686	1,783
Percentage of employees by gender				
Male	%	51.24	51.68	53.14
Female	%	48.76	48.32	46.86
Total employees by gender and employee category				
<i>Top Management</i>				
Male	Pax	N/A	7	7
Female	Pax	N/A	5	6
<i>Management Level</i>				
Male	Pax	214	228	250
Female	Pax	185	180	215
<i>Executive Level</i>				
Male	Pax	454	552	655
Female	Pax	537	598	679
<i>Non-Executive Level</i>				
Male	Pax	1061	1017	1110
Female	Pax	923	902	883
Percentage of employees by gender and employee category				
<i>Top Management</i>				
Male	%	N/A	58.00	53.85
Female	%	N/A	42.00	46.15
<i>Management Level</i>				
Male	%	53.63	56.00	53.76

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Indicator	UoM	2024	2025	2026
<i>Female</i>	%	43.37	44.00	46.24
<i>Executive Level</i>				
<i>Male</i>	%	45.81	48.00	49.10
<i>Female</i>	%	54.19	52.00	50.90
<i>Non-Executive Level</i>				
<i>Male</i>	%	53.48	53.00	55.69
<i>Female</i>	%	46.52	47.00	44.31
Total employees by age group				
<i>< 30 years old</i>	Pax	1,298	1,275	1,303
<i>30 - 39 years old</i>	Pax	1,177	1,256	1,450
<i>40 - 49 years old</i>	Pax	620	646	695
<i>> 50 years old</i>	Pax	279	312	357
Percentage of employees by age group				
<i>< 30 years old</i>	%	38.47	36.54	34.24
<i>30 - 39 years old</i>	%	34.88	36.00	38.11
<i>40 - 49 years old</i>	%	18.38	18.52	18.27
<i>> 50 years old</i>	%	8.27	8.94	9.38
Total employees by employee category				
<i>Top Management</i>	Pax	399	12	13
<i>Management Level</i>	Pax		408	465
<i>Executive Level</i>	Pax	991	1,150	1,334
<i>Non-Executive Level</i>	Pax	1,984	1,919	1,993
Percentage of employees by employee category				
<i>Top Management</i>	%	11.83	0.34	0.34
<i>Management Level</i>	%		11.69	12.22
<i>Executive Level</i>	%	29.37	32.96	35.06
<i>Non-Executive Level</i>	%	58.80	55.00	52.38
Total employees by employee category and age group				
<i>Top Management</i>				
<i>< 30 years old</i>	Pax	N/A	0	0
<i>30 - 39 years old</i>	Pax	N/A	2	3
<i>40 - 49 years old</i>	Pax	N/A	7	5
<i>> 50 years old</i>	Pax	N/A	6	5
<i>Management Level</i>				
<i>< 30 years old</i>	Pax	17	20	19
<i>30 - 39 years old</i>	Pax	138	156	176
<i>40 - 49 years old</i>	Pax	165	159	186
<i>> 50 years old</i>	Pax	79	73	84
<i>Executive Level</i>				
<i>< 30 years old</i>	Pax	316	357	434

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Indicator	UoM	2024	2025	2026
30 - 39 years old	Pax	436	482	581
40 - 49 years old	Pax	185	219	213
> 50 years old	Pax	54	92	106
<i>Non-Executive Level</i>				
< 30 years old	Pax	965	887	850
30 - 39 years old	Pax	603	609	690
40 - 49 years old	Pax	270	269	291
> 50 years old	Pax	146	154	162
Percentage of employees by employee category and age group				
<i>Top Management</i>				
< 30 years old	%	N/A	0.00	0.00
30 - 39 years old	%	N/A	13.33	23.08
40 - 49 years old	%	N/A	46.67	38.46
> 50 years old	%	N/A	40.00	38.46
<i>Management Level</i>				
< 30 years old	%	4.26	4.90	4.09
30 - 39 years old	%	34.59	38.24	37.85
40 - 49 years old	%	41.35	38.97	40.00
> 50 years old	%	19.80	17.89	18.06
<i>Executive Level</i>				
< 30 years old	%	31.89	31.04	32.53
30 - 39 years old	%	44.00	41.91	43.55
40 - 49 years old	%	18.67	19.04	15.97
> 50 years old	%	5.45	8.00	7.95
<i>Non-Executive Level</i>				
< 30 years old	%	48.64	46.22	42.65
30 - 39 years old	%	30.39	31.74	34.62
40 - 49 years old	%	13.61	14.02	14.60
> 50 years old	%	7.36	8.03	8.13
Total employees by country				
Malaysia	Pax	N/A	2,265	2,412
India	Pax	N/A	359	447
China	Pax	N/A	164	175
Indonesia	Pax	N/A	129	139
Mexico	Pax	N/A	139	149
Others	Pax	N/A	433	483
Percentage of employees by country				
Malaysia	%		65.00	63.39

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Indicator	UoM	2024	2025	2026
<i>India</i>	%	N/A	10.00	11.75
<i>China</i>	%	N/A	5.00	4.60
<i>Indonesia</i>	%	N/A	4.00	3.65
<i>Mexico</i>	%	N/A	4.00	3.92
<i>Others</i>	%	N/A	12.00	12.69
Total number of employees that are contractors or temporary staff	Pax	N/A	70	99
Percentage of employees that are contractors or temporary staff	%	N/A	2.00	2.60
Board profile by gender				
<i>Male</i>	Pax	5	5	4
<i>Female</i>	Pax	3	3	3
Total percentage of Board profile by gender				
<i>Male</i>	%	62.50	62.50	57.14
<i>Female</i>	%	37.50	37.50	42.86
Board profile by age group				
<i>> 50 years old</i>	Pax	8	8	7
Percentage of Board profile by age group				
<i>> 50 years old</i>	%	100.00	100.00	100.00
Number of Board of Directors	Number	8	8	7
Number of Independent Directors on the Board	Number	5	5	5
Number of women on the board	Number	3	3	3
Percentage of women in the global workforce	%	48.72	48.72	46.86
Total new employees by gender				
<i>Male</i>	Pax	498	392	517
<i>Female</i>	Pax	334	336	329
Total new employees by age group				
<i>< 30 years old</i>	Pax	434	368	448
<i>30 - 39 years old</i>	Pax	339	229	257
<i>40 - 49 years old</i>	Pax	43	88	91
<i>> 50 years old</i>	Pax	16	43	50
Total new employees by management level				
<i>Top Management</i>	Pax	0	0	1
<i>Management Level</i>	Pax	0	79	81
<i>Executive Level</i>	Pax	0	315	352
<i>Non-executive Level</i>	Pax	0	334	412
Turnover by gender				
<i>Male</i>	Pax	497	269	259
<i>Female</i>	Pax	422	202	210

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Indicator	UoM	2024	2025	2026
Total turnover by age group				
< 30 years old	Pax	N/A	200	203
30 - 39 years old	Pax	N/A	160	166
40 - 49 years old	Pax	N/A	80	69
> 50 years old	Pax	N/A	31	31
Total turnover by employee category				
Top Management	Pax	60	1	0
Management	Pax		57	48
Executive Level	Pax	220	161	154
Non-Executive Level	Pax	639	252	267
Number of employees who took Parental Leave				
Paternity Leave	Pax	N/A	71	82
Maternity Leave	Pax	N/A	76	98
Number of employees who returned after Parental Leave				
Paternity Leave	Pax	N/A	71	82
Maternity Leave	Pax	N/A	76	98
Total number of substantiated complaints concerning human rights violations	Number	0	0	0
Training and Development				
Total training hours	Hours	91,350	40,355	38,780
Average training hours per employee	Hours	27.07	11.56	10.19
Total training hours by employee category				
Top Management	Hours	91,350	201	908
Management	Hours		7,056	7,457
Executive Level	Hours		13,719	19,438
Non-Executive Level	Hours		19,379	10,977
Occupational Health and Safety				
Total hours worked	Hours	N/A	7,878,906	8,163,407
Number of work-related fatalities	Case	0	0	0
Number of reportable work-related injuries	Case	35	33	31
Lost Time Injury Rate ("LTIR")	Rate	N/A	0.84	0.76
Work-related illness	Case	0	0	3
Number of employees trained on health and safety standards	Pax	2,242	1,743	2,571
Community Engagement				
Total amount invested to beneficiaries	RM	11,907,750.36	1,895,890.39	2,576,841.65
Total beneficiaries of investment in the community	Number	35	37	30

SUSTAINABILITY STATEMENT

BURSA'S SUSTAINABILITY PERFORMANCE REPORT

This CSI Prescribed Table is generated online from the Centralised Sustainability Intelligence ("CSI") Solution, and is included in this Sustainability Statement as mandated by Bursa Malaysia.

Bursa Malaysia Listing Requirements

DXN HOLDINGS BHD. BMLR Transition Period

Date & Time: 2026-06-11 18:05:48
Main Market | Group 1 | FYE 28/02/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage (%)	87.00	90.79	-	External (Limited)
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage (%)	90.00	89.21	-	External (Limited)
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Non- executive	Percentage (%)	91.00	90.57	-	External (Limited)
Anti-corruption	Total percentage of operations assessed for risks related to corruption	Percentage (%)	100	100	Maintain entire operations (100%), assessed for risks related to corruption	External (Limited)
Anti-corruption	Confirmed incidents of corruption and action taken	Number	1	1	To achieve zero cases of bribery and corruption	External (Limited)
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,895,890.39	2,576,841.65	-	External (Limited)
Community/Society	Total number of beneficiaries of the investment in communities	Number	37	30	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Top Management (< 30 years old)	Percentage (%)	0.00	0.00	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Top Management (30 - 39 years old)	Percentage (%)	13.33	23.08	-	External (Limited)

SUSTAINABILITY STATEMENT

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Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by employee category and age group - Top Management (40 - 49 years old)	Percentage (%)	46.67	38.46	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Top Management (> 50 years old)	Percentage (%)	40.00	38.46	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Management (< 30 years old)	Percentage (%)	4.90	4.09	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Management (30 - 39 years old)	Percentage (%)	38.24	37.85	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Management (40 - 49 years old)	Percentage (%)	38.97	40.00	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Management (> 50 years old)	Percentage (%)	17.89	18.06	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Executive (< 30 years old)	Percentage (%)	31.04	32.53	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Executive (30 - 39 years old)	Percentage (%)	41.91	43.55	-	External (Limited)

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DXN HOLDINGS BHD. BMLR Transition Period

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Main Market | Group 1 | FYE 28/02/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by employee category and age group - Executive (40 - 49 years old)	Percentage (%)	19.04	15.97	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Executive (> 50 years old)	Percentage (%)	8.00	7.95	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Non-executive (< 30 years old)	Percentage (%)	46.22	42.65	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Non-executive (30 - 39 years old)	Percentage (%)	31.74	34.62	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Non-executive (40 - 49 years old)	Percentage (%)	14.02	14.60	-	External (Limited)
Diversity	Percentage of employees by employee category and age group - Non-executive (> 50 years old)	Percentage (%)	8.03	8.13	-	External (Limited)
Diversity	Percentage of employees by gender and employee category - Top management (Male)	Percentage (%)	56.00	53.85	-	External (Limited)
Diversity	Percentage of employees by gender and employee category - Top management (Female)	Percentage (%)	42.00	46.15	-	External (Limited)

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Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by gender and employee category - Management (Male)	Percentage (%)	56.00	53.76	-	External (Limited)
Diversity	Percentage of employees by gender and employee category - Management (Female)	Percentage (%)	44.00	46.24	-	External (Limited)
Diversity	Percentage of employees by gender and employee category - Executive (Male)	Percentage (%)	48.00	49.10	-	External (Limited)
Diversity	Percentage of employees by gender and employee category - Executive (Female)	Percentage (%)	52.00	50.90	-	External (Limited)
Diversity	Percentage of employees by gender and employee category - Non-executive (Male)	Percentage (%)	53.00	55.69	-	External (Limited)
Diversity	Percentage of employees by gender and employee category - Non-executive (Female)	Percentage (%)	47.00	44.31	-	External (Limited)
Diversity	Total percentage of Board profile by gender - Male	Percentage (%)	62.50	57.14	-	External (Limited)
Diversity	Total percentage of Board profile by gender - Female	Percentage (%)	37.50	42.86	-	External (Limited)
Diversity	Percentage of Board profile by age group (< 30 years old)	Percentage (%)	0.00	0.00	-	External (Limited)
Diversity	Percentage of Board profile by age group (30 - 39 years old)	Percentage (%)	0.00	0.00	-	External (Limited)
Diversity	Percentage of Board profile by age group (40 - 49 years old)	Percentage (%)	0.00	0.00	-	External (Limited)

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SUSTAINABILITY STATEMENT

DXN HOLDINGS BHD. BMLR Transition Period

Date & Time: 2026-06-11 18:05:48
Main Market | Group 1 | FYE 28/02/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of Board profile by age group (> 50 years old)	Percentage (%)	100.00	100.00	-	External (Limited)
Diversity	Percentage of women in the global workforce	Percentage (%)	48.72	46.86	-	External (Limited)
Diversity	Number of Board of Directors	Number	8	7	-	No assurance
Diversity	Number of Independent Directors on the Board	Number	5	5	-	No assurance
Diversity	Number of women on the board	Number	3	3	30% target recommended by the Malaysian Code on Corporate Governance (MCCG)	No assurance
Labour practices and standards	Total hours of training by employee category - Top management	Hours	201	908	-	No assurance
Labour practices and standards	Total hours of training by employee category - Management	Hours	7056	7,457	-	No assurance
Labour practices and standards	Total hours of training by employee category - Executive	Hours	13,719	19,438	-	No assurance
Labour practices and standards	Total hours of training by employee category - Non-executive	Hours	19,379	10,977	-	No assurance
Labour practices and standards	Percentage of employees that are contractors or temporary staff	Percentage (%)	2.00	2.60	-	No assurance
Labour practices and standards	Total number of employee turnover by employee category - Top management	Number	1	0	-	External (Limited)

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SUSTAINABILITY

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour practices and standards	Total number of employee turnover by employee category - Management	Number	57	48	-	External (Limited)
Labour practices and standards	Total number of employee turnover by employee category - Executive	Number	161	154	-	External (Limited)
Labour practices and standards	Total number of employee turnover by employee category - Non-executive	Number	252	267	-	External (Limited)
Labour practices and standards	Total number of substantiated complaints concerning human rights violations	Number	0	0	Maintain zero complaints	No assurance
Energy management	Total energy consumption within the organisation	Gigajoule (GJ)	171,446	129,99419	-	External (Limited)
Health and safety	Number of work-related fatalities	Number	0	0	Maintain zero cases	No assurance
Health and safety	Lost Time Incident Rate ("LTIR")	Rate	0.84	0.76	-	No assurance
Health and safety	Number of employees trained on health and safety standards	Pax	1,743	2,571	-	No assurance
Health and safety	Number of work-related employee fatalities, over last 3 years	Number	0	0	-	No assurance
Supply chain management	Proportion of spending on local suppliers	Percentage (%)	93.00	81.77	-	No assurance
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	Maintain zero complaints	No assurance
Water	Total volume of water used	Meter cubic (m ³)	332,225.35	421,045.03	-	No assurance

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DXN HOLDINGS BHD. BMLR Transition Period

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Main Market | Group 1 | FYE 28/02/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Waste management	Total waste generated	Metric tonnes	1,910.51	1,581.72	-	No assurance
Waste management	Total waste diverted from disposal	Metric tonnes	163.98	222.62	-	No assurance
Waste management	Total waste directed to disposal	Metric tonnes	1,746.53	1,355.99	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	3,678.18	5,245.88	—	External (Limited)
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	13,195.25	11,558.47	—	External (Limited)
GHG emissions	Scope 3 Cat.1: Purchased goods and services	Metric tonnes of carbon dioxide equivalents (tCO2e)	N/A	24,890.39	—	No assurance
GHG emissions	Scope 3 Cat.2: Capital goods	Metric tonnes of carbon dioxide equivalents (tCO2e)	N/A	19,224.70	—	No assurance
GHG emissions	Scope 3 Cat.3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)	Metric tonnes of carbon dioxide equivalents (tCO2e)	N/A	1,495.09	—	No assurance
GHG emissions	Scope 3 Cat.5: Waste generated in operations	Metric tonnes of carbon dioxide equivalents (tCO2e)	1,157.97	823.59	—	No assurance
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	324.66	292.19	—	No assurance
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	4,039.97	4,056.65	—	No assurance

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EXTERNAL ASSURANCE STATEMENT

Internal



INDEPENDENT ASSURANCE OPINION STATEMENT

To the Directors of DXN Holdings Bhd

Holds Statement No: SRA 840658

The British Standards Institution (**BSI**) has conducted a limited assurance engagement on the sustainability information (described in the "Scope") in the Sustainability Statement 2026 of DXN Holdings Bhd.

Scope

The scope of engagement agreed upon with DXN Holdings Bhd includes the following:

The assurance covers the information of the following subject matters in the DXN Holdings Bhd's Sustainability Statement 2026:

- 1) Anti-Corruption
- 2) Community/Society
- 3) Diversity
- 4) Labour practices and standards (c)
- 5) Energy management
- 6) Emissions management

The selected information is reported in accordance with ISAE 3000 (Revised) and ISO14064-3:2019 (for GHG Statement).

Opinion Statement

We have conducted a limited assurance engagement on the sustainability information described in the "Scope" above. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Information is not prepared, in all material respects, in accordance with ISAE 3000 (Revised) and ISO14064-3:2019 (for GHG Statement).

Methodology

Our assurance engagements were carried out in accordance ISAE 3000 (Revised) and ISO14064-3:2019 (for GHG Statement). Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top-level review of issues raised by external parties that could be relevant DXN Holdings Bhd policies to provide a check on the appropriateness of statements made in the report.

Internal

- discussion with managers and staff on DXN Holdings Bhd approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- document review of relevant systems, policies, and procedures where available.
- review of supporting evidence for claims made in the reports.
- visit of the headquarter office to confirm the data collection processes, record management and practices.

Responsibility

DXN Holdings Bhd is responsible for the preparation and fair presentation of the sustainability information and report in accordance with the agreed criteria. BSI is responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Independence, Quality Control and Competence

BSI is independent to DXN Holdings Bhd and has no financial interest in the operation of DXN Holdings Bhd other than for the assurance of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of DXN Holdings Bhd only for the purposes of verifying its statements relating to the Scope above.

This independent assurance opinion statement is prepared on the basis of review by BSI of information presented to it by DXN Holdings Bhd. In making this independent assurance opinion statement, BSI has assumed that all information provided to it by DXN Holdings Bhd is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

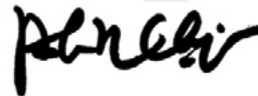
BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG), and management systems and processes.

Issue Date: 24 April 2026

For and on behalf of BSI:



Salmiah Hasbullah, Lead Assurer



Evelyn Chye, Managing Director BSI Malaysia

BSI Malaysia Suite 29.01, Level 29, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

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Internal

Appendix A: Summary of Subject Matters Data for DXN Holdings Bhd For FY2026 (1 March 2025 – 28 February 2026)

Subject Matters	FY2026	Units
Anti-Corruption		
A) Percentage of employees who have received training on anti-corruption by employee category		
• Management	90.79	%
• Executive	89.21	%
• Non-executive	90.57	%
B) Percentage of operations assessed for corruption related risks	100	%
C) Confirmed incidents of corruption and action taken	1	Number
Community/Society		
A) Total amount invested in the community where the target beneficiaries are external to the listed issuer	2,576,841.65	RM
B) Total number of beneficiaries of the investment in communities	30	Number
Diversity		
A) Percentage of employees by gender and age group for each employee category		
Gender group by employee category:		
• Top Management - Male	53.85	%
• Top Management - Female	46.15	%
• Management - Male	53.76	%
• Management - Female	46.24	%
• Executive - Male	49.10	%
• Executive - Female	50.90	%
• Non-Executive - Male	55.69	%
• Non-Executive - Female	44.31	%
Total percentage by gender:		
• Male	53.14	%
• Female	46.86	%
Age group by employee category:		
• Top Management - Below 30	0	%
• Top Management - Between 30-39	23.08	%
• Top Management - Between 40-49	38.46	%
• Top Management - Above 50	38.46	%
• Management - Below 30	4.09	%
• Management - Between 30-39	37.85	%
• Management - Between 40-49	40.00	%
• Management - Above 50	18.06	%
• Executive - Below 30	32.53	%
• Executive - Between 30-39	43.55	%
• Executive - Between 40-49	15.97	%
• Executive - Above 50	7.95	%
• Non-Executive - Below 30	42.65	%
• Non-Executive - Between 30-39	34.62	%
• Non-Executive - Between 40-49	14.60	%
• Non-Executive - Above 50	8.13	%
B) Percentage of directors by gender and age group		
• Male	57.14	%
• Female	42.86	%
• Above 50	100	%

Internal

C) Percentage of women in the global workforce	46.86	%
Labour practices and standards (c)		
A) Total number of employee turnover by employee category		
Turnover by Gender Group:		
• Male	259	Number
• Female	210	Number
Turnover by Age Group:		
• Below 30	203	Number
• Between 30-39	166	Number
• Between 40-49	69	Number
• Above 50	31	Number
Turnover by Employee Category:		
• Top Management	0	Number
• Management	48	Number
• Executive	154	Number
• Non-Executive	267	Number
Energy Management		
Total energy consumption within the organisation	129,994.19	GJ
• Electricity	58,255.42	GJ
• Diesel	11,420.85	GJ
• Propane	0.73	GJ
• Bituminous Coal	2,907.66	GJ
• Natural Gas	9,166.74	GJ
• Liquefied Petroleum Gas	66.03	GJ
• Gasoline	11,530.26	GJ
• Kerosene	36,646.50	GJ
• Solar energy generated	6,399.69	GJ
Emissions Management		
Total Scope 1 - Direct GHG Emissions	5,245.88	tCO2e
Total Scope 2 - Indirect GHG Emissions	11,558.47	tCO2e

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GRI CONTENT INDEX

Statement of use	DXN has reported the information cited in this GRI content index for the period of 1 st March 2025 to 28 th February 2026 with reference to the Global Reporting Initiative ("GRI") Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard (s)	Not applicable

GRI Standard	Disclosure	Location
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	Introduction, Page 38
	2-2 Entities included in the organisation's sustainability reporting	Reporting standards, scope and boundary, Pages 38-39
	2-3 Reporting period, frequency and contact point	Reporting standards, scope and boundary, Pages 38-39 Point of Contact, Page 39
	2-4 Restatements of information	GHG Emission, Pages 64-69 and 115-117
	2-5 External assurance	External assurance, Pages 130-133
	2-6 Activities, value chain and other business relationships	Management Discussion and Analysis section in the Annual Report, Pages 23-33
	2-7 Employees	Workforce Diversity and Labour Rights, Pages 96-100
	2-9 Governance structure and composition	Sustainability Governance, Page 50 Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-11 Chair of the highest governance body	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance, Page 50 Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance, Page 50
	2-15 Conflicts of interest	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-16 Communication of critical concerns	Anti-Corruption, Pages 86-88 Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-17 Collective knowledge of the highest governance body	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-19 Remuneration policies	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169

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GRI Standard	Disclosure	Location
	2-20 Process to determine remuneration	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-21 Annual total compensation ratio	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-22 Statement on sustainable development strategy	Our Sustainability Framework, Pages 48-49
	2-23 Policy commitments	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-24 Embedding policy commitments	Corporate Governance Overview Statement section in the Annual Report, Pages 155-169
	2-25 Processes to remediate negative impacts	Anti-Corruption, Pages 86-88
	2-26 Mechanisms for seeking advice and raising concerns	Anti-Corruption, Pages 86-88
	2-27 Compliance with laws and regulations	Sustainability Policies, Page 51
	2-28 Membership associations	Awards, Recognitions, and Certifications, Pages 13-14
	2-29 Approach to stakeholder engagement	Our Materiality Matters / Stakeholder feedback, Page 52
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Materiality Matters, Page 52
	3-2 List of material topics	Our Materiality Matters, Page 52
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Performance, Pages 80-81
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Business Performance, Pages 80-81
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Change, Pages 64-69
Procurement Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Supply Chain, Pages 82-85
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Supply Chain, Pages 82-85
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	Anti-Corruption, Pages 86-88
	205-1 Operations assessed for risks related to corruption	Anti-Corruption, Pages 86-88
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption, Pages 86-88
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption, Pages 86-88
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Management, Pages 70-71

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GRI Standard	Disclosure	Location
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy Management, Pages 70-71
		ESG Performance Data Table, Pages 115-117
	302-3 Energy intensity	Energy Management, Pages 70-71
	302-4 Reduction of energy consumption	Energy Management, Pages 70-71
Water and Effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	Water Stewardship, Pages 72-76
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Stewardship, Pages 72-76
	303-3 Water withdrawal	Water Stewardship, Pages 72-76
	303-4 Water discharge	Water Effluent, Page 76
	303-5 Water consumption	Water Stewardship, Pages 72-76
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Climate Change, Pages 64-69
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Change, Pages 64-69
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change, Pages 64-69
	305-3 Other indirect (Scope 3) GHG emissions	Climate Change, Pages 64-69
	305-4 GHG emissions intensity	Climate Change, Pages 64-69
	305-5 Reduction of GHG emissions	Climate Change, Pages 64-69
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Management, Pages 77-78
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Waste Management, Pages 77-78
	306-3 Waste generated	Waste Management, Pages 77-78
	306-4 Waste diverted from disposal	Waste Management, Pages 77-78
	306-5 Waste directed to disposal	Waste Management, Pages 77-78
New Supplier Due Diligence & Declaration (NSDDD)		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainable Supply Chain, Pages 82-85
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain, Pages 82-85
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce Diversity and Labour Rights, Pages 96-100
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Workforce Diversity and Labour Rights, Pages 96-100
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workforce Diversity and Labour Rights, Pages 96-100
	401-3 Parental leave	Workforce Diversity and Labour Rights, Pages 96-100

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GRI Standard	Disclosure	Location
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety, Pages 107-108
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, Pages 107-108
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, Pages 107-108
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, Pages 107-108
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, Pages 107-108
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, Pages 107-108
	403-9 Work-related injuries	Occupational Health and Safety, Pages 107-108
	403-10 Work-related ill health	Occupational Health and Safety, Pages 107-108
Training and Education		
GRI 3: Material Topics 2021	3-3 Management of material topics	Training and Development, Pages 105-106
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Development, Pages 105-106
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Training and Development, Pages 105-106
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce Diversity and Labor Rights, Pages 96-100
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Workforce Diversity and Labor Rights, Pages 96-100
Non-discrimination		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Workforce Diversity and Labor Rights, Pages 96-100 There were zero incidents of discrimination in FY2026.
Child Labour		
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights Due Diligence, Pages 101-104 There were zero incidents of child labor in FY2026.
Forced or Compulsory Labor		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights Due Diligence and Workforce Diversity and Labor Rights, Pages 96-104 There were zero incidents of forced or compulsory labor in FY2026.

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GRI Standard	Disclosure	Location
Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Engagement, Pages 111-113
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Community Engagement, Pages 111-113
New Supplier Due Diligence & Declaration ("NSDDD")		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain, Pages 82-85
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain, Pages 82-85
Customer Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Product Stewardship, Pages 89-92
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Food Safety and Management System Certifications, Page 90
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product non-compliance / compliance disclosures, Pages 92-94 and 116
Marketing and Labeling		
GRI 3: Material Topics 2021	3-3 Management of material topics	Product Quality, Safety and Labelling, Pages 89-92
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labelling	Product Quality, Safety and Labelling, Pages 89-92
	417-2 Incidents of non-compliance concerning product and service information and labeling	Product non-compliance / compliance disclosures, Pages 92-94 and 116
Customer Privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information Security, Pages 93-94 and 117
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security, Pages 93-94 and 117

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SASB SUSTAINABILITY DISCLOSURE TOPICS & METRICS

Table 1. Sustainability Disclosure Topics & Metrics

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	FY2026
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-PF-130a.1	1. 129,994.19 GJ 2. Grid electricity: 44.80% 3. Renewable (consumed): 4.92% Solar generated: 6,399.69 GJ
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Number	FB-PF-140a.2	0
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	FB-PF-140a.3	Water-stress exposure assessed for 15 manufacturing sites; mitigation includes monitoring, site controls, efficiency reviews and discharge compliance.
	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-PF-430a.2	386 new suppliers, 100% due diligence, no non-compliance detected
Environmental & Social Impacts of Ingredient Supply Chain					

Table 2. Activity Metrics

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	FY2026
Number of production facilities	Quantitative	Number	FB-PF-000.B	16 sites

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IFRS S1 AND S2 DISCLOSURE INDEX

ISSB Code	Disclosure Requirement / Cross-reference Item	Page No.
S1.20	An entity's sustainability-related financial disclosures shall be for the same reporting entity as the related financial statements.	38-39, 187
S1.25.a	S1.25.a (a) governance—the governance processes, controls and procedures the entity uses to monitor and manage sustainability-related risks and opportunities;	50-51, 155-169
S1.25.b	S1.25.b (b) strategy—the approach the entity uses to manage sustainability-related risks and opportunities;	48-63
S1.25.c	S1.25.c (c) risk management—the processes the entity uses to identify, assess, prioritise and monitor sustainability-related risks and opportunities; and	52-57, 170-179
S1.26	The objective of sustainability-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee sustainability-related risks and opportunities.	50-51
S1.27.a.i	S1.27.a.i (i) how responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	50-51, 155-169
S1.27.a.iii	S1.27.a.iii (iii) how and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities;	50-51
S1.27.a.iv	S1.27.a.iv (iv) how the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	50-57, 155-169
S1.27.b.i	S1.27.b.i (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	50-51
S1.27.b.ii	S1.27.b.ii (ii) whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	50-51, 170-179
S1.29.a	S1.29.a (a) the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	52-57
S1.29.b	S1.29.b (b) the current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain;	52-63, 80-85
S1.29.c	S1.29.c (c) the effects of those sustainability-related risks and opportunities on the entity's strategy and decision-making;	48-57
S1.30.a	S1.30.a (a) describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	52-57
S1.30.b	S1.30.b (b) specify the time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur; and	54-57
S1.32.a	S1.32.a (a) a description of the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain; and	52-57
S1.32.b	S1.32.b (b) a description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	52-63
S1.33.a	S1.33.a (a) how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	45-47, 52-63
S1.43.a	S1.43.a (a) to understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and	50-57, 170-179

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ISSB Code	Disclosure Requirement / Cross-reference Item	Page No.
S1.43.b	S1.43.b (b) to assess the entity's overall risk profile and its overall risk management process.	170-179
S1.44.a.i	S1.44.a.i (i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	52-57, 58-63
S1.44.a.ii	S1.44.a.ii (ii) whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks;	58-63
S1.44.a.iii	S1.44.a.iii (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	52-57
S1.44.a.v	S1.44.a.v (v) how the entity monitors sustainability-related risks; and	50-57, 170-179
S1.44.b	S1.44.b (b) the processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities; and	52-57
S1.44.c	S1.44.c (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	50-57, 170-179
S1.49	If an entity discloses a metric taken from a source other than IFRS Sustainability Disclosure Standards, the entity shall identify the source and the metric taken.	39, 115-121, 139
S1.59.a	S1.59.a (a) the specific standards, pronouncements, industry practice and other sources of guidance that the entity has applied in preparing its sustainability-related financial disclosures, including, if applicable, identifying the disclosure topics in the SASB Standards; and	39, 139-143
S1.59.b	S1.59.b (b) the industry(s) specified in the IFRS Sustainability Disclosure Standards, the SASB Standards or other sources of guidance relating to a particular industry(s) that the entity has applied in preparing its sustainability-related financial disclosures, including in identifying applicable metrics.	139-143
S1.64	An entity shall report its sustainability-related financial disclosures at the same time as its related financial statements. The entity's sustainability-related financial disclosures shall cover the same reporting period as the related financial statements.	38-39
S2.3.a.i	S2.3.a.i (i) climate-related physical risks; and	58-63
S2.3.a.ii	S2.3.a.ii (ii) climate-related transition risks; and	58-63
S2.3.b	S2.3.b (b) climate-related opportunities available to the entity.	58-63
S2.5	The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.	50-51, 155-169
S2.6.a.i	S2.6.a.i (i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	50-51
S2.6.a.iii	S2.6.a.iii (iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	50
S2.6.a.iv	S2.6.a.iv (iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	50-57
S2.6.b.i	S2.6.b.i (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	50
S2.6.b.ii	S2.6.b.ii (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	50-51, 170-179

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ISSB Code	Disclosure Requirement / Cross-reference Item	Page No.
S2.9.a	S2.9.a (a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	58-63
S2.9.b	S2.9.b (b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain;	58-63
S2.10.a	S2.10.a (a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	58-63
S2.10.b	S2.10.b (b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	58-63
S2.10.c	S2.10.c (c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	58-63
S2.10.d	S2.10.d (d) explain how the entity defines 'short-term', 'medium-term' and 'long-term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	54-63
S2.13.a	S2.13.a (a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	58-63
S2.13.b	S2.13.b (b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	58-63
S2.22.b.i.1	S2.22.b.i.1 (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios;	58-63
S2.22.b.i.2	S2.22.b.i.2 (2) whether the analysis included a diverse range of climate-related scenarios;	58-63
S2.22.b.i.3	S2.22.b.i.3 (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	58-63
S2.22.b.i.6	S2.22.b.i.6 (6) the time horizons the entity used in the analysis; and	58-63
S2.22.b.i.7	S2.22.b.i.7 (7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	58-63
S2.22.b.ii.1	S2.22.b.ii.1 (1) climate-related policies in the jurisdictions in which the entity operates;	58-63
S2.22.b.ii.2	S2.22.b.ii.2 (2) macroeconomic trends;	58-63
S2.22.b.ii.4	S2.22.b.ii.4 (4) energy usage and mix; and	58-63, 70-71
S2.22.b.iii	S2.22.b.iii (iii) the reporting period in which the climate-related scenario analysis was carried out.	38-39, 58-63
S2.24	The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	50-57, 170-179
S2.25.a.i	S2.25.a.i (i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	58-63
S2.25.a.ii	S2.25.a.ii (ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	58-63
S2.25.a.iii	S2.25.a.iii (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	58-63
S2.25.a.v	S2.25.a.v (v) how the entity monitors climate-related risks; and	50, 58-63

SUSTAINABILITY STATEMENT

SEC.03

SUSTAINABILITY

ISSB Code	Disclosure Requirement / Cross-reference Item	Page No.
S2.25.b	S2.25.b (b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	58-63
S2.25.c	S2.25.c (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	50-57, 170-179
S2.27	The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.	45-47, 64-71, 115-117
S2.29.a.i.1	S2.29.a.i.1 (1) Scope 1 greenhouse gas emissions;	64-69, 116, 133
S2.29.a.i.2	S2.29.a.i.2 (2) Scope 2 greenhouse gas emissions; and	64-69, 116, 133
S2.29.a.ii	S2.29.a.ii (ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions.	39, 64-69, 116

PROFILE OF BOARD OF DIRECTORS

SEC.04

LEADERSHIP

Datuk Lim Siow Jin

Non-Independent Executive Chairman



MEMBERSHIP OF BOARD COMMITTEES:

Member, Board Executive Committee

QUALIFICATIONS:

- Bachelor of Technology, Indian Institute of Technology Kharagpur, India

WORKING EXPERIENCE:

Datuk Lim Siow Jin ("Datuk Lim") serves as the Company's Non-Independent Executive Chairman. He was appointed to the Board on 3 April 1996 as Executive Chairman and Chief Executive Officer, a role he held until stepping down as Chief Executive Officer in May 2022.

From 1984 to 1994, he served as an Engineer with the Muda Agricultural Development Authority in Kedah under the Ministry of Agricultural and Food Industries of Malaysia. In this capacity, he was responsible for enhancing and managing economic development projects in the Muda region, as well as overseeing agricultural development initiatives undertaken by the state governments of Kedah and Perlis.

In 1995, he founded DXN, bringing with him over 30 years of experience in the direct selling industry and in the Group's business operations.

During his tenure as Chief Executive Officer, Datuk Lim played a pivotal role in leading the Group's operations, with active involvement in operational management, marketing strategies, and expansion initiatives.

As Executive Chairman, he continues to provide strategic leadership, overseeing the Group's business direction, marketing initiatives, and research and development activities, key drivers of the Group's sustained growth and success.

Datuk Lim is the brother of Dato' Lim Boon Yee, the Non-Independent Non-Executive Director, and Ms. Lim Yew Lin, the Joint Company Secretary. He is also the spouse of Datin Leong Bee Ling, a major shareholder of DXN. He is deemed a major shareholder by virtue of his interests in DXN Holdings Bhd. and LSJ Global Sdn. Bhd.

Saved as disclosed in Part A of the Circular & Statement of the Company dated 29 June 2026, he does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. He has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

PROFILE OF BOARD OF DIRECTORS

SEC.04

LEADERSHIP

Prajith Pavithran

Executive Director & Chief Executive Officer



MEMBERSHIP OF BOARD COMMITTEES:

Member, Board Risk Committee

QUALIFICATIONS:

- Bachelor of Commerce, Utkal University, India
- Post Graduate Diploma in Management, School of Communication and Management Studies, Cochin, India

WORKING EXPERIENCE:

Prajith Pavithran is the Group's Chief Executive Officer, bringing with him 24 years of experience in sales and marketing. He was appointed to the role of Chief Executive Officer on 1 June 2024 and as the Executive Director, effective 6 April 2026.

He commenced his career with DXN in 2001 as a Sales and Training Executive, where he was responsible for coordinating sales and training activities in North India. In 2003, he was promoted to Head of Sales and Training, and subsequently appointed Manager of International Business in 2004, overseeing marketing and operational matters across South Asia.

Between 2005 and 2009, he served as Manager of the International Business Department and later served as Country Manager, where he was responsible for the operations of the DIPL Philippines Branch. In 2009, he was appointed Country Manager for DXN Mexico, overseeing the Group's Mexican operations. He was subsequently promoted in 2010 to Regional Manager for Latin America, leading the region and ensuring the continued growth and stability of the Group's presence there.

In 2012, he was promoted to Regional Manager for North and South America at Daxen USA, a position he held until 2016. He thereafter served as Regional President for the United States and Latin America. In May 2022, he was appointed Chief Marketing Officer before assuming his current role of CEO & Executive Director in June 2024 and April 2026, respectively.

He does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. He has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

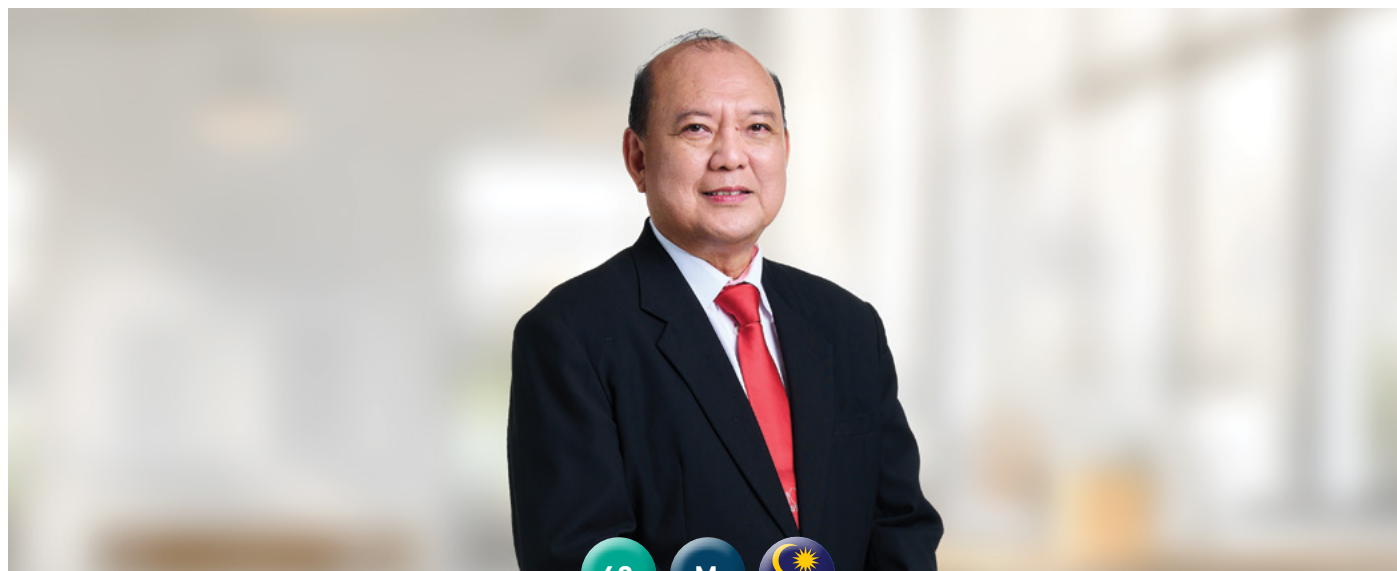
PROFILE OF BOARD OF DIRECTORS

SEC.04

LEADERSHIP

Dato' Lim Boon Yee

Non-Independent Non-Executive Director



MEMBERSHIP OF BOARD COMMITTEES:

Nil

QUALIFICATIONS:

- Bachelor of Business Administration in International Trade and Accounting, Soochow University, Taipei, Republic of China
- Master of Business Administration, National University of Singapore

WORKING EXPERIENCE:

Dato' Lim Boon Yee joined the Board on 22 November 1998 as a Non-Independent Executive Director and was subsequently re-designated as a Non-Independent Non-Executive Director in May 2022.

He commenced his professional career in 1990 as an Assistant Audit Manager with Reality United Firm, CPAs, an accounting firm based in Taiwan, where he served until 1996 before joining DXN.

Since 1997, he has served as a director of DXN Marketing Sdn. Bhd., where he is primarily responsible for overseeing management, administration and licensing matters, as well as supporting the establishment and expansion of its branches.

From 1998 to May 2022, including the period during which DXN was listed on the Kuala Lumpur Stock Exchange (now known as Bursa Securities Stock Exchange), he serves as Managing Director, overseeing the Group's management, administration, and licensing functions. He currently serves as a director in various local and overseas subsidiaries within the Group.

He is the brother of Datuk Lim Siow Jin, the Executive Chairman, and Ms. Lim Yew Lin, the Joint Company Secretary, and is also the brother-in-law of Datin Leong Bee Ling, a major shareholder of the Company.

Saved as disclosed in Part A of the Circular & Statement of the Company dated 29 June 2026, he does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. He has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

Datuk Noripah Binti Kamso

Senior Independent Non-Executive Director



MEMBERSHIP OF BOARD COMMITTEES:

- Member, Board Nomination and Remuneration Committee

QUALIFICATIONS:

- Master of Business Administration, Marshall University, U.S.A
- Bachelor of Science, Northern Illinois University, U.S.A
- Diploma in Business Studies, Institut Teknologi Mara, Malaysia
- Member of the Institute of Corporate Directors Malaysia

WORKING EXPERIENCE:

Datuk Noripah Binti Kamso ("Datuk Noripah") was appointed to the Board as a Senior Non-Executive Director on 10 February 2022.

Datuk Noripah has over 30 years of experience in the banking industry. She joined CIMB group in 1983 and held several key positions, including General Manager of Corporate Banking, Chief Executive Officer of CIMB Futures Sdn. Bhd., Chief Executive Officer of CIMB Principal Asset Management Berhad, Founding Chief Executive Officer of CIMB Principal Islamic Asset Management Sdn. Bhd., and Adviser for CIMB Islamic Wholesale Banking until 2014.

She served as Chairman of Bank Kerjasama Rakyat Malaysia and Yayasan Bank Rakyat in 2018 and previously held the position of President of the Malaysian Futures Brokers Association. Her past directorships include Top Glove Corporation Berhad, Swift Haulage Berhad, Malaysian Derivatives Clearing House, Malaysia Debt Ventures Berhad, BMB Investment Management Berhad, and the Federation of Investment Managers Malaysia. She has also served on the Bursa Malaysia Market Participants Committee, the Securities Industry Dispute Resolution Centre, the Islamic Finance Industry Council, and the International Council of Islamic Finance Educators.

In 2015, Datuk Noripah was appointed as Global Practitioner in Residence at Drake University, Iowa, USA, under the Principal Financial Group Centre for Global Citizenship. From 2014, she lectured for seven years on Fundamentals

of Islamic Finance Contracts at St. Joseph University in Beirut, Lebanon. During the 2016-2017 academic year, she served as a Visiting Fellow in Islamic Finance at the Oxford Centre for Islamic Studies, an independent college of the University of Oxford, United Kingdom.

She has also served as an Adjunct Professor at the School of Economics, Finance and Banking, Universiti Utara Malaysia ("UUM"), and at the Faculty of Business and Management, Universiti Teknologi MARA ("UiTM").

In 2019, Datuk Noripah was recognised as the "Most Influential Woman in Islamic Business and Finance" by Cambridge International Financial Advisory. She was also listed among the "Top 50 of the World's Most Prominent and Influential Personalities in Islamic Finance & Economy" by ISLAMICA 500 in 2018. She is the author of the globally acclaimed book, Investing in Islamic Funds: A Practitioner's Perspective.

Currently, Datuk Noripah holds the position of Chairman (Designate) of Arabesque Malaysia, and acts as Founder Adviser of Pantas Climate Solutions. She also sits on the boards of international organisations, including the Northern Illinois University Alumni Association in the USA and is a Global Advisory Board Member of Islamic Finance News. In addition, she is the Chairman of KHPT Holdings Berhad, which is a public listed company.

She serves as a member of the Board of Trustees of the Capital Market Development Fund for a three-year term from 1 December 2025, and as a member of the TH Investment Panel for a two-year term from 1 September 2025.

She does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. She has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

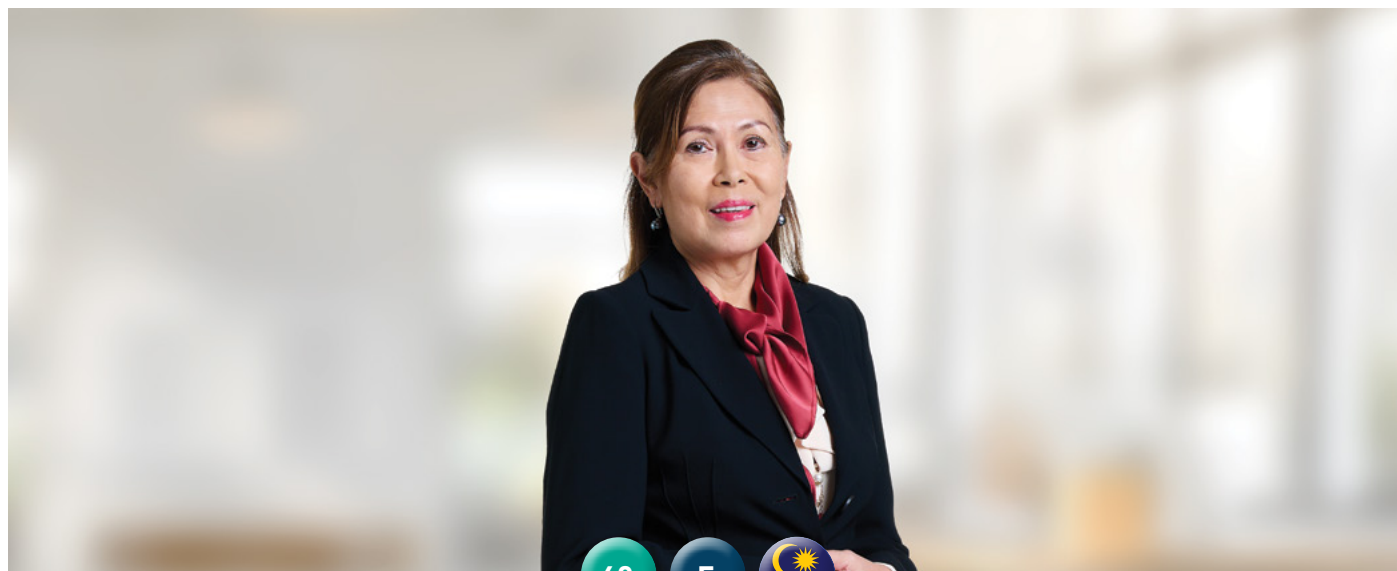
PROFILE OF BOARD OF DIRECTORS

SEC.04

LEADERSHIP

YM Tunku Afwida Binti Tunku A. Malek

Independent Non-Executive Director



MEMBERSHIP OF BOARD COMMITTEES:

- Chairman, Board Nomination and Remuneration Committee
- Member, Board Audit Committee

QUALIFICATIONS:

- Bachelor of Science (Honours), Economics and Accountancy, The City University, London (the predecessor of City, University of London)
- Chartered Accountant, Institute of Chartered Accountants, England and Wales
- Member of the Malaysian Institute of Accountants

WORKING EXPERIENCE:

YM Tunku Afwida Binti Tunku A. Malek was appointed to the Board as an Independent Non-Executive Director on 10 February 2022. She brings extensive experience in finance, corporate governance, risk management and strategic leadership, having held senior positions across a diverse range of organisations and industries.

She brings with her more than 30 years of experience in investment banking, fund management, and corporate advisory. Her previous leadership positions include Chief Executive Officer and Executive Director of Kenanga Investment Bank Berhad (2006–2008) and MIMB Investment Bank Berhad (2003–2006), as well as Executive Director and Chief Investment Officer of Commerce Asset Fund Managers Sdn. Bhd. (1995–2003).

From 2015 to 2022, she was a Director and shareholder of Asia Equity Research Sdn. Bhd. She also previously served as Chairman of Affin Hwang Investment Bank Berhad and Senior Independent Director of Telekom Malaysia Berhad, and was a board member of Cagamas Berhad, i-VCAP Management Sdn. Bhd. and Universiti Tun Abdul Razak, as well as Gamuda Berhad and Export-Import Bank of Malaysia Berhad.

She currently serves as a Director and shareholder of Benih Semaian Sdn. Bhd. and is a member of the investment panel of Kumpulan Wang Persaraan (“KWAP”). She is also an Independent Director of SAM Engineering & Equipment (M) Berhad and Enra Group Berhad, both public listed companies. In addition, effective 1 November 2025, she has been appointed as an Independent Non-Executive Director of RHB Investment Bank Berhad and RHB Islamic International Asset Management Berhad, both public companies, and as an Independent Non-Executive Director of RHB Asset Management Berhad.

She does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. She has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

Stefan Heitmann

Independent Non-Executive Director



MEMBERSHIP OF BOARD COMMITTEES:

- Chairman, Board Risk Committee
- Member, Board Audit Committee

QUALIFICATIONS:

- Business Administration (Diplom- Betriebswirt (FH)), University of Applied Sciences, Rheinland Pfalz, Germany (Fachhochschule Rheinland Pfalz)

WORKING EXPERIENCE:

Stefan Heitmann was appointed to the Board as an Independent Non-Executive Director on 10 February 2022.

He commenced his career in 1985 as an Apprentice Industrial Business Management Assistant with Hoechst AG, a pharmaceutical and chemical company in Germany. He undertook mandatory military service in Germany from 1987 to 1988.

He rejoined Hoechst AG in 1988 as a Marketing Executive (Eastern Europe) and progressed through various roles, including Pharmaceutical Representative and International Pharmaceutical Representative at Hoechst Australia Ltd. between 1993 and 1994. He subsequently served as Business Service (Distribution) and Business Development Manager at Hoechst Thai Ltd. in Bangkok, Thailand from 1994 to 1996, followed by Regional Controller and Marketing Coordinator for South East Asia and Pakistan at Hoechst Marion Roussel AG (Singapore Representative Office) in Singapore from 1997 to 1998. He later held the position of Country Business Analyst, Asia Pacific at Hoechst Marion Roussel AG in Frankfurt from 1998 to 1999.

Thereafter, he joined the Zuellig Pharma group, where he served from 1999 to 2012 across its operations in the Philippines, Indonesia, Vietnam, Brunei, and Malaysia, holding various senior positions, including Vice President of Operations at Metro Drug, Inc., Manila, Philippines in 1999.

He subsequently served as President and General Manager in 2003 before being transferred to PT Wigo Distribusi Farmasi in Jakarta, Indonesia as General Manager and later President Director. He then served as General Director of Zuellig Pharma Vietnam Co. Ltd., Vietnam in 2006, before his transfer in 2011 as Chief Executive of Zuellig Pharma Sdn. Bhd., Malaysia, overseeing operations in Malaysia and Brunei until 2012.

Since 2012, he has been engaged in healthcare consultancy services, initially in a private capacity and subsequently under Windira Ltd. and later Windira (HK) Limited, where he serves as Managing Director and co-owner. He has provided advisory services to, among others, healthcare manufacturers and distributors.

He does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. He has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

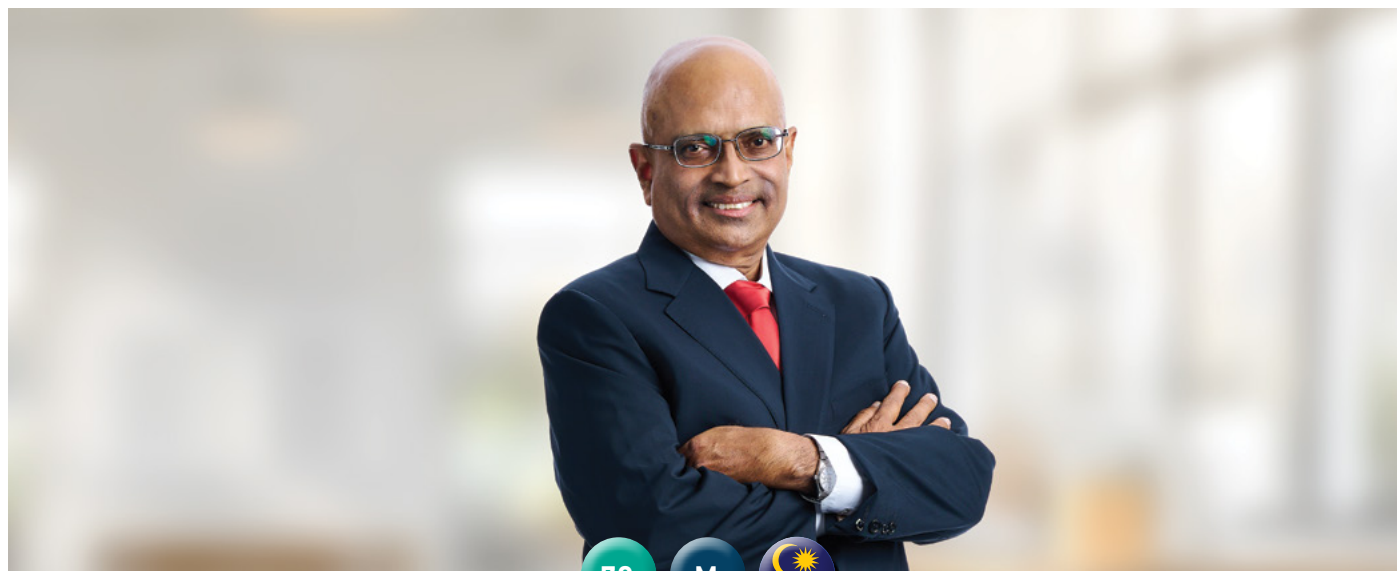
PROFILE OF BOARD OF DIRECTORS

SEC.04

LEADERSHIP

Abraham Verghese A/L T V Abraham

Independent Non-Executive Director



MEMBERSHIP OF BOARD COMMITTEES:

- Chairman, Board Audit Committee
- Member, Board Risk Committee

QUALIFICATIONS:

- Fellow, Association of Chartered Certified Accountants (ACCA)
- Member of Malaysian Institute of Certified Public Accountants (MICPA)
- Member of the Malaysian Institute of Accountants (MIA)
- Member of the Institute of Corporate Directors Malaysia

WORKING EXPERIENCE:

Abraham Verghese was appointed to the Board on 10 February 2022 as an Independent Non-Executive Director.

He commenced his professional career in 1979 as an Audit Assistant with an accounting firm, before leaving within the same year to join Hanafiah Raslan & Mohammad. Following the firm's merger with Arthur Andersen ("AA") in 1990, and subsequently with Ernst & Young ("EY") in 2002, he continued his service with the organisation until his retirement in 2016. He was admitted as a Partner in 1994 and remained in that capacity until retirement.

He has served on the councils and committees of the Malaysian Institute of Accountants ("MIA"), the Malaysian Institute of Certified Public Accountants ("MICPA"), and the Association of Chartered Certified Accountants ("ACCA").

Since 2019, he has been serving as an Independent Director of Maxim Global Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad. He also serves as a director of KVBC Equip Berhad (Formerly known as CEP Centre Berhad), which is a public company.

He does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. He has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

PROFILE OF BOARD OF DIRECTORS

SEC.04

LEADERSHIP

Ong Huey Min

Independent Non-Executive Director



MEMBERSHIP OF BOARD COMMITTEES:

- Member, Board Nomination and Remuneration Committee
- Member, Board Audit Committee
- Member, Board Risk Committee

QUALIFICATIONS:

- Member of the Malaysian Institute of Certified Public Accountants
- Member of the Malaysian Institute of Accountants
- Member of the Chartered Tax Institute of Malaysia

WORKING EXPERIENCE:

Ong Huey Min was appointed to the Board as an Independent Non-Executive Director on 1 August 2022.

She commenced her professional career in 1978 as an Articled Clerk with Peat Marwick, Mitchell & Co. (now known as KPMG PLT), and progressed through the roles of Supervisor, Manager, and Director over the course of her tenure with the firm. In 2003, she was appointed Executive Director/Partner, heading the Penang tax division of KPMG Tax Services Sdn. Bhd. ("KPMG Tax"), a position she held until her retirement in 2014.

In 2015, she continued to contribute as a Consultant with KPMG Tax for a period of three months. During her tenure of more than 35 years with KPMG, she acquired extensive experience in tax advisory and compliance matters and served as engagement partner for public listed and multinational companies across a range of industries. She also advised foreign investors on tax incentives provided by the Government and on establishing their initial operations in Malaysia.

Since 2015, she has been a co-founding partner of YNWA Advisory PLT, a corporate advisory firm offering services including business management consultancy, investment advisory and tax consultancy.

She currently serves as an Independent Director of Pensonic Holdings Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad.

She does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. She has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

PROFILE OF KEY MANAGEMENT TEAM

SEC.04

LEADERSHIP

Prajith Pavithran
Executive Director & Chief Executive Officer



QUALIFICATIONS:

WORKING EXPERIENCE:

For **Mr. Prajith Pavithran's** profile is set out in the Directors' Profile section of this Annual Report.

Lim Beng Cheng
Chief Financial Officer



- Bachelor of Business (Accounting), Monash University, Australia
- Member of Malaysian Institute of Accountants since 2002

Lim Beng Cheng was appointed as the Group's Chief Financial Officer ("CFO") on 9 June 2025, bringing with her over 20 years of extensive experience in accounting and finance. Prior to her current appointment, she served as the Group Financial Controller of the Company.

She began her career in 1999 with Ernst & Young Tax Consultants Sdn. Bhd., where she spent eight years specialising in tax compliance, tax planning, and tax audit engagements. In 2008, she joined DXN as Finance Manager, where she was responsible for overseeing the Group's tax and financial operations, while also supporting business expansion initiatives. She left the Group in 2015 to pursue personal interests.

In 2021, she rejoined DXN as Senior Manager, where she assumed key responsibilities including IPO preparation and coordination with independent advisers and external auditors. Recognised for her strong leadership and financial expertise, she was promoted to Group Financial Controller in 2024, overseeing the management of the finance function. Her in-depth knowledge of the Group's operations and hands-on experience position her as a key contributor to the Group's financial performance.

She does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. She has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

PROFILE OF KEY MANAGEMENT TEAM

SEC.04

LEADERSHIP

Saleem Shajeer Chief Marketing Officer



- Bachelor of Business Studies, University of Calicut, India (1999)
- Post Graduate Diploma in Business Administration, India (2001)

Muhammad Luthfi Hidayat Chief Technology Officer



- ITS Surabaya, Indonesia
- Airlangga University, Indonesia
- Member of Information Systems, Audit, And Control Association (ISACA)
- Member of Project Management Institute (PMI)

QUALIFICATIONS:

WORKING EXPERIENCE:

Saleem Shajeer was appointed as Group's Chief Marketing Officer on 1 June 2024.

Between 2001 and 2003, Saleem Shajeer began his professional career as a Client Service Executive with a leading Advertising agency in Kochi, Kerala, India, where he was responsible for managing client relationships and ensuring the delivery of high standards of service.

From 2003 to 2004, he was promoted to the position of Country Manager at the company's branch in the Republic of Maldives. In this role, he demonstrated strategic leadership while overseeing operational management, adapting business strategies to suit the unique market conditions of the Maldives.

In 2004, driven by entrepreneurial ambition, he co-founded Keyfactor Advertising Agency in Kerala together with two partners. Over the following two years, they successfully built a strong client base and executed numerous advertising campaigns, further establishing his reputation within the industry.

In 2006, he relocated to Dubai and joined DXN Middle East as Public Relations Manager, where he played a key role in cultivating stakeholder relationships and facilitating effective communication between the organisation and external parties.

His career within DXN Middle East progressed with his appointment as General Manager in 2013, during which he assumed a broad range of responsibilities focused on driving growth and enhancing operational efficiency.

In 2018, he was appointed International Marketing Director at DXN Middle East, with additional responsibilities for DXN Pakistan from 2021. In this capacity, he has been instrumental in formulating and executing marketing strategies across multiple countries, strengthening brand presence, and supporting market expansion.

In addition to his corporate responsibilities, he has been actively involved in industry-related engagements. He joined the Direct Selling Association ("DSA") UAE in 2020 as Vice Chairman and was subsequently elected Chairman in 2022. In this role, he oversees the association's activities, fosters collaboration among member companies, and advocates for the interests of the industry in the United Arab Emirates.

He does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. He has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

Muhammad Luthfi Hidayat, a 51-year-old Indonesian, was appointed as the Group's Chief Technology Officer on 25 August 2023 and brings with him over 26 years of experience in the IT/IS field across a wide range of roles.

He graduated from two universities in Indonesia, namely ITS Surabaya and Airlangga University. In addition to his academic qualifications, he has obtained several professional certifications, including Certified Information Systems Auditor ("CISA") from Information Systems Audit and Control Association ("ISACA"), USA, and Certified Project Management Professional ("PMP") from Project Management Institute ("PMI"), USA. He is currently an active member of the ISACA as a CISA holder, and of the PMI as a PMP-certified professional.

With a broad and diverse professional background, he has undertaken various roles throughout his career, beginning his journey at Megah Vitro Inkom and progressing to his current position as Director of PT. Suryasoft Konsultama. Over more than two decades, he has developed extensive expertise in management, IT auditing, project management, data communication, network security, and consultancy.

His career has been marked by notable achievements, including managing teams and projects at PT. Limaxindo Intersistem and DXN Solutions Sdn. Bhd., Malaysia, where he served as Manager and Technical Director, respectively. During his tenure as Director of PT. Suryasoft Konsultama from 2013 to 2019, he played a key role as an IBM Business Partner Consultant, working closely with clients to deliver technology-driven solutions and enhance business processes.

In his current role as Chief Technology Officer of the DXN Group, he continues to lead strategic initiatives and provide forward-looking leadership in driving the Group's technological advancement.

He does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. He has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

PROFILE OF KEY MANAGEMENT TEAM

SEC.04

LEADERSHIP

Abdul Hafiz Mahmood Bin Hisham Chief Operating Officer



QUALIFICATIONS:

- Certified Accounting Technician ("CAT")
- Association of Certified Chartered Accountants ("ACCA") – in progress

WORKING EXPERIENCE:

Abdul Hafiz Mahmood Bin Hisham pursued his education at Sunway University College, where he graduated as a Certified Accounting Technician ("CAT"). He combines technical expertise with leadership capabilities to drive growth and innovation across the roles he has undertaken. With a strong foundation in finance and accounting, he has built a diverse and accomplished career spanning over a decade.

He began his career as an Audit Assistant, gaining hands-on experience in auditing, financial analysis, compliance, and developing a strong understanding of financial systems and reporting standards. In 2013, he transitioned to the role of Corporate & Finance Manager at Algaetech Group of Companies, where he assumed a leadership position overseeing corporate finance operations. In this capacity, he played a key role in shaping financial strategy and ensuring compliance with regulatory requirements, demonstrating his ability to manage complex financial operations.

He joined DXN in 2020 as Project Investment & Sustainability Manager, where he led high-impact investment initiatives with a focus on return on

investment and sustainability metrics. With more than a decade of experience in finance, investment, and corporate management, he has established a strong track record of delivering results and contributing to organisational success. His strong analytical capabilities and strategic thinking have been central to his career progression, culminating in his current role as Chief Operating Officer of DXN since 1 September 2024.

As Chief Operating Officer, he is responsible for spearheading the Group's global operations, driving growth strategies, and overseeing cross-functional teams to optimise resource allocation and operational efficiency.

He does not have any family relationship with any director and/or major shareholder or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and the Group. He has not been convicted of any offences within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 28 February 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



CORPORATE VISION

To promote health, wealth and happiness.



DXN CONCEPT

- **ONE DRAGON**
The entire process-cultivation, processing and marketing is solely done by the Company under strict quality control.
- **ONE WORLD ONE MARKET**
Each and every distributor enjoys worldwide bonus with single membership.
- **ONE MIND**
The Company and the distributors single-mindedly concentrate on doing DXN business.



DXN PHILOSOPHY

Low Price, High Quality; Low Profile, High Income.

The Board of Directors (“the Board”) of DXN Holdings Bhd. (“DXN” or “the Company”) sets the tone from the top for DXN’s Corporate Governance (“CG”) practices and its application throughout the Company and its subsidiaries (“DXN Group” or “the Group”). To that end, the Board is committed to upholding strong corporate governance practices as a fundamental part of discharging its responsibilities to protect and safeguard stakeholders’ interests and enhance shareholders’ value. Members of the Board, being strong advocates of good governance practices, with support from the Key Senior Management (“KSM”) team, formalised various policies, codes, guidelines, and procedures to create a firm foundation to position the Group at a vantage point for continued growth momentum from its re-listing on Main Board of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 19 May 2023.

The Board presents this CG Overview Statement (“CGOS”) to provide an overview on the Group’s CG practices as guided by the principles and best practices as prescribed in the Malaysian Code on Corporate Governance 2021 (“MCCG”):

A

Principle A
Board Leadership and Effectiveness

B

Principle B
Effective Audit and Risk Management

C

Principle C
Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

The CGOS shall be read together with the CG Report to provide an insight into how the Board applies the principles and best practices of the MCCG in the Group during the financial year ended 28 February 2026 (“FY2026”) and includes updates up to the period immediately preceding the publication of the Annual Report.

The Board is committed to driving, refining, and strengthening its governance processes to ensure the Group is aligned with best practices as prescribed in the MCCG, as well as all applicable laws and regulations. The Board also undertakes to review its governance framework in light of developments within the regulatory ecosystem and in response to the Group’s evolving requirements.



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A

Principle A

Board Leadership and Effectiveness

BOARD RESPONSIBILITIES

The Group is led by a highly experienced and diverse Board, which plays an active role in charting the strategic trajectory while maintaining robust oversight of its global operational execution. Key aspects of the Board's role in providing effective leadership, governance, and oversight include:

- review and adopt a strategic plan for the Group;
- oversee, together with KSM, the governance on sustainability;
- oversee the conduct of the Group's business;
- identify principal risks, determine the risk appetite, and ensure the implementation of the Enterprise Risk Management ("ERM") Framework to identify, analyse, evaluate, manage, and monitor the risks;
- ensure that all members of the Board and the KSM team are of sufficient calibre and oversee succession planning;
- oversee the development and implementation of an investor relations programme or shareholders' communication policy for the Group;
- review the adequacy and the integrity of the Group's risk management, internal control systems, and management information system;
- assure both internal and external stakeholders that the Group is operating in compliance with its policies and any other applicable regulatory requirements;
- review the anti-corruption and whistleblowing programmes periodically;
- review the investigative outcome of any whistleblowing matters;
- determine the remuneration of the Non-Executive Directors;
- ensure the integrity of the Company and the Group's financial and non-financial reporting; and
- together with KSM, ensure that the Company and the Group adhere to high standards of ethics and corporate behaviour.

Effective leadership is also entrenched in the set of approved guidelines, policies, and procedures underpinned by the Group's corporate concept and ethos. The following, as approved by the Board, formed the foundation of the Group's governance framework, guiding the Board in the execution of its duties:

- Anti-Bribery and Corruption Policy ("ABC Policy")
- Enterprise Risk Management ("ERM") Policy
- Whistleblowing Policy

- Code of Conduct & Ethics ("CoCE")
- Board Charter
- Terms of reference ("TOR") for the Board Audit Committee ("BAC"), Board Nomination & Remuneration Committee ("BNRC"), Executive Committee ("EXCO"), and Board Risk Committee ("BRC") (collectively "Board Committees")
- Fit & Proper Policy for Directors and Key Officers
- Remuneration Policy & Procedures
- Sustainability Policy
- Anti-Sexual Harassment Policy
- Non-Audit Services Policy
- Donation and Sponsorship Policy
- Transfer Pricing Policy
- Treasury Management Policy
- Conflict of Interest ("COI") Policy
- Dawn Raid Policy
- Gender Diversity Policy
- Environmental & Energy Policy
- Human Rights Policy
- Corporate Travel Policy
- Corporate Disclosure Policy
- Succession Planning Policy
- Compliance Management Policy
- Business Continuity Management ("BCM") Policy
- Cybersecurity Policy
- IT Policy
- Procurement Policy
- Inventory Management Policy
- Personal Data Protection Policy

Board Charter

The Board Charter details key matters reserved for the Board, inter alia, financial results, dividends, approval of strategy, annual operating plans, budgets, new major ventures, acquisitions and disposals, changes to management and control structure, appointments of Board members, Board Committee members, the Chairman, the Chief Executive Officer ("CEO"), and the Company Secretary. It further sets out the roles and responsibilities of the Board, the Chairman, Executive Directors (including the CEO, as applicable), Senior Independent Non-Executive Director ("Senior INED"), INEDs, Non-INEDs, and the Company Secretaries. The Board Charter was approved by the Board in February 2022 and it is published on DXN's website at www.dxn2u.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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Brief outline of the responsibilities of the Non-INEDs, INEDs, and Senior INED are as tabulated:

Non-INEDs	Utilise skills, expertise, and experience to contribute to the development of the Group as a whole.
INEDs	- Provides insights, unbiased and independent views, advice, and judgement to the Board and ensures effective checks and balances on the Board. - Essential for protecting the interests of shareholders, in particular minority shareholders. - Make significant contributions to the decision-making process by bringing in the quality of detached impartiality.
Senior INED	- Acts as a sounding board for the Chairman and serves as an intermediary for other Directors, when necessary. - Key person to whom all concerns regarding the Group may be conveyed.

CoCE, ABC Policy, Whistleblowing Policy, and COI Policy

The Board has put in place a CoCE to ensure that transparent and ethical conduct permeates throughout the Group. The Whistleblowing Policy was updated to provide dedicated avenues for employees and external stakeholders to disclose concerns relating to improper conduct, malpractices, or non-compliance with legal and regulatory requirements within the Group. Furthermore, in strict alignment with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group's Anti-Bribery and Corruption ("ABC") Policy is continuously maintained and updated to robustly mitigate risks associated with fraud, bribery, and corrupt practices. A comprehensive COI policy was established to ensure that the Board, Legal Representative, KSM, Employees, and Associates of the Group act in the best interests of the Group and are free from any personal, financial, non-financial or other conflicts that may compromise their judgement or impartiality.

As part of the Group's ongoing efforts to enhance awareness of these policies and measures, a mandatory e-learning programme, including an online assessment, was delivered to all employees via the digital platform, reinforcing the Company's commitment to ethical practices.

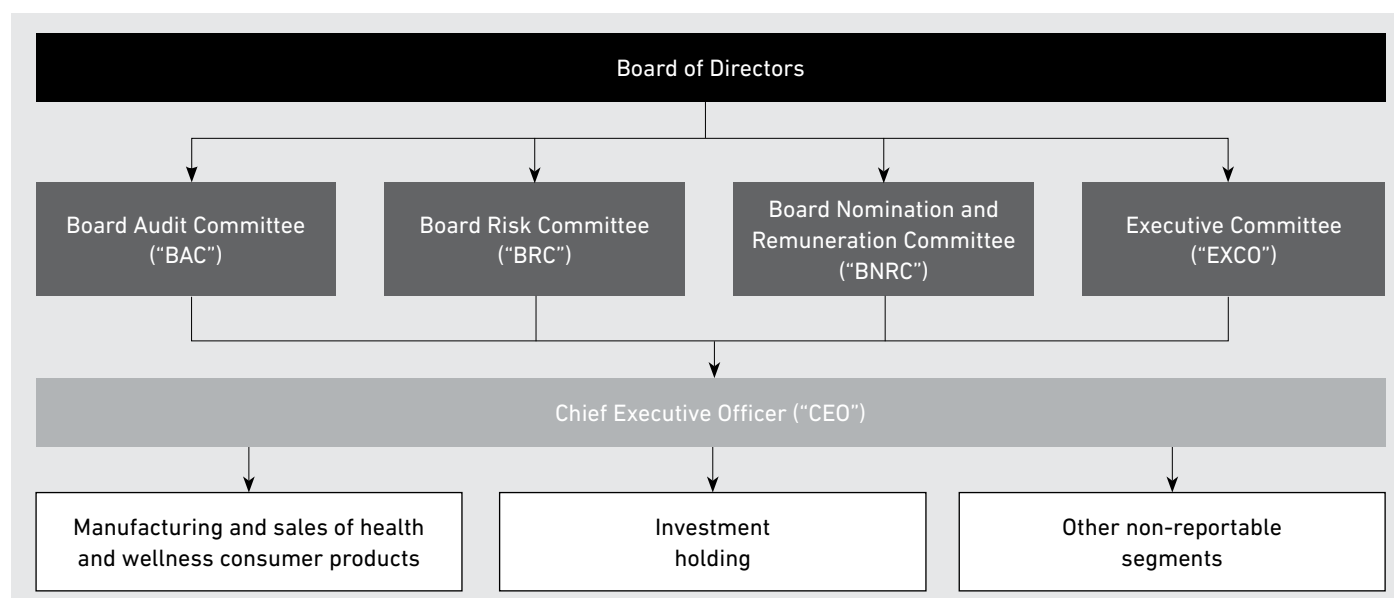
The CoCE, Whistleblowing Policy and ABC Policy are available on the Company's website at www.dxn2u.com.

Fit and Proper Policy for Directors and Key Officers

The Board has adopted the Fit and Proper Policy for Directors and Key Officers to ensure a formal and transparent process for the appointment and re-election of Directors and the appointment of KSM of the Company. The execution of this policy is delegated to the BNRC.

The said policy is available on the corporate website at www.dxn2u.com.

The governance structure of the Board is as follows:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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CORPORATE GOVERNANCE

To assist the Board in discharging its oversight function with specific responsibility areas, the Board has established four (4) Board Committees as illustrated. These Board Committees are guided by their respective TORs in discharging their duties. These TORs are reviewed periodically by the Board to ensure they remain relevant and adequate in governing the functions and responsibilities of the respective Board Committees and reflect the latest developments in the regulatory space. The TORs are accessible on the corporate website at www.dxn2u.com.

The Board retains collective oversight over all Board Committees. To ensure the Board remains fully informed, the respective Committee Chairpersons provide regular updates on key matters deliberated and recommendations made for Board decision-making. The minutes of all Board Committee meetings are accessible to all Directors.

Division of Responsibilities

The roles and responsibilities of the Executive Chairman and the Chief Executive Officer ("CEO") are distinctly demarcated and clearly segregated to ensure a proper balance of power, authority, and accountability, thereby preventing any single individual from exercising unfettered capacity in decision-making.

The Executive Chairman, Datuk Lim Siow Jin, is responsible for providing leadership and instilling good corporate governance and effectiveness of the Board. Mr. Prajith Pavithran, Executive Director and CEO, is primarily responsible for the day-to-day management of the Group's business within a set of authorities, leads the implementation of policies, strategies and decisions approved, adopted and delegated by the Board, as well as monitoring the operating and financial results of our Group against plans and budgets.

The Chairman of the Board is also not a member of the Board Committees.

Company Secretaries support the Board on all governance matters, Board policy and procedures, adherence to relevant statutory and regulatory requirements, and advocate the adoption of CG best practices.

Access to Information

Unless otherwise provided by or subject to any applicable laws or Main Market Listing Requirements of Bursa Securities ("MMLR"), all Board members have unrestricted access to the information of the Group to discharge their duties and responsibilities. The Board also has access to the advice and services of the Company Secretaries and may obtain independent professional advice at the Company's expense, as and when necessary and reasonable to facilitate the performance of their duties.

BOARD COMPOSITION

The Group is led by an experienced Board possessing wide-ranging professional expertise across diverse fields, including direct selling, general management, sales and marketing, corporate finance, asset management, investment banking, taxation, and auditing, as well as hospitality and healthcare consulting.

The current Board has eight (8) members of whom 62.5% (5 out of 8) are INEDs. Its current composition is as tabulated:

Position	Name
Executive Chairman	Datuk Lim Siow Jin ("DLSJ")
Non INED	Dato' Lim Boon Yee ("DLBY")
Executive Director & Chief Executive Officer ("ED & CEO")	Prajith Pavithran ("Prajith")
Senior INED	Datuk Noripah Binti Kamso ("DNK")
INEDs	Stefan Heitmann ("SH")
	YM Tunku Afwida Binti Tunku A. Malek ("TA")
	Abraham Verghese A/L T V Abraham ("AV")
	Ong Huey Min ("OHM")

The details of the Directors' background, experiences, and qualifications are set out under "Profile of Board of Directors" in this Annual Report 2026.

Effective 29 September 2025, Mr. Vibhav Panandiker ("Vibhav"), resigned from his position as a Non-Independent Non-Executive Director of DXN Holdings Bhd. Mr. Vibhav served as the designated Board representative for Gano Global Supplements Pte. Ltd., an investment holding company wholly owned by KV Asia Capital Fund I. His cessation is due to the fixed lifespan of the closed-ended fund structure, which dictates a defined timeline to invest and ultimately exit the investment in DXN Holdings Bhd.

Effective 06 April 2026, Mr. Prajith, the Group's Chief Executive Officer, has been appointed as an Executive Director of the Company. Bringing 24 years of extensive international sales and marketing experience to the Board, he began his career with DXN in 2001 and steadily rose through key leadership milestones, including regional management roles across South Asia, the Philippines, Mexico, and the Americas. Following a tenure as Chief Marketing Officer starting in May 2022, he was appointed as the Group's Chief Executive Officer on 1 June 2024. He holds no other directorships in public companies or listed issuers.

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The Board considers its current composition and size adequate for carrying out its functions and responsibilities effectively and efficiently. Given the presence of diverse skill sets, expertise, and qualifications, as well as the independent governance structure of the Board Committees and Board, the Board has been able to provide clear and effective leadership to the Group, as well as informed and independent judgement of the Group's activities and performance.

The Non-Executive Directors are entirely independent of the Group's day-to-day management. Additionally, to ensure strict compliance and governance standards, no member of the Board holds any political position.

Diversity

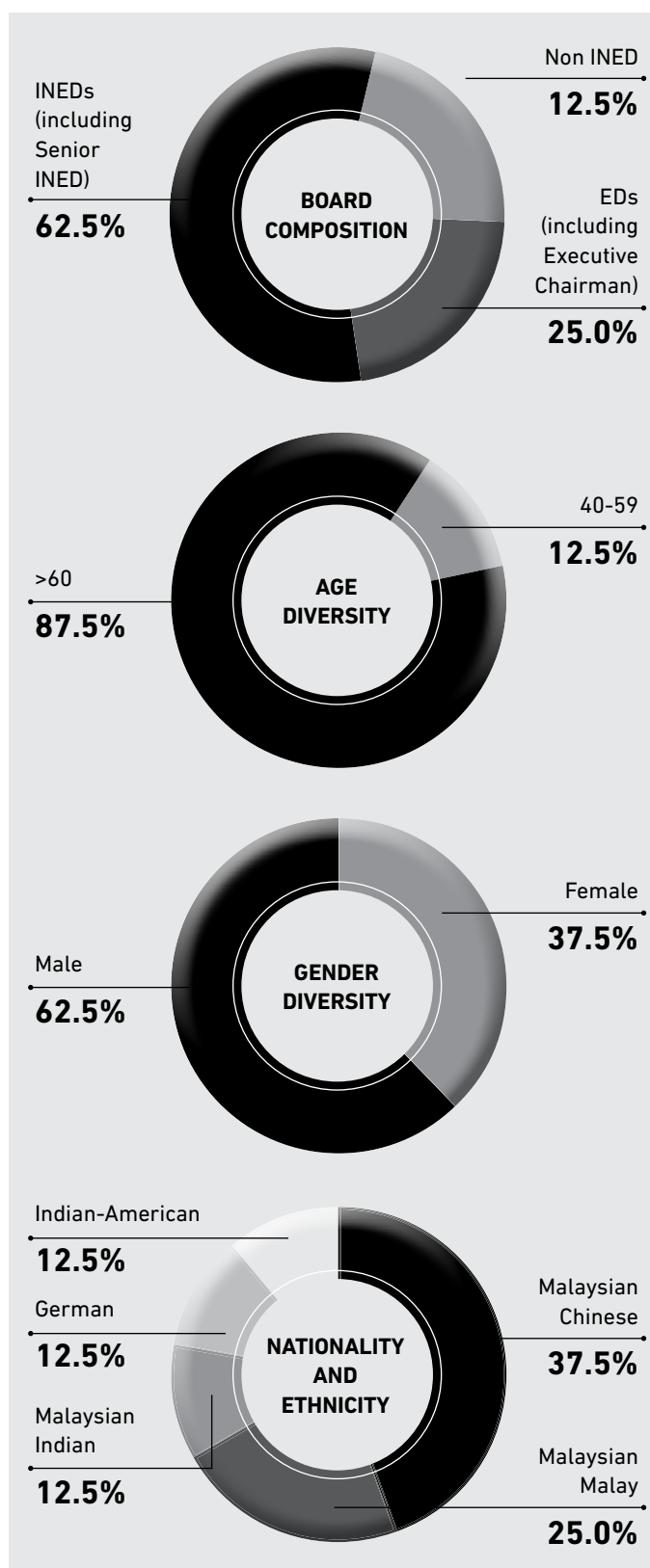
The selection of Board candidates involves several criteria, including expertise, professional experience, corporate industry standing, skills, diversity, and the potential to enhance the Board composition. Ultimately, these criteria contribute to achieving the Group's objectives and strategic goals.

The presence of three (3) highly qualified women directors represents 37.5% of the current Board composition, aligning with the MCCG recommendation to have at least 30% women representation on the Board.

The Board believes that promoting women's inclusion in decision-making roles should extend beyond board positions to encompass the KSM team to derive similar benefits.

The current Board members collectively possess a diverse range of qualifications, backgrounds, professional experiences, and skills that greatly benefit the Group. Additionally, there is a healthy mix of ethnicities and genders on the Board. This diversity fosters a wide range of viewpoints, contributing to robust discussions on issues brought forward for decision-making.

The Board diversity profile, which includes composition, gender, age, nationality and ethnicity, is disclosed in the table below and reflects the position up to the date immediately preceding the publication of this Annual Report:



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Independence

Our INEDs are Datuk Noripah Binti Kamso, YM Tunku Afwida Binti Tunku A. Malek, Stefan Heitmann, Abraham Verghese A/L T V Abraham, and Ong Huey Min. As such, the Board complies with Paragraph 15.02 of the MMLR, which mandates that at least two (2) directors or one- third (1/3) of the Board of the Company, whichever is higher, must be independent directors.

As of the date of this statement, four (4) of our INEDs have served for more than four (4) years following their appointments on 10 February 2022, while one (1) INED has served for nearly four (4) years since being appointed on 1 August 2022. Accordingly, the tenure of all independent directors remains well within the recommended limits.

The qualifications, experiences, and personal qualities of the INEDs, especially their integrity, calibre, and objectivity in fulfilling their responsibilities in the best interests of the Company and the Group, play a crucial role in assessing their effectiveness. The Board is confident that the INEDs, having confirmed their independence, will continue to provide unbiased, independent, and objective judgement during Board discussions and decision-making.

Tenure of the INEDs

The Board has adopted the Step-Up Practice 5.4 of the MCCG which limits the tenure of its INEDs to nine (9) years without further extension.

Board and Board Committees meetings

Meetings of the Board and Board Committees are scheduled quarterly (or annually, as applicable) with additional meetings convened as and when necessary.

An annual Board calendar incorporating meeting dates (after taking into consideration blackout dates as informed by the Directors) will be circulated to the Directors in advance before the commencement of a new financial year. Meeting materials are provided to the Board and Board Committees at least five (5) business days before the meetings to accord the Directors sufficient time to assess and review the proposals or information.

The Chairperson of the Board and the Board Committees preside over their respective meetings, where robust and vigorous deliberations are properly recorded. Minutes of the Board and the Board Committees meetings are tabled at the following meetings for confirmation. The status of matters arising is also tabled at the subsequent meetings of the respective Board Committees to ensure that they are duly acted upon.

The meeting attendance for the Board and Board Committees attended by the members of the Board/ Board Committee during the financial year under review is recorded as follows:

Directors	Board	BAC	BRC	BNRC
Datuk Lim Siow Jin [^]	7/9	-	-	-
Dato' Lim Boon Yee [^]	7/9	-	-	-
Vibhav Panandiker [*]	5/6	-	-	-
Datuk Noripah Binti Kamso	9/9	-	-	2/2
YM Tunku Afwida Binti Tunku A. Malek	8/9	10/10	-	2/2
Stefan Heitmann	9/9	10/10	8/8	-
Abraham Verghese A/L T V Abraham	9/9	10/10	8/8	-
Ong Huey Min	9/9	10/10	8/8	2/2

^{*} Mr Vibhav Panandiker resigned as a Director on 29 September 2025. Mr. Vibhav Panandiker missed the meeting on 29 July 2025 due to family commitments, for which apologies were received and accepted by the Board.

[^] Datuk Lim Siow Jin (Related Party) and Dato' Lim Boon Yee (Person Connected) recused themselves from attending and participating in the respective Board meetings held on 16 June 2025 and 4 July 2025 to facilitate the Board's independent deliberation on the proposed aircraft charter renewal and the proposed Burj Khalifa property acquisition.

The Board is satisfied with the level of time commitment demonstrated by the Directors in fulfilling their roles and responsibilities as Directors of the Company. At present, none of the Directors holds more than five (5) directorships in any other public listed companies at any point in time.



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CORPORATE GOVERNANCE

Board Focus Areas During FY2026

The major focus of the Board (or the non-interested Directors, as applicable) at their meetings during FY2026 was as tabulated:

FOCUS AREA	DESCRIPTION
Business Performance, Financials and Operations	- Dividend declaration, share buy-back, quarterly financial results, audited financial statements, and annual reports - Business performance and operations - Risk management and internal controls - Budget, forecast, capital investment, business development, and planning for business operations - Strategic investments and divestments
Governance, Compliance and Others	- Acknowledged disclosures of COI and/or potential COI and agreed on the mitigating actions - Approved TORs, relevant policies, and guidelines - Received updates and reports from the Chairperson of the BRC, BNRC, BAC, and EXCO on their respective oversight of various scopes of work - Undertook annual assessment and evaluation of Directors, Board, and Board Committees - Approved the appointment of KSM personnel - Convened Annual General Meeting ("AGM") to consider ordinary matters in relation thereto - Deliberated and approved certain related party transaction ("RPT") and recurrent related party transactions ("RRPT") - Received reports and updates from CEO on operational and sales performance of the Group and other key matters - Approved Authority Matrix - Discussed updates on CG and regulatory matters - Received updates on Memorandum of Understanding and Material Litigations - Reviewed and approved investments for the development in different regions

COI

Board members and KSM are required to disclose any actual or potential COI in a timely manner, including financial interests, relationships, affiliations, and other relevant connections that could influence their judgement or decision-making on matters.

Datuk Lim Siow Jin, Executive Chairman; Dato' Lim Boon Yee, Non-INED, and Lim Yew Lin, ("Affected Persons") are members of the immediate family. They are deemed to be in a COI with the DXN Group by virtue of their interests in several entities, which are involved in the supply and/or purchase of products and services to the Group. Notwithstanding that the involvement of the Affected Persons in the Group gives rise to COI situation, such conflict is mitigated because the management had obtained comparative rates from third party(ies) to ensure that the selling/purchase prices (as applicable) are at arm's length and on terms not more favourable to the entities connected to the Affected Persons than to the third parties.

Induction and Continuous Professional Development

All newly appointed Directors will participate in an induction programme to facilitate their seamless integration into their new roles and enhance their understanding of the Group's business activities and operations. The Directors will be provided with a range of information about the Group and briefings on the Company's business, strategy, and operational related matters. The Directors are allowed to meet with other Directors, in particular the Executive Chairman, the Company Secretary, the KSM, and visit the Group's key operating sites.

The Directors are encouraged to participate in ongoing training programmes, workshops, seminars, and conferences to stay abreast of industry developments and gain deeper insights into evolving statutory and regulatory requirements.

The Company Secretary circulated and briefed on the relevant guidelines on statutory and regulatory requirements from time to time, for the Board's reference.

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Details of training programmes attended by the Directors during the financial year under review are listed below:

No	Directors	Training Programmes	Date
1	Datuk Noripah Binti Kamsu	• Microplastics: Study of Waters in Southeast Asia by Prof. Melissa, Northern Illinois University • Khazanah Megatrends Forum 2025 • Brand Workshop • ASEAN Investment Conference 2025	• October 2025 • October 2025 • 13 August 2025 • April 2025
2	YM Tunku Afwida Binti Tunku A. Malek	• Cybersecurity & Emerging Technology Risk • Boardroom Cybersecurity: From Threat Landscape to Strategic Oversight • Brand Workshop • ASEAN Investment Conference 2025	• 26 November 2025 • 20 August 2025 • 13 August 2025 • 8 - 9 April 2025
3	Stefan Heitmann	• From Curiosity to Control: Board Intelligence in the Age of AI • Carbon Markets and Transition Credits: Harmonising Policies for a Sustainable Future • Thailand and Indonesia Political Update • Boardroom Blindspots: How Our Perceptions of Risk Influence Our Boardroom Effectiveness • Brand Workshop • Why Conventional Sustainable Thinking Has Failed • Malaysia & Singapore Transfer Pricing: Updates on Guidelines & Audit Framework • Southeast Asian Reactions to Trump Tariffs	• 27 February 2026 • 8 October 2025 • 5 September 2025 • 3 September 2025 • 13 August 2025 • 5 May 2025 • 30 April 2025 • 11 April 2025
4	Abraham Verghese A/L T V Abraham	• Audit Committee Conference 2025 • Axiata Group Risk & Compliance Annual Conference • MIA International Accountants Conference 2025	• 29 September 2025 • 26 September 2025 • 26 - 27 May 2025
5	Ong Huey Min	• 2025 MFRS Updates – Run 2 • Audit Oversight Board's Conversation with Audit Committees • KPMG Tax Summit 2025 – Penang • Transfer Pricing Pulse: Controversy Trends Shaping the ENR Sector in APAC (Part 2) • Transfer Pricing Pulse: Controversy Trends Shaping the ENR Sector in APAC (Part 1) • Brand Workshop • Cryptocurrency and Anti-Money Laundering Risks: Trends in Malaysia • Sales Tax and Service Tax: Expansion of Scope – Key Highlights • Common Property Disputes: Recovering or Defending Ownership Claims	• 5 December 2025 • 25 November 2025 • 30 October 2025 • 28 August 2025 • 19 August 2025 • 13 August 2025 • 25 June 2025 • 13 June 2025 • 11 June 2025
6	Prajith Pavithran	• Team Building – Collaboration Master • Brand Workshop • Succession Planning Workshop (Coaching 2)	• 14 - 16 August 2025 • 13 August 2025 • 6 - 7 March 2025

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CORPORATE GOVERNANCE

During the financial period under review, the Executive Chairman, Datuk Lim Siow Jin, and Non-Independent Non-Executive Director, Dato' Lim Boon Yee, did not attend formal external training programmes. Nonetheless, they stay abreast of relevant industry developments and regulatory updates through their active, day-to-day engagement in the Group's operations and regular briefings from the internal legal and secretarial teams.

DXN'S APPROACH TO SUSTAINABILITY

The Board recognises the significance of sustainability and its profound impact on the long-term success of the Group's businesses. To this end, the Group has established a Group Sustainability Department led by a Sustainability Manager. The Sustainability Manager is responsible for formulating the Sustainability framework to address material sustainability risks, monitoring sustainability-related matters and recommending strategies that incorporate Environmental, Social, and Governance ("ESG") elements into business processes.

KEY ROLES AND RESPONSIBILITIES

- Provides strategic oversight and guidance on sustainability matters, ensuring effective integration into DXN's long-term corporate objectives, governance framework, and key decision-making processes.
- Oversees the development and implementation of sustainability-related policies, including ESG frameworks, in alignment with regulatory expectations and stakeholder interests.
- Endorses and periodically evaluates DXN's sustainability objectives, including targets for carbon emissions reduction, supply chain transparency, and diversity metrics, to ensure alignment with best practices and promote continuous advancement.
- Evaluates regular reports on ESG performance and strategic initiatives, encompassing updates on Scopes 1, 2, and 3 emissions, supply chain sustainability efforts, and employee well-being indicators.

The Group's commitment to sustainability permeates every level of the organisation, originating at the Board level and cascading seamlessly to the Sustainability Management Committee ("SMC") and the Sustainability Working Committee ("SWC").

To operate sustainably, DXN focused its activities on the following key impact areas:



ECONOMICS

- Be the trusted brand recognised for high quality, affordably priced products;
- Uphold ethical business conduct and maintain a robust governance system; and
- Promote human well-being, quality of life, and equality without compromising the ecosystem's sustainability.



ENVIRONMENT

- Embrace responsibility energy and resource management, adopt carbon reduction strategies, use green technologies, instil environmentally sustainable practices, where applicable;
- Comply with relevant environmental laws and regulations;
- Innovate and promote responsible product design, packaging, use, and disposal; and
- Raise awareness on sustainable and responsible environment conduct within the Group and among stakeholders.



SOCIAL

- Embrace a diverse, inclusive, and equitable workplace, ensuring equal opportunities for all employees regardless of gender, age, or ethnicity;
- Prioritise talent development through structured learning and development programmes, targeted training initiatives, and clearly defined career progression pathways to enhance workforce capabilities and support long-term organisational growth;
- Engage and support local communities through impactful social responsibility initiatives and community development programmes; and
- Maintain a strong commitment to upholding human rights and ensuring fair labour practices throughout the Group's operations and across its supply chain, in alignment with international standards and ethical business conduct.

Details of the Group's sustainability management efforts and activities are disclosed in the Sustainability Statement in this Annual Report.

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BOARD NOMINATION AND REMUNERATION COMMITTEE ("BNRC")

The BNRC, chaired by YM Tunku Afwida Binti Tunku A. Malek, is committed to enhancing the efficiency of deliberations and decision-making, minimising time-related costs, and promoting cohesive and effective governance.

Composition	Key Roles and Responsibilities
YM Tunku Afwida Binti Tunku A. Malek INED Chairperson	- Oversee the appointment process, including the identification, evaluation (aligned with fit and proper policy), and recommendations for Directors and/or KSM positions. - Ensure that the Board and the Board Committees maintain an effective and balanced composition with a diverse mix of skills, independence, knowledge, qualifications, experience, age, cultural background, and gender to discharge their respective responsibilities. - Assess Directors' training needs vis-à-vis changing regulatory and business landscapes and make recommendations thereof. - Oversee the annual assessment of the Board, its Board Committees, its individual Directors, and the KSM to evaluate their overall performance and effectiveness. This responsibility extends to assessing the fit and properness of Directors who are due for retirement by rotation and standing for re-election at the forthcoming Annual General Meeting ("AGM"). - Assess and analyse the composition of the Board, considering factors such as size, skill sets, qualifications, experiences, and diversity. - Oversee the succession planning for the Board and KSM. - Ensure that the remuneration policy and framework remain aligned with the Group's business strategy, maintaining a competitive structure that links rewards with corporate and individual performance. This is designed to attract and retain high-calibre talent with the requisite skills, experience, and qualities on the Board (including ED) and KSM to drive the Group's long-term objectives. - Discuss, evaluate, and formalise key performance indicators ("KPIs") for incentive plans proposed by the executive leadership. - Recommend to the Board for approval the total remuneration packages for ED, Non-Executive Directors, and KSM.
Datuk Noripah Binti Kamso Senior INED Member	
Ong Huey Min INED Member	

The BNRC is chaired by YM Tunku Afwida Binti Tunku A. Malek, an INED in compliance with Practice 4.7 of the MCCG.

Details of the BNRC's roles and responsibilities are set out in its TOR, accessible on the Company's website at www.dxn2u.com.

Board Selection and Appointment Process

In selecting and nominating new candidates to the Board, the BNRC considers the objective criteria and various factors, including skills, knowledge, professionalism, experience, diversity, and time commitment. For the appointment of INED, the BNRC considered the independence criteria as outlined in the MMLR.

Board, Board Committees and Individual Evaluation

The Board, through the BNRC and facilitated by Securities Services (Holdings) Sdn Bhd. ("SS"), conducting an annual board assessment and evaluation to appraise the effectiveness of the Board, Board Committees, and each Director in respect of FY2026 ("BAE") on 8 June 2026.

The criteria for Board and KSM evaluation included, among others, the Directors' skill set matrix, fit and proper attributes, contribution and performance, calibre and personality, and the independence of the INEDs.

The Board is mindful of the guidance under the Malaysian Code on Corporate Governance ("MCCG") regarding the engagement of independent experts at least once every three (3) years to facilitate objective and candid board evaluations. The BNRC has determined that an independent external evaluation will be carried out at least once every five (5) years. In the interim, the Board concluded that the current internal evaluation process managed by the BNRC remains robust, comprehensive, and effective.

For the financial period under review, the overall performance of the Board, its Committees, and individual Directors was deemed satisfactory. Given this effectiveness, the Board agreed to maintain the current board composition. Additionally, the INEDs have actively fulfilled their independent roles during Board deliberations and consistently exercised unbiased judgement.

Furthermore, following a review of the term of office and performance of the BAC and its members for FY2026, both the BNRC and the Board expressed satisfaction that the BAC and its members had performed their duties in adherence with the TOR.

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CORPORATE GOVERNANCE

Re-election of Directors

In line with the Company's Constitution, an election of Directors shall take place each year. At the AGM, if one-third (1/3) of the Directors for the time being or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election provided always that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

Directors appointed to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next AGM and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

In the event of any vacancy in the Board of Directors resulting in non-compliance with Para 15.02(1) of the MMLR, the Company shall fill the vacancy within a period of three (3) months.

In accordance with the Company's Constitution, three (3) Directors are due for retirement at the forthcoming AGM and, being eligible, have offered themselves for re-election. Specifically, Mr. Prajith Pavithran is retiring pursuant to Clause 179 of the Company's Constitution, having been appointed to the Board mid-term to fill a vacancy. Concurrently, YM Tunku Afwida Binti Tunku A. Malek and Mr. Stefan Heitmann are retiring by rotation pursuant to Clause 188 of the Company's Constitution, having completed their scheduled tenure since their last election.

Mr. Abraham Verghese A/L T V Abraham who retires in accordance with Clause 188 of the Company's Constitution, has expressed his intention not to seek re-election and hence, he will hold office as Director until the conclusion of the 30th AGM.

Following the Board Assessment and Evaluation ("BAE") exercise for the financial year ended 2026, the BNRC conducted a comprehensive review of the retiring Directors. This assessment thoroughly considered their fitness and propriety, experience, integrity, competence, and level of contribution, as well as their active participation in Board and Board Committee meetings and overall time commitment.

The Board is satisfied that, following the BNRC's review and based on the results of the BAE FY2026 undertaken, the Directors standing for re-election will continue to bring their knowledge, experience, and skills and contribute effectively to the discussions, deliberations, and decisions of the Board and Board Committees, as applicable. All of them have demonstrated objectivity and commitment through proactive engagements at meetings of the

Board and Board Committees (as applicable) held during the financial year by sharing valuable, relevant, independent, and impartial (as applicable) insights, views, and opinions on issues tabled for discussion. They have exercised due care and carried out their professional duties proficiently and effectively throughout their tenure of service. The Board recommends and supports the re-election of the retiring Directors, who have duly abstained from all deliberations and decisions regarding their own eligibility to stand for re-election at the respective BNRC and Board meeting.

Succession Planning

The BNRC oversees succession planning to ensure smooth leadership transitions. This involves identifying critical positions, emphasising key competencies and skills necessary for business continuity, and developing individuals to meet future business needs. The CEO collaborates with the BNRC to establish a robust succession planning framework, alongside comprehensive talent management, and human capital development programme for KSM.

Remuneration, Fee, and Benefits

The INEDs are paid Directors' fees and meeting fees for their attendance at meetings of the Board and Board Committees in the manner tabulated:

INEDs	Directors' fees (RM)	Board Meeting fee (RM)	Board Committees meeting fee (RM)
Datuk Noripah Binti Kamso	115,000	3,500	1,500
Abraham Verghese A/L T V Abraham	103,500	3,500	1,500
Stefan Heitmann	97,750	3,500	1,500
YM Tunku Afwida Binti Tunku A. Malek	97,750	3,500	1,500
Ong Huey Min	103,500	3,500	1,500

Note:

^ Fee is on per meeting basis and paid in arrears.

Any Director invited by a Board Committee to attend a scheduled meeting of which they are not a member of the Board Committee shall receive a meeting allowance pegged at 50% of the standard meeting fee allocated to the members of the Board Committee for the respective session.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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CORPORATE GOVERNANCE

Details of the remuneration, fees, and benefits received by the Directors from the Company and the Group in respect of FY2026 are tabulated below:

The Company

Name	Salaries RM'000	Directors' Fees RM'000	Bonus RM'000	Contribution to EPF and SOCSO RM'000	Allowances RM'000	Profit Sharing RM'000	Benefits -in Kind RM'000	Other Emoluments*	Total RM'000
Executive Directors									
Datuk Lim Siow Jin	2,499.0	-	-	101.0	-	-	-	-	2,600.0
Non-Executive Directors									
Dato' Lim Boon Yee [^]	298.0	-	-	13.0	12.0	-	15.0	-	338.0
Vibhav Panandiker ^{^^}	-	-	-	-	-	-	-	-	-
Datuk Noripah Binti Kamso	-	115.0	-	-	47.0	-	-	-	162.0
YM Tunku Afwida Binti Tunku A. Malek	-	98.0	-	-	48.0	-	-	-	146.0
Stefan Heitmann	-	98.0	-	-	58.5	-	-	-	156.5
Abraham Verghese A/L T V Abraham	-	103.5	-	-	58.5	-	-	-	162.0
Ong Huey Min	-	103.5	-	-	61.0	-	-	-	164.5

The Group

Name	Salaries RM'000	Directors' Fees RM'000	Bonus RM'000	Contribution to EPF and SOCSO RM'000	Allowances RM'000	Profit Sharing RM'000	Benefits -in Kind RM'000	Other Emoluments*	Total RM'000
Executive Directors									
Datuk Lim Siow Jin	2,811.0	-	-	129.0	-	-	-	-	2,940.0
Non-Executive Directors									
Dato' Lim Boon Yee [^]	298.0	-	-	13.0	12.0	-	15.0	-	338.0
Vibhav Panandiker ^{^^}	-	-	-	-	-	-	-	-	-
Datuk Noripah Binti Kamso	-	115.0	-	-	47.0	-	-	-	162.0
YM Tunku Afwida Binti Tunku A. Malek	-	98.0	-	-	48.0	-	-	-	146.0
Stefan Heitmann	-	98.0	-	-	58.5	-	-	-	156.5
Abraham Verghese A/L T V Abraham	-	103.5	-	-	58.5	-	-	-	162.0
Ong Huey Min	-	103.5	-	-	61.0	-	-	-	164.5

[^] The remuneration, fees, and benefits etc were paid in respect of his executive functions performed at the subsidiary level.

^{^^} Mr Vibhav Panandiker resigned as a Director on 29 September 2025.

Amounts disclosed have been rounded to the nearest thousand to ensure consistency with the audited financial statements. Minor differences may arise due to rounding.

Key Senior Management's ("KSM") Remuneration

The Board recognises the importance of transparency in disclosing the remuneration of KSM. However, given the intense competition for professional talent, commercial sensitivities surrounding executive compensation, and the need to maintain a stable operational environment, the Board is of the view that the detailed disclosure of individual KSM remuneration could disadvantage the Group's business interests and inadvertently trigger talent recruitment and retention challenges.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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CORPORATE GOVERNANCE

B

Principle B

Effective Audit And Risk Management

Board Audit Committee ("BAC")

Composition	Key Roles and Responsibilities
Abraham Verghese A/L T V Abraham INED Chairman	- Complying with accounting standards and disclosure requirements as administered by Bursa Securities, relevant accounting standards bodies, and applicable laws and regulations (as amended from time to time). - Overseeing a formal and transparent audit process, and appraising the quality of audits conducted by both internal and external auditors. - Maintaining open lines of communication between the Board, internal auditors, and external auditors to facilitate the exchange of views and information, and to confirm their respective authority and responsibilities. - Ensuring the Group maintains a robust framework of internal controls, encompassing administrative, operational, accounting, and risk management processes to safeguard shareholders' investments and the Group's assets. - Overseeing the Group's compliance with applicable laws, rules, and regulations, and ensuring an appropriate code of business conduct is in place. - Overseeing the integrity and accuracy of financial reporting. - Investigating any concerns or reports received regarding possible irregularities within the DXN Group.
YM Tunku Afwida Binti Tunku A. Malek INED Member	
Stefan Heitmann INED Member	
Ong Huey Min INED Member	

The Board is supported by the BAC in overseeing the integrity of financial statements and disclosures, the effectiveness of internal control and risk management frameworks, and compliance with relevant laws and regulations.

The BAC members, all INEDs, are financially literate. All of them possess the expertise, skills, and professional experiences needed to fulfil their duties and responsibilities.

The BAC Chairperson is distinct from the Chairman of the Board, thereby maintaining a strict separation of roles in full compliance with Practice 9.1 of the MCCG. The BAC adheres to a policy requiring a cooling-off period of at least three (3) years for former partner

of the Company's external auditors before they can be appointed as BAC members. As of the date of this Report, except for Ong Huey Min, none of our BAC members was a former partner of our external auditors. She retired as a tax partner of an affiliate firm of our external auditors in 2014. The BAC is governed by its TOR, which is accessible at www.dxn2u.com.

The BAC monitors and reviews the scope and effectiveness of both the internal and external auditors, assessing their suitability, objectivity, and independence annually.

The summary of activities of the BAC for FY2026 is detailed under the BAC Report in this Annual Report 2026.

Board Risk Committee ("BRC")

The BRC was established on 10 February 2022 and comprises INEDs presently:

Composition	Key Roles and Responsibilities
Stefan Heitmann INED Chairman	- Reviewing and recommending the Group's risk management policies and strategies for the Board's approval; this includes evaluating major investment business proposals alongside management's assessment of key associated risks, funding options, financial costs, and projected investment returns before final Board approval. - Embedding effective governance structures and processes alongside performance-focused risk management and internal controls across all operations and at every level of the Group. - Fulfilling the Board's corporate governance, risk management, and statutory responsibilities, ensuring that the overall risk exposure of the Group is managed effectively and proactively. - Establishing a comprehensive risk management and internal control framework, while continuously ensuring its ongoing adequacy and effectiveness.
Abraham Verghese A/L T V Abraham INED Member	
Ong Huey Min INED Member	
Prajith Pavithran* INED Member (Appointed on 18 June 2026)	

Details of the BRC's roles and responsibilities are set out in the TOR published on the Company's website at www.dxn2u.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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CORPORATE GOVERNANCE

The composition of the BRC is structured to ensure an appropriate balance of perspectives between executive leadership and INEDs, providing robust oversight to guarantee that the Group's risk management policies and practices remain adequate and effective. The Board of DXN holds a fundamental stewardship responsibility to understand these risks, provide strategic guidance on their mitigation, and ensure they are managed proactively in a structured and consistent manner.

DXN Group is committed to the effective identification, mitigation, and management of risk as an integral part of the Group's overall approach to risk governance. The implementation of the ERM Policy and Framework is expected to improve DXN's visibility on its strategic and operational challenges as well as the available opportunities. The design of the ERM Framework reflects the principles outlined in ISO 31000:2018 and the best practices on risk management.

In September 2021, DXN established the Group Governance and Risk Management ("GGRM") department for the purpose of coordinating and advising on risk and control activities to ensure that the management of our Group's response to mitigate risks identified is carried out effectively, and also performing quarterly risk reviews in line with our Group's ERM Framework. The GGRM reports to the BRC, CEO, and KSM on the risks and the mitigating action plan. The BRC met eight (8) times during the financial year under review to receive reports from GGRM, approve relevant policies, codes and guidelines, and review investment proposals.

In April 2022, DXN established a Legal and Risk Compliance Committee ("LRCC") comprising representatives from various key departments and functions across the Group, including finance, project investment, sustainability, legal, marketing, compliance, and factory operations. The LRCC is responsible for monitoring and overseeing the Group's legal and regulatory compliance matters, including adherence to licenses, permits, and approvals across various business operations and jurisdictions. It also ensures that non-compliance incidents are adequately investigated and escalated to the appropriate parties in a timely manner. All entities within the Group are required to report matters relating to legal and regulatory non-compliance to the LRCC, which monitors the Group's overall compliance status and recommends corrective actions where necessary.

The Group's internal audit function is performed in-house by the Group Internal Audit ("GIA") department, led by Ms. Teoh Soo Kim and supported by a team of thirteen (13) auditors. The GIA reports directly to the BAC on the adequacy and integrity of the Group's internal control systems, while evaluating compliance with relevant laws and regulations across all operating jurisdictions.

The details of the risk management and internal control systems are set out under the Statement on Risk Management and Internal Control in this Annual Report 2026.

Board Executive Committee

The EXCO was established on 10 February 2022 and comprises Executive Chairman, the ED & CEO, and the CFO as follows:

Composition	Key Roles and Responsibilities
Datuk Lim Siow Jin Executive Chairman Member	- Ensure that strategies are implemented within a pre-determined framework and financial parameters that are approved and agreed upon by the Board from time to time. - Oversee the implementation of Board policies and strategies in managing the business segments to sustain continued growth and enhance shareholders' value. - Review the performance of all business segments and implement corrective action plans, where necessary, to address any shortfalls or non-compliance. - Review and monitor the progress of the Group's business plans and budgets, including evaluating performance against agreed KPIs across all operational dimensions. - Apply the principles and best practices recommendations of CG, sustainability, and corporate responsibility, while ensuring absolute compliance with applicable regulatory and legal requirements. - Provide support and direction in all aspects of the business strategies and plans as assigned or delegated by the Board and take action or assume any other powers and responsibilities that may from time to time be assigned or delegated by the Board to implement such business strategies and plans.
Prajith Pavithran ED & CEO Member	
Lim Beng Cheng CFO Member	

The EXCO is mandated to provide strategic oversight of the Group's businesses, ensuring that operational execution remains strictly aligned with the strategies authorised by the Board. All activities must be implemented within the prescribed frameworks and delegated financial limits approved by the Board from time to time.

The EXCO is vested with primary responsibility for the oversight of the Group's day-to-day operations, excluding those matters specifically reserved under the authority of the Board, the BAC, BNRC, and BRC.

The functions of the EXCO are set out in the TOR published on the Company's website at www.dxn2u.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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CORPORATE GOVERNANCE



Principle C

Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

PART I: COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of transparency, accountability, and timely dissemination of information to all our stakeholders to make informed investment decisions.

Since its listing, the Group has remained committed to robust stakeholder engagement, utilising channels such as announcements via Bursa Securities, press releases, corporate briefings, and annual general meetings. All financial results, dividend declarations, and relevant corporate disclosures are transparently available on the website of Bursa Securities.

The Board and the Group are guided by the Bursa Malaysia Corporate Disclosure Guide and the Company's Corporate Disclosure Policy in disseminating information to shareholders and stakeholders.

The corporate website at www.dxn2u.com offers comprehensive information, including the Group's background, corporate news, products, business details, career opportunities, and corporate social responsibility initiatives. The "Investor Relations" tab on the corporate website is a dedicated section that provides further details, including TORs, policies, codes, announcements to Bursa Securities, and background information on the Board and KSM.

The Board actively fosters open engagement with stakeholders, welcoming inquiries regarding the Group's financial performance and corporate governance practices. Stakeholders can direct their inquiries to our Investor Relations personnel:

Investor Relations

Tel : +603-8680 9850

Email : ir@dxn2u.com

PART II: CONDUCT OF GENERAL MEETINGS

General meetings are the principal forum for dialogue and interaction with the shareholders.

The forthcoming 30th AGM, scheduled on 10 August 2026, will provide shareholders with the opportunity to seek clarification and gain insight into the Group's operations, financial performance, and market outlook.

The notice of the 30th AGM, which outlines the resolutions, will be sent together with the Annual Report 2026 to shareholders at least twenty-eight (28) days before the date of the AGM. This

practice aligns with Section 316(2) of the Companies Act 2016 and Paragraph 7.15 of the MMLR. Additionally, explanatory notes accompanying selected proposed resolutions aimed to facilitate informed decision-making by shareholders when exercising their voting rights. The notice of AGM will also be circulated in a nationally distributed newspaper and announced on the Bursa Securities' website. This approach ensures shareholders have immediate access to the Notice of the AGM, providing them with ample time to review the agenda and prepare for their attendance and active participation. In 2025, the notice of the 29th AGM was sent more than twenty-eight (28) days before the date of the AGM on 13 August 2025.

During the 29th AGM, which was conducted physically, all members of the Board, including the Chairpersons of the respective Board Committees, alongside the CEO, CFO, and other KSM, were present in person to address queries and concerns raised by shareholders. The external auditors were also in attendance to respond to any shareholder inquiries regarding the conduct of the audit, as well as the preparation and content of the auditors' report. The Executive Chairman allocated appropriate and sufficient time to shareholders, actively encouraging them to raise questions, express opinions, and offer suggestions for improvement throughout the proceedings. Consequently, Board members and KSM provided comprehensive responses to all relevant questions addressed to them during the meeting.

To ensure greater transparency, accuracy, and operational efficiency in the voting process, the Company adopted an electronic poll voting ("e-voting") system at the 29th AGM. An independent scrutineer was appointed to validate the votes cast, and the results of each resolution put to the vote were announced systematically during the meeting. The verified poll results were displayed on-screen for the immediate viewing of attending shareholders. Following the conclusion of the AGM, a detailed announcement specifying the full voting outcomes, including the total number of votes cast for and against each resolution alongside their respective percentages, was uploaded to Bursa Securities' website.

Furthermore, in line with corporate governance best practices, the minutes of the 29th AGM were published on the Company's corporate website within thirty (30) business days after the conclusion of the meeting.

This Corporate Governance Overview Statement was officially approved by the Board of Directors.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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INTRODUCTION

The Board of Directors (“the Board”) of DXN Holdings Bhd. (“DXN” or “the Company”) is pleased to present the Statement on Risk Management and Internal Control (the “Statement” or “SORMIC”), which outlines the scope and nature of risk management and internal control of the Company and its subsidiaries (collectively “the Group” or “DXN Group”) for the financial year ended 28 February 2026 (“FY2026”). This Statement is prepared per Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and guided by the SORMIC: Guidelines for Directors of Listed Companies.

The Board recognises its overall accountability for DXN Group’s risk management and internal control systems and is committed to safeguarding shareholders’ interests and the Group’s assets as well as reviewing the adequacy, integrity, and effectiveness of the risk management and internal control systems. Accordingly, the Board has established an Enterprise Risk Management policy (“Policy” or “ERM Policy”) incorporating an ERM Framework (the “Framework”) to identify, assess, and monitor the Group’s significant risks, determine risk appetite, and establish mitigation plans in pursuance of the Group’s business strategies and opportunities.

The design of the Framework reflects the principles outlined in ISO 31000:2018 and the best practices for risk management, as well as reflecting DXN’s proactive approach to anticipating risks across strategic, environmental, social, governance, operational, financial, cyber, and compliance domains.

The Board retains full oversight of the Group’s ERM Framework. Matters pertaining to risks are specifically overseen by the Board Risk Committee (“BRC”) and the Board Audit Committee (“BAC”), which in turn are supported by the Group Governance and Risk Management Department (“GGRM”) and the in-house Group Internal Audit Department.

These committees are responsible for overseeing the financial reporting process, evaluating internal and external audit processes, and reviewing the risk management and internal control processes.

Risk management accountability is integrated at all levels of the Group, including within operational functions, and is guided by an approved ERM policy supported by established frameworks and procedures.

The policies of the Board for ERM include the following:

- To integrate risk management into DXN Group’s culture, operational activities, and decision-making processes.
- To anticipate and respond proactively to the changing landscape in areas that are strategic in nature, environmental, social, governance, compliance, operation, cyber, systems, and financial.
- To manage risks pragmatically to an acceptable level with consideration given to the particular circumstances of each situation.
- To require that all papers submitted to the Board by Management relating to strategy, key project approval, significant action or investment, include key risk factors and risk management strategies.
- To implement a structured and consistent ERM Framework in DXN Group.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

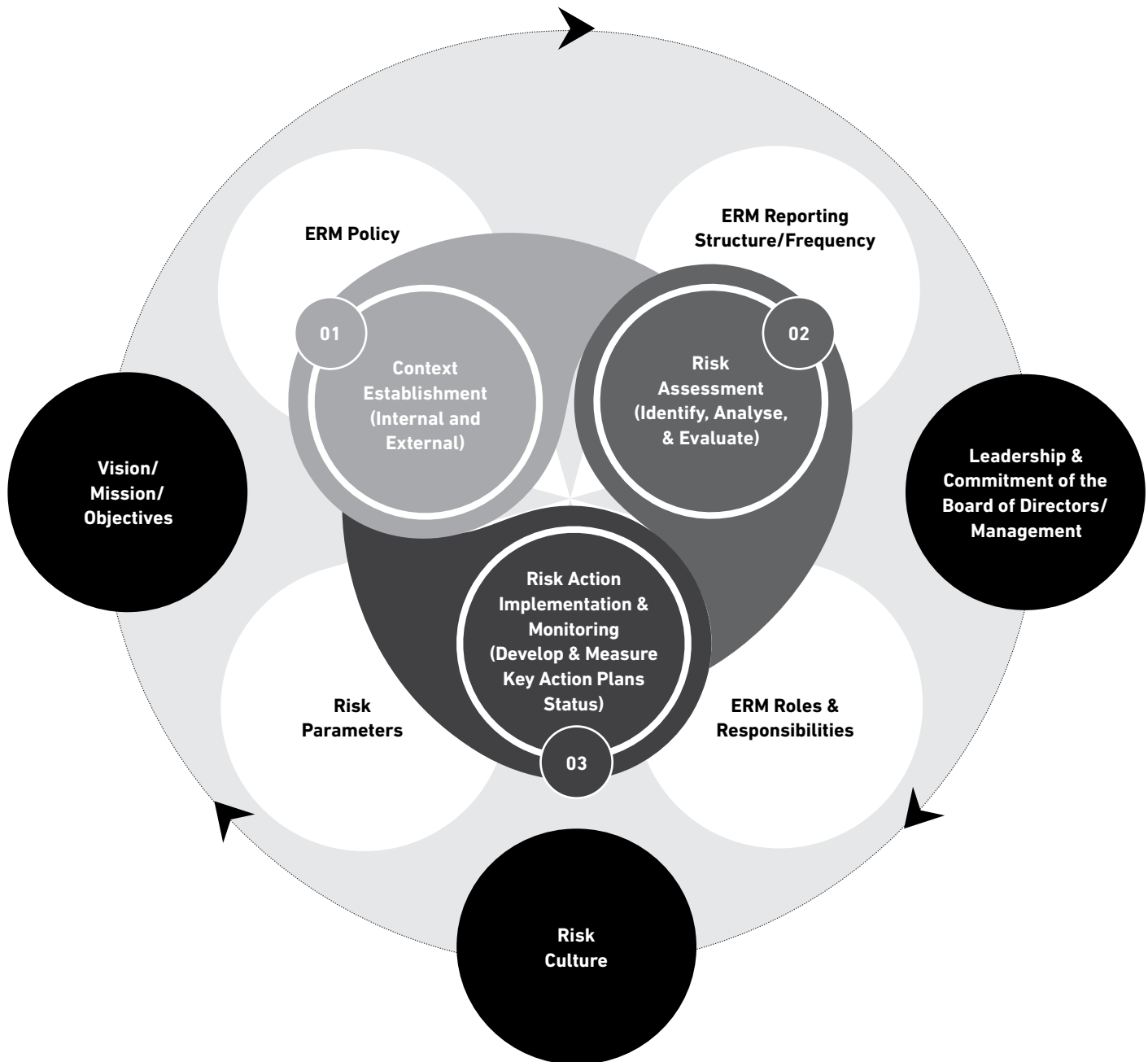
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CORPORATE GOVERNANCE

ERM FRAMEWORK

The ERM Framework outlines the process of achieving successful risk management by identifying the key elements required and the process for implementation.

The components of the Framework are illustrated below:



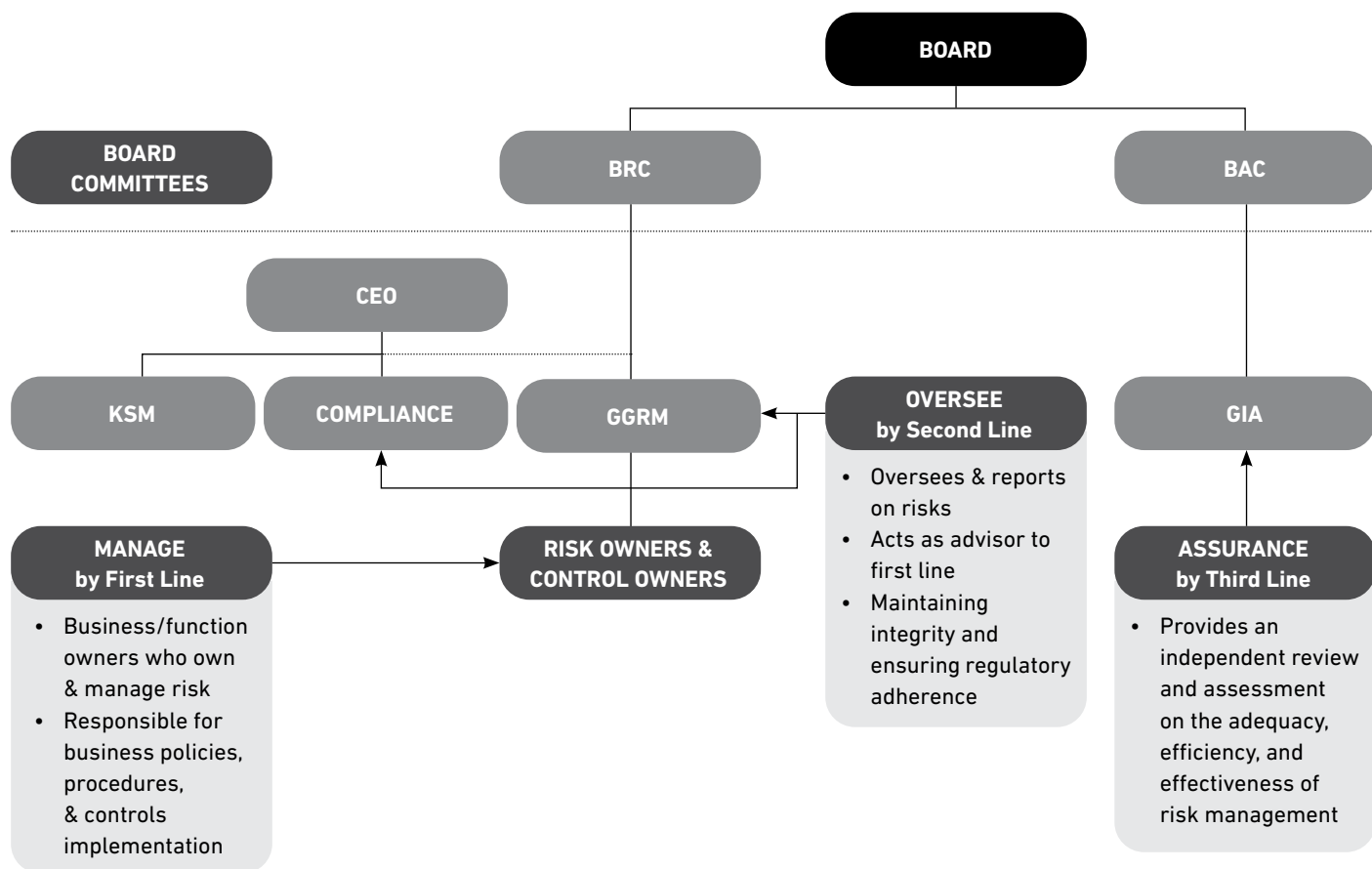
STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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CORPORATE GOVERNANCE

ERM REPORTING STRUCTURE

The ERM Reporting Structure is illustrated as follows:



Notes:

CEO : Chief Executive Officer
GIA : Group Internal Audit
BAC : Board Audit Committee
KSM : Key Senior Management

GGRM : Group Governance & Risk Management
BRC : Board Risk Committee
Compliance : Compliance & Integrity Unit

ROLES AND RESPONSIBILITIES

Role	Description
Board	- Provide overall risk management oversight. - Approve and adopt the ERM Policy and Framework. - Articulate and provide direction on risk appetite, organisational control environment, and risk culture at the Group level. - Ensure the effectiveness of the ERM Framework and fully support the risk management process and its control systems in order to manage all risks to which the Group is exposed to.
BAC	Provide an objective and independent view on the effectiveness of ERM implementation to the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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CORPORATE GOVERNANCE

Role	Description
BRC	- Review the context within which risk is managed in relation to the Group's strategic direction and objectives. - Oversee and provide oversight and direction for the implementation of risk management in the Group and consistent application of ERM principles. - Endorse the ERM Policy for approval by the Board. - Annually review the Group's risk management framework and supporting structure, including: - Satisfying itself that appropriate systems are in place to identify, assess, and manage the significant risks affecting the Group. - Ensuring that the Group's employees are clear as to their roles and responsibilities with regards to the ERM Framework.
Chief Executive Officer ("CEO")/ Key Senior Management ("KSM")	- The CEO has the ultimate responsibility and accountability for ensuring that risk is managed across the business units within DXN Group and is supported by the KSM. - Provide executive leadership in the management of strategic, operational, and project risk and generally champion risk management within the Group. - Ensure that the divisional risk profile as entered by each department/division is reviewed, updated, and approved in line with the Policy requirements. - Ensure the Group is managed and operates within the agreed risk constraints and operations rules.
GIA	Assist BAC in reviewing the effectiveness of ERM in providing an independent view on specific risks and control issues, trends, and events.
GGRM	- Report to BRC, CEO, and KSM on risk management information. - Lead the development, implementation, and review of the ERM Framework, and supporting processes and systems. - Coordinate ERM activities across DXN Group which includes amongst others, compiling risk reports (such as risk registers, risk profile, risk action plans) from the respective Risk Owners and Control Owners. - Provide risk management advice and support. - Develop and promote risk management awareness. - Provide ERM reports to the BAC when requested. - Evaluate the adequacy of ERM tools, resources, trainings, and subject matter expert.
Compliance & Integrity Unit	Compliance: - Establish and maintain a compliance reporting and documentation system across the Group. - Develop and implement the Group's compliance management processes, and ensure they are reviewed periodically for continuous improvement. - Prepare and present compliance reports to the Legal & Risk Compliance Committee ("LRCC"), the BRC, and other committees as required on compliance-related matters. - Facilitate Group-wide training programmes to raise awareness of the Group's compliance obligations and provide updates on the latest regulatory developments, including the engagement of external trainers and/or consultants where necessary. - Provide advice and guidance to Operational PICs and employees on compliance obligations and regulatory requirements. Integrity: - Oversee the Group's integrity framework, including anti-bribery and corruption initiatives. - Provide secretariat and operational support to the Anti-Bribery and Corruption Committee ("ABCC") and Whistleblowing Committee ("WBC"), including reporting to ABCC, WBC and BRC. - Manage whistleblowing cases, ensuring proper handling, confidentiality, and timely follow-up actions. - Coordinate integrity-related investigations and ensure appropriate actions are taken in line with policies. - Ensure implementation and enforcement of anti-bribery and integrity policies across the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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CORPORATE GOVERNANCE

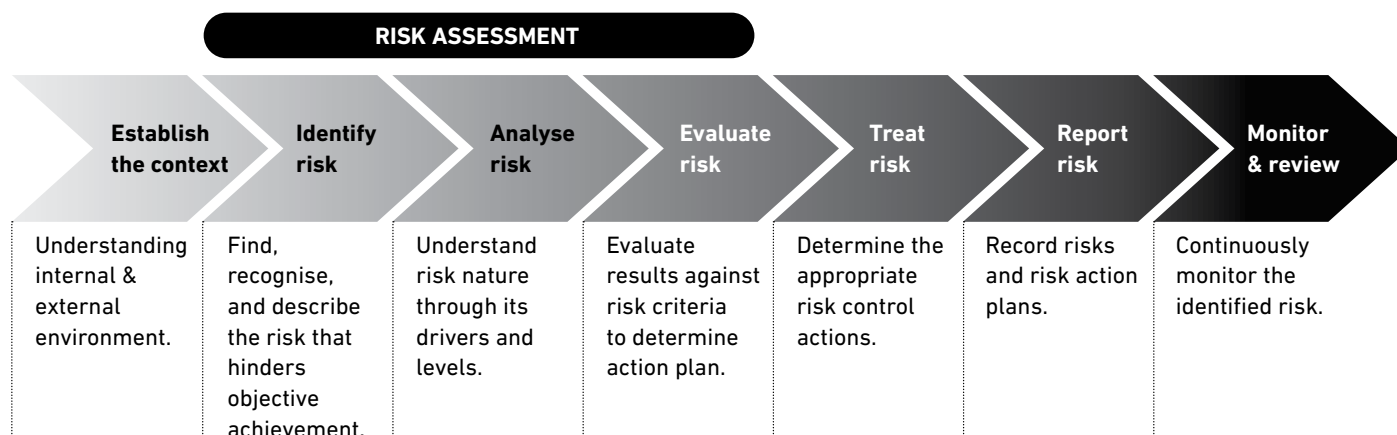
Role	Description
Risk Owners	- Senior employees responsible for the management of a particular risk are to have the necessary level of authority to allocate resources in implementing the required treatments and strategies towards the identified risk. - Review and report on risks via periodic risk assessments. - Identify and assess risks as well as implement and monitor risk action plans and key risk indicators. - Assign the design and implementation of controls to mitigate the risk through a Control Owner.
Control Owners	- Senior employee/Head of departments as Control Owners to operate and execute controls which represent a whole range of actions, measures and strategies taken by management to mitigate the risk. - Provide support to Risk Owners on key risks identified and to assist in the implementation of risk action plans. - Engage and discuss with Risk Owners on internal and external activities or circumstances that may give rise to new risks or changes on rating or control effectiveness of existing risks. - Submit prompt reporting of risk reviews on a specified deadline. - Highlight risk issues to Risk Owners and GGRM. - Periodically review of risk ratings and control/mitigation actions.

The Group's Risk Profile is expressed using a Risk Rating Matrix incorporating impact and likelihood as outlined below:

Likelihood	Magnitude of Impact				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost certain	Medium	Medium	High	Extreme	Extreme
Likely	Medium	Medium	High	High	Extreme
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Medium	Medium	High

KEY STEPS IN MANAGING RISKS

The risk management process involves systematically applying policies, procedures, and practices to the activities of communicating and consulting, establishing the context and assessing, treating, monitoring, reviewing, recording, and reporting risk. The process is outlined below:



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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CORPORATE GOVERNANCE

KEY RISKS AND RISK TREATMENT

The Group's businesses are subject to risk factors. The treatment of risks in DXN Group is outlined below:

No	Key Risks	Risk Treatment
1	Foreign Exchange and Capital Controls Exposure to foreign exchange volatility and regulatory restrictions on capital movements may impede the timely repatriation of funds and adversely impact financial performance.	Strengthening profitability and financial resilience through phased price adjustments, cost optimisation, and alternative fund transfer mechanisms. Concurrently, diversified investments across real estate and agriculture underpin sustainable long-term growth.
2	Project Monitoring Inability of projects in achieving their intended strategic objectives and expected returns on investment.	Implemented a centralised Project Investment Management System ("PIMS") featuring real-time dashboards for monitoring project progress, costs, and timelines, complemented by competency-based training to enhance project management capabilities and ensure adherence to Project Management Office ("PMO") standards and best practices.
3	Cyber & Information Security Exposure to potential loss or adverse impact arising from threats that exploit vulnerabilities within the Group's information technology systems, processes, or human factors.	Implemented a Cybersecurity Policy Framework to facilitate continuous monitoring of control effectiveness, drive system enhancements, and deliver awareness programmes to employees across the DXN Group and its subsidiaries on cyber and information security best practices.
4	Ageing Members Base An ageing membership and limited attraction of younger members are driving a demographic imbalance.	Ongoing youth development initiatives are designed to cultivate next-generation leaders among leaders' family members, supported by the use of social media, enhanced tools, and modern communication channels to drive engagement and deliver measurable outcomes.
5	Concentration of Revenue by Specific Geographical Regions Reliance on selected global markets exposes the Group to regional economic volatility, regulatory developments, and market saturation.	A robust digital marketing strategy is critical to enable scalable growth, rapid testing, and global expansion, while ensuring alignment with local market dynamics, optimising performance, and sustaining competitive advantage.

BUSINESS CONTINUITY MANAGEMENT

The Group is progressively implementing Business Continuity Plans ("BCPs") across its factory facilities to enhance operational resilience and support the timely recovery and resumption of critical business functions within defined recovery timeframes in the event of unforeseen circumstances.

INTERNAL CONTROL

The Group leverages key governance functions, including GGRM, Compliance, and GIA to support the BAC and the BRC in discharging their oversight responsibilities over the Group's risk management and internal control framework.

- GGRM and Compliance are responsible for establishing, implementing and monitoring the Group's risk management and internal control framework, including risk governance, compliance oversight and whistleblowing administration, with regular reporting to the BRC to support effective oversight.
- GIA provides independent assurance to the BAC on the adequacy and effectiveness of the Group's governance, risk management and internal control systems.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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CORPORATE GOVERNANCE

Key Elements of the Internal Control System

1. Ethical Governance

We have cultivated an environment where ethical behaviour is the expected norm. In practice, our control environment ensures that standards are clearly understood, actively embraced, and reinforced through mutual accountability. This is achieved through the following key practices:

- Directors, employees, and associates are governed by Code of Conduct and Ethics which is available in DXN HRMS (for internal access) and DXN's official website (for public access).
- Maintain a clear and unwavering stance against bribery, corruption, insider trading, and money laundering.
- A confidential whistleblowing channel empowers individuals to speak up, with anonymous reporting options available.
- A Conflict-of-Interest Policy promotes transparency through mandatory disclosure and, where applicable, recusal.
- A no-gift policy maintains clarity and fairness by eliminating improper influence.
- Ongoing anti-bribery and corruption awareness programmes conducted across the Group reinforces shared values.

2. Delegation of Authority and Accountability

We delegate authority thoughtfully, ensuring that every delegation is accompanied by clear accountability. By eliminating confusion through clarity and removing ambiguity through system enforcement, everyone understands their roles and responsibilities.

This is accomplished through:

- **Board Committee Terms of Reference**, which provide crystal-clear definitions of responsibilities.
- **Limits of Authority**, which establish a structured framework for delegated approvals and decision-making responsibilities across the Group.
- **Job Description**, which define individual day-to-day duties, reporting lines, and performance expectations, ensuring operational alignment with delegated authority.

3. Risk Management

Risk management is embedded into our daily operations and decision-making processes. This integrated approach strengthens our ability to identify, assess, and respond to risks effectively. Key elements of our risk management framework include:

- Our ERM Framework, aligned with ISO 31000:2018, provides a structured and rigorous risk management foundation.
- The internally developed Risk, Compliance & Sustainability ("RCS") System serves as our central platform for consistent risk oversight and control in managing risk across the Group.
- Every business unit takes ownership of its risk profile, including the identification, assessment, and mitigation of its unique risks, reducing reliance on central oversight and fostering a proactive risk culture.
- GGRM provides expert review and reports actionable insights to the BRC on a quarterly basis or as needed, ensuring the BRC maintains visibility of significant risks and is empowered to provide direction when necessary.
- We actively monitor emerging risks to ensure the framework remains adaptive. The emerging risks in ESG, cybersecurity, regulatory and project management risks are also discussed in other available internal committees, namely the LRCC and the Project Investment Working Committee ("PIWC"), where risk matters are a standing agenda item prior to review by the BRC.

4. Governing Policies

Every policy we have established and maintained serves a clear control purpose. Internal controls are embedded within the policies that govern employee conduct, decision-making, risk management, and daily operations. Together, these policies form an integrated and cohesive internal control framework aligned with the Group's strategic objectives and regulatory obligations. The key policies include:

➤ Ethical Conduct & Integrity

- Code of Conduct & Ethics
- Anti-Bribery & Corruption Policy
- Conflict of Interest Policy
- Whistleblowing Policy
- Donation and Sponsorship Policy

➤ Corporate Governance & Leadership

- Corporate Disclosure Policy
- Dawn Raid Policy
- Succession Planning Policy
- Fit & Proper Policy for Directors and Key Officers
- Corporate Travel Policy

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

SEC.05

CORPORATE GOVERNANCE

➤ Risk & Compliance Management

- Enterprise Risk Management Policy
- Business Continuity Management Policy
- Compliance Management Policy
- Sanctions Policy

➤ Operational Framework & Data Security

- IT Policy
- Cybersecurity Policy
- Personal Data Protection Policy
- Procurement Policy
- Sustainability Policy
- Inventory Management Policy
- External Distribution Agency Business Policy for DXN Employees

➤ People & Workplace Operations

- Anti-Sexual Harassment Policy
- Human Rights Policy
- Gender Diversity Policy
- Occupational Safety & Health Policy
- Environmental & Energy Policy

5. Information System and Technology Control

We develop our own core systems internally, giving the Group full control over source code, security architecture, and customisation capabilities. This also enables us to leverage system automation, which drives greater standardisation, reduces human errors, and improves operational and business efficiency.

Our internally developed systems include:

- **Administrative and governance systems** for human resource management, risk, compliance and sustainability, and training platform.
- **Financial and accounting systems** including accounting information system, budgeting and payment approval workflows, and enterprise resource planning.
- **Member-related systems** customised for our worldwide membership base, including online billing, member portals, and centralised bonus processing.
- **Operational systems** such as project investment management, order management, and lab management systems, enabling workflow automation.

Our system development team has attained ISO/IEC 27001:2022 certification, an international standard, for Information Security Management System ("ISMS"), covering the security of the information system source code we develop, providing independent assurance that our internal systems are built on secure foundations and protected in accordance with international standards.

To maintain systems security, we apply the following controls:

- We manage access based on user roles and apply the principle of least privilege.
- We restrict user rights to enforce segregation of duties.
- Every system change requires formal approval through our change management process.
- Development, testing, and production environments are strictly segregated.
- We perform regular backups and maintain disaster recovery procedures to ensure business continuity in the event of system failure.

6. Cybersecurity

We treat cybersecurity as a dynamic risk requiring continuous adaptation. Our commitment is to stay ahead of emerging threats through proactive controls, regular assessments, and a strong security culture across the Group. Our controls include:

- Endpoint detection and response tools are deployed Group-wide to detect, contain, and eliminate threats at the device level before they can spread across the network.
- Vulnerability assessments and testing are carried out at least annually to proactively identify security gaps and assess our security posture.
- Cloud threats are continuously monitored with periodic reporting ensuring rapid detection of suspicious activities and maintain visibility over our cloud infrastructure.
- Ongoing cybersecurity awareness training is provided to equip employees in identifying and responding to potential security threats.
- A reputable partner is engaged to conduct social engineering assessments to evaluate the organisation's resilience to social engineering attacks and measure employees' awareness and response levels.
- Periodic cybersecurity audits are undertaken by GIA to assess the internal controls and recommend improvements as part of its independent assurance function.
- Continues to enhance its email security capabilities to reduce exposure to spam, phishing, and scam-related attacks, thereby strengthening protection against malicious communications.
- Progressively enhancing its cybersecurity monitoring capabilities through the establishment and advancement of network and security operations functions, enabling more proactive threat detection, incident response, and overall cyber resilience.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

SEC.05

CORPORATE GOVERNANCE

7. Quality Assurance and Identification

We are committed to maintaining the highest standards across our manufacturing processes and products. We have obtained key industry certifications that validate our compliance with international quality, regulatory, environmental, and safety standards. These accreditations demonstrate our dedication to continuous improvement and excellence in product quality and manufacturing practices.

Our key certifications include:

- **Quality & Environmental Management Systems**
 - ISO 9001:2015 (Quality Management System)
 - ISO 14001:2015 (Environmental Management System)
- **Good Manufacturing Practices (GMP)**
 - ISO 22716:2007 (Cosmetic Products)
 - GMP (Food & Beverage and Pharmaceutical Products)
 - Certificate of GMP Compliance of a Manufacturer (Therapeutic Goods Administration - Australia)
- **Food Safety & Halal Assurance**
 - HACCP (Hazard Analysis and Critical Control Points)
 - Halal Certificates (Pharmaceutical, Food & Beverages and Cosmetics Products)
- **Organic Certifications**
 - myOrganic Certificate
 - EU Organic Certificate
 - USDA-NOP Certificate
- **Laboratory Standards**
 - MS ISO/IEC 17025:2017 (Testing & Calibration Laboratories)

8. Training and People Development

Our training and development programmes aim to equip every employee with the right knowledge, skills, and awareness required to carry out their responsibilities effectively. This builds capability, promotes accountability, and fosters a proactive culture of learning and continuous improvement.

Our training initiative includes:

- **Induction programme** - New employees receive structured onboarding early in their employment to familiarise them with our policies, controls, and expected behaviours.
- **Ongoing training** - Regular training sessions are conducted for respective business/operational divisions to keep employees updated on processes, tools, and compliance requirements.
- **Role-specific training** - Targeted training is provided based on job functions to ensure employees possess the knowledge and skills relevant to their responsibilities.
- **Awareness campaigns** - Information is communicated through various channels, including emails, company bulletins, and workshops, to reinforce key messages and promote a culture that supports organisational values.
- **Leadership engagement sessions** - Leaders actively engage with teams to demonstrate commitment, address concerns, and reinforce the importance of controls and compliance.
- **POVeLearning** - Digital training platform enabling scalable, interactive learning experiences, delivering structured content, assessments, and analytics to enhance employee skills, engagement, and continuous development across organisational efficiently globally.

9. Performance Review

We actively monitor performance at multiple levels to ensure controls remain effective, and that opportunities for improvement are identified promptly. Our performance monitoring initiative includes:

- **Operational level** - Progress reports are submitted by various departments to ensure timely attention to critical issues and operational progress. This keeps operations responsive and proactive.
- **Management level** - Employees undergo an annual performance appraisal based on relevant key performance indicators (KPIs) to assess staff performance. This ensures accountability, identifies skill gaps, and supports targeted training and development efforts.
- **Independent level** - GIA performs risk-based audits, while an independent external audit firm periodically examines the Group's financial records. This provides objective assurance to the Board and BAC over the effectiveness of our internal controls and the reliability of financial reporting.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

SEC.05

CORPORATE GOVERNANCE

INTERNAL AUDIT FUNCTION

The internal audit function is carried out by the in-house Group Internal Audit ("GIA"), which provides independent risk-focused assurance, advisory services, and insights to strengthen and protect organisational value.

Our Internal Audit Team

GIA is led by the Head of GIA and functionally reports to the BAC. As of 28 February 2026, the GIA function is staffed with 14 suitably qualified and competent auditors and conducts its activities in accordance with internationally recognised internal auditing standards.

The Head of GIA and all auditors have confirmed that they are free and not influenced by any relationships or conflicts of interest that could impair their objectivity and independence in each audit engagement.

Our Audit Scope and Planning

We conduct independent audits and assessments across the Group in accordance with the approved annual internal audit plan. We develop the plan through a risk assessment process that considers each entity's materiality and nature of business. The key considerations for our audit engagements include laws and regulations, the IT environment, key risk areas, and audit resources.

Our Audit Methodology

We evaluate the effectiveness and efficiency of internal control, risk management and governance processes by following our internal standard operating procedures and guidelines, forming the basis for improvement-driven recommendations.

Reporting and Follow-Up

Our audit reports include recommendations derived from root-cause analysis and an overall audit conclusion, along with findings related to non-compliance or process improvements. We escalate and present findings rated as extreme and high risk to the BAC on a quarterly basis, while the complete audit reports are presented to the CEO to allow prompt action to be taken. We perform timely follow-ups and reviews with process owners to verify that agreed actions and corrective measures are implemented to address the areas identified for improvement.

FY2026 Audit Activities

During FY2026, we conducted 11 audit assignments based on a risk-based audit methodology to review the effectiveness and adequacy of internal controls across identified audit areas within the Group.

Further details on Internal Audit function and activities can be found in the Board Audit Committee Report section.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the integrated annual report of the Group for FY2026. The limited assurance review was conducted in accordance with the Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants.

The external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the integrated annual report of the Group, in all material respects, has not been prepared in accordance with the disclosures required by section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, or is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems including the assessment and opinion by the Board and Management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

The Statement does not cover the associate and joint venture as disclosed in Notes 7 and 8 of the financial statements.

CONCLUSION

The Board affirms its commitment to ensuring the adequacy, integrity, and effectiveness of DXN Group's risk management and internal control systems for the FY2026 and up to the date of this Statement. The Board has received assurance from the Group's Executive Chairman (Datuk Lim Siow Jin), Executive Director & CEO (Mr. Prajith Pavithran) and CFO (Ms. Lim Beng Cheng, for the period commencing her appointment until current), that the Group's internal control systems have operated adequately and effectively, in all material respects, during the reviewed period.

Accordingly, the Board is of the view that the risk management and internal control systems are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require separate disclosures in the Group's annual report. Nevertheless, the Board through the BRC, BAC and the KSM, shall continue to take the appropriate and necessary measures to continuously improve the Group's risk management and internal control systems to meet the Group's corporate objective.

BOARD AUDIT COMMITTEE REPORT

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CORPORATE GOVERNANCE

The Board of Directors (“the Board”) of DXN Holdings Bhd. (“DXN” or “the Company”) is pleased to present the Board Audit Committee (“BAC”) report for the financial year ended 28 February 2026 (“FY2026”), prepared in accordance with Paragraph 15.15 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

COMPOSITION

During FY2026, the BAC comprised four (4) Independent Non-Executive Directors. There were no changes in the composition of the BAC throughout the financial year, and no alternate director was appointed.

The members of the BAC for FY2026 are as follows:

Designation	Name
Chairman	Abraham Verghese A/L T V Abraham
Members	Yang Mulia Tunku Afwida Binti Tunku A. Malek
	Stefan Heitmann
	Ong Huey Min

The BAC is chaired by Mr. Abraham Verghese, who is distinct from the Chairman of the Board. The Committee is supported by members with strong professional accounting qualifications and financial expertise, including three (3) out of four (4) BAC members who are members of the Malaysian Institute of Accountants. The Board is satisfied that the composition of the BAC complies with Paragraph 15.09 of the MMLR of Bursa Securities and Practice 9.1 of the Malaysian Code on Corporate Governance, thereby enabling the BAC to effectively discharge its duties.

MEETINGS AND ATTENDANCE

The BAC convened ten (10) meetings during FY2026. Attendance details of the members are disclosed in the Corporate Governance Overview Statement of this Annual Report.

BAC meetings were attended by the Chief Executive Officer (“CEO”) and the Head of the Group Internal Audit (“GIA”) department. The attendance of other Key Senior Management (“KSM”), employees, and representatives of the external and internal auditors was by invitation, depending on the matters deliberated by the BAC.

The BAC meeting minutes were prepared by the Company Secretary, tabled for confirmation at the following meeting, and subsequently presented to the Board for notation. The BAC Chairman reported to the Board on the activities undertaken and key recommendations for the Board’s consideration and decision-making.

TERMS OF REFERENCE

The BAC operates under its approved Terms of Reference (“TOR”), which outlines its authority, roles, and responsibilities. The TOR is available on the Group’s website at www.dxn2u.com.

BOARD AUDIT COMMITTEE REPORT

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CORPORATE GOVERNANCE

SUMMARY OF WORK UNDERTAKEN BY THE BAC FOR FY2026

The BAC carried out its duties in accordance with its approved TOR for FY2026. In discharging its oversight responsibilities throughout the financial year, the BAC focused on the following key areas:

Function in TOR	Key activities undertaken for FY2026
Financial Reporting	1) Reviewed the quarterly unaudited financial reports and year-end audited financial statements of the Company and recommended the same to the Board for approval. 2) In relation to financial accounting: • Considered the appropriateness and impact of significant accounting policies, including any changes adopted during the year; and • Reviewed the financial statements for compliance with applicable accounting standards and legal requirements. 3) Reviewed significant matters highlighted, including financial reporting issues, key judgements made by management, significant and unusual events and/or transactions, significant audit adjustments arising from the audit and the measures taken by management to address them.
External Audit	1) Reviewed the external audit plan which took into consideration key audit matters and significant risks identified by the external auditors. 2) Reviewed external audit reports and management letters issued by the external auditors. 3) Reviewed the suitability, objectivity, and independence of the external auditors, including an evaluation of their performance, competency, quality of work, audit fees, and adequacy of resources, and recommended to the Board the re-appointment of the external auditors for shareholders' approval at the forthcoming Annual General Meeting. 4) Held one (1) private session with the external auditors without the presence of Executive Directors and management to discuss any issues, reservations and key matters. 5) Reviewed major audit findings and the Management's response during the year with the management, external auditors and internal auditors.
Internal Audit	1) Reviewed and approved the Annual Audit Plan, which included the auditable areas, scope, entities, and resources required to carry out its work. 2) Reviewed internal audit reports and monitored the implementation of management action plans on a quarterly basis to ensure key risks and control weaknesses were addressed. 3) Reviewed the performance of the internal audit function, including an assessment of the effectiveness of GIA in delivering its work. 4) Ensured that the internal audit function is independent of the activities it audits, and that the Head of GIA reports functionally to the BAC. 5) Took cognisance of the resignation of GIA staff members. 6) Reviewed and approved the Internal Audit Charter.
Internal Control	Reviewed key audit observations (including the status of previous audit recommendations) and requested management to implement measures to address the lapses at the group level.

BOARD AUDIT COMMITTEE REPORT

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CORPORATE GOVERNANCE

Function in TOR	Key activities undertaken for FY2026
Compliance and Others	<u>Related Party Transaction ("RPT") and Recurrent RPT ("RRPT")</u> 1) Reviewed RPTs (inclusive of RRPTs) of the Group as presented by management to ensure that these transactions were conducted in the best interest of the Group, were fair and reasonable, adhered to normal commercial terms, and were not detrimental to the interests of minority shareholders, and recommended them to the non-interested Directors for approval. 2) Reviewed the draft Circular to Shareholders on the proposed new shareholders' mandate for RRPTs of a revenue or trading nature, before submitting the same to the Board for consideration and approval, as well as to Bursa Securities for perusal and approval. 3) Reviewed and noted the results of an independent internal audit review of the Group's RPT and RRPT processes, which was conducted by an external service provider, and emphasised the importance of timely implementation of management action plans. <u>Conflict of Interest ("COI")</u> 1) Reviewed disclosures of COI from the Directors and KSM. 2) Reviewed matters relating to a potential COI situation involving KSM, and after due consideration of the relevant facts and information, was satisfied that no COI existed. <u>Others</u> 1) Reviewed the budget for FY2026 and recommended it to the Board for approval. 2) Reviewed the quotation for non-audit services provided by the consultant and assessed the scope of services and proposed fees. 3) Reviewed transfer pricing for overseas subsidiaries. 4) Directed GIA to conduct special reviews and reviewed the results thereof. 5) Reviewed the BAC Report and Statement on Risk Management and Internal Control before recommending them to the Board for approval and inclusion in the FY2026 Annual Report. 6) Undertook continuous professional development or training to keep abreast of relevant developments in accounting and auditing standards, practices, and regulations, as well as other relevant areas.

INTERNAL AUDIT FUNCTION

GIA is an in-house internal audit function that operates within the framework defined in its Internal Audit Charter. The purpose of GIA is to strengthen the Group's ability to create, protect, and sustain value by providing the Board and KSM with independent, risk-based, and objective assurance, advice, insight, and foresight.

GIA adopts a systematic and disciplined approach to evaluating and enhancing the effectiveness of governance, risk management and internal control processes across the Group.

BOARD AUDIT COMMITTEE REPORT

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CORPORATE GOVERNANCE

Independence & Objectivity

GIA maintains its independence through its organisational positioning, with the Head of GIA reporting functionally to the BAC and administratively to the CEO. This structure ensures that the internal audit activities are performed with full objectivity and without undue influence.

All audit engagements during FY2026 were conducted in accordance with the Annual Audit Plan FY2026 approved by the BAC. In addition, all GIA personnel have confirmed in writing that they are free from any conflict of interest or relationships that could impair their independence and objectivity in carrying out internal audit activities.

Resources

The internal audit function is led by the Head of GIA, Ms. Teoh Soo Kim, an Associate Member of The Institute of Internal Auditors Malaysia ("IIAM"), who has headed the function since 2010.

As of 28 February 2026, GIA comprised 14 personnel who were geographically distributed across various locations to support audit coverage of the Group's international operations, as shown below:

Position	Headcounts (by Country)				
	Malaysia	India	Philippines	Colombia	Total
Head of GIA	1	-	-	-	1
Manager	3	-	-	1	4
Section Manager	2	-	-	-	2
Senior Executive	4	2	1	-	7
TOTAL	10	2	1	1	14

The internal audit activities in FY2026 were carried out by GIA personnel from diverse tertiary educations and internationally recognised professional qualifications. A majority of the GIA personnel are members of The Institute of Internal Auditors ("IIA") in their respective countries, reflecting their commitment to professional standards and access to exclusive industry resources.

During FY2026, GIA personnel participated in various in-house and external training programmes to enhance their competencies and remain abreast of the evolving industry practices, regulatory developments, and emerging risks.

Methodology & Practices

GIA adopts a risk-based audit methodology, which is closely aligned with the Global Internal Audit Standards ("GIAS"), effective 9 January 2025. Audit engagements are conducted in accordance with established internal methodologies and standard operating procedures to ensure consistency, discipline and quality in audit execution.

GIA issues internal audit reports to the BAC on a quarterly basis, with extreme and high risk audit observations specifically highlighted during the BAC meetings for their deliberation. Meanwhile, all the audit observations are presented to the CEO upon finalisation of the internal audit report to facilitate prompt implementation of the action plans.

Recommendations are provided for each audit observation, and process owner responses are obtained to support timely remediation and accountability. Subsequently, audit follow-ups are conducted to verify the implementation progress of the agreed action plans by assessing their effectiveness in addressing the control gaps.

BOARD AUDIT COMMITTEE REPORT

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CORPORATE GOVERNANCE

Quality Assurance and Improvement Programme (“QAIP”)

As part of the QAIP, GIA conducted an annual internal self-assessment in FY2026, covering internal audit activities performed in FY2025. The assessment was performed with reference to the guidance provided in the IIA's Quality Assessment Manual (2024 edition) and evaluated GIA's conformance with the principles and standards outlined in the GIAS.

The internal self-assessment results were reported to the BAC in July 2025. Overall, the results indicated that GIA generally achieves the purpose of internal auditing, with a majority of the standards in the GIAS assessed as “Generally Conforms”.

Following the assessment, action plans were established to address identified areas for improvement, with a staggered implementation timeline to ensure effective implementation.

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION CARRIED OUT FOR FY2026

Assurance

In FY2026, GIA conducted 11 audit engagements in accordance with the approved Annual Audit Plan. The engagements covered key operational, governance, compliance, and IT-related audit areas in the selected DXN entities, including major revenue contributing regions such as Latin America, Asia, the Middle East and Africa.

The audit engagements covered the following audit areas:

- Anti-Bribery and Corruption, Related Party Transaction and Conflict of Interest
- Business Continuity Management
- Fixed Asset Management
- Human Resource Management
- Inventory Management
- Marketing Intelligence
- Project Management
- Supply Chain Management
- Sustainability – Environmental and Social
- System Development Life Cycle & Cybersecurity

Special Review

GIA conducted special reviews at the request of the BAC. In FY2026, the special reviews covered the following areas:

- 1) Verification of RRPTs in the Proposed Shareholder Mandate
- 2) Verification of Donation to Third Party

Cost

The total cost incurred for the internal audit function of the Group in FY2026 was RM1,724,412 (FY2025: RM1,370,940).

This BAC Report was prepared in accordance with a resolution of the Board.

ADDITIONAL COMPLIANCE INFORMATION

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CORPORATE GOVERNANCE

1. AUDIT AND NON-AUDIT FEES

The fees payable to KPMG PLT and its affiliates in relation to the audit and non-audit services rendered to the Company and its subsidiaries for the financial year ended 28 February 2026 are as follows:

	Group RM'000	Company RM'000
Audit fees	2,300	115
Non-audit fees	156	122
Total	2,456	237

Non-audit fees consists of professional fees incurred for tax compliance services, review of Statement on Risk Management and Internal Control, and review of interim financial information.

2. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no corporate proposals undertaken by the Company to raise any funds during the financial year ended 28 February 2026.

3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROVISION OF FINANCIAL ASSISTANCE

The details of the proposed shareholders' mandate for RRPTs to be entered by the Company and/or its subsidiaries with the related parties are disclosed in the Circular to Shareholders dated 29 June 2026 to be issued together with this Annual Report 2026.

4. MATERIAL CONTRACTS INVOLVING DIRECTORS, CHIEF EXECUTIVE, AND MAJOR SHAREHOLDERS' INTEREST

Save as disclosed below, there were no other material contracts (not being contracts entered into in the ordinary course of business) which had been entered into by the Company and its subsidiaries involving the interest of the directors, chief executive and major shareholders, either still subsisting at the end of the financial year ended 28 February 2026 or entered into since the end of the previous financial year.

- On 4 September 2025, Daxen Middle East Food Manufacturing LLC entered into a sale and purchase agreement with Datuk Lim Siow Jin and Datin Wan Illiyyin binti Wan Mohd Nazi for the acquisition of a residential apartment unit at Burj Khalifa, Dubai, United Arab Emirates for a total purchase consideration of UAE Dirham 6.40 million (equivalent to approximately RM6.82 million).

5. UPDATES ON NON-COMPLIANCES WITH RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS GOVERNING THE OPERATIONS OF THE MATERIAL SUBSIDIARIES OF OUR GROUP AS DISCLOSED IN THE PROSPECTUS DATED 28 APRIL 2023 AS AT 12 MAY 2026

Malaysia: Non-compliances in respect of the DXN Group's operations in Malaysia

PROPERTY TITLE	DESCRIPTION	UPDATES AS AT 12 MAY 2026
1. GM 1133, LOT 2149, Mukim Malau, Daerah Kubang Pasu.	Bungalow known as "Bungalow C"	The Company is currently undertaking the necessary assessments and engaging a consultant to facilitate the regularisation and approval of the existing building by the relevant authorities.

ADDITIONAL COMPLIANCE INFORMATION

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CORPORATE GOVERNANCE

5. UPDATES ON NON-COMPLIANCES WITH RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS GOVERNING THE OPERATIONS OF THE MATERIAL SUBSIDIARIES OF OUR GROUP AS DISCLOSED IN THE PROSPECTUS DATED 28 APRIL 2023 AS AT 12 MAY 2026 (CONTINUED)

Non-compliances in respect of foreign investments in India

1. Daxen Agritech India Private Limited ("Daxen Agritech")	
Non-Compliance Description	Updates as at 12 May 2026
Non-filing of Form FC-TRS (Foreign Currency-Transfer of Shares) and non-payment of the consideration amount for the transfer of shares from an Indian resident shareholder to a non-Indian resident	The Company has obtained the necessary regulatory approvals from the Reserve Bank of India (RBI) in relation to the investment transaction and has completed the majority of the required regulatory filings. The remaining administrative and reporting requirements are currently being finalised with the relevant authorities and banking institutions. The regularisation process is targeted for completion by the end of 2026, subject to regulatory and banking processing timelines.
2. DXN Marketing India Private Limited ("DXN Marketing India")	
Non-Compliance Description	Updates as at 12 May 2026
Non-receipt of approval from DPIIT in relation to foreign investment exceeding 49% equity interest in DXN Marketing India	The required approval from the Department for Promotion of Industry and Internal Trade (DPIIT) has been obtained and the relevant regulatory registrations and reporting requirements have been completed. The remaining regularisation measures are being undertaken as part of the overall regulatory compliance process.
3. Esen Lifesciences	
Non-Compliance Description	Updates as at 12 May 2026
Non-filing of Form FC-TRS (Foreign Currency-Transfer of Shares)	The Company has completed the required regulatory filings and registrations with the RBI. The remaining regularisation measures are being progressed with the relevant parties and authorities. Following completion of the regularisation process, the necessary applications will be submitted to the RBI to address the outstanding compliance matters.

Non-compliances in respect of DXN Group's China operations

PROPERTY TITLE	DESCRIPTION	UPDATES AS AT 12 MAY 2026
No. 99 Fuxiyang, Huaidong Village, Gande Town (leased by Anxi Gande Foluohua)	Country-level permit for the use of one-storey steel building not obtained.	The building is currently not in use and appropriate safety measures have been implemented to restrict access to the area. The Company is in the process of implementing the necessary measures to address and rectify the non-compliance.

Notwithstanding the above, there were no material penalty imposed on DXN Group and its directors or management by any regulatory body during the financial year ended 28 February 2026 and up to 12 May 2026.

6. EMPLOYEES' SHARE SCHEME ("ESS")

At an Extraordinary General Meeting held on 25 May 2022, the Company's shareholders approved the establishment of the Employees' Share Option Scheme ("ESOS") of up to 5% of the total number of issued shares of the Company (excluding treasury shares, if any) to eligible Directors and employees of the Group.

On 18 May 2023, the Company has offered 30,000,000 ESOS to eligible Directors and employees of the Group at an exercise price of RM0.70 per ordinary share.

There were no options or shares granted under the ESS during the financial year ended 28 February 2026.

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DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2026

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The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 28 February 2026.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of management services whilst the principal activities and details of the subsidiaries are disclosed in Note 6 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to :		
- Owners of the Company	271,520	228,176
- Non-controlling interests	11,883	-
	283,403	228,176

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

DIVIDENDS

Since the end of the previous financial year, the amount of dividends paid by the Company were as follows :

- i) In respect of financial year ended 28 February 2025 as reported in the Directors' Report of that year :
 - a fourth interim dividend of 1.00 sen per ordinary share (excluding treasury shares) totalling RM49,722,000 declared on 29 April 2025 and paid on 30 May 2025.
- ii) In respect of financial year ended 28 February 2026 :
 - a first interim dividend of 0.90 sen per ordinary share (excluding treasury shares) totalling RM44,751,000 declared on 29 July 2025 and paid on 29 August 2025;
 - a second interim dividend of 0.80 sen per ordinary share (excluding treasury shares) totalling RM39,778,000 declared on 29 October 2025 and paid on 28 November 2025;
 - a third interim dividend of 0.80 sen per ordinary share (excluding treasury shares) totalling RM39,778,000 declared on 28 January 2026 and paid on 27 February 2026; and
 - a fourth interim dividend of 0.70 sen per ordinary share (excluding treasury shares) totalling RM34,806,000 declared on 29 April 2026 and paid on 29 May 2026.

The Directors do not recommend any other dividends to be paid for the financial year ended 28 February 2026.

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are :

Datuk Lim Siow Jin
 Dato' Lim Boon Yee
 Yang Mulia Tunku Afwida Binti Tunku A. Malek
 Datuk Noripah Binti Kamso
 Abraham Verghese A/L T V Abraham
 Stefan Heitmann
 Ong Huey Min
 Prajith Pavithran (Appointed on 6 April 2026)
 Vibhav Panandiker (Resigned on 29 September 2025)

DIRECTORS OF THE SUBSIDIARIES

The Directors who served on the boards of the Company's subsidiaries (other than those who are also Directors of the Company) during the financial year until the date of this report are disclosed in Appendix I to the financial statements.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses and/or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows :

	Balance at 1.3.2025	Bought	Transfer in/ (Transfer out)	(Sold)	Balance at 28.2.2026
Interests in the Company					
<u>Direct interests</u>					
Datuk Lim Siow Jin	45,938,800	19,174,000	830,568,000	(459,343,000)	436,337,800
Dato' Lim Boon Yee	1,715,000	-	-	-	1,715,000
Datuk Noripah Binti Kamso	200,000	-	-	-	200,000
<u>Deemed interests</u>					
Datuk Lim Siow Jin ^{(a) (b)}	3,444,780,805	-	(785,000,000)	-	2,659,780,805
Ong Huey Min ^(b)	140,000	-	-	-	140,000

Number of ordinary shares of Pakistan Rupee 10 each

	Balance at 1.3.2025	Bought	(Sold)	Balance at 28.2.2026
Interest in subsidiary – DXN International Pakistan (Private) Limited				
<u>Direct interest</u>				
Dato' Lim Boon Yee	1	-	-	1

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2026

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DIRECTORS' INTERESTS IN SHARES (CONTINUED)

FINANCIAL STATEMENTS

	Number of options over ordinary shares			Balance at 28.2.2026
	Balance at 1.3.2025	Granted	(Exercised)	
Interests in the Company				
<u>Direct interests</u>				
Datuk Lim Siow Jin	3,000,000	-	-	3,000,000
Dato' Lim Boon Yee	250,000	-	-	250,000
Datuk Noripah Binti Kamso	200,000	-	-	200,000
Yang Mulia Tunku Afwida Binti Tunku A. Malek	200,000	-	-	200,000
Stefan Heitmann	200,000	-	-	200,000
Ong Huey Min	200,000	-	-	200,000

Notes :

- (a) Deemed interested by virtue of his shareholding in LSJ Global Sdn. Bhd. ("LSJ Global") pursuant to Section 8(4) of the Companies Act 2016, of which 14,140,105 (2025: 14,140,105) ordinary shares and 1,254,500,000 (2025: 1,254,500,000) ordinary shares in the Company are held on trust by LSJ Global for Datuk Lim Siow Jin and his spouse.
- (b) Shares held in the name of the spouse and are regarded as interests of the Director in accordance with the Companies Act 2016.

By virtue of his interests in the ordinary shares of the Company, Datuk Lim Siow Jin is also deemed to be interested in the shares of the Company's subsidiaries to the extent that the Company has an interest.

Save as disclosed, none of the other Directors holding office at 28 February 2026 had any interest in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than certain Directors, companies in which certain Directors have a substantial financial interest and a foundation in which the patron and Directors of the foundation are Directors of the Group which traded in the ordinary course of business, received donations from, sold a property, and rented an aircraft and premises to the Group.

The benefits paid to or receivable by Directors of the Company in respect of the financial year ended 28 February 2026 are as follows :

	From the Company RM'000	From subsidiaries RM'000
Fees	518	-
Remuneration (including contributions to state plan)	3,196	340
Estimated monetary value of benefits-in-kind	15	-
	3,729	340

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate apart from the options granted pursuant to the Company's Employees' Share Option Scheme ("ESOS") as disclosed in the financial statements.

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company and no debentures were issued by the Company during the financial year.

TREASURY SHARES

The shareholders of the Company, via an ordinary resolution passed in the Annual General Meeting held on 13 August 2025, approved for the Company to repurchase its own shares up to 10% of its issued and paid-up share capital.

As at 28 February 2026, the number of treasury shares held were 12.739 million (2025 : 12.739 million) ordinary shares at the carrying amount of RM8.077 million (2025 : RM8.077 million). Further details are disclosed in Note 18.2 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year other than the options granted pursuant to the Company's ESOS as disclosed in the financial statements.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

At the Extraordinary General Meeting held on 25 May 2022, the Company's shareholders approved the establishment of the ESOS of up to 5% of the total number of issued shares of the Company (excluding treasury shares) to eligible Directors and employees of the Group (excluding subsidiaries which are dormant). The ESOS is administered by the ESOS Committee in accordance with the By-Laws of the ESOS and shall be in force for a period of 5 years from 17 May 2023.

	Number of options '000	Vesting period	Exercise price RM/share
Tranche 1	6,000	18 May 2023 to 31 December 2023	0.70
Tranche 2	6,000	1 January 2024 to 31 December 2024	0.70
Tranche 3	6,000	1 January 2025 to 31 December 2025	0.70
Tranche 4	6,000	1 January 2026 to 31 December 2026	0.70
Tranche 5	6,000	1 January 2027 to 31 December 2027	0.70
	30,000		

The options offered to take up unissued ordinary shares of the Company are as follows :

Date of offer	Expiry date	Exercise price RM/share	Number of options over ordinary shares			
			At 1.3.2025 '000	Granted '000	(Forfeited) '000	At 28.2.2026 '000
18.5.2023	31.12.2027	0.70	15,269	-	(563)	14,706

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FOR THE YEAR ENDED 28 FEBRUARY 2026

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EMPLOYEES' SHARE OPTION SCHEME ("ESOS") (CONTINUED)

The salient features of the ESOS are, *inter alia*, as follows :

- (a) The ESOS shall be in force for a duration of 5 years from 18 May 2023 ("ESOS Period") and may be extended at the discretion of the Board upon the recommendation of the ESOS Committee, provided that the ESOS Period shall not in aggregate exceed a duration of 10 years from 18 May 2023 or such longer period as may be allowed by the relevant authorities;
- (b) The total number of shares which may be issued and allocated under the ESOS scheme shall not in aggregate exceed 5% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time during the ESOS Period;
- (c) Eligible Persons are employees employed by and are on the payroll of any company in the Group (excluding subsidiaries which are dormant) and his/her employment has been confirmed by the Company, who is at least 18 years of age and is not undischarged bankrupt nor subject to any bankruptcy proceedings;
- (d) Not more than 10% of the aggregate number of shares to be issued under the ESOS shall be allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any);
- (e) The options granted may be exercised in full or in lesser number of ordinary shares provided that the number shall be in multiples of and not less than 100 shares;
- (f) The option price shall be determined based on the 5-days volume weighted average market price of the Company's shares immediately preceding the date of offer with a discount of not more than 10%;
- (g) The new shares to be allotted and issued upon exercise of the options shall, upon allotment and issuance, rank equally in all respects with the then existing issued share capital of the Company, save and except that the new shares so allotted and issued will not be entitled to any rights, dividend, allotment and/or distribution which may be declared, made or paid to the shareholders of the Company where the entitlement date is prior to the date of exercise of the options; and
- (h) The persons to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company.

INDEMNITY AND INSURANCE COSTS

The total cost of insurance effected for the Directors and officers of the Group and of the Company is RM60,713 for a total sum insured of RM30,000,000.

There was no indemnity given to or insurance effected for the auditors of the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that :

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

OTHER STATUTORY INFORMATION (CONTINUED)

At the date of this report, the Directors are not aware of any circumstances :

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, and
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of 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 as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 28 February 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

FINANCIAL YEAR END OF SUBSIDIARIES

Certain foreign subsidiaries and sub-subsidiaries of the Company have adopted statutory financial year ends which do not coincide with that of the Company ("foreign subsidiaries").

Out of the 37 applications submitted to the Companies Commission of Malaysia ("CCM") under Section 247(3) of the Companies Act 2016, the Directors of the Company have been granted approval for a total of 36 foreign subsidiaries to have a different financial year end from that of the Company for the financial year ended 28 February 2026.

As of the date of this report, the Directors have yet to obtain approval from CCM for the remaining 1 foreign subsidiaries with positions similar to those above.

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2026

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AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The audit and non-audit remuneration of the Group and of the Company during the year are as follows :

	Group RM'000	Company RM'000
Audit fees		
- KPMG PLT and affiliates		
- Current year	2,244	115
- Prior year	56	-
- Other auditors	411	-
	2,711	115
Non-audit fees		
- KPMG PLT and affiliates	156	122
	2,867	237

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors :

Datuk Lim Siow Jin
Director

Dato' Lim Boon Yee
Director

Date : 29 June 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2026

	Note	Group		Company	
		28.2.2026	28.2.2025	28.2.2026	28.2.2025
		RM'000	RM'000	RM'000	RM'000
Assets					
Property, plant and equipment	2	807,522	743,686	157,116	162,764
Right-of-use assets	3	97,445	81,680	13,867	14,084
Investment properties	4	6,007	6,364	-	-
Intangible assets	5	19,427	6,060	367	443
Investments in subsidiaries	6	-	-	346,202	335,021
Investment in an associate	7	-	-	-	-
Investment in a joint venture	8	-	-	-	-
Deferred tax assets	9	115,438	105,003	672	1,988
Prepayments	10	40,010	52,954	365	9,485
Other receivables	14	-	-	30,901	35,310
Total non-current assets		1,085,849	995,747	549,490	559,095
Biological assets	11	152	96	-	-
Inventories	12	284,045	244,473	-	-
Contract assets	13	1,328	1,895	-	-
Trade and other receivables, including derivatives	14	148,112	112,745	185,365	106,576
Current tax assets		12,189	51,969	2,840	17,591
Short term investments	15	12,399	9,314	68	1,033
Cash and cash equivalents	16	617,376	672,165	31,655	97,973
Total current assets		1,075,601	1,092,657	219,928	223,173
Total assets		2,161,450	2,088,404	769,418	782,268

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FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

	Note	Group		Company	
		28.2.2026 RM'000	28.2.2025 RM'000	28.2.2026 RM'000	28.2.2025 RM'000
Equity					
Share capital	17	214,620	214,620	214,620	214,620
Reserves	18	1,150,088	1,044,841	361,830	307,435
Equity attributable to owners of the Company		1,364,708	1,259,461	576,450	522,055
Non-controlling interests		71,479	78,037	-	-
Total equity		1,436,187	1,337,498	576,450	522,055
Liabilities					
Loans and borrowings	19	202	3,504	-	1,042
Employee benefits	20	5,736	5,915	-	-
Lease liabilities		32,048	20,172	-	-
Deferred tax liabilities	9	6,915	4,140	-	-
Total non-current liabilities		44,901	33,731	-	1,042
Loans and borrowings	19	177,281	151,347	148,919	124,424
Lease liabilities		9,063	8,506	-	-
Trade and other payables	21	467,537	516,880	44,049	134,747
Contract liabilities	13	174	5,275	-	-
Current tax liabilities		26,307	35,167	-	-
Total current liabilities		680,362	717,175	192,968	259,171
Total liabilities		725,263	750,906	192,968	260,213
Total equity and liabilities		2,161,450	2,088,404	769,418	782,268

The notes on pages 206 to 292 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Revenue	22	1,898,479	1,908,476	301,128	367,031
Other income		32,055	27,813	12,372	15,062
Changes in work-in-progress and manufactured inventories		23,141	(73,649)	-	-
Raw materials used and trading inventories sold		(303,747)	(219,378)	-	-
Depreciation and amortisation		(70,841)	(64,705)	(7,383)	(7,121)
Employee benefits expense	23	(215,189)	(198,351)	(35,278)	(31,094)
Net (loss)/gain on impairment of financial assets	24	(2,703)	(3,505)	603	30,430
Other expenses		(910,525)	(858,205)	(39,869)	(67,321)
Results from operating activities	24	450,670	518,496	231,573	306,987
Finance income		10,360	14,307	5,131	4,928
Finance costs	25	(9,930)	(10,085)	(6,516)	(8,081)
Profit before tax		451,100	522,718	230,188	303,834
Tax expense	26	(167,697)	(188,488)	(2,012)	(110)
Profit for the year		283,403	334,230	228,176	303,724
Other comprehensive expense, net of tax :					
<i>Item that may be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences for foreign operations		(3,461)	(171,214)	-	-
Total comprehensive income for the year		279,942	163,016	228,176	303,724
Profit attributable to :					
Owners of the Company		271,520	328,066	228,176	303,724
Non-controlling interests		11,883	6,164	-	-
Profit for the year		283,403	334,230	228,176	303,724
Total comprehensive income/(expense) attributable to :					
Owners of the Company		279,028	164,940	228,176	303,724
Non-controlling interests		914	(1,924)	-	-
Total comprehensive income for the year		279,942	163,016	228,176	303,724
Basic earnings per ordinary share (sen)	27	5.46	6.60		
Diluted earnings per ordinary share (sen)	27	5.46	6.60		

The notes on pages 206 to 292 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

	Attributable to owners of the Company							
	Non-distributable				Distributable			
	Share capital RM'000	Treasury shares RM'000	Translation reserve RM'000	Share options reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group								
At 1 March 2024	214,620	(7,819)	46,680	1,000	1,023,821	1,278,302	79,961	1,358,263
Profit for the year	-	-	-	-	328,066	328,066	6,164	334,230
Foreign currency translation differences for foreign operations representing other comprehensive expense for the year	-	-	(163,126)	-	-	(163,126)	(8,088)	(171,214)
Total comprehensive (expense)/income for the year	-	-	(163,126)	-	328,066	164,940	(1,924)	163,016
Purchase of treasury shares (Note 18.2)	-	(258)	-	-	-	(258)	-	(258)
Share-based payment transactions (Note 20)	-	-	-	363	-	363	-	363
Dividends to owners of the Company (Note 28)	-	-	-	-	(183,983)	(183,983)	-	(183,983)
Total transactions with owners of the Company	-	(258)	-	363	(183,983)	(183,878)	-	(183,878)
Effect of a subsidiary struck off	-	-	-	-	97	97	-	97
At 28 February 2025	214,620	(8,077)	(116,446)	1,363	1,168,001	1,259,461	78,037	1,337,498
	Note 17	Note 18	Note 18	Note 18	Note 18			

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

	Attributable to owners of the Company							
	Non-distributable				Distributable			
	Share capital RM'000	Treasury shares RM'000	Translation reserve RM'000	Share options reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group								
At 1 March 2025	214,620	(8,077)	(116,446)	1,363	1,168,001	1,259,461	78,037	1,337,498
Profit for the year	-	-	-	-	271,520	271,520	11,883	283,403
Foreign currency translation differences for foreign operations representing other comprehensive income/(expense) for the year	-	-	7,508	-	-	7,508	(10,969)	(3,461)
Total comprehensive income for the year	-	-	7,508	-	271,520	279,028	914	279,942
Share-based payment transactions (Note 20)	-	-	-	248	-	248	-	248
Dividends to owners of the Company (Note 28)	-	-	-	-	(174,029)	(174,029)	(3,585)	(177,614)
Total transactions with owners of the Company	-	-	-	248	(174,029)	(173,781)	(3,585)	(177,366)
Effect of change in ownership interest (Note 36)	-	-	203	-	(203)	-	(3,887)	(3,887)
At 28 February 2026	214,620	(8,077)	(108,735)	1,611	1,265,289	1,364,708	71,479	1,436,187
	Note 17	Note 18	Note 18	Note 18	Note 18			

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

	Share capital RM'000	Treasury shares RM'000	Non-distributable Share options reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
Company					
At 1 March 2024	214,620	(7,819)	1,000	194,408	402,209
Profit for the year representing total comprehensive income for the year	-	-	-	303,724	303,724
Purchase of treasury shares (Note 18.2)	-	(258)	-	-	(258)
Share-based payment transactions (Note 20)	-	-	363	-	363
Dividends paid (Note 28)	-	-	-	(183,983)	(183,983)
Total transactions with owners of the Company	-	(258)	363	(183,983)	(183,878)
At 28 February 2025/1 March 2025	214,620	(8,077)	1,363	314,149	522,055
Profit for the year representing total comprehensive income for the year	-	-	-	228,176	228,176
Share-based payment transactions (Note 20)	-	-	248	-	248
Dividends paid (Note 28)	-	-	-	(174,029)	(174,029)
Total transactions with owners of the Company	-	-	248	(174,029)	(173,781)
At 28 February 2026	214,620	(8,077)	1,611	368,296	576,450
	Note 17	Note 18	Note 18	Note 18	

The notes on pages 206 to 292 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Profit before tax		451,100	522,718	230,188	303,834
Adjustments for :					
Depreciation of :					
- Property, plant and equipment	2	57,230	51,757	7,031	6,816
- Right-of-use assets	3	12,630	12,572	217	216
- Investment properties	4	240	231	-	-
Amortisation of intangible assets	5	741	145	135	89
Fair value changes on biological assets	11	(28)	312	-	-
Gain on derecognition of right-of-use assets and lease liabilities		(154)	(149)	-	-
Retirement benefits expense	20.1	943	705	-	-
Property, plant and equipment written off	24	1,257	823	37	15
Net impairment loss/(gain) on financial assets	24	2,703	3,505	(603)	(30,430)
Impairment loss on investments in subsidiaries		-	-	2,040	37,177
Share-based payments	23	248	363	248	363
Dividend income	22	-	-	(254,598)	(326,426)
Finance income		(10,360)	(14,307)	(5,131)	(4,928)
Gain on disposal of a subsidiary	36	(4,671)	-	-	-
Loss on strike off of a subsidiary		-	97	-	-
Loss on disposal of property, plant and equipment	24	19	50	3	237
Finance costs	25	9,930	10,085	6,516	8,081
Operating profit/(loss) before working capital changes		521,828	588,907	(13,917)	(4,956)
Changes in :					
Inventories		(39,572)	16,779	-	-
Biological assets		(26)	(60)	-	-
Trade and other receivables		(43,822)	(18,719)	(64,502)	(25,920)
Contract assets		567	(960)	-	-
Trade and other payables		69,777	38,560	(40,976)	(12,383)
Contract liabilities		(5,101)	5,549	-	-
Cash generated from/(used in) operations		503,651	630,056	(119,395)	(43,259)
Tax (paid)/refunded		(147,459)	(178,898)	14,055	(705)
Retirement benefits paid	20.1	(393)	(646)	-	-
Dividends received		-	-	254,598	326,426
Net cash from operating activities		355,799	450,512	149,258	282,462

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STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash flows from investing activities					
Increase in investments in subsidiaries	E	-	-	(13,221)	(34,851)
Purchase of :					
- Property, plant and equipment	B	(153,172)	(118,160)	(2,720)	(4,904)
- Right-of-use assets (leasehold land)		(5,345)	(28,900)	-	(449)
- Intangible assets	5	(14,707)	(557)	(59)	(420)
Proceeds from disposal of property, plant and equipment		1,533	714	1,142	1,986
Cash outflow from disposal of a subsidiary, net of cash and cash equivalents disposed	36	(493)	-	-	-
Finance income received		10,360	14,307	5,131	4,928
Placement of pledged short-term deposits		(4)	(514)	-	-
(Placement)/Withdrawal of short-term investments		(3,444)	67,677	965	36,377
Net cash (used in)/from investing activities		(165,272)	(65,433)	(8,762)	2,667
Cash flows from financing activities					
Dividends paid to owners of the Company	D	(223,751)	(179,113)	(223,751)	(179,113)
Dividends paid to non-controlling interests		(3,585)	-	-	-
Finance costs paid	25	(9,930)	(10,085)	(6,516)	(8,081)
(Repayment)/Drawdown of :					
- Lease liabilities	F	(12,352)	(12,166)	-	-
- Hire purchase liabilities	F	(4,492)	(1,569)	(1,574)	(733)
- Term loans	F	(664)	(348)	(159)	(318)
- Revolving credits	F	27,671	(10,861)	25,186	(35,182)
Purchase of treasury shares	18.2	-	(258)	-	(258)
Net cash used in financing activities		(227,103)	(214,400)	(206,814)	(223,685)
Net (decrease)/increase in cash and cash equivalents					
		(36,576)	170,679	(66,318)	61,444
Effect of exchange rate fluctuations on cash and cash equivalents		(17,654)	(63,445)	-	-
Cash and cash equivalents at beginning of the year		671,025	563,791	97,973	36,529
Cash and cash equivalents at end of the year	A	616,795	671,025	31,655	97,973

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

Notes

A. Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

		Group		Company	
	Note	2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Cash and cash equivalents	16	617,376	672,165	31,655	97,973
Less : Pledged deposits	16.2	(581)	(577)	-	-
Less : Bank overdraft	19	-	(563)	-	-
		616,795	671,025	31,655	97,973

B. Purchase of property, plant and equipment

		Group		Company	
	Note	2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Total additions	2	157,579	92,942	2,565	5,877
(Less)/Add :					
Amount financed through hire purchase	F	(738)	(2,213)	-	(545)
Changes in prepayment for purchase of plant and equipment		(3,669)	27,431	155	(428)
		153,172	118,160	2,720	4,904

C. Cash outflows for leases as a lessee

		Group		Company	
	Note	2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Included in net cash from operating activities					
Payment relating to short-term leases	24	9,777	8,113	868	434
Payment relating to low-value assets	24	2,096	825	1,838	656
Finance costs paid in relation to lease liabilities	25	1,657	1,600	-	-
Included in net cash used in financing activities					
Payment of lease liabilities	F	12,352	12,166	-	-
Total cash outflows for leases		25,882	22,704	2,706	1,090

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2026

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FINANCIAL STATEMENTS

Notes (continued)

D. Dividends paid to owners of the Company

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Dividends declared during the year	28	174,029	183,983	174,029	183,983
Amount paid for dividend declared in prior year		49,722	44,852	49,722	44,852
Amount unpaid at end of year	21	-	(49,722)	-	(49,722)
		223,751	179,113	223,751	179,113

E. Increase in investments in subsidiaries

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Increase in investments in subsidiaries, net	-	-	(13,221)	(112,159)
Less: Capitalisation of amounts due from subsidiaries	-	-	-	77,308
	-	-	(13,221)	(34,851)

F. Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1.3.2024	Acquisition of new hire purchase/ lease	Lease modification	Net changes from financing cash flows	Derecognised due to termination of lease	Effect of movements in exchange rates	At 28.2.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group							
Hire purchase liabilities	3,530	2,213	-	(1,569)	-	(33)	4,141
Term loans	1,012	-	-	(348)	-	-	664
Revolving credits	160,344	-	-	(10,861)	-	-	149,483
Lease liabilities	20,248	22,586	339	(12,166)	(875)	(1,454)	28,678
	185,134	24,799	339	(24,944)	(875)	(1,487)	182,996
Company							
Hire purchase liabilities	1,762	545	-	(733)	-	-	1,574
Term loans	477	-	-	(318)	-	-	159
Revolving credits	158,915	-	-	(35,182)	-	-	123,733
	161,154	545	-	(36,233)	-	-	125,466

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2026

Notes (continued)

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F. Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

FINANCIAL STATEMENTS

	At 1.3.2025 RM'000	Acquisition of new hire purchase/ lease RM'000	Net changes from financing cash flows RM'000	Derecognised due to termination of lease RM'000	Effect of movements in exchange rates RM'000	At 28.2.2026 RM'000
Group						
Hire purchase liabilities	4,141	738	(4,492)	-	(58)	329
Term loans	664	-	(664)	-	-	-
Revolving credits	149,483	-	27,671	-	-	177,154
Lease liabilities	28,678	27,364	(12,352)	(552)	(2,027)	41,111
	182,966	28,102	10,163	(552)	(2,085)	218,594
Company						
Hire purchase liabilities	1,574	-	(1,574)	-	-	-
Term loans	159	-	(159)	-	-	-
Revolving credits	123,733	-	25,186	-	-	148,919
	125,466	-	23,453	-	-	148,919

The notes on pages 206 to 292 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

DXN Holdings Bhd. is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows :

Principal place of business	Registered office
Wisma DXN 213, Lebuhraya Sultan Abdul Halim 05400 Alor Setar Kedah Darul Aman	Level 7, Menara Milenium, Jalan Damanlela, Damansara Heights, 50490 Kuala Lumpur Wilayah Persekutuan

The consolidated financial statements of the Company as at and for the financial year ended 28 February 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interests in an associate and a joint venture. The financial statements of the Company as at and for the financial year ended 28 February 2026 do not include other entities.

The Company is principally engaged in investment holding activities and provision of management services whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 29 June 2026.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company :

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements - Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of changes in Foreign Exchange Rates-Translation to a Hyperinflationary Presentation Currency*

MFRS Accounting Standards and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

The Group and the Company plan to apply the abovementioned accounting standards and amendments, where applicable in the respective financial years when the abovementioned accounting standard and amendments, become effective.

The initial application of the above accounting standards and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company other than MFRS 18 which may impact the presentation of the statements of profit or loss and other comprehensive income in the period of initial application.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below :

Items	Measurement bases
Biological assets	Fair value
Short term investment funds	Fair value
Derivative financial instruments	Fair value
Net defined benefits liability	Fair value of plan assets less the present value of the defined benefit obligation

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes :

- Notes 3.2 and 3.3 - Extension options and incremental borrowing rate in relation to leases
- Note 9 - Deferred tax assets/(liabilities)

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT

	Freehold land (Note 2.2)	Buildings	Farms	Plant and machinery	Furniture, fittings and office equipment	Motor vehicle and vessel	Aircrafts	Bearer plants	Capital work-in- progress	Total
Group Cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 March 2024	105,582	492,616	19,863	189,906	117,434	31,000	6,812	-	28,905	992,118
Additions	22,473	2,552	1,847	16,176	14,552	7,043	-	-	28,299	92,942
Disposals	-	-	-	(775)	(147)	(654)	-	-	-	(1,576)
Written-off	-	(102)	(6)	(10,491)	(5,164)	(284)	-	-	(3)	(16,050)
Reclassification	-	1,534	447	4,250	5,803	474	-	-	(12,508)	-
Effect of movements in exchange rates	(3,479)	(33,310)	-	(9,141)	(5,482)	(1,153)	-	-	(5,590)	(58,155)
Transfer to intangible assets (Note 5)	-	-	-	-	(2)	-	-	-	-	(2)
At 28 February 2025/ 1 March 2025	124,576	463,290	22,151	189,925	126,994	36,426	6,812	-	39,103	1,009,277
Additions	31,658	19,478	1,342	25,113	15,377	4,373	-	951	59,287	157,579
Disposal of a subsidiary	-	(699)	-	(803)	-	-	-	-	(865)	(2,367)
Disposals	(1,491)	-	-	-	(221)	(110)	-	-	-	(1,822)
Written-off	-	(1,147)	(3)	(2,066)	(703)	(46)	-	-	(199)	(4,164)
Reclassification	(7,149)	4,225	261	20,488	5,891	-	-	7,183	(30,899)	-
Effect of movements in exchange rates	5,466	(29,341)	-	(8,837)	(6,914)	(752)	-	(762)	(3,843)	(44,983)
At 28 February 2026	153,060	455,806	23,751	223,820	140,424	39,891	6,812	7,372	62,584	1,113,520

NOTES TO THE FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land (Note 2.2)	Buildings	Farms	Plant and machinery	Furniture, fittings and office equipment	Motor vehicle and vessel	Aircrafts	Bearer plants	Capital work-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Depreciation and impairment losses										
At 1 March 2024										
Accumulated depreciation	-	55,851	7,498	87,833	41,928	19,043	3,219	-	-	215,372
Accumulated impairment losses	10,723	4,006	273	3,448	69	-	3,593	-	2,038	24,150
	10,723	59,857	7,771	91,281	41,997	19,043	6,812	-	2,038	239,522
Depreciation for the year	-	17,008	2,145	15,553	12,813	4,238	-	-	-	51,757
Disposals	-	-	-	(248)	(120)	(444)	-	-	-	(812)
Written-off	-	(6)	(3)	(10,342)	(4,743)	(133)	-	-	-	(15,227)
Effect of movements in exchange rates	-	(4,622)	-	(1,850)	(2,790)	(971)	-	-	585	(9,648)
Transfer to intangible assets (Note 5)	-	-	-	-	(1)	-	-	-	-	(1)
At 28 February 2025										
Accumulated depreciation	-	68,392	9,640	91,593	47,087	21,733	3,219	-	-	241,664
Accumulated impairment losses	10,723	3,845	273	2,801	69	-	3,593	-	2,623	23,927
	10,723	72,237	9,913	94,394	47,156	21,733	6,812	-	2,623	265,591

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land (Note 2.2) RM'000	Buildings RM'000	Farms RM'000	Plant and machinery RM'000	Furniture, fittings and office equipment RM'000	Motor vehicle and vessel RM'000	Aircrafts RM'000	Bearer plants RM'000	Capital work-in-progress RM'000	Total RM'000
Depreciation and impairment losses										
At 1 March 2025										
Accumulated depreciation	-	68,392	9,640	91,593	47,087	21,733	3,219	-	-	241,664
Accumulated impairment losses	10,723	3,845	273	2,801	69	-	3,593	-	2,623	23,927
	10,723	72,237	9,913	94,394	47,156	21,733	6,812	-	2,623	265,591
Depreciation for the year	-	15,856	2,289	21,249	13,247	4,519	-	70	-	57,230
Disposal of a subsidiary	-	(152)	-	-	-	-	-	-	-	(152)
Disposals	-	-	-	-	(162)	(108)	-	-	-	(270)
Written-off	-	(395)	(2)	(2,006)	(461)	(43)	-	-	-	(2,907)
Effect of movements in exchange rates	-	(6,364)	-	(3,169)	(3,311)	(531)	-	-	(119)	(13,494)
At 28 February 2026										
Accumulated depreciation	-	77,849	11,927	108,371	56,400	25,570	3,219	70	-	283,406
Accumulated impairment losses	10,723	3,333	273	2,097	69	-	3,593	-	2,504	22,592
	10,723	81,182	12,200	110,468	56,469	25,570	6,812	70	2,504	305,998

NOTES TO THE FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land (Note 2.2) RM'000	Buildings RM'000	Farms RM'000	Plant and machinery RM'000	Furniture, fittings and office equipment RM'000	Motor vehicle and vessel RM'000	Aircrafts RM'000	Bearer plants RM'000	Capital work-in- progress RM'000	Total RM'000
Carrying amounts										
At 1 March 2024	94,859	432,759	12,092	98,625	75,437	11,957	-	-	26,867	752,596
At 28 February 2025/ 1 March 2025	113,853	391,053	12,238	95,531	79,838	14,693	-	-	36,480	743,686
At 28 February 2026	142,337	374,624	11,551	113,352	83,955	14,321	-	7,302	60,080	807,522

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land	Buildings	Furniture, fittings and office equipment	Motor vehicle and vessel	Aircrafts	Capital work-in- progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company							
Cost							
At 1 March 2024	23,252	111,315	31,471	6,182	3,219	5,987	181,426
Additions	-	-	3,021	611	-	2,148	5,780
Transfer from subsidiaries	-	-	132	-	-	-	132
Transfer to subsidiaries	-	-	(572)	-	-	(832)	(1,404)
Disposals	-	-	(675)	(353)	-	-	(1,028)
Written-off	-	-	(483)	-	-	-	(483)
Reclassification	-	-	6,029	-	-	(6,029)	-
At 28 February 2025/ 1 March 2025	23,252	111,315	38,923	6,440	3,219	1,274	184,423
Additions	-	127	1,439	-	-	116	1,682
Transfer from subsidiaries	-	-	960	-	-	-	960
Transfer to subsidiaries	-	-	(20)	(1,922)	-	-	(1,942)
Disposals	-	-	(11)	-	-	-	(11)
Written-off	-	-	(122)	(16)	-	-	(138)
Reclassification	-	-	64	-	-	(64)	-
At 28 February 2026	23,252	111,442	41,233	4,502	3,219	1,326	184,974

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM'000	Buildings RM'000	Furniture, fittings and office equipment RM'000	Motor vehicle and vessel RM'000	Aircrafts RM'000	Capital work-in- progress RM'000	Total RM'000
Company							
Depreciation							
At 1 March 2024	-	4,814	4,558	2,894	3,219	-	15,485
Depreciation for the year	-	2,226	3,732	858	-	-	6,816
Transfer from subsidiaries	-	-	35	-	-	-	35
Transfer to subsidiaries	-	-	(26)	-	-	-	(26)
Disposals	-	-	(13)	(170)	-	-	(183)
Written-off	-	-	(468)	-	-	-	(468)
At 28 February 2025/ 1 March 2025	-	7,040	7,818	3,582	3,219	-	21,659
Depreciation for the year	-	2,237	4,151	643	-	-	7,031
Transfer from subsidiaries	-	-	77	-	-	-	77
Transfer to subsidiaries	-	-	(10)	(792)	-	-	(802)
Disposals	-	-	(6)	-	-	-	(6)
Written-off	-	-	(89)	(12)	-	-	(101)
At 28 February 2026	-	9,277	11,941	3,421	3,219	-	27,858
	Freehold land RM'000	Buildings RM'000	Furniture, fittings and office equipment RM'000	Motor vehicle and vessel RM'000	Aircrafts RM'000	Capital work-in- progress RM'000	Total RM'000
Company							
Carrying amounts							
At 1 March 2024	23,252	106,501	26,913	3,288	-	5,987	165,941
At 28 February 2025/ 1 March 2025	23,252	104,275	31,105	2,858	-	1,274	162,764
At 28 February 2026	23,252	102,165	29,292	1,081	-	1,326	157,116

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2.1 Security

The carrying amounts of properties charged as security for loans and borrowings granted to the Group and the Company as disclosed in Note 19.1 are as follows :

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Freehold land	38,612	40,792	9,273	11,453
Buildings	131,487	136,496	91,949	92,979
	170,099	177,288	101,222	104,432

- 2.2 Included in freehold land of the Group are agricultural land of RM29,710,000 (2025 : RM4,054,000) utilised for plantation activities relating to the cultivation of the Group's raw materials and other agricultural produce for trading purposes.

2.3 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Bearer plants are living plants that are used in production or supply of agriculture produce, which are expected to bear produce for more than one period and have remote likelihood of being sold as agriculture produce, except for incidental scrap sales.

The cost of freehold land acquired is initially allocated between the land element and bearer plants, where material in proportion to the relative fair values at the date of acquisition Bearer plants are subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

Bearer plants comprise pre-cropping expenditure incurred from land clearing to the point of maturity. Depreciation of bearer plants commences upon maturity of the crop and is recognised in profit or loss on a straight-line basis over the estimated useful lives of the bearer plants. Bearer plants of the Group comprise durian and coffee trees.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2.3 Material accounting policy information (continued)

(b) Depreciation (continued)

The depreciation rates for the current and comparative periods based on their estimated useful lives are as follows :

	%
Buildings	2 - 20
Farms	2 - 20
Plant and machinery	6.7 - 31.7
Furniture, fittings and office equipment	6 - 50
Motor vehicle and vessel	10 - 25
Aircrafts	20
Bearer plants	2.5 - 4.8

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted as appropriate.

3. RIGHT-OF-USE ASSETS

	Leasehold land RM'000	Agriculture land RM'000	Buildings RM'000	Total RM'000
Group				
At 1 March 2024	21,586	6,618	17,543	45,747
Additions	28,900	-	22,586	51,486
Remeasurement	-	-	339	339
Derecognition	-	-	(726)	(726)
Depreciation for the year	(457)	(390)	(11,725)	(12,572)
Effect of movements in exchange rates	(716)	(185)	(1,693)	(2,594)
At 28 February 2025/1 March 2025	49,313	6,043	26,324	81,680
Additions	14,345	-	18,364	32,709
Disposal of a subsidiary	(705)	-	-	(705)
Derecognition	-	-	(398)	(398)
Depreciation for the year	(433)	(361)	(11,836)	(12,630)
Effect of movements in exchange rates	(766)	(27)	(2,418)	(3,211)
At 28 February 2026	61,754	5,655	30,036	97,445

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

3. RIGHT-OF-USE ASSETS (CONTINUED)

	Leasehold land	
	2026 RM'000	2025 RM'000
Company		
At 1 March 2025/2024	14,084	13,851
Additions	-	449
Depreciation for the year	(217)	(216)
At 28 February	13,867	14,084

The Group leases a number of properties used as warehouses, laboratories, offices, hostels for employees and factory buildings as well as leasehold and agriculture lands that run between 1 year and 92 years. Certain leases are with options to renew the lease after expiry of the initial lease periods.

3.1 Variable lease payments based on future performance - Group

The lease of an agriculture land with carrying amount of RM5,225,806 (2025 : RM5,336,400) contains variable lease payments that are based on the future performance of a subsidiary i.e. 20% of the profits from the sales of produce derived from the subsidiary's plantation activities carried out on the leasehold land are to be shared by the lessor. The variable lease payments will be recognised in profit or loss in the period in which the performance occurs. No profit has yet to be derived from the plantation activities on the said land to date.

3.2 Extension options

Certain leases of agriculture land, warehouses, laboratories and offices contain extension options up to 9 years exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility.

The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group will reassess whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

	2026 RM'000	2025 RM'000
Lease liabilities on extension options recognised (discounted)		
Offices	7,427	5,414
Warehouses	1,765	829
Agriculture land	157	157
Laboratories	344	486
	9,693	6,886

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3. RIGHT-OF-USE ASSETS (CONTINUED)

3.2 Extension options (continued)

The extension options of substantially all leases are currently recognised as lease liabilities as the Group assessed that it is reasonably certain to exercise the extension options, supported by historical practices exercised by the Group. As at 28 February 2026 and 2025, there were no material potential future lease payments not included in lease liabilities.

3.3 Judgements and assumptions in relation to leases entered into during the year

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. The Group considers all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rates of the respective leases. The Group first determines the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

3.4 Material accounting policy information

(a) Lease and non-lease component

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or shorter and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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4. INVESTMENT PROPERTIES

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
Cost			
At 1 March 2024	2,501	7,731	10,232
Effect of movements in exchange rates	(63)	(121)	(184)
At 28 February 2025/1 March 2025	2,438	7,610	10,048
Effect of movements in exchange rates	(77)	(148)	(225)
At 28 February 2026	2,361	7,462	9,823
Accumulated depreciation			
At 1 March 2024	-	3,474	3,474
Depreciation for the year	-	231	231
Effect of movements in exchange rates	-	(21)	(21)
At 28 February 2025/1 March 2025	-	3,684	3,684
Depreciation for the year	-	240	240
Effect of movements in exchange rates	-	(108)	(108)
At 28 February 2026	-	3,816	3,816
Carrying amounts			
At 1 March 2024	2,501	4,257	6,758
At 28 February 2025/1 March 2025	2,438	3,926	6,364
At 28 February 2026	2,361	3,646	6,007

Investment properties comprise freehold land, residential properties and commercial properties that are leased to external parties and/or held for capital appreciation.

4.1 Fair value information

The fair value of investment properties is based on the Directors' estimation using the latest available market information, recent experience and knowledge in the location and category of the property being valued. The fair value of the investment properties of the Group as at 28 February 2026 was determined to be approximately RM14.30 million (2025 : RM15.00 million). The fair values are classified as level 3 of the fair value hierarchy.

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties.

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4. INVESTMENT PROPERTIES (CONTINUED)

4.1 Fair value information (continued)

Level 3 fair value (continued)

The Directors estimate the fair value of the Group's investment properties as follows :

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison approach : Sales price of comparable land and buildings in close proximity or similar properties in other comparable localities. The most significant input into this valuation approach is price per square foot.	Average price per square foot ranging from RM199.85 to RM782.18 (2025 : RM204.26 to RM1,140.68).	The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

Highest and best use

The Group's investment properties comprise a number of commercial properties and freehold lands. The Directors have determined the current use of these investment properties as their highest and best use.

4.2 Income and expenses of investment properties

The following are recognised in profit or loss in respect of investment properties :

	Group	
	2026	2025
	RM'000	RM'000
Lease income	269	282
Direct operating expenses :		
- Income generating investment properties	78	50
- Non-income generating investment properties	57	34

The operating lease payments (undiscounted) to be received are as follows :

	Group	
	2026	2025
	RM'000	RM'000
Less than one year	275	284
One to two years	70	210
Two to three years	-	70
	345	564

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4. INVESTMENT PROPERTIES (CONTINUED)

4.3 Material accounting policy information

Investment properties are measured at cost less any accumulated depreciation and any accumulated impairment losses.

5. INTANGIBLE ASSETS

	Software costs RM'000	Goodwill RM'000	Mining right (Note 5.1) RM'000	Total RM'000
Group				
Cost				
At 1 March 2024	5,558	5,497	-	11,055
Additions	557	-	-	557
Transfer from property, plant and equipment (Note 2)	2	-	-	2
Effect of movements in exchange rates	(30)	-	-	(30)
At 28 February 2025/1 March 2025	6,087	5,497	-	11,584
Additions	266	-	14,441	14,707
Effect of movements in exchange rates	(75)	-	(721)	(796)
At 28 February 2026	6,278	5,497	13,720	25,495
Accumulated amortisation				
At 1 March 2024	5,414	-	-	5,414
Amortisation for the year	145	-	-	145
Transfer from property, plant and equipment (Note 2)	1	-	-	1
Effect of movements in exchange rates	(36)	-	-	(36)
At 28 February 2025/1 March 2025	5,524	-	-	5,524
Amortisation for the year	260	-	481	741
Effect of movements in exchange rates	(51)	-	(146)	(197)
At 28 February 2026	5,733	-	335	6,068

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5. INTANGIBLE ASSETS (CONTINUED)

	Software costs RM'000	Goodwill RM'000	Mining right (Note 5.1) RM'000	Total RM'000
Group				
Carrying amounts				
At 1 March 2024	144	5,497	-	5,641
At 28 February 2025/1 March 2025	563	5,497	-	6,060
At 28 February 2026	545	5,497	13,385	19,427
				Software costs RM'000
Company				
Cost				
At 1 March 2024				2,572
Additions				420
At 28 February 2025/1 March 2025				2,992
Additions				59
At 28 February 2026				3,051
Accumulated amortisation				
At 1 March 2024				2,460
Amortisation for the year				89
At 28 February 2025/1 March 2025				2,549
Amortisation for the year				135
At 28 February 2026				2,684
Carrying amounts				
At 1 March 2024				112
At 28 February 2025/1 March 2025				443
At 28 February 2026				367

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5. INTANGIBLE ASSETS (CONTINUED)

5.1 Mining right

During the financial year ended 28 February 2026, the Group through a newly incorporated and wholly-owned subsidiary, DXN (Guyana) Inc, acquired a right to undertake gold exploration and mining activities in Guyana, South America. Mining operations have not commenced as at the reporting date.

5.2 Material accounting policy information

(a) Recognition and measurement

(i) Software costs

Software costs which have finite useful life are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Goodwill

Goodwill arising from business combination is with indefinite useful life and not amortised. Goodwill is measured at cost less any accumulated impairment losses.

(iii) Mining right

Mining right with finite useful life is measured at cost less accumulated amortisation and any accumulated impairment losses. Exploration and evaluation expenditures that are directly attributable to the exploration of mineral resources are capitalised as property, plant and equipment in accordance with IFRS 6, *Exploration for and Evaluation of Mineral Resources*.

(b) Amortisation

(i) Software costs

Software costs are amortised from the date that they are available for use based on the cost of the asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives.

The depreciation rate for the current and comparative periods based on estimated useful life of software costs is 20% per annum.

(ii) Goodwill

Goodwill is tested for impairment annually and whenever there is an indication that it may be impaired.

(ii) Mining right

Mining right is amortised in profit or loss on a straight-line basis over their estimated useful lives of 10 years, commencing from the date the rights are available for use. The amortisation period reflects the contractual tenure of the mining right.

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5. INTANGIBLE ASSETS (CONTINUED)

5.3 Impairment testing for cash-generating unit ("CGU") containing goodwill

The goodwill is recognised as a result of the acquisition of Daxen Middle East Food Manufacturing L.L.C. ("DMEFM") during the financial year ended 28 February 2024. For the purpose of impairment testing, goodwill is allocated to the Group's health and wellness consumer products business undertaken by DMEFM in the Middle East region.

Management has assessed the recoverable amounts of the goodwill based on value-in-use ("VIU") method, determined by discounting the future cash flows expected to be generated from the CGU covering a period of 5 years plus terminal value. The VIU calculation involved applying judgement on key assumptions (e.g. sales growth, selling prices, gross profit margin and discount rate) which represents management's assessment of future trends of the CGU after considering both external and internal factors. The projected cash flows are therefore inherently uncertain and changes in the future economic and market conditions may impact the outcome of the projected cash flows.

A pre-tax discount rate of 16.4% (2025 : 10.7%) was applied in determining the recoverable amount of the CGU.

The recoverable amount of the CGU was determined to be higher than its carrying amount and the Directors consider that it is not reasonably possible for the key assumptions to change so significantly that would cause an impairment of the goodwill.

6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2026	2025
	RM'000	RM'000
Investments, at cost	428,209	414,988
Less : Impairment loss	(82,007)	(79,967)
	346,202	335,021

During the financial year, the Company carried out assessments to estimate the recoverable amount of certain non-profitable subsidiaries. Based on the assessments performed, the carrying amount of the said subsidiaries were noted to be higher than the recoverable amount determined using fair value less costs to sell method. An impairment loss of RM2,040,000 (2025 : RM37,177,000) was recognised and included as part of the Company's other expenses in profit or loss.

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
<u>Direct subsidiaries of the Company</u>				
DXN Marketing Sdn. Bhd.	Malaysia	100%	100%	Sales of health supplements and other products on direct sales basis
DXN Industries (M) Sdn. Bhd.	Malaysia	100%	100%	Manufacture and distribution of health food supplements and other products
DXN Pharmaceutical Sdn. Bhd.	Malaysia	100%	100%	Manufacture of health food supplements and other products
DXN Solutions Sdn. Bhd.	Malaysia	100%	100%	Information technology adviser and consultant and trading in computer hardware and software equipment
DXN Materials Sdn. Bhd.	Malaysia	100%	100%	Property holding and manufacturing of health supplements and other products
DXN Safari Eco Park Sdn. Bhd.	Malaysia	100%	100%	Plantation and cultivation of rubber trees and cash crops and bamboo salt production activities
DXN Cafe Sdn. Bhd.	Malaysia	100%	100%	Operating of a café
DXN Biotech Consultants Sdn. Bhd.	Malaysia	100%	100%	Research and development and experimental work in relation to biotechnology, bio-chemical and agricultural products, trading of agricultural products and manufacturing of food products
DXN Aero Nautic Sdn. Bhd.	Malaysia	100%	100%	Provision of aircraft chartering, management, logistical and marketing services
Bio Synergy Laboratories Sdn. Bhd.	Malaysia	100%	100%	Research and development, analytical lab tests, experimental work in relation to pharmaceutical and biological products
DXN Mycotech Sdn. Bhd.	Malaysia	70%	70%	Property investment

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
Direct subsidiaries of the Company (continued)				
DXN Agrotech Sdn. Bhd.	Malaysia	100%	100%	Engaged in cultivation, aquaculture and provision of tour activities
DXN Food Tech Sdn. Bhd.	Malaysia	80%	80%	Confectionery and biscuits manufacturer
Amazing Discovery Sdn. Bhd.	Malaysia	100%	100%	Operating a glamping resort, namely Boulder Valley
DXN Cyberville Sdn. Bhd. (formerly known as DXN Agro Park Sdn. Bhd.)	Malaysia	100%	100%	Renting building space and providing maintenance services, managing and operating lodging facilities
DXN Farmtech Sdn. Bhd. ^(f)	Malaysia	100%	-	Inactive
DXN International Holding Limited ^(c)	British Virgin Islands	100%	100%	Investment holding and provision of management services
Daehsan Lanka (Pvt) Ltd. ^{(c)(i)}	Sri Lanka	99%	-	Inactive
DXN Corporation (Ningxia) Co., Ltd. (“DXN Ningxia”) ^(a)	People’s Republic of China	100%	100%	Investment holding, research and development and experimental works in biotechnology. Processing and trading of food and beverages, food supplements and consumer products
DXN Korea Co., Ltd. ^(c)	Korea	100%	100%	Under liquidation
DXN Marketing Bangladesh Ltd. ^(c)	Bangladesh	100%	100%	Manufacturing, marketing, sales and distribution of health food, non-alcoholic drinks and associated products
DXN Bangladesh Industries Pvt. Ltd. ^(c)	Bangladesh	100%	100%	Manufacturing, marketing, sales and distribution of health food, non-alcoholic drinks and associated products
Dexin Manufacturing Nepal Private Limited ^(c)	Nepal	100%	100%	Manufacturing, sales and distribution of food and beverages and personal care products

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
Direct subsidiaries of the Company (continued)				
Esen Lifesciences Private Limited ^(a)	India	100%	100%	Manufacturing of health food supplements, spirulina cereals and cordyceps cereal products
PT Daehsan Indonesia ^(a)	Indonesia	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
PT Daxen Agrotech Nusantara ^(c)	Indonesia	100%	100%	Inactive
PT Suryasoft Konsultama ^(c)	Indonesia	100%	100%	Provision of information technology (“IT”) services including IT systems, IT consultancy and customised software development systems
Daxen Logistic LLC. ^(c)	United States of America	100%	100%	Inactive
Daxen Middle East Food Manufacturing L.L.C. ^(a)	Dubai	100%	100%	Manufacturing of cosmetics, food supplements and natural organic food, and liquid coffee preparation
DXN (Fujian) Group Co., Ltd. ^(c)	People’s Republic of China	100%	100%	Inactive
DEXIN Morocco S.A. ^(a)	Morocco	99.9%	99.9%	Yet to commence manufacturing of food and beverages, food supplements and consumer products
DXN Global (Singapore) Pte. Ltd. ^(c)	Singapore	100%	100%	Inactive
EURL DXN Algeria ^(a)	Algeria	100%	100%	Inactive
DXN (Zambia) Limited ^(c)	Zambia	100%	100%	Inactive
DXN Ghana Ltd. ^(a)	Ghana	100%	100%	Inactive

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
<u>Direct subsidiaries of the Company (continued)</u>				
DXN (Guyana) Inc. ^(g)	Guyana	100%	-	Yet to commence coffee plantation and gold mining operations
Daxen Gulf Company ^{(c)(h)}	Saudi Arabia	100%	-	Inactive
<u>Subsidiaries of DXN Industries (M) Sdn. Bhd.</u>				
DXN Biogreen Sdn. Bhd.	Malaysia	100%	100%	Forest plantation, reforestation and mixed farming
DXN Bolivia S.R.L. ^{(b)(k)}	Bolivia	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis. Commenced operation in grape and coffee plantation during the year
<u>Subsidiary of DXN Bolivia S.R.L.</u>				
Daxen Manufacturing Bolivia S.R.L. ^{(c)(j)}	Bolivia	100%	-	Inactive
<u>Subsidiaries of DXN (Fujian Group) Co., Ltd.</u>				
DXN (Fujian) Tourism Development Co., Ltd. ^(c)	People's Republic of China	100%	100%	Inactive
Fujian DXN International Trade Co., Ltd. ^(c)	People's Republic of China	100%	100%	Wholesale and retail trading of tea, pre-packaged food and beverages and other products including online sales
<u>Subsidiary of PT Daxen Agrotech Nusantara</u>				
PT Daxen Agri Pratama ^(c)	Indonesia	90%	90%	Inactive

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
Subsidiaries of DXN International Holding Limited				
DXN International (UK) Limited ^(c)	United Kingdom	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN International (Hong Kong) Limited ^(a)	Hong Kong	100%	100%	Direct selling of health care products
DXN (Singapore) Pte Ltd ^(a)	Singapore	100%	100%	Direct sales and trading in health products and provision of related services and investment holding
PT Daxen Indonesia ^(a)	Indonesia	99%	99%	Manufacturing of traditional medicine, cosmetics and beverages
DXN International (Australia) Pty. Ltd. ^(c)	Australia	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN International Pakistan (Private) Limited ^(a)	Pakistan	99.99%	99.99%	Trading and distribution of food and beverages, food supplements and consumer products
DXN International Private Ltd. ^(a)	Labuan	100%	100%	Investment holding, trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN International Peru S.A.C. ^(b)	Peru	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
Daehsan Europe Export-Import Korlátolt Felelősségű Társaság (“Daehsan Hungary”) ^(a)	Hungary	100%	100%	Investment holding, trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN International Chile S.p.A. ^(c)	Chile	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
Subsidiaries of DXN International Holding Limited (continued)				
Daxen Mexico, S.A. DE C.V. ^(c)	Mexico	100%	100%	Inactive
DXN Mexico, S.A. DE C.V. ^(b)	Mexico	100%	100%	Manufacturing and distribution of food and beverages, food supplements and consumer products
DXN International (Thailand) Co., Ltd. (“DXN Thailand”) ^{(c)(d)}	Thailand	49%	49%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
Golden Health Trading Limited ^(a)	Hong Kong	100%	100%	Provision of marketing consultancy services and general trading
Daxen Agritech India Private Limited ^(a)	India	100%	100%	Manufacturing of health food, traditional medicine, all kinds of confectioneries and food products and agro farming of mushrooms
DXN Colombia SAS ^(c)	Colombia	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
Daehsan Mexico Import & Export, S.A. de C.V. ^(c)	Mexico	100%	100%	Under liquidation
DXN Mauritania SARL ^(c)	Mauritania	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN-Niger SA ^(c)	Niger	100%	100%	Inactive
Subsidiaries of DXN (Singapore) Pte Ltd				
DXN Argentina S.R.L. ^(c)	Argentina	100%	100%	Trading and distribution of food and beverages, cosmetics and food supplements on direct sales basis

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
Subsidiaries of DXN (Singapore) Pte Ltd (continued)				
DXN Trading Ecuador CIA. LTDA. ^(a)	Ecuador	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN International Panama S.A. ^(c)	Panama	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN Marketing (Brasil) LTDA ^(c)	Brazil	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
“DAXEN” LLC ^(a)	Mongolia	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products
FE LLC “DAXEN UBZ” ^(c)	Uzbekistan	100%	100%	Importation and distribution of food and beverages, food supplements and consumer products
DXN Kyrgyzstan LLC ^(c)	Kyrgyzstan	99.9%	99.9%	Wholesale trade of coffee, tea, cocoa and spices
Subsidiaries of DXN Corporation (Ningxia) Co., Ltd.				
Florin (Fujian) Integrated Agricultural Science and Technology Co., Ltd. (“Florin Fujian”) ^{(c)(e)}	People’s Republic of China	-	82.82%	Investment holding
DXN Biotechnology (Ningxia) Co., Ltd. ^(a)	People’s Republic of China	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products
DXN International Trading (Ningxia) Co., Ltd. ^(a)	People’s Republic of China	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
Subsidiaries of DXN Corporation (Ningxia) Co., Ltd.(continued)				
DXN Healthtech (Guangzhou) Co., Ltd. ^(c)	People’s Republic of China	60%	60%	Inactive
DXN Agrotech (Ningxia) Co., Ltd. ^(a)	People’s Republic of China	100%	100%	Research, cultivation, manufacturing and trading of mushroom and spirulina
Anxi Gande Foluohua Integrated Agricultural Science and Technology Co., Ltd. (“Anxi Gande”) ^{(c)(e)}	People’s Republic of China	100%	82.82%	Tea plantation, processing, research and development, wholesale trading and retailing of tea, pre-packaged food and beverages and other products
Subsidiary of DXN International Private Ltd.				
DXN Manufacturing (India) Private Limited ^(b)	India	100%	100%	Manufacturing of health food, traditional medicine, all kinds of confectioneries and food products
Subsidiaries of Daehsan Hungary				
Daxen Inc. ^(c)	United States of America	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN International CZ s.r.o. ^(c)	Czech Republic	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN Bulgaria Ltd. ^(c)	Bulgaria	100%	100%	Inactive
Daxen Slovakia s.r.o. ^(c)	Slovakia	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN Greece EPE ^(c)	Greece	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
Subsidiaries of Daehsan Hungary (continued)				
DXN International Poland Sp.z.o.o ^(c)	Poland	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN Internacional Spain S.L. Unipersonal ^(c)	Spain	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN Italy SRL ^(c)	Italy	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
DXN Marketing Private ithalat Ve Pazarlama Limited Şirketi ^(c)	Türkiye	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
Daxen Morocco LLC ^(a)	Morocco	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
Subsidiary of Daxen Agritech India Private Limited				
DXN Marketing India Private Limited (“DMIPL”) ^{(b)(d)}	India	50%	50%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis
Subsidiary of PT Daxen Agri Pratama				
PT Daxen KJP Agro ^(c)	Indonesia	81%	81%	Inactive
Subsidiary of DXN Italy SRL				
DXN Global Marketing Nigeria Limited ^(a)	Nigeria	100%	100%	Trading and distribution of food and beverages, food supplements and consumer products on direct sales basis

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/Country of incorporation	Effective ownership and voting interest		Principal activities
		2026	2025	
<u>Subsidiary of DXN Manufacturing (India) Private Limited</u>				
DXN Clinics Private Limited ^(a)	India	99.99%	99.99%	Provision of consultation and treatment services using ganotherapy

Notes

^(a) Not audited by KPMG PLT.

^(b) Audited by member firms of KPMG International.

^(c) The unaudited management accounts were consolidated in the Group's financial statements as these subsidiaries were not required by the respective local legislations to have their financial statements audited.

^(d) The Company regards DXN Thailand and DMIPL as its subsidiaries by virtue of having board control and being the single largest shareholder in these companies. The remaining voting rights are held by individual investees and there is no indication that the other shareholders will exercise their votes collectively. The Group has the ability to direct these entities' activities that most significantly affect their returns.

^(e) On 9 October 2025, the Group completed an equity exchange transaction with a third party, pursuant to which 82.82% of its effective equity interest in Florin Fujian was transferred in exchange for a 17.18% additional equity interest in Anxi Gande, resulting in the Group obtaining full control of Anxi Gande.

^(f) Incorporated on 26 March 2025.

^(g) Incorporated on 5 March 2025.

^(h) Incorporated on 7 August 2025.

⁽ⁱ⁾ Incorporated on 30 August 2025.

^(j) Incorporated on 15 December 2025.

^(k) The subsidiary was a direct subsidiary of DXN International Holding Limited during the financial year ended 28 February 2025.

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.1 Non-controlling interest in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows :

	DMIPL RM'000	DXN Thailand RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
2026				
NCI percentage of ownership interest and voting interest	50%	51%		
Carrying amount of NCI	64,579	9,082	(2,182)	71,479
Profit/(Loss) allocated to NCI	12,470	(173)	(414)	11,883
Other comprehensive income/(expense) allocated to NCI	(10,629)	(428)	88	(10,969)

	DMIPL RM'000	DXN Thailand RM'000
2026		
Summarised financial information before intra-group elimination		
As at 28 February 2026		
Non-current assets	11,383	12,152
Current assets	189,749	6,445
Non-current liabilities	(3,887)	(27)
Current liabilities	(68,086)	(763)
Net assets	129,159	17,807
Year ended 28 February 2026		
Revenue	200,829	7,663
Profit/(Loss) for the year	24,940	(339)
Total comprehensive income/(expense)	3,682	(1,179)
Cash flows from operating activities	3,860	360
Cash flows from/(used in) investing activities	8,737	(49)
Cash flows used in financing activities	(6,475)	-
Net increase in cash and cash equivalents	6,122	311
Dividends paid to NCI	3,585	-

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.1 Non-controlling interest in subsidiaries (continued)

	DMIPL RM'000	DXN Thailand RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
2025				
NCI percentage of ownership interest and voting interest	50%	51%		
Carrying amount of NCI	66,323	9,683	2,031	78,037
Profit/(Loss) allocated to NCI	6,832	(14)	(654)	6,164
Other comprehensive expense allocated to NCI	(7,761)	(84)	(243)	(8,088)

	DMIPL RM'000	DXN Thailand RM'000
2025		
Summarised financial information before intra-group elimination		
As at 28 February 2025		
Non-current assets	7,488	13,181
Current assets	193,284	6,716
Non-current liabilities	(1,406)	-
Current liabilities	(66,719)	(911)
Net assets	132,647	18,986

Year ended 28 February 2025

Revenue	190,916	9,084
Profit/(Loss) for the year	13,664	(28)
Total comprehensive expense	(1,857)	(193)
Cash flows from operating activities	3,742	652
Cash flows from/(used in) investing activities	8,707	(2)
Net increase in cash and cash equivalents	12,449	650

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6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.2 Significant restriction

The jurisdictions of India in which certain subsidiaries of the Company operate in prohibit those subsidiaries from providing advances or pay dividend to parties outside of India.

6.3 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

7. INVESTMENT IN AN ASSOCIATE

	Group and Company	
	2026	2025
	RM'000	RM'000
Investment, at cost	1	1
Less : Impairment loss	(1)	(1)
	-	-

Details of the associate are as follows :

Name of associate	Principal place of business/Country of incorporation	Effective ownership and voting interest		Nature of the relationship
		2026	2025	
Box Park Management Sdn. Bhd.	Malaysia	40%	40%	Venture into the business of management of real estate on a fee or contract basis

7.1 Material accounting policy information

Investment in the associate is measured in the Company's statement of financial position at cost less impairment losses.

8. INVESTMENT IN A JOINT VENTURE

	Group and Company	
	2026	2025
	RM'000	RM'000
Investment, at cost	1	1
Less : Impairment loss	(1)	(1)
	-	-

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8. INVESTMENT IN A JOINT VENTURE (CONTINUED)

Details of the joint venture are as follows :

Name of joint venture	Principal place of business/Country of incorporation	Effective ownership and voting interest		Nature of the relationship
		2026	2025	
DNC Food Industries Sdn. Bhd.	Malaysia	50%	50%	Venture into the business of manufacture and trading of spices and curry powder

8.1 Material accounting policy information

Investment in the joint venture is measured in the Company's statement of financial position at cost less any impairment losses unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

9. DEFERRED TAX ASSETS AND LIABILITIES

9.1 Recognised deferred tax assets

Deferred tax assets and liabilities are attributable to the following :

	Assets		Liabilities		Net	
	28.2.2026	28.2.2025	28.2.2026	28.2.2025	28.2.2026	28.2.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
Property, plant and equipment and intangible assets						
- capital allowance	-	-	(5,136)	(6,903)	(5,136)	(6,903)
Inventories	69,770	70,774	(853)	(684)	68,917	70,090
Biological assets	410	-	-	(13)	410	(13)
Unabsorbed capital allowances	1,241	1,946	-	-	1,241	1,946
Tax losses carry-forward	2,451	1,348	-	-	2,451	1,348
Provisions	37,653	32,443	-	-	37,653	32,443
Right-of-use assets	-	-	(4,393)	(5,372)	(4,393)	(5,372)
Lease liabilities	4,512	5,165	-	-	4,512	5,165
Other items	2,868	2,159	-	-	2,868	2,159
	118,905	113,835	(10,382)	(12,972)	108,523	100,863
Set-off of tax	(3,467)	(8,832)	3,467	8,832	-	-
Net deferred tax assets	115,438	105,003	(6,915)	(4,140)	108,523	100,863

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9. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

9.1 Recognised deferred tax assets (continued)

Deferred tax assets and liabilities are attributable to the following: (continued)

	Assets		Liabilities		Net	
	28.2.2026	28.2.2025	28.2.2026	28.2.2025	28.2.2026	28.2.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company						
Property, plant and equipment and intangible assets						
- capital allowance	92	391	-	-	92	391
Unabsorbed capital allowances	410	1,396	-	-	410	1,396
Provisions	170	201	-	-	170	201
	672	1,988	-	-	672	1,988

9.2 Movements in temporary differences during the year

	At 1.3.2024	Recognised in profit or loss (Note 26)	Effect of movements in exchange rates	At 28.2.2025
	RM'000	RM'000	RM'000	RM'000
Group				
Property, plant and equipment and intangible assets				
- capital allowances	(6,727)	18	(194)	(6,903)
Inventories	78,284	(959)	(7,235)	70,090
Biological assets	(1)	(12)	-	(13)
Unabsorbed capital allowances	1,526	420	-	1,946
Tax losses carry-forward	104	1,280	(36)	1,348
Provisions	35,137	1,099	(3,793)	32,443
Right-of-use assets	(5,071)	(304)	3	(5,372)
Lease liabilities	4,470	700	(5)	5,165
Other items	412	1,435	312	2,159
	108,134	3,677	(10,948)	100,863

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9. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

9.2 Movements in temporary differences during the year (continued)

	At 1.3.2025 RM'000	Recognised in profit or loss (Note 26) RM'000	Effect of movements in exchange rates RM'000	At 28.2.2026 RM'000
Group				
Property, plant and equipment and intangible assets				
- capital allowances	(6,903)	(1,005)	2,772	(5,136)
Inventories	70,090	755	(1,928)	68,917
Biological assets	(13)	13	410	410
Unabsorbed capital allowances	1,946	(54)	(651)	1,241
Tax losses carry-forward	1,348	(1,137)	2,240	2,451
Provisions	32,443	(6,576)	11,786	37,653
Right-of-use assets	(5,372)	1,436	(457)	(4,393)
Lease liabilities	5,165	(1,376)	723	4,512
Other items	2,159	(2,495)	3,204	2,868
	100,863	(10,439)	18,099	108,523

	At 1.3.2024 RM'000	Recognised in profit or loss (Note 26) RM'000	At 28.2.2025/ 1.3.2025 RM'000	Recognised in profit or loss (Note 26) RM'000	At 28.2.2026 RM'000
Company					
Property, plant and equipment and intangible assets					
- capital allowances	(516)	907	391	(299)	92
Unabsorbed capital allowances	1,448	(52)	1,396	(986)	410
Provisions	141	60	201	(31)	170
	1,073	915	1,988	(1,316)	672

Deferred tax assets and liabilities are offset when there are legally enforceable rights to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which the temporary differences can be utilised.

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9. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

9.3 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross) :

	2026 RM'000	2025 RM'000
Group		
Unabsorbed capital allowances	65,791	53,560
Tax losses carry-forward	161,229	127,014
	227,020	180,574

The unabsorbed capital allowances do not expire under current tax legislation. The tax losses carry-forward will expire in the following years of assessment based on the tax legislations in the countries which the group entities operate :

	2026 RM'000	2025 RM'000
Tax losses carry-forward :		
- Expiring not more than 5 years	50,738	42,944
- Expiring between 6 to 7 years	38,844	31,746
- Expiring between 8 to 10 years	58,665	45,739
- With no expiry period	12,982	6,585
	161,229	127,014

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group entities can utilise the benefits therefrom.

9.4 Material accounting policy information

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

10. PREPAYMENTS

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Purchase of plant and equipment		40,010	43,679	365	210
Other prepayment	10.1	-	9,275	-	9,275
		40,010	52,954	365	9,485

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10. PREPAYMENTS (CONTINUED)

10.1 Other prepayment

During the financial year ended 29 February 2024, the Company entered into an agreement to invest in a corporation in the People's Republic of China and paid a an upfront consideration of Chinese Yuan 14.4 million (equivalent to RM9.3 million). During the current financial year, the agreement was terminated and the said amount was reclassified as other receivables and refunded to the after the financial year end.

11. BIOLOGICAL ASSETS

	Group	
	2026	2025
	RM'000	RM'000
At 1 March 2025/2024	96	366
Additions	26	60
Fair value movement on remeasurement of biological assets and changes due to harvest	28	(312)
Effect of movements in exchange rate	2	(18)
At 28 February	152	96

Biological assets of the Group comprise live stocks (goats), logging trees (albizia falcata), and various agricultural produce i.e., reishi gano, ganocelium, spirulina, lion's mane and grapes.

11.1 Material accounting policy information

Live stocks and growing crops are stated at fair value less the estimated costs necessary to make the sale. Gains or losses arising from the initial recognition of growing crops and live stocks at fair value less estimated costs to sell and the subsequent changes in fair value less costs to sell at each reporting date are recognised in profit or loss in the period in which such gains or losses occur.

Fair value is determined by applying estimates of production volume and the estimated market price at the reporting date.

12. INVENTORIES

	Group	
	2026	2025
	RM'000	RM'000
Raw materials	108,267	92,413
Work-in-progress	16,967	21,589
Manufactured inventories	158,181	130,418
Trading inventories	630	53
	284,045	244,473

12.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in, first-out method.

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13. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2026	2025
	RM'000	RM'000
Contract assets	1,328	1,895
Contract liabilities	(174)	(5,275)
	1,154	(3,380)

Significant changes to contract liabilities balances :

	Group	
	2026	2025
	RM'000	RM'000
Contract liabilities at the beginning of the period recognised as revenue	5,275	-

The contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date for its analytical lab testing and experiment works. Typically, the amount will be billed within 10 days and payment is expected based on the payment terms contracted with the customers that are consistent with industry norms. The contract assets will be transferred to trade receivables when the rights become unconditional.

Contract liabilities comprise redemption points awarded under promotion programmes in certain subsidiaries of the Group, determined based on the fair value of the points or products to be redeemed which represents the aggregate amount of transaction price allocated to performance obligations that are unsatisfied at the end of the financial year. The contract liabilities will be recognised as revenue when the points or products are redeemed or upon expiry of the redemption period in the next financial year.

14. TRADE AND OTHER RECEIVABLES, INCLUDING DERIVATIVES

		Group		Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Non-current					
Non-trade					
Amount due from a subsidiary	14.1	-	-	30,901	35,310
Current					
Trade					
Trade receivables		16,839	12,700	-	-

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14. TRADE AND OTHER RECEIVABLES, INCLUDING DERIVATIVES (CONTINUED)

	Note	Group	Company		
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-trade					
Amount due from :					
- subsidiaries	14.1	-	-	171,108	94,497
- joint venture	14.2	1,217	1,200	1,209	1,200
Other receivables	14.3	60,325	49,477	9,578	1,814
Prepayments		47,253	35,482	2,795	7,002
Deposits		22,422	13,847	675	2,024
Derivative financial assets	14.4	56	39	-	39
		131,273	100,045	185,365	106,576
		148,112	112,745	185,365	106,576
Total trade and other receivables		148,112	112,745	216,266	141,886
Financial instruments :					
Trade and other receivables (excluding derivatives, prepayments and indirect taxes)		76,595	54,509	213,471	134,884
Add : Short term investments	15	12,399	9,314	68	1,033
Cash and cash equivalents	16	617,376	672,165	31,655	97,973
Total financial assets measured at amortised cost		706,370	735,988	245,194	233,890

14.1 Amounts due from subsidiaries

The non-current amount due from a subsidiary is unsecured, earns interest at 8.48% (2025 : 9.89%) per annum and is not expected to be repayable within the next 12 months.

The current amount due from subsidiaries is unsecured, interest-free and repayable on demand other than RM72,699,000 (2025 : RM39,821,000) which earns interest at rates ranging from 2.00% to 5.37% (2025 : 2.00% to 5.37%) per annum.

14.2 Amount due from joint venture company

The non-trade amount due from joint venture company is unsecured, interest-free and repayable on demand.

14.3 Other receivables

Included in other receivables of the Group are :

- indirect taxes receivable of RM24,208,000 (2025 : RM22,715,000); and
- RM3,185 000 (2025 : RM2,559,000) which earns interest at rates ranging from 5.00% to 10.00% (2025 : 5.00% to 10.00%) per annum.

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14. TRADE AND OTHER RECEIVABLES, INCLUDING DERIVATIVES (CONTINUED)

14.4 Derivatives financial assets

	2026		2025	
	Nominal value RM'000	Assets RM'000	Nominal value RM'000	Assets RM'000
Group				
Derivatives at fair value through profit or loss				
- Forward exchange contracts	4,059	56	28,937	39
Company				
Derivatives at fair value through profit or loss				
- Forward exchange contracts	-	-	26,709	39

Forward exchange contracts are used to manage the foreign currency exposures arising from receivables and payables denominated in currencies other than the functional currencies of the Group entities and the Company. The forward exchange contracts have maturities of less than one year after the end of the reporting period.

15. SHORT TERM INVESTMENTS

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Fixed deposits	15.1	3,312	3,422	-	-
Short term investment funds		9,087	5,892	68	1,033
		12,399	9,314	68	1,033

15.1 Fixed deposits

Fixed deposits amounting to RM1,442,000 (2025 : RM1,681,000) are pledged for bank guarantee granted to the Group as disclosed in Note 19.1.

16. CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	16.1	530,709	635,071	31,655	97,973
Short term deposits	16.2	86,667	37,094	-	-
		617,376	672,165	31,655	97,973

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16. CASH AND CASH EQUIVALENTS (CONTINUED)

16.1 Cash and bank balances

Approximately 16% (2025 : 24%) of the Group's cash and bank balances are denominated in Bolivian Boliviano ("BOB") held by DXN Bolivia S.R.L., a wholly-owned subsidiary of the Company. The Group has determined that a substantial portion of the said cash and bank balances will be used to finance the working capital and future capital expansion of its businesses in Bolivia.

16.2 Short term deposits

Included in short term deposits of the Group is RM581,000 (2025 : RM577,000) pledged for bank guarantee granted to the Group as disclosed in Note 19.1.

17. SHARE CAPITAL

	Group and Company			
	2026		2025	
	Number of shares	Amount	Number of shares	Amount
	'000	RM'000	'000	RM'000
Issued and paid-up ordinary shares with no par value classified as equity instruments	4,985,000	214,620	4,985,000	214,620

17.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares held by the Company (see Note 18.2), all rights are suspended until those shares are reissued.

18. RESERVES

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Non-distributable					
Translation reserve	18.1	(108,735)	(116,446)	-	-
Treasury shares	18.2	(8,077)	(8,077)	(8,077)	(8,077)
Share options reserve	18.3	1,611	1,363	1,611	1,363
		(115,201)	(123,160)	(6,466)	(6,714)
Distributable					
Retained earnings		1,265,289	1,168,001	368,296	314,149
		1,150,088	1,044,841	361,830	307,435

Movements in the reserves are shown in the statements of changes in equity.

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18. RESERVES (CONTINUED)

18.1 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

18.2 Treasury shares

The shareholders of the Company, via an ordinary resolution passed in the Annual General Meeting held on 13 August 2025, approved for the Company to repurchase its own shares up to 10% of the issued and paid-up share capital of the Company.

	No. of shares '000	Purchase price per share ^(N1)			
		Cost RM'000	Highest RM	Lowest RM	Average RM
At 1 March 2024	12,239	7,819	0.68	0.63	0.64
Purchased during the financial year	500	258	0.52	0.52	0.52
At 28 February 2025/1 March 2025/28 February 2026	12,739	8,077	0.68	0.52	0.63

^(N1) Cost includes stamp duty, brokerage fee, clearing fee and service tax.

The repurchase transactions were financed by internally generated funds. The repurchased ordinary shares of the Company are held as treasury shares and no shares were reissued during the year.

18.3 Share options reserve

The share options reserve represents the fair value of the share options granted to eligible Directors and employees of the Group and the Company as disclosed in Note 20.2.

19. LOANS AND BORROWINGS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-current				
Hire purchase liabilities	202	3,031	-	1,042
Term loans, secured	-	473	-	-
	202	3,504	-	1,042

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19. LOANS AND BORROWINGS (CONTINUED)

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Current				
Bank overdrafts, secured	-	563	-	-
Hire purchase liabilities	127	1,110	-	532
Term loans, secured	-	191	-	159
Revolving credits, secured	148,919	127,427	148,919	123,733
Revolving credits, unsecured	28,235	22,056	-	-
	177,281	151,347	148,919	124,424
Total loans and borrowings	177,483	154,851	148,919	125,466

19.1 Securities

The term loans, bank overdrafts, bank guarantees and revolving credits are secured by way of legal charges over lands and buildings (see Note 2.1), short term investments (see Note 15.1) and cash and cash equivalents (see Note 16.1) of the Group, and corporate guarantee issued by the Company.

20. EMPLOYEE BENEFITS

20.1 Retirement benefits

	Group	
	2026	2025
	RM'000	RM'000
Non-current		
Net defined benefits liability	5,736	5,915

Movements in net defined benefits liability

	Group	
	2026	2025
	RM'000	RM'000
Balance at 1 March 2025/2024	5,915	6,727
Included in profit or loss		
Current service cost	1,217	574
Past service credit	(274)	(75)
Finance cost	-	206
	943	705

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20. EMPLOYEE BENEFITS (CONTINUED)

20.1 Retirement benefits (continued)

Movements in net defined benefits liability (continued)

	Group	
	2026	2025
	RM'000	RM'000
Included in other comprehensive expense		
Effect of movements in exchange rates	(729)	(871)
Others		
Benefits paid	(393)	(646)
Balance at 28 February	5,736	5,915

Retirement benefits expense is recognised as part of the Group's employee benefits expense (Note 23) in profit or loss.

Actuarial assumptions

Principal actuarial assumptions at the end of the reporting period (expected as weighted averages) :

	Group	
	2026	2025
Discount rates	6.29% - 11.50%	6.26% - 12.25%
Future salary growth	2.50% - 11.50%	2.50% - 11.25%
Retirement age	55 - 65 years	55 - 65 years

As at 28 February 2026, the weighted-average duration of the defined benefits liability ranged from 5 to 16 years (2025 : 6 to 16 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefits liability by the amounts shown below.

	2026		2025	
	Increase	Decrease	Increase	Decrease
	RM'000	RM'000	RM'000	RM'000
Defined benefits liability				
Discount rate (1% movement)	(449)	414	(413)	471
Future salary growth (1% movement)	315	(368)	446	(398)

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20. EMPLOYEE BENEFITS (CONTINUED)

20.2 Share-based payments arrangement

During the Extraordinary General Meeting of the Company held on 25 May 2022, the shareholders approved for the Company to grant share options to eligible Directors and employees of the Group to purchase shares in the Company under an Employees' Share Option Scheme ("ESOS").

The ESOS shall be in force for a duration of 5 years from 17 May 2023.

The terms and conditions related to the share options are as follows :

	Number of options granted ('000)	Vesting period	Exercise price (RM/Share)
Granted on 18 May 2023			
- Tranche 1	6,000	18 May 2023 to 31 December 2023	0.70
- Tranche 2	6,000	1 January 2024 to 31 December 2024	0.70
- Tranche 3	6,000	1 January 2025 to 31 December 2025	0.70
- Tranche 4	6,000	1 January 2026 to 31 December 2026	0.70
- Tranche 5	6,000	1 January 2027 to 31 December 2027	0.70
	<u>30,000</u>		

The movements of the ESOS during the year are as follows :

	2026		2025	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	RM	'000	RM	'000
Outstanding at 1 March 2025/2024	0.70	15,269	0.70	18,338
Forfeited during the year	0.70	(563)	0.70	(3,069)
Outstanding at 28 February	0.70	14,706	0.70	15,269
Exercisable at 28 February		8,823		6,108

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20. EMPLOYEE BENEFITS (CONTINUED)

20.2 Share-based payments arrangement (continued)

Fair value of share options and assumptions

The fair value of services received in return for the ESOS is based on the fair value of share options granted, measured using the Binomial Option Pricing Model, with the following inputs :

	RM
Fair value at grant date	0.1256
Weighted average share price	0.70
Share price at grant date	0.66
Option life	5 years
Expected volatility	24.89%
Expected dividends	2.56%
Risk-free interest rate (based on Malaysian government bonds)	3.48%

Value of employee services received for issue of share options

	Group and Company	
	2026	2025
	RM'000	RM'000
Share option reserve recognised and total expenses recognised as share-based payments in profit or loss	248	363

21. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Trade					
Trade payables		9,679	15,884	-	-
Non-trade					
Amount due to :					
- Subsidiaries	21.1	-	-	33,924	76,184
- Company in which certain Directors have a substantial financial interest	21.2	676	305	302	305
Other payables	21.3	312,047	312,850	607	1,146
Accrued expenses		145,135	138,119	9,216	7,390
Dividend payable		-	49,722	-	49,722
		457,858	500,996	44,049	134,747
Total trade and other payables		467,537	516,880	44,049	134,747

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21. TRADE AND OTHER PAYABLES (CONTINUED)

		Group		Company	
	Note	2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Financial instruments:					
Trade and other payables		467,537	516,880	44,049	134,747
Loans and borrowings	19	177,483	154,851	148,919	125,466
Total financial liabilities measured at amortised cost		645,020	671,731	192,968	260,213

21.1 Amount due to subsidiaries

The amount due to subsidiaries is unsecured, interest-free and payable on demand.

21.2 Amount due to a company in which certain Directors have a substantial financial interest

The amount due to a company in which certain Directors have a substantial financial interest is unsecured, interest-free and payable on demand.

21.3 Other payables

Included herein are members' bonus and stockists' commission of RM229,294,000 (2025 : RM234,768,000) incurred in the course of selling the Group's products on direct sales basis and payable in accordance with the Group's marketing plan.

22. REVENUE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contracts with customers				
Recognised over time :				
Rendering of services	36,426	31,550	46,530	40,605
Recognised at point in time :				
Sales of goods	1,972,159	1,981,602	-	-
Less : Consideration due/paid to customers	(110,106)	(104,676)	-	-
	1,862,053	1,876,926	-	-
	1,898,479	1,908,476	46,530	40,605
Other revenue				
Dividend income from subsidiaries	-	-	254,598	326,426
	1,898,479	1,908,476	301,128	367,031

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22. REVENUE (CONTINUED)

22.1 Disaggregation of revenue from contracts with customers

	2026 RM'000	2025 RM'000
Major products and services :		
Group		
Fortified food and beverages	1,355,825	1,390,030
Health and dietary supplements	336,177	368,485
Personal care products	109,997	114,930
Lab testing services	36,426	31,550
Skin care and cosmetics	15,879	13,137
Starter kits	3,368	5,531
Other miscellaneous and promotion items	150,913	89,489
	2,008,585	2,013,152
Less : Consideration due/paid to customers	(110,106)	(104,676)
	1,898,479	1,908,476
Company		
Management services provided to subsidiaries	46,530	40,605
Primary geographical markets :		
Group		
Latin America	1,229,439	1,182,348
Asia (excluding Malaysia)	368,071	372,687
Africa	114,115	139,503
Malaysia	110,250	114,196
Europe	99,768	109,250
Middle East	61,145	65,110
North America	22,639	26,426
Oceania	3,158	3,632
	2,008,585	2,013,152
Less : Consideration due/paid to customers	(110,106)	(104,676)
	1,898,479	1,908,476

No disaggregation of revenue by geographical market is presented for the Company as the management services are rendered solely in Malaysia.

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22. REVENUE (CONTINUED)

22.2 Nature of goods and services

The following information reflects the typical transactions of the Group and the Company :

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Warranty
Sales of fortified food and beverages, health and dietary supplements, personal care products, skin care and cosmetics and other related products on direct sales basis.	Revenue is recognised at point in time when the goods are delivered to the customers.	Cash term.	The following performance bonus are provided by the Group i.e. group effort related performance bonus and personal effort related performance bonus. Personal effort related performance bonus is accounted as a reduction in transaction price, whilst group effort related performance bonus is a consideration paid or payable to customers for distinct services provided to the Group. The goods sold by the Group are allowed to be returned within 7 to 30 days after the date of purchase in accordance with the Group's distributorship policies and legal requirements in the jurisdictions in which certain subsidiaries operate.	Assurance warranty of 1 year is given for certain products which do not form a separate performance obligation.
Sales of fortified food and beverages, health and dietary supplements, personal care products, skin care and cosmetics and other related products (other than on direct sales basis)	Revenue is recognised at point in time when the goods are delivered to the customers.	Cash term or credit period of 30 - 90 days from invoice date.	Discounts may be given to customers on a case-by-case basis. The goods sold by the Group are allowed to be returned within 30 days upon termination of the distributorship agreement.	Assurance warranty of 1 year is given for certain products which do not form a separate performance obligation.
Revenue from operating a café, glamping resort and tourism village complex	Revenue is recognised at point in time when the food and beverages are sold or services are rendered.	Cash term, payment on arrival or credit period of 30 days from invoice date if on account.	Not applicable.	Not applicable.

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22. REVENUE (CONTINUED)

22.2 Nature of goods and services (continued)

The following information reflects the typical transactions of the Group and the Company : (continued)

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Warranty
Research and development and analytical lab test services	Revenue is recognised over time when the services are rendered. These contracts would meet the no alternative use criteria, and the Group has rights to payment for work performed.	Credit period of up to 90 days from invoice date.	Not applicable.	Not applicable.
Management services provided to subsidiaries	Revenue is recognised over time when the services are rendered. These contracts would meet the no alternative use criteria, and the Company has rights to payment for work performed.	Cash term.	Not applicable.	Not applicable.

The Group applies the following practical expedients :

- exemption on disclosure of information for remaining performance obligations that have original expected durations of one year or shorter; and
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

23. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Current :				
Fees	518	440	518	440
Wages, salaries and others	3,394	3,321	3,082	2,996
Contributions to state plan	142	146	114	114
Share-based payments	-	5	-	5
	4,054	3,912	3,714	3,555
Past :				
Wages, salaries, gratuity and others	-	1,160	-	1,160
Contributions to state plan	-	7	-	7
	-	1,167	-	1,167

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23. EMPLOYEE BENEFITS EXPENSE (CONTINUED)

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Other key management personnel				
Wages, salaries and others	2,906	2,313	912	580
Contributions to state plan	173	116	110	69
Share-based payments	-	121	-	121
	3,079	2,550	1,022	770
Total key management personnel compensation	7,133	7,629	4,736	5,492
Others				
Wages, salaries and others	193,048	177,419	26,904	22,766
Contributions to state plans	14,760	13,066	3,390	2,599
Share-based payments	248	237	248	237
	208,056	190,722	30,542	25,602
Total employee benefits expense	215,189	198,351	35,278	31,094

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Company and certain senior management of the Group.

The estimated monetary value of benefits received or receivable by Directors and key management personnel of the Group and the Company otherwise than in cash are as follows :

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Received or receivable by :				
- Directors	15	20	15	20
- Key management personnel	39	26	24	20

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24. RESULTS FROM OPERATING ACTIVITIES

Results from operating activities are arrived at after charging/(crediting) :

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration				
Audit fee :				
- KPMG PLT	825	820	115	115
- Overseas affiliates of KPMG PLT				
- Current year	1,419	1,395	-	-
- Prior year	56	394	-	-
- Other auditors	411	466	-	-
Non-audit fee :				
- KPMG PLT	121	159	121	129
- Local affiliate of KPMG PLT	7	71	1	5
- Overseas affiliates of KPMG PLT	28	11	-	-
Material expenses/(income)				
Impairment loss on investments in subsidiaries	-	-	2,040	37,177
Loss on disposal of property, plant and equipment	19	50	3	237
Gain on disposal of a subsidiary	4,671	-	-	-
Written-off :				
- Property, plant and equipment	1,257	823	37	15
- Inventories	2,742	1,696	-	-
Government grants	(843)	(567)	-	-
Proceeds from insurance claim	(49)	(1,841)	-	(1,767)
Loss/(Gain) on foreign exchange :				
- Realised	19,699	14,972	3,739	5,592
- Unrealised	2,571	10,893	1,184	(5,429)

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24. RESULTS FROM OPERATING ACTIVITIES (CONTINUED)

Results from operating activities are arrived at after charging/(crediting) (continued) :

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Net loss/(gain) on impairment of financial assets				
Impairment loss/(Reversal of impairment loss) on :				
- Trade and other receivables	175	2,585	-	-
- Amount owing from subsidiaries, associate and joint venture	802	591	(2,013)	(30,433)
Bad debts written off	1,792	428	1,410	3
Bad debts recovered	-	(79)	-	-
Waiver of debts	(66)	(20)	-	-
	2,703	3,505	(603)	(30,430)
Expenses/(Income) arising from leases				
Expenses relating to short-term leases [#]	9,777	8,113	868	434
Expenses relating to leases of low-value assets [#]	2,096	825	1,838	656
Lease income	(269)	(282)	(1,778)	(1,264)

[#] The Group and the Company lease buildings and lab equipment. These leases are with contract terms of 1 year or shorter; or are leases of low-value items. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

25. FINANCE COSTS

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Finance costs on :				
Lease liabilities	1,657	1,600	-	-
Financial liabilities not measured at fair value through profit or loss	8,273	8,485	6,516	8,081
	9,930	10,085	6,516	8,081

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26. TAX EXPENSE

Recognised in profit or loss

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
- Current year	169,946	177,244	838	619
- Prior year	(3,133)	1,529	(142)	406
	166,813	178,773	696	1,025
Withholding taxes	11,323	13,392	-	-
Deferred tax expense				
- Current year	(9,942)	(5,509)	(777)	(915)
- Prior year	(497)	1,832	2,093	-
	(10,439)	(3,677)	1,316	(915)
	167,697	188,488	2,012	110

Reconciliation of tax expense

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Profit before tax	451,100	522,718	230,188	303,834
Income tax calculated using Malaysian tax rate of 24%	108,264	125,452	55,245	72,920
Effect of different tax rates in foreign jurisdictions	14,024	10,816	-	-
Non-deductible expenses	29,950	26,425	10,114	5,648
Non-taxable income	(3,381)	(3,124)	(65,298)	(78,864)
Effect of deferred tax assets not recognised	11,147	12,166	-	-
Withholding tax on foreign source income	11,323	13,392	-	-
(Over)/Under provision in prior years	(3,630)	3,361	1,951	406
	167,697	188,488	2,012	110

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27. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share is based on the profit attributable to ordinary shareholders and on the weighted average number of ordinary shares outstanding calculated as follows :

	Group	
	2026	2025
Profit for the year attributable to owners of the Company (RM'000)	271,520	328,066
Weighted average number of ordinary shares at 28 February ('000)	4,972,261	4,972,607
Basic earnings per ordinary share (sen)	5.46	6.60

Weighted average number of ordinary shares :

	2026	2025
	'000	'000
Issued ordinary shares at 1 March 2025/2024	4,985,000	4,985,000
Effect of treasury shares repurchased	(12,739)	(12,393)
Weighted average number of ordinary shares at 28 February	4,972,261	4,972,607

Diluted earnings per ordinary share

The Group's diluted earnings per ordinary share is assumed to be the same as basic earnings per ordinary share as the potential new ordinary shares from the exercise of ESOS are deemed to be anti-dilutive as the market share price was lower than the exercise price of the ESOS.

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28. DIVIDENDS

Dividends recognised by the Company are as follows :

	Group and Company	
	2026 RM'000	2025 RM'000
In respect of financial year ended 29 February 2024		
Dividend per ordinary share :		
- Fourth interim dividend of 1.00 sen paid on 30 May 2024	-	49,728
	-	49,728
In respect of financial year ended 28 February 2025		
Dividend per ordinary share :		
- First interim dividend of 0.90 sen paid on 28 August 2024	-	44,755
- Second interim dividend of 0.80 sen paid on 29 November 2024	-	39,778
- Third interim dividend of 1.00 sen paid on 7 March 2025	-	49,722
- Fourth interim dividend of 1.00 sen paid on 30 May 2025	49,722	-
	49,722	134,255
In respect of financial year ended 28 February 2026		
Dividend per ordinary share :		
- First interim dividend of 0.90 sen paid on 29 August 2025	44,751	-
- Second interim dividend of 0.80 sen paid on 28 November 2025	39,778	-
- Third interim dividend of 0.80 sen paid on 27 February 2026	39,778	-
	124,307	134,255
	174,029	183,983

A fourth interim dividend of 0.70 sen per ordinary share (excluding treasury shares) in respect of the financial year ended 28 February 2026 totalling RM34,806,000 was declared on 29 April 2026 and paid on 29 May 2026. As the dividend was declared subsequent to the financial year end, the dividend will be accounted for as an appropriation of retained earnings in the financial year ending 28 February 2027.

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29. RELATED PARTIES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group or the Company as follows :

- i) Subsidiaries, associate and joint venture as disclosed in Notes 6, 7 and 8.
- ii) Key management personnel of the Group and the Company as defined in Note 23.
- iii) Other related parties
 - a) LSJ Global Sdn. Bhd. ("LSJ Global") and its subsidiaries in which Datuk Lim Siow Jin and his spouse are the substantial shareholders.
 - b) DXN Eco Lodge PLC, LSJ Biotech Private Limited, Bulgano Ltd., Zaman Biotech Sdn. Bhd. and Pusat Rawatan Komplementari LSJ Sdn. Bhd. in which Datuk Lim Siow Jin is the substantial shareholder.
 - c) Sunyatee International Foundation ("the Foundation") in which Datuk Lim Siow Jin is a patron, and a Director of a subsidiary and his spouse are Directors of the Foundation.
 - d) Stargate Land Sdn. Bhd. in which Dato' Lim Boon Yee and his spouse are the substantial shareholders.
 - e) DCT Tours Sdn. Bhd. in which Dato' Lim Boon Yee is the substantial shareholder.
 - f) Tropical Paradise Sdn. Bhd. and LSJ Plantation Sdn. Bhd. in which the spouse of Datuk Lim Siow Jin is the substantial shareholder.

Significant related party transactions

The significant related party transactions were entered in the normal course of business and have been established under negotiated terms.

The significant related party transactions of the Group and of the Company are shown below. The outstanding balances with related parties are shown in Notes 14 and 21.

	Company	
	2026	2025
	RM'000	RM'000
Company		
Transactions with subsidiaries		
Management fee income	46,530	40,605
Dividend income	254,598	326,426
Finance income	4,224	4,056
Purchase of equipment	883	97
Disposal of motor vehicle	1,140	1,378
Rental income (premises and motor vehicles)	1,871	1,342
Aircraft chartering expense	4,796	300

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29. RELATED PARTIES (CONTINUED)

Significant related parties transactions (continued)

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Transactions with companies in which certain Directors have a substantial financial interest				
Aircraft chartering expense ^(a)	26,120	9,043	-	-
Purchase of trading goods	2,938	2,005	-	-
Rental expense (premises)	612	625	127	150
Purchase of air tickets	840	665	772	506
Transactions with Directors and persons connected to Directors				
Purchase of property	6,825	920	-	-
Transaction with the Foundation				
Donations and Corporate Social Responsibility contributions paid	637	4,218	-	-

The key management personnel compensations are disclosed in Note 23.

(a) Represent charter paid through a third party charter manager, Execujet Asia Pte. Ltd. on an aircraft owned by LSJ Logistics Limited, which in turn is a wholly-owned subsidiary of LSJ Global.

30. OPERATING SEGMENTS

The Group has two reportable segments as described below. The segments offer different products or services, and are managed separately because they require different technology, operational and marketing strategies. For each of the segment, the Group's Chief Executive Officer (the chief operating decision maker ("CODM")) reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments :

Health and wellness consumer products	Manufacture and sale of fortified food and beverages, health and dietary supplements, personal care products, skin care and cosmetics and other related products
Investment holding	Investment holding and provision of management services

Other non-reportable segments mainly comprise the provision of lab test services, provision of consultation and treatment services with ganotherapy, operating of a café, glamping resort, tourism village complex, marine sanctuary and related tour activities, forest plantation and related forestry support services, grape planting and gold exploration and mining. None of these segments met the quantitative threshold for reporting segment in both financial years.

There are varying levels of integration between the segments such as rental of premises and shared administrative services. Inter-segment pricing is determined on negotiated basis.

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30. OPERATING SEGMENTS (CONTINUED)

Performance is measured based on segment profit before tax as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment assets is measured based on all assets (excluding deferred tax assets and current tax assets) of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total assets are used to measure the return on assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the CODM. Hence, no disclosure is made on segment liabilities.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, right-of-use assets, investment properties and intangible assets other than goodwill.

	Manufacture and sale of health and wellness consumer products RM'000	Investment holding RM'000	Other non- reportable segments RM'000	Elimination RM'000	Consolidated RM'000
Group					
2026					
Revenue from external customers	1,859,568	-	38,911	-	1,898,479
Inter-segment revenue	8,067	313,903	10,966	(332,936)	-
Total revenue	1,867,635	313,903	49,877	(332,936)	1,898,479
Segment profit	471,238	233,450	12,308	(265,896)	451,100

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30. OPERATING SEGMENTS (CONTINUED)

Segment capital expenditure (continued)

	Manufacture and sale of health and wellness consumer products RM'000	Investment holding RM'000	Other non- reportable segments RM'000	Elimination RM'000	Consolidated RM'000
Included in the measure of segment profit/(loss) are :					
- (Loss)/Gain on disposal of property, plant and equipment	(35)	(3)	19	-	(19)
- Gain on disposal of a subsidiary	4,671	-	-	-	4,671
- Property, plant and equipment written off	(1,019)	(37)	(201)	-	(1,257)
- Inventories written off	(2,722)	-	(20)	-	(2,742)
- Depreciation of property, plant and equipment	(47,983)	(1,858)	(7,389)	-	(57,230)
- Depreciation of right-of-use assets	(12,131)	-	(499)	-	(12,630)
- Depreciation of investment properties	(240)	-	-	-	(240)
- Amortisation of intangible assets	(82)	(135)	(524)	-	(741)
- (Impairment loss)/Reversal on trade and other receivables	(175)	2,013	-	(2,815)	(977)
- Bad debts written off	(273)	(1,410)	(2)	(41)	(1,726)
Segment assets	1,848,131	89,970	95,722	-	2,033,823
Included in the measure of segment assets are :					
- Additions to property, plant and equipment	145,610	258	11,711	-	157,579
- Additions to right-of-use assets	32,301	-	408	-	32,709
- Additions to intangible assets	114	58	14,535	-	14,707

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30. OPERATING SEGMENTS (CONTINUED)

Segment capital expenditure (continued)

Group	Manufacture and sale of health and wellness consumer products RM'000	Investment holding RM'000	Other non-reportable segments RM'000	Elimination RM'000	Consolidated RM'000
2025					
Revenue from external customers	1,874,955	-	33,521	-	1,908,476
Inter-segment revenue	4,674	307,159	13,742	(325,575)	-
Total revenue	1,879,629	307,159	47,263	(325,575)	1,908,476
Segment profit	534,145	240,370	6,911	(258,708)	522,718

Included in the measure of segment profit/(loss) are :

- Gain/(Loss) on disposal of property, plant and equipment	130	(180)	-	-	(50)
- Property, plant and equipment written off	(479)	(15)	(329)	-	(823)
- Inventories written off	(1,696)	-	-	-	(1,696)
- Depreciation of property, plant and equipment	(43,054)	(2,094)	(6,609)	-	(51,757)
- Depreciation of right-of-use assets	(12,291)	-	(281)	-	(12,572)
- Depreciation of investment properties	(198)	-	(33)	-	(231)
- Amortisation of intangible assets	(41)	(89)	(15)	-	(145)
- (Impairment loss)/Reversal on trade and other receivables	(2,585)	31,173	-	(31,764)	(3,176)
- (Bad debts written off)/Waiver of debts	(325)	(1,509)	1,505	-	(329)
Segment assets	1,663,115	171,683	96,634	-	1,931,432

Included in the measure of segment assets are :

- Additions to property, plant and equipment	74,955	778	17,209	-	92,942
- Additions to right-of-use assets	51,001	-	485	-	51,486
- Additions to intangible assets	137	420	-	-	557

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30. OPERATING SEGMENTS (CONTINUED)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers as disclosed in Note 22.1. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include deferred tax assets.

	Non-current assets RM'000
Geographical information	
Group	
2026	
Asia (excluding Malaysia)	278,398
Malaysia	478,124
Latin America	143,072
Middle East	31,255
Europe	8,866
Africa	22,935
Oceania	1,945
North America	5,816
	970,411
2025	
Asia (excluding Malaysia)	332,307
Malaysia	435,247
Latin America	61,391
Middle East	29,249
Europe	9,251
Africa	14,572
Oceania	1,297
North America	7,430
	890,744

Major customers

There was no individual customer who contributed to more than 10% of the Group's revenue during both financial years.

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31. CAPITAL COMMITMENTS

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Contracted but not provided for :				
Property, plant and equipment	162,238	38,262	814	758

32. FINANCIAL INSTRUMENTS

32.1 Categories of financial instruments

Trade and other receivables (excluding prepayments, indirect taxes and derivatives), short-term investments and cash and cash equivalents are categorised as financial assets at amortised cost (Note 14) while trade and other payables, loans and borrowings are categorised as financial liabilities measured at amortised cost (Note 21).

The Group's and the Company's financial instruments categorised as fair value through profit or loss ("FVTPL") are as follows:

	2026	2025
	RM'000	RM'000
Group		
Derivative financial assets	56	39

	2026	2025
	RM'000	RM'000
Company		
Derivative financial assets	-	39

32.2 Net (losses)/gains arising from financial instruments

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Net (losses)/gains on :				
Financial assets measured at amortised cost				
- interest income ⁽¹⁾	10,360	14,307	5,131	4,928
- net (loss)/gain on impairment of financial assets	(2,703)	(3,505)	603	30,430
- net foreign exchange loss	(47,136)	(36,246)	(15,631)	(11,382)
	(39,479)	(25,444)	(9,897)	23,976

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.2 Net (losses)/gains arising from financial instruments (continued)

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Financial assets measured at fair value through profit or loss				
- derivative financial assets	17	66	-	39
Financial liabilities measured at amortised cost				
- interest expense	(8,273)	(8,485)	(6,516)	(8,081)
- net foreign exchange gain	24,866	10,306	10,708	11,180
	16,593	1,821	4,192	3,099
Net (losses)/gains	(22,869)	(23,557)	(5,705)	27,114

(1) Includes gain derived from short term investment funds measured at fair value not separately disclosed as the gain is not material.

32.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments :

- Credit risk
- Liquidity risk
- Market risk

32.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. The Company's exposure to credit risk arises principally from advances provided to subsidiaries and joint venture and financial guarantees given for credit facilities granted to subsidiaries. There are no significant changes as compared to prior year.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The majority of the Group's revenue from direct sales are transacted on cash term. Normally credit evaluations are performed on distributors and other customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Risk management objectives, policies and processes for managing the risk (continued)

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

The exposure to credit risk for trade receivables and contract assets as at the end of the reporting period by geographical region was :

	2026 RM'000	2025 RM'000
Group		
Malaysia	8,117	6,118
Asia (excluding Malaysia)	2,351	2,898
Europe	5,598	2,878
Middle East	100	2,143
Others	2,001	558
	18,167	14,595

Recognition and measurement of impairment losses

The Group uses an allowance matrix to measure expected credit losses ("ECLs") of trade receivables and contract assets for all segments. Consistent with the Group's debt recovery process, invoices which are past due more than 90 days will be considered as credit impaired.

The Group will initiate appropriate debt recovery procedures on long past due balances (including but not limited to legal actions). Generally, trade receivables will pay within the credit period granted.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

Loss rates are based on actual credit loss experience over the past five years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Group			
2026			
Not past due	12,724	-	12,724
Past due 1 – 30 days	2,467	-	2,467
Past due 31 – 90 days	1,869	-	1,869
Past due more than 90 days	1,107	-	1,107
	18,167	-	18,167
Credit impaired			
Individually impaired	295	(295)	-
	18,462	(295)	18,167
Trade receivables	17,134	(295)	16,839
Contract assets	1,328	-	1,328
	18,462	(295)	18,167
2025			
Not past due	9,166	-	9,166
Past due 1 – 30 days	2,007	-	2,007
Past due 31 – 90 days	3,097	-	3,097
Past due more than 90 days	325	-	325
	14,595	-	14,595

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Group			
2025			
Credit impaired			
Individually impaired	403	(403)	-
	14,998	(403)	14,595
Trade receivables	13,103	(403)	12,700
Contract assets	1,895	-	1,895
	14,998	(403)	14,595

There are past due trade receivables which the Group has not recognised any loss allowance as the trade receivables are supported by subsequent collection after the end of the reporting period and historical collection trend from these customers.

The movements in the allowance for impairment in respect of trade receivables and contract assets during the year are shown below.

	2026 RM'000	2025 RM'000
Group		
Balance at 1 March 2025/2024	403	505
Reversal of impairment loss	(100)	(94)
Effect of movements in exchange rates	(8)	(8)
Balance at 28 February	295	403

Other receivables

Credit risk on other receivables is mainly arising from amounts owing from an associate, a joint venture and advances provided to suppliers and a customer.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.4 Credit risk (continued)

Other receivables (continued)

The movements in allowance for impairment in respect of other receivables during the year were as follows :

	2026 RM'000	2025 RM'000
Group		
Balance at 1 March 2025/2024	13,367	10,091
Impairment loss	1,077	3,270
Written off	(2,673)	-
Effect of movements in exchange rates	(117)	6
Balance at 28 February	11,654	13,367
Company		
Balance at 1 March 2025/2024	8,557	7,966
Impairment loss	802	591
Balance at 28 February	9,359	8,557

Cash and cash equivalents

The cash and cash equivalents are held with established banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the ability of the subsidiaries to repay their loans and borrowings.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounted to RM46,402,000 (2025 : RM26,819,000) representing the outstanding banking facilities utilised by the subsidiaries at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' borrowings.

32. Financial instruments (continued)

32.4 Credit risk (continued)

Financial guarantees (continued)

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when :

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any subsidiaries would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition is not material.

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the Company's statement of financial position.

The advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Company considers advances to subsidiaries to have low credit risk. The Company assumes that there is a significant increase in credit risk when the financial position of the subsidiary deteriorates significantly. As the Company is able to determine the timing of payments of the advances to subsidiaries, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers the advances to be credit impaired when :

- The subsidiary is unlikely to repay its loan or advances to the Company in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

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32. Financial instruments (continued)

32.4 Credit risk (continued)

Inter-company balances (continued)

Recognition and measurement of impairment loss (continued)

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' advances.

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Company			
2026			
Low credit risk	202,009	-	202,009
Credit impaired	20,743	(20,743)	-
	222,752	(20,743)	202,009
2025			
Low credit risk	129,807	-	129,807
Credit impaired	23,558	(23,558)	-
	153,365	(23,558)	129,807

The movements in allowance for impairment in respect of subsidiaries' advances during the year were as follows :

	2026 RM'000	2025 RM'000
Balance as at 1 March 2025/2024	23,558	55,322
Reversal of impairment loss due to capitalisation of debt	-	(29,345)
Reversal of impairment loss, net	(2,815)	(1,679)
Written-off	-	(740)
Balance as at 28 February	20,743	23,558

32.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and banking facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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32. Financial instruments (continued)

32.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments :

	Carrying amount RM'000	Contractual interest rates/ discount rates/ per annum %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
Group						
2026						
<i>Non-derivative financial liabilities</i>						
Lease liabilities	41,111	3.13 - 10.50	47,319	18,942	27,193	1,184
Hire purchase liabilities	329	2.25 - 4.00	346	139	207	-
Revolving credits	177,154	3.12 - 5.62	177,154	177,154	-	-
Trade and other payables	467,537	-	467,537	467,537	-	-
	686,131		692,356	663,772	27,400	1,184
2025						
<i>Non-derivative financial liabilities</i>						
Bank overdraft	563	22.93	563	563	-	-
Lease liabilities	28,678	3.13 - 10.50	32,001	11,177	18,912	1,912
Hire purchase liabilities	4,141	1.71 - 6.71	4,589	1,424	3,165	-
Term loans	664	4.52 - 5.02	817	216	219	382
Revolving credits	149,483	3.10 - 6.55	149,483	149,483	-	-
Trade and other payables	516,880	-	516,880	516,880	-	-
	700,409		704,333	679,743	22,296	2,294

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rates/ discount rates per annum %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
Company						
<i>Non-derivative financial liabilities</i>						
2026						
Revolving credits	148,919	3.12 - 5.62	148,919	148,919	-	-
Other payables	44,049	-	44,049	44,049	-	-
Financial guarantee	-	-	46,402	46,402	-	-
	192,968		239,370	239,370	-	-
2025						
Hire purchase liabilities	1,574	3.74 - 4.94	1,688	589	1,099	-
Term loans	159	4.68 - 5.20	161	161	-	-
Revolving credits	123,733	4.02 - 6.55	123,733	123,733	-	-
Other payables	134,747	-	134,747	134,747	-	-
Financial guarantee	-	-	26,819	26,819	-	-
	260,213		287,148	286,049	1,099	-

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

32.6.1 Currency risk

The Group is exposed to foreign currency risk on its sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily US Dollar ("USD") and Euro Dollar ("EUR").

(a) Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was :

	Denominated in	
	USD	EUR
	RM'000	RM'000
Group		
2026		
Trade and other receivables	9,453	3,117
Short term investments	765	-
Cash and cash equivalents	117,583	19,793
Trade and other payables	(23,558)	(1,154)
Loans and borrowings	(127,941)	(49,213)
Net exposure	(23,698)	(27,457)
2025		
Trade and other receivables	4,763	917
Short term investments	833	-
Cash and cash equivalents	137,522	10,342
Trade and other payables	(14,507)	(2,462)
Loans and borrowings	(79,844)	(56,944)
Net exposure	48,767	(48,147)

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.6 Market risk (continued)

32.6.1 Currency risk (continued)

(a) Exposure to foreign currency risk (continued)

	Denominated in	
	USD RM'000	EUR RM'000
Company		
2026		
Short term investments	19	-
Cash and cash equivalents	13,609	4,370
Loans and borrowings	(99,706)	(49,213)
Net exposure	(86,078)	(44,843)
2025		
Short term investments	21	-
Cash and cash equivalents	82,479	1,546
Loans and borrowings	(70,955)	(52,778)
Net exposure	11,545	(51,232)

(b) Currency risk sensitivity analysis

A 10% (2025 : 10%) strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

	Profit or loss	
	2026 RM'000	2025 RM'000
Group		
USD	1,801	(3,706)
EUR	2,087	3,659
Company		
USD	6,542	(877)
EUR	3,408	3,894

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.6 Market risk (continued)

32.6.1 Currency risk (continued)

(b) *Currency risk sensitivity analysis (continued)*

A 10% (2025 : 10%) weakening of the RM against the above currencies at the end of the reporting period would have had equal but opposite effect to the amounts shown above, on the basis that all other variables remained constant.

DXN's operations in Bolivia

The Group carries out activities in trading and distribution of food and beverages, food supplements and other consumer products in Bolivia through a wholly owned subsidiary, DXN Bolivia S.R.L. ("DXN Bolivia").

Bolivia's economic difficulties, fixed currency exchange regime and declining foreign currency reserves have impacted the ability of its Central Bank to exchange its local currency, the Bolivian Boliviano ("BOB") for other currencies, particularly US Dollars ("USD") at the official exchange rate. This has created a big disparity between the official and unofficial exchange rates for the BOB.

During the last financial year ended 28 February 2025, the Group has early adopted the amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* to account for the foreign transactions in DXN Bolivia and translation of the subsidiary's financial statements for inclusion in the consolidated financial statements. Amendments to MFRS 121 requires a spot exchange rate to be estimated at measurement date in order to determine the rate at which an orderly exchange transaction would take place between market participants under prevailing economic conditions.

In estimating the spot exchange rate between the BOB and USD, the Group regards the market-based reference rate (2025: cryptocurrency exchange rate) published by the Bolivian Central Bank to be the observable and most practical rate which DXN Bolivia is able to exchange the BOB for USD. The spot exchange rate estimated by the Group as at 28 February 2026 was BOB 9.20/USD (2025 : BOB 11/USD).

The Group recognised a foreign currency translation gain for its operations in Bolivia of RM42.98 million (2025 : foreign currency translation loss of RM101.02 million) in other comprehensive income within equity during the financial year.

32.6.2 Interest rate risk

The Group's significant interest-earning financial assets and interest-bearing financial liabilities are mainly its short-term deposits and its fixed and floating rate borrowings. Short term receivables and payables are not significantly exposed to interest rate risk.

The Group's deposit placements as at the end of the reporting period are short term and therefore, exposure to the effects of future changes in interest rates is limited.

The Group's fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.6 Market risk (continued)

32.6.2 Interest rate risk (continued)

Risk management objectives, policies and processes for managing the risk

The Group and the Company manage their interest rate risk by having a combination of borrowings with fixed and floating rates.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-earning/(bearing) financial instruments, based on carrying amounts as at the end of the reporting period was :

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
Financial assets	377,715	431,324	103,668	76,164
Financial liabilities	(190,359)	(157,621)	(148,919)	(125,307)
	187,356	273,703	(45,251)	(49,143)
Floating rate instruments				
Financial assets	19,012	3,221	-	-
Financial liabilities	(28,235)	(25,908)	-	(159)
	(9,223)	(22,687)	-	(159)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.6 Market risk (continued)

32.6.2 Interest rate risk (continued)

Interest rate risk sensitivity analysis (continued)

(b) *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points (bp) in interest rates at the end of the reporting period would have increased/ (decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Group		Company	
	Profit or loss		Profit or loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	RM'000	RM'000	RM'000	RM'000
2026				
Floating rate instruments	(70)	70	-	-
2025				
Floating rate instruments	(172)	172	(1)	1

32.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term investments, short-term receivables, payables and borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.7 Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1		Level 2		Level 1		Level 2			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Group										
2026										
Financial asset										
Forward exchange contracts	-	56	-	56	-	-	-	-	56	56
2025										
Financial asset										
Forward exchange contracts	-	39	-	39	-	-	-	-	39	39
Financial liabilities										
Hire purchase liabilities	-	-	-	-	-	-	4,141	4,141	4,141	4,141
Terms loans										
- variable rate	-	-	-	-	-	-	664	664	664	664
	-	-	-	-	-	-	4,805	4,805	4,805	4,805

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32. FINANCIAL INSTRUMENTS (CONTINUED)

32.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
Company										
2026										
Financial asset										
Other receivables	-	-	-	-	-	-	30,901	30,901	30,901	30,901
2025										
Financial assets										
Other receivables	-	-	-	-	-	-	35,310	35,310	35,310	35,310
Forward exchange contracts	-	39	-	39	-	-	-	-	39	39
	-	39	-	39	-	-	35,310	35,310	35,349	35,349
Financial liabilities										
Hire purchase liabilities	-	-	-	-	-	-	1,574	1,574	1,574	1,574
Term loans	-	-	-	-	-	-	159	159	159	159
	-	-	-	-	-	-	1,733	1,733	1,733	1,733

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.7 Fair value information (continued)

Transfers between fair value levels

There has been no transfer between the levels in fair value during the financial year (2025 : no transfer in either direction).

Level 2 fair value

Derivative financial liabilities

The fair value of the forward exchange contracts is estimated by reference to the market rate for similar contracts obtained from the banks which the Group contracted with.

Level 3 fair value

Non-derivative financial liabilities

The carrying amount of floating rate term loans approximates fair value as their effective interest rates change accordingly to movements in the market interest rate. The fair value of fixed rate financial liabilities (i.e. hire purchase liabilities) is calculated using discounted cash flows where the market rate of interest is determined by reference to similar borrowing arrangements.

33. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group actively reviews and manages its capital and borrowing structure to ensure an optimal structure and shareholders' returns, taking into consideration future capital requirements, capital efficiency as well as prevailing and projected investment opportunities. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with regulatory requirements.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than 25 percent of the issued and paid-up capital. The Company has complied with this requirement.

There were no changes in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

34. MATERIAL TAX MATTERS - GROUP

- (i) DXN International Peru SAC ("DXN Peru"), a wholly-owned subsidiary of the Company was audited by the National Superintendency of Customs and Tax Administration ("SUNAT") in 2017. Arising from the tax audit which related to assessment year 2015, SUNAT had disallowed certain sales commission as a tax deductible expense. Additional taxes and penalties of Peruvian Nuevo Sol ("Pen S/") 0.37 million (equivalent to RM0.43 million) were imposed and paid by DXN Peru for assessment year 2015.

DXN Peru has provided the additional income tax and estimated penalties relating to the sales commission that may be similarly disallowed by SUNAT for assessment years 2018 till 2020 amounting to Pen S/ 5.77 million (equivalent to RM6.73 million) and ceased recognising sales commission as a deductible expense in its income tax return for assessment year 2021 and beyond.

DXN Peru submitted appeals on the above matter and the Supreme Court of Justice of Lima had on 11 January 2022 issued a resolution of preliminary revision ("RPR") denying DXN Peru's appeal. The RPR concluded the judicial process.

During the financial year ended 28 February 2025, DXN Peru as advised by its tax consultant and solicitors, filed a revised computation for income and value-added taxes for assessment year 2018 to SUNAT to claim tax deduction and tax credit for sales commission paid and supported by invoices from members, following a separate case of a similar nature where the SUNAT had allowed the tax deduction. Subsequently during the financial year ended 28 February 2026, the SUNAT issued a resolution stating that the amended returns had no effect.

- (ii) DXN Mexico S.A. de C.V. ("DXN Mexico"), a wholly-owned subsidiary of the Company has an ongoing income tax dispute with the Tax Administration Service of Mexico (Servicio de Administración Tributaria) ("SAT") in relation to certain expenses that were disallowed as tax deductions and omission of taxable income in respect of certain provisions reversed. The SAT had imposed additional income tax (including fines and surcharges) for a total amount of MXN6.79 million (equivalent to RM1.54 million) for financial year 2013 and denied DXN Mexico's request for refunds of outstanding tax balances amounting to MXN2.32 million (equivalent to RM0.53 million) for financial year 2013 ("Mexico Income Tax 2013 Case").

On 25 January 2016, DXN Mexico had filed an appeal for revocation against the amount imposed by the SAT. Subsequently on 25 September 2025, DXN Mexico formally filed a claim before the Specialised Chamber for Substantive Resolution (Sala de Resolución Exclusiva de Fondo) ("SREF") of the Federal Administrative Justice Court (Tribunal Federal de Justicia Administrativa) ("TFJA").

On 27 February 2026, SREF issued a judgment in which certain matters were decided adversely against DXN Mexico. Consequently, DXN Mexico had on 30 March 2026 filed an amparo lawsuit, which is currently pending admission by the TFJA. Pending an outcome of the proceedings, the potential amount payable (including inflation, surcharges and penalties) in relation to the Mexico Income Tax 2013 Case is estimated to be MXN20.60 million (equivalent to RM4.68 million).

Of the said amount, the legal counsel appointed by DXN Mexico is of the opinion that MXN14.24 million (equivalent to RM3.24 million) are with high probabilities while the remaining MXN6.36 million (equivalent to RM1.45 million) are with low probabilities of being regarded in favour of DXN Mexico. Based on the legal opinion, DXN Mexico has provided and recognised MXN6.36 million (equivalent to RM1.45 million) as tax expense in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

34. MATERIAL TAX MATTERS - GROUP (CONTINUED)

- (iii) DXN Marketing India Private Limited ("DXN Marketing India"), a 50% owned subsidiary of the Company received a letter of summon dated 9 June 2020 from the GST Intelligence in Belagavi, India ("GST Intelligence") for incorrect GST rates being applied and paid for RG and GL powder capsules, spirulina powder capsules and Neeli hair oil imported from 1 July 2017.

DXN Marketing India has attended several rounds of personal hearings with the GST Intelligence and submitted all records and clarifications as requested by the GST Intelligence.

The tax adviser of DXN Marketing India is of the opinion that there is a high probability DXN Marketing India will be able to convince the GST Intelligence that the correct GST rates have been applied for spirulina powder capsules and Neeli hair oil. DXN Marketing India will however only have a fair chance of convincing the GST Intelligence that the correct GST rates have been applied for RG and GL powder capsules.

Based on the above opinion, DXN Marketing India has provided Indian Rupee ("INR") 743.34 million (equivalent to RM32.09 million) as the potential additional GST payable, including interest and penalties for RG and GL powder capsules imported up to 22 September 2025. Subsequent to 22 September 2025, DXN Marketing India has applied the GST rate of 5% as suggested by the GST Intelligence for RG and GL powder capsules imported and accordingly, management does not expect any further significant exposure to arise from imports of RG and GL subsequent to the effective date of the revised notification.

The GST Intelligence subsequently passed an Order dated 30 January 2025 confirming the demand for the differential GST to be paid (for RG and GL powder capsules and spirulina powder capsules) together with interest and penalties. In response, DXN Marketing India filed a Writ Petition before the High Court of Judicature at Madras on 28 April 2025 challenging the said Order.

During the hearing, the High Court granted an interim stay on the recovery of the disputed tax demand pending disposal of the matter, subject to a deposit of 10% of the disputed tax amount being paid. DXN Marketing India paid the said deposit which amounted to INR34.71 million (equivalent to RM1.50 million).

- (iv) The Income Tax Department of India ("Indian Income Tax Department") conducted a tax audit on Daxen Agritech India Private Limited ("Daxen Agritech"), a wholly-owned subsidiary of the Company and demanded for additional taxes amounting to INR170.07 million (equivalent to RM7.34 million) for the years of assessment ("YA"s) 2012 to 2019 ("Daxen Agritech Income Tax Case").

Under Section 80-IC of the Income Tax Act, 1961 of India, manufacturing companies set up in certain states such as Himachal Pradesh between April 2003 to March 2010 are entitled for a tax deduction of 100% of the profits for the first 5 years and 30% for the subsequent 5 years ("Exemption Benefit").

Daxen Agritech was established in 2009 and commenced manufacturing of RG and GL capsules using raw materials (i.e. RG and GL powder) imported from Malaysia. Daxen Agritech had claimed the Exemption Benefit but the Assistant Commissioner of Income Tax ("ACIT") upon conducting the tax audit, disallowed the Exemption Benefit on grounds that Daxen Agritech did not carry out manufacturing activities but was merely purchasing raw materials and filling them into capsules.

The Group has recognised a provision for the income tax demanded for YA2012 to YA2019 of INR170.07 million (equivalent to RM7.34 million) during the financial year ended 28 February 2019.

Daxen Agritech has filed appeals to the Commissioner of Income Tax ("CIT"). In filing the appeals, Daxen Agritech has paid INR34.50 million (equivalent to RM1.49 million) being 20% of the total amount demanded as deposit under protest to the Indian Income Tax Department and recognised the said amount in profit or loss.

Pending the CIT's decision on the appeal, Daxen Agritech has further provided for the potential income tax payable for YA2020 which amounted to INR22.28 million (equivalent to RM0.96 million) during the financial year ended 28 February 2021. There is no potential exposure beyond YA2020 as the Exemption Benefit is only applicable up to YA2020.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

34. MATERIAL TAX MATTERS - GROUP (CONTINUED)

The hearing before the Income Tax Appellate Tribunal ("ITAT") was conducted on 16 July 2025 and the ITAT subsequently dismissed Daxen Agritech's appeal, upholding the validity of the tax assessment raised by the ACIT. Daxen Agritech subsequently filed an appeal before the High Court challenging the ITAT's decision. During the hearing conducted on 20 November 2025, the High Court admitted the appeal and granted a stay on the enforcement of the disputed tax demand pending final resolution of the matter, subject to Daxen Agritech paying a deposit of INR25 million (equivalent to RM1.08 million).

- (v) Daxen Agritech has an ongoing dispute with the Commissioner of Customs, New Delhi ("Indian Customs") in relation to the customs duty paid for the import of RG and GL powder for the years 2012 to 2018.

The RG and GL powder imported from Malaysia were classified as "bulk drugs for captive consumption" under the "Ayurvedic Medicine" category. However, the Indian Customs claimed that those RG and GL powder imported should have been classified under the "Food" category which will then be subjected to higher customs duty. Consequently, the Indian Customs had demanded for additional customs duty to be paid totalling INR103.43 million (equivalent to RM4.46 million) comprising :

- (a) INR19.19 million (equivalent to RM0.83 million) for year 2012 ("India 2012 Customs Case"); and
- (b) INR84.24 million (equivalent to RM3.64 million) for the years 2013-2018 ("India 2013-2018 Customs Case").

On 14 June 2013, Daxen Agritech has filed an appeal to the Commissioner of Customs ("the Appeal") and received an order in favour of Daxen Agritech. On 9 April 2024, the Indian Customs appealed before the Customs Excise and Service Tax Appellate Tribunal ("CESTAT") and received an order in its favour.

Daxen Agritech subsequently filed an appeal to the Supreme Court of India on 9 July 2018 where the appeal is currently pending. The next hearing date has yet to be fixed. In filing the said appeal, Daxen Agritech paid INR19.19 million (equivalent to RM0.83 million) for the India 2012 Customs Case and recognised in profit or loss. Daxen Agritech's legal adviser is of the opinion that the subsidiary has a good chance for its appeal to the Supreme Court.

For the India 2013-2018 Customs Case, the Group has provided for the additional customs duty demanded of INR84.24 million (equivalent to RM3.64 million) in profit or loss during the financial year ended 29 February 2020.

Daxen Agritech had on 2 September 2020 filed an appeal to the CESTAT. In filing the appeal, Daxen Agritech paid INR6.32 million (equivalent to RM0.27 million) representing 7.5% of the total amount demanded under protest.

On 20 December 2023, CESTAT had issued an order in favour of Daxen Agritech to partially exempt the customs duty for the India 2013-2018 Customs Case amounting to INR45.54 million (equivalent to RM1.97 million). The status of the appeal on the remaining INR38.70 million (equivalent to RM1.67 million) remains outstanding.

Notwithstanding the outcome of the appeals, Daxen Agritech has commenced paying customs duty in accordance with the recommended tariff rate applicable to the "Food" category since June 2018.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

34. MATERIAL TAX MATTERS - GROUP (CONTINUED)

- (vi) DXN Manufacturing (India) Private Limited ("DXN Manufacturing India"), a wholly-owned subsidiary of the Company has ongoing tax disputes with the Indian Income Tax Department for the years of assessment ("YA") 2004 to 2012. The Indian Income Tax Department ("IITD") demanded for additional taxes and decided that DXN Manufacturing India is not eligible for a tax deduction on its profits under Section 80IB of the Income Tax Act, 1961 of India ("India ITA") ("DXN India Tax Case").

Under Section 80IB of the India ITA, manufacturing companies that commence activities in an underdeveloped industrial area between April 1993 to March 2004 are entitled for a tax deduction of 100% on profits for the first 5 years and thereafter 30% for the subsequent 5 years ("Exemption Benefit").

DXN Manufacturing India was established in 2001 and commenced manufacturing of RG and GL capsules using raw materials (i.e. RG and GL powder) imported from Malaysia. DXN Manufacturing India had claimed the Exemption Benefit but the IITD disallowed the Exemption Benefit on grounds that DXN Manufacturing India did not carry out manufacturing activities but was merely purchasing raw materials and filling them into capsules.

DXN Manufacturing India won the cases for year of assessment ("YA") 2004 and YA2005 at the High Court of Chennai. The IITD then appealed against the order of the High Court and the appeals are now pending before the Supreme Court. DXN Manufacturing India's legal counsel is of the opinion that there is a high probability for the Supreme Court deciding in favour of DXN Manufacturing India.

The appeals filed by the IITD have since been disposed of by the Supreme Court and attained finality in favour of the Company. Accordingly, no further action is required to be taken by the Company.

For YA 2006, DXN Manufacturing India has filed an appeal before the Commissioner of Income Tax (Appeals) ("CITA") and subsequently also before the Income Tax Appellate Tribunal. The Income Tax Appellate Tribunal on 18 September 2009 ordered the CITA to re-examine the case and pass a fresh order after giving DXN Manufacturing India adequate opportunity of being heard. The CITA has yet to issue a fresh order to date.

DXN Manufacturing India has fully paid the taxes demanded by the IITD for YA2004 to YA2012 amounting to INR140.03 million (equivalent to RM6.04 million) under protest. Subsequently in 2019 and 2020, DXN Manufacturing India received refunds amounting to INR114.64 million (equivalent to RM4.95 million) for YA2007, YA2008, YA2009 and YA2010 that were ruled in its favour.

- (vii) DXN Manufacturing India has an ongoing dispute with the Customs Excise and Service Tax Appellate Tribunal ("CESTAT") for additional excise duty imposed on RG and GL powder capsules manufactured and sold for the period from February 2002 to July 2002 amounting to INR20.30 million (equivalent to RM0.88 million).

The CESTAT is of the view that RG and GL powder capsules should have been categorised as health food supplements which are liable to a higher excise duty compared to ayurvedic proprietary medicine as categorised by DXN Manufacturing India. DXN Manufacturing India paid the above amount demanded and had on 5 March 2018 submitted an appeal before the Supreme Court of India. The hearing date for the appeal has yet to be determined.

Pending an outcome for the appeal, DXN Manufacturing India paid excise duty of INR321.88 million (equivalent to RM13.89 million) for all subsequent RG and GL powder capsules manufactured and sold up till June 2011 using the excise duty prescribed by the CESTAT. DXN Manufacturing India discontinued the manufacturing and sale of the said products after June 2011.

The counsel appointed by DXN Manufacturing India for the above matter is of the opinion that DXN Manufacturing India has a fair chance to obtain a favourable decision from the Supreme Court.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

34. MATERIAL TAX MATTERS - GROUP (CONTINUED)

- (viii) In November 2022, Daxen Morocco LLC ("Daxen Morocco"), a wholly-owned subsidiary of the Company was notified by the Morocco Custom Department ("MCD") that an incorrect tariff code was used for the importation of spirulina tablets, mix powder, morinzhi and cocozhi which resulted in the under declaration of import duties and value added tax.

The Group has provided for the additional import duties (including estimated penalties and interest) of Moroccan Dirham ("DH") 43.80 million (equivalent to RM18.74 million) in profit or loss during the financial year ended 28 February 2024 for the above products imported by Daxen Morocco since commencement of business up to October 2022.

Subsequently in the financial year ended 28 February 2025, Daxen Morocco entered into a settlement agreement with the MCD in respect of the custom duties in dispute relating to spirulina products. The settlement involves the payment of additional custom duties, including the associated penalties and surcharges amounting to DH11.39 million (equivalent to RM4.87 million) upon which, the matter is then closed.

Daxen Morocco paid custom duty in accordance with the recommended tariff codes subsequent to November 2022.

- (ix) In May 2025, DXN Bolivia S.R.L. ("DXN Bolivia"), a wholly-owned subsidiary of the Company was notified by the local tax authority, Servicio De Impuestos Nacionales ("SIN") that member bonus expenses and certain expenses are disallowed as tax deductions arising from a tax audit conducted for year of assessment ("YA") 2019. Additional taxes, surcharges and penalties amounting to Bolivian Boliviano ("BOB") 50.73 million (equivalent to RM21.62 million) were imposed.

DXN Bolivia had filed an appeal for revocation against the amount imposed by the SIN. The legal counsel appointed by DXN Bolivia is of the opinion that DXN Bolivia has a good chance for a favourable decision on its appeal and hence, no provision has been made as of 28 February 2026.

35. MATERIAL LITIGATION - GROUP

35.1 Financial year ended 28 February 2026

DXN Corporation Ningxia Co., Ltd. ("DXN Ningxia") against Fujian Anxi Jinjiang Source Tea Technology Co., Ltd ("Fujian Jinjiang")

DXN Corporation Ningxia Co., Ltd. ("DXN Ningxia"), a wholly-owned subsidiary of the Company had on 3 July 2023 terminated a Share Sale Agreement ("SSA") entered on 17 May 2022 with Fujian Anxi Jinjiang Source Tea Technology Co., Ltd ("Fujian Jinjiang") for the disposal of the entire equity interest in Florin (Fujian) Integrated Agricultural Science and Technology Co., Ltd. ("Florin Fujian") and its subsidiary, Anxi Gande Foluohua Integrated Agricultural Science and Technology Co., Ltd. ("Anxi Gande"), for a total consideration of Chinese Yuan ("RMB") 58.7 million (equivalent to RM36.8 million). Fujian Jinjiang paid a deposit of RMB10.0 million (equivalent to RM6.3 million) as the first instalment for the purchase.

On 5 July 2023, DXN Ningxia commenced civil proceedings against Fujian Jinjiang on 31 October 2023 to recover the official seals and business licenses of Florin Fujian and Anxi Gande, and for Fujian Jinjiang to cooperate with the registration procedures for the change of legal representatives. DXN Ningxia also claimed several reliefs against Fujian Jinjiang including damages for breach of contract.

On 6 November 2023, Fujian Jinjiang commenced civil proceedings against DXN Ningxia for the refund of the RMB10.0 million (equivalent to RM6.3 million) paid as first instalment under the SSA.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

35. MATERIAL LITIGATION - GROUP (CONTINUED)

35.1 Financial year ended 28 February 2026 (continued)

DXN Ningxia against Fujian Jinjiang (continued)

The aforementioned civil proceedings were consolidated and heard together by the Anxi County People's Court ("ACP Court"). On 3 June 2024, DXN Ningxia received a civil judgement from the Court as summarised below:

- (1) Fujian Jinjiang shall pay DXN Ningxia interest of RMB318,000 (equivalent to RM199,500) within 10 days from the date of judgement;
- (2) Fujian Jinjiang shall pay DXN Ningxia penalty for the breach of the SSA amounting to RMB564,000 (equivalent to RM353,800) within 10 days from the date of judgement;
- (3) DXN Ningxia shall refund the deposit received under the SSA of RMB10.0 million (equivalent to RM6.3 million) to Fujian Jinjiang within 1 month from the date of judgement; and
- (4) All other claims initiated by DXN Ningxia and Fujian Jinjiang were rejected by the Court.

DXN Ningxia has filed an appeal on the above judgement before the Quanzhou Intermediate People's Court ("QIPC") on 20 June 2024.

On December 10, 2024, the QIPC issued a ruling that reversed the ACP Court's decision, ordering Fujian Jinjiang to pay DXN Ningxia RMB2.0 million (equivalent to RM1.3 million) as penalty for the breach of the SSA. However, DXN's claim for legal fees was denied, and DXN's request regarding company governance and official seals were reaffirmed as outside the Court's jurisdiction. DXN Ningxia successfully repossessed the official seals and appointed its preferred legal representative through external means, safeguarding its business interests. The QIPC did not overturn ACP Court's ruling that required DXN Ningxia to refund Fujian Jinjiang the RMB10.0 million (equivalent to RM 6.3 million) paid as first instalment under the SSA.

On 24 January 2025, the ACP Court issued a Notice of Execution ordering DXN Ningxia to refund Fujian Jinjiang the RMB10.0 million (equivalent to RM 6.3 million) together with applicable interests accrued and case execution fees totalling to RMB77,400 (equivalent to RM48,600).

On 28 March 2025, DXN Ningxia paid RMB8.0 million (equivalent to RM5.0 million) to Fujian Jinjiang comprising :

- (1) RMB10.0 million (equivalent to RM6.3 million) being the first instalment received under the SSA; netted against
- (2) RMB2.0 million (equivalent to RM1.3 million) penalty to be paid by Fujian Jinjiang to DXN Ningxia for the breach of the SSA .

Following the above settlement, the litigation between DXN Ningxia and Fujian Jinjiang is deemed resolved.

Subsequently on 9 October 2025, DXN Ningxia entered into a Settlement Agreement with Fujian Jinjiang to dispose of its entire equity interest in Florin Fujian for a total consideration of RMB6,898,000 (equivalent to RM4,078,000). Concurrently, DXN Ningxia acquired the remaining 17.18% equity interest in Anxi Gande.

The consideration for the disposal of Florin Fujian was netted against the purchase consideration for the acquisition of additional equity interest in Anxi Gande under the Settlement Agreement.

Upon completion of the Settlement Agreement, Florin Fujian ceased to be a subsidiary of the Group and Anxi Gande became a wholly-owned subsidiary of the Group.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

35. MATERIAL LITIGATION - GROUP (CONTINUED)

35.2 FINANCIAL YEAR ENDED 28 FEBRUARY 2025

Bank of China Limited (Anxi Branch) against Anxi Gande Foluohua Integrated Agricultural Science and Technology Co., Ltd. ("Anxi Gande")

On 5 December 2024, The Bank of China Limited, Anxi Branch ("the Plaintiff") has filed a civil lawsuit against several defendants, including Anxi Gande ("Defendant I"), Florin Fujian ("Defendant II") and individuals Xiao Xinxing ("Defendant III") and Feng Shuzhen ("Defendant IV"), to seek repayment of a financial loan and its related costs under a Credit Line Agreement entered between the Plaintiff and Defendant I on 25 August 2023.

In particular, a loan amounting to RMB10.0 million (equivalent to RM6.3 million) was granted by the Plaintiff to Defendant I, where the loan was jointly and severally guaranteed by Defendant III and Defendant IV. As a result of Defendant I failing to make monthly interest payments for the abovementioned loan utilised, the Plaintiff is claiming for repayment of loan principal and related interests accrued totalling to RMB38,720 (equivalent to RM24,300), alongside further interests and penalties to be accrued from 9 October 2024 to the date of final judgement, and all other litigation costs.

The case was heard by the Anxi County People's Court ("ACP Court"). On 27 February 2025, the ACP Court issued a ruling as follows:

- (1) Defendant I to repay the loan principal of RMB6.0 million (equivalent to RM3.8 million), interests, penalty interests and compounding interests within 10 days from the effective date of judgement;
- (2) Defendant I to pay lawyer's fee to Plaintiff of RMB12,000 (equivalent to RM7,500);
- (3) Defendant II, III and IV shall be jointly and severally liable for the above-mentioned debts of Defendant I;
- (4) Should Defendant I fail to pay, the Plaintiff has the right to auction, sell off or discount the mortgaged land and house. Any resulting shortfall will be paid by Defendant I; and
- (5) Defendants III and IV have the right to claim compensation from Defendant I within the scope of their guarantee responsibilities.

On 9 May 2025, the outstanding loan, accrued interests, compounding interests and corresponding penalties have been fully settled. Following the settlement, the civil lawsuit is deemed resolved.

NOTES TO THE FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

36. DISPOSAL OF A SUBSIDIARY AND ACQUISITION OF NON-CONTROLLING INTERESTS - GROUP

Pursuant to the Settlement Agreement reached between DXN Corporation (Ningxia) Co., Ltd. ("DXN Ningxia") and Fujian Anxi Jinjiang Source Tea Technology Co., Ltd. ("Fujian Jinjiang") as disclosed in Note 35.1, the Group effectively disposed of its entire equity interest in Florin (Fujian) Integrated Agricultural Science and Technology Co., Ltd. ("Florin Fujian") for a total consideration of RMB6,898,000 (equivalent to RM4,078,000) and concurrently, acquired an additional 17.18% interest in Anxi Gande Foluohua Integrated Agricultural Science and Technology Co ("Anxi Gande"), increasing its effective ownership in Anxi Gande from 82.82% to 100%. The sale consideration for the disposal of Florin Fujian was netted against the purchase consideration for the additional equity interest in Anxi Gande.

The following summarises the effect of the abovementioned settlement on the financial position of the Group :

	Note	Group 2026 RM'000
Fair value of consideration received		
Fair value of 17.18% equity interest acquired in Anxi Gande		4,078
Identifiable assets and liabilities in Florin Fujian disposed of		
Property, plant and equipment	2	2,215
Right-of-use assets	3	705
Trade and other receivables		84
Cash and cash equivalents		493
Non-controlling interests : effect of change in ownership interest		(3,887)
Translation reserve		(203)
Net identifiable liabilities disposed of		(593)

The fair value of the identifiable net liabilities is represented by their carrying amounts on the date of disposal.

	Group 2026 RM'000
Net cash outflow arising from the settlement	
Net identifiable liabilities in Florin Fujian disposed of	(593)
Acquisition of additional 17.18% equity interest in Anxi Gande	(4,078)
Gain on settlement	4,671
Consideration received, net	-
Cash and cash equivalent disposed of	(493)
Net cash outflow from disposal of a subsidiary	(493)

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on 195 to 292 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 28 February 2026 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors :

Datuk Lim Siow Jin
Director

Dato' Lim Boon Yee
Director

Date : 29 June 2026

STATUTORY DECLARATION

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

I, **Lim Beng Cheng**, the officer primarily responsible for the financial management of DXN Holdings Bhd., do solemnly and sincerely declare that the financial statements set out on pages 195 to 292 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 abovenamed **Lim Beng Cheng**, MIA CA19930, at George Town in the State of Penang on 29 June 2026.

Lim Beng Cheng
Chief Financial Officer

Before me :

Goh Suan Bee
(No:P125)
Commissioner for Oaths
Penang

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DXN HOLDINGS BHD.

(Registration No. 199501033918 (363120 - V))

(Incorporated in Malaysia)

SEC.06

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DXN Holdings Bhd., which comprise the statements of financial position as at 28 February 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 195 to 292.

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 28 February 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current 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, we do not provide a separate opinion on these matters.

Revenue from health and wellness consumer products segment - Group

Refer to Note 22 - Revenue

The key audit matter	How the matter was addressed in our audit
The Group derives its revenue mainly from sales of a wide range of health and wellness consumer products on direct sales basis and through international distributors. The health and wellness consumer products segment contributes RM1.86 billion (2025: RM1.87 billion) equivalent to 98.0% (2025: 98.2%) of the Group's revenue.	Our audit procedures included, among others: • Tested general IT controls and operating effectiveness of application controls for the relevant layers of technology surrounding the Online Billing System ("OBS") and revenue recognition process; • Evaluated the design and implementation and tested the operating effectiveness of the Group's manual controls over revenue derived from (i) direct sales basis and (ii) international distributors. These included among others, reconciliation of the Sales Summary Report ("SSR") to the OBS, and matching of sales transactions from the SSR to the master price list, cash bills and sales ledger;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DXN HOLDINGS BHD.
(Registration No. 199501033918 (363120 - V))
(Incorporated in Malaysia)

Key Audit Matters (continued)

The key audit matter	How the matter was addressed in our audit
Revenue is recognised when the goods ordered by members are being recorded in the Group's financial system. We have identified revenue from the health and wellness consumer products segment as key audit matter because the Group's revenue is transacted with a large volume of individuals and there is a risk that the goods ordered by the members towards year end were not delivered as at the year end, thereby causing revenue to be overstated.	• Tested the admission of new members to member's admission forms and relevant supporting documents such as personal identification documents, company registration forms, signed stockists' agreement and bank account details; • Tested sales transactions around the year end on sample basis to cash bills and acknowledged delivery documents; • Tested material credit notes issued subsequent to the financial year end for items that would affect the current year's revenue recognised; • Confirmed year-to date sales and outstanding receivable balance at financial year end directly with the Group's major stockists and distributors; and • Reviewed manual journal entries posted to revenue.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to be communicated in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the 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 annual report 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 annual report and, in doing so, consider whether the annual report 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 the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

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FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DXN HOLDINGS BHD.

(Registration No. 199501033918 (363120 - V))

(Incorporated in Malaysia)

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FINANCIAL STATEMENTS

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DXN HOLDINGS BHD.
(Registration No. 199501033918 (363120 - V))
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Penang

29 June 2026

Raymond Chong Chee Mon
Approval Number : 03272/06/2028 J
Chartered Accountant

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FINANCIAL STATEMENTS

APPENDIX I

Directors of the subsidiaries

The Directors who served on the respective boards of the Company's subsidiaries (other than those who are also Directors of the Company) during the financial year until the date of this report are as follows :

Carlos Hector Alayza Bettocchi	Teo Pei Shin	
Cheng Hwa Lee	Theresa Katherine Krystal Ortiz Arteaga	
Daisy Yuson	Thipawan Saiyawongsa	
Datin Leong Bee Ling	Totok Dewanto	
Datin Wan Illiyyin Binti Wan Mohd Nazi	Vijay Kumar	
Debya Prakash	Vinu Xavier	
Eko Pramono	Wan Taqwa Binti Wan Mohd Nazi	
Erick Omar Garcia Lopez	Zuyina Khan	
Fanny Kurnia	Azeddine Lamaizi	(Appointed on 31 December 2025)
Foo Wai Leong	Chandrasekhar Sajan	(Appointed on 31 December 2025)
Frank Li Rui Xue	Deasy Ariani Tiono	(Appointed on 24 September 2025)
Gerald Zimba	Lim Chea Lin	(Appointed on 26 February 2026)
Giuseppe Girlando	Mohamed Jaupher Errsaath Mohamed Shiraz	(Appointed on 30 August 2025)
Hilmi Hasan	Nikhil Padire	(Appointed on 18 June 2025)
Jijith Nelliyyote Kakkunnath	Paulina Glodowska	(Appointed on 27 October 2025)
Jong Sui Shia	Sujeesh Nair	(Appointed on 21 October 2025)
José María Allonca	Sulaiman Abdulrahman S Abo Himid	(Appointed on 18 June 2025)
Karla Wurth Pino Ichazo	Alma Delia Zaragoza	(Resigned on 24 June 2025)
Key Kar Wai	Joan Nicolas Flores	(Resigned on 27 December 2025)
Lee Jing Qian	Kostina Doloksaribu	(Resigned on 31 October 2025)
Lim Guat Hong	Mayurkumar Chandravadanbhai Ranpura	(Resigned on 31 December 2025)
Lim Yew Lin	Raman Kumar Jha	(Resigned on 18 April 2025)
Maria Siakola	Teoh Thean Yong	(Resigned on 26 February 2026)
Muhammad Luthfi Hidayat		
Ng Lay Jiun		
Novita Kristin Djunaedi		
Nur Cahyono		
Nurettin Yavuz		
Padinharu Valappil Asik Rehman		
Pamela Maria Johanson Bettocchi		
Perla Magdalena Rodriguez Garza		
R.Danur Disyacitta Prabowo		
Rabique Khaja Moinudeen		
Rafael Diaz Feliz		
Rahul Kaniyat Parambil		
Rajesh Sikka Savera		
Ripon Chandra Shil		
Saw Teck Ban		
Szabo Szabolcs		

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(a) Group Total Income and Total Assets

	Group	
	2026	2025
	RM'000	RM'000
Total Income		
Revenue	1,898,479	1,908,476
Other income	32,055	27,813
Finance income	10,360	14,307
Total	1,940,894	1,950,596
Total Assets	2,161,450	2,088,404

(b) Business Activities

		Group	
		2026	2025
Shariah Non-Compliant Activities	Remarks	RM'000	RM'000
Non-halal food and beverages ("F&B") including F&B without halal certification from JAKIM or any certification bodies recognised by JAKIM	Mainly OEM products and products manufactured by factories in the Middle East, Nepal, and Bangladesh. Halal certification by JAKIM-recognised certification bodies is currently in progress.	70,499	109,948
Non-halal food and beverages ("F&B") including F&B without halal certification from JAKIM or any certification bodies recognised by JAKIM	Products manufactured by the Mexico factory for local market consumption are currently undergoing IFANCA USA Halal certification, as local Mexican certification bodies are not recognised by JAKIM.	166,523	176,097
Interest income	Conventional bank account	9,281	13,472
Liquor and liquor-related activities		4	2
Other Shariah non-compliant activities	Fair value gain on derivatives	17	66
Total		246,324	299,585

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(c) Component of Financial Position

		Group	
		2026	2025
(i) Cash Component		RM'000	RM'000
Islamic Account/Instruments			
Cash at bank (exclude cash in hand)		37,826	109,514
Cash in hand		2,147	1,639
Short-term deposits		8,819	6,513
Total		48,792	117,666
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		577,403	561,012
Short-term deposits		3,580	2,801
Total		580,983	563,813

		Group	
		2026	2025
(ii) Debt Component		RM'000	RM'000
Islamic Financing			
Current			
Islamic hire purchase payables		-	926
Revolving credit		27,451	12,886
Non-Current			
Islamic hire purchase payables		-	822
Total		27,451	14,634
Conventional Borrowing			
Current			
Bank overdrafts		-	563
Hire purchase payables		127	184
Term loans		-	191
Revolving credit		149,703	136,597
Non-Current			
Hire purchase payables		202	2,209
Term loans		-	473
Total		150,032	140,217

LIST OF TOP 10 PROPERTIES

As of 28 February 2026, details of the top 10 properties owned by our Group are as follows:

No.	Registered Owner/ Beneficial Owner/ Title Lot No./ Postal Address	Tenure	Description of Property/ Existing Use	Age of Building	Built-Up Area/ Land Area (Approximate) (Square Metres Unless Otherwise Stated)	NBV As at 28 February 2026 (RM'000)
Malaysia						
1	DXN Mycotech/ DXN Geran No. 337285 Lot 10084, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor/ DXN Cyberville, Jalan Teknokrat 1, Cyber 3, 63000 Cyberjaya, Selangor Darul Ehsan	Freehold	Three-storey wellness and retreat centre; and 150 units of service suite, along with two levels of common facilities known as DXN Cyberville	> 4 years	52,793/19,578	110,918
2	DXN Pharma/ DXN Industries Geran Mukim 1065 Lot 1728, Mukim Malau, Daerah Kubang Pasu, Negeri Kedah/ Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra, Kedah	Freehold	Single-storey detached pharmaceutical factory, double-storey detached coffee factory and double-storey detached cosmetic factory with three-storey office	Pharmaceutical factory > 23 years Coffee factory > 21 years Cosmetic factory > 18 years	Pharmaceutical factory 2,700 Coffee factory 3,337 Cosmetic factory 13,545/26,058	29,046
3	Amazing Discovery/ Geran No. 49061 Lot 587, Geran No. 49067 Lot 671 and Geran Mukim 338 Lot 10048, all in Mukim1, Daerah Barat Daya, Negeri Pulau Pinang/ 8, Jalan Teluk Bahang, Teluk Bahang, 11050 Pulau Pinang	Freehold	Glamping site known as Boulder Valley consisting of 25 units of tented villas, a register area, a dining area and food preparation building, multipurpose halls, a recreation area, a double- storey workers' quarters block and a single-storey workers' quarters block with a mezzanine floor	> 7 years	3,160/97,861	20,483

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ADDITIONAL INFORMATION

LIST OF TOP 10 PROPERTIES

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ADDITIONAL INFORMATION

No.	Registered Owner/ Beneficial Owner/ Title Lot No./ Postal Address	Tenure	Description of Property/ Existing Use	Age of Building	Built-Up Area/ Land Area (Approximate) (Square Metres Unless Otherwise Stated)	NBV As at 28 February 2026 (RM'000)
Malaysia (continued)						
4	DXN/ Geran No. 27339, Lot No. 935, Bandar Gelugor, Daerah Timor Laut, Pulau Pinang, Geran No. 27340, Lot No. 936, Bandar Gelugor, Daerah Timor Laut, Pulau Pinang and Geran No. 166520, Lot 10. 10032 Bandar Gelugor, Daerah Timor Laut, Pulau Pinang/ No. 363-W, Jalan Sultan Azlan Shah, Mk. 13, Bandar Gelugor, 11700 Pulau Pinang	Freehold	Double-storey bungalow/office with rooftop	> 9 years	1,188/1,256	14,421
China						
5	DXN Corporation Ningxia/ No.11 Zi Qiang Road, Shizuishan High Tech Industry Development Zone, Dawukou District, Shizuishan City, Ningxia, 753000	Term of use of 50 years from 18 June 2010 to 17 June 2060	Industrial land as manufacturing facilities consisting of: a) five-storey office building; b) two-storey canteen; c) three-storey residential building for workers' accommodation; d) three single-storey factory buildings; e) three-storey office attached to two-storey production factory; and f) double-storey support facilities building	For land & buildings a), b), c) & d): > *6 years For building e) & f): > 3 years	a) Office 4,272 b) Canteen 763 c) Dormitory 4,002 d) Factory buildings 5,903 e) Office attached factory building 12,896 f) Support facilities building 1,791/68,098	41,440

LIST OF TOP 10 PROPERTIES

No.	Registered Owner/ Beneficial Owner/ Title Lot No./ Postal Address	Tenure	Description of Property/ Existing Use	Age of Building	Built-Up Area/ Land Area (Approximate) (Square Metres Unless Otherwise Stated)	NBV As at 28 February 2026 (RM'000)
China (continued)						
6	DXN Agrotech Ningxia/ North of Longma Road, east of Binhu Avenue, and south of Yushantan Street, Zaoxiang Village, Xinghai Town, Dawukou District, Ningxia 753000	Term of use of 20 years from 1 December 2020 to 30 November 2040	Two-storey factory building	> 2 years	5,521/8,001	35,243
7	Anxi Gande Foluohua/ No. 99, Fuxiyang, Huaidong Village, Gande Town, Anxi County, Quanzhou City, Fujian Province, China	Leasehold Term of use of 50 years from 27 April 2021 to 26 April 2071	Industrial land for tea processing facility consisting of: a) a five-storey building for dormitory, office and lab; and b) a four-storey building for industrial purpose	> 6 years	For building a) 2,465 For building b) 8,219/10,724	11,226
India						
8	DXN Manufacturing India/ Telangana: UDL Land situated at Siddipet Industrial Park in Sy. No. 392 of Mandapally Village, Siddipet (Urban) Mandal and in Sy.No.206 of Rajagopaleet Village of Nanganoor Mandal, Siddipet District, Telangana/ Survey No. 392 and 206, Siddipet Industrial Park, Rajagopalpet and Mandapally Village, Nanganoor Mandal, Siddipet Dist- 502267, Siddipet, Telangana-502267	Freehold	Manufacturing and cultivation facilities consisting of: a) three-storey administrative building; b) cosmetic factory; c) coffee factory; d) single-storey wet food factory; e) GMP factory; f) utility building; g) scrap yard; h) integrated warehouse; i) gateway structure; j) four spirulina ponds; k) toiletries factory; l) commercial lab; m) double-storey canteen building; and n) two security cabins	> 4 years	107,504/189,919	85,431

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ADDITIONAL INFORMATION

LIST OF TOP 10 PROPERTIES

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ADDITIONAL INFORMATION

No.	Registered Owner/ Beneficial Owner/ Title Lot No./ Postal Address	Tenure	Description of Property/ Existing Use	Age of Building	Built-Up Area/ Land Area (Approximate) (Square Metres Unless Otherwise Stated)	NBV As at 28 February 2026 (RM'000)
Mexico						
9	DXN Mexico/ A fraction of Lot C of property number 281 of kilometer 7.5 of route Mena-CIX-I, located in Ciudad Industrial Xicohtencatl I, Tetla de la Solidaridad, Tlaxcala, located in the ejido of N.C.P.E. Plan de Ayala	Civil Protection Programme dated 2 June 2022 <i>The Civil Protection Programme is renewed annually</i>	Manufacturing facility for the production of coffee products, food supplements and beverages	< 4 years	9,725/44,542	17,372
Peru						
10	DXN Peru/ Lots 4, 5, 23 and 24, (Land Title Nos. 21268059, 21268060, 21268093 and 21268094 respectively), Public Register of Cañete Lima, Peru/ Mz. F, Second Stage, Urbanization Park 62, Chilca, Province of Cañete, Lima, Peru	Freehold	Vacant land	-	-/38,816	20,008

* (based on CCC)

ANALYSIS OF SHAREHOLDINGS

SHAREHOLDING STATISTICS AS AT 3 JUNE 2026

Issued Share Capital	: 4,985,000,000 ordinary shares (including 13,478,500 treasury shares)
Class of Share	: Ordinary Shares
No. of Shareholders	: 8,831
Voting Rights	: One vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS [#]	NO. OF SHARES	% OF SHARES HELD [#]
LESS THAN 100	64	0.725	697	0.000
100 - 1,000	1,220	13.815	557,308	0.011
1,001 - 10,000	3,085	34.934	18,357,750	0.369
10,001 - 100,000	3,402	38.523	132,232,782	2.660
100,001 - 248,580,074*	1,055	11.947	2,340,672,158	47.081
248,580,075 and above of issued shares	5	0.057	2,479,780,805	49.879
Total	8,831	100	4,971,601,500	100.000

* Less than 5% of issued shares.

[#] Excluding a total of 13,398,500 shares bought back by the Company and retained as treasury shares as at 3 June 2026, which further excludes 80,000 shares purchased on 29 May 2026 due to the T+2 settlement cycle window not being captured in the Record of Depositors.

SUBSTANTIAL SHAREHOLDERS

NO.	NAME OF SUBSTANTIAL SHAREHOLDERS	DIRECT		INDIRECT	
		NO. OF SHARES	% [#]	NO. OF SHARES	% [#]
1.	LSJ GLOBAL SDN. BHD.	1,444,780,805	29.061	-	-
2.	DATIN LEONG BEE LING	965,000,000	19.411	[^] 1,444,780,805	29.061
3.	DATUK LIM SIOW JIN	436,337,800	8.777	[^] 1,444,780,805	29.061
4.	DATIN WAN ILLIYYIN BINTI WAN MOHD NAZI	250,000,000	5.029	-	-
5.	CGS INTERNATIONAL HOLDINGS LIMITED	-	-	[^] 309,460,000	6.225
6.	CHINA GALAXY SECURITIES CO., LTD.	-	-	[^] 309,460,000	6.225
7.	CGS INTERNATIONAL SECURITIES GROUP MALAYSIA SDN. BHD.	-	-	[^] 309,460,000	6.224
8.	CGS INTERNATIONAL SECURITIES MALAYSIA SDN. BHD.	209,460,000	4.213	[^] 100,000,000	2.012

[^] Deemed interested via LSJ Global Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

^{*} Deemed interest by virtue of its substantial shareholdings in CGS International Securities Malaysia Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

[^] Deemed interest by virtue of its substantial shareholdings in CGS International Securities Malaysia Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

[^] Deemed interest by virtue of its substantial shareholdings in CGS International Securities Malaysia Sdn. Bhd. and CGS International Futures Malaysia Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

[^] Deemed interested via CGS International Futures Malaysia Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

[#] Excluding a total of 13,478,500 shares bought back by the Company and retained as treasury shares as at 3 June 2026.

ANALYSIS OF SHAREHOLDINGS

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ADDITIONAL INFORMATION

DIRECTOR'S INTEREST IN THE SHARE CAPITAL

No.	Name of Directors	Direct		Indirect	
		No. of Shares	% [#]	No. of Shares	% [#]
1.	DATUK LIM SIOW JIN	436,337,800	8.777	[^] 2,659,780,805	53.500
2.	DATO' LIM BOON YEE	1,715,000	0.035	-	-
3.	DATUK NORIPAH BINTI KAMSO	200,000	0.004	-	-
4.	ABRAHAM VERGHESE A/L T V ABRAHAM	-	-	-	-
5.	ONG HUEY MIN	-	-	*140,000	*0.003
6.	STEFAN HEITMANN	-	-	-	-
7.	YM TUNKU AFWIDA BINTI TUNKU A.MALEK	-	-	-	-
8.	PRAJITH PAVITHRAN	622,000	0.013	-	-

[^] Deemed interested via LSJ Global Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016 and his spouse(s) pursuant to Section 59(11)(c) of Companies Act 2016.

* Indirect shares via spouse and children pursuant to Section 59(11)(c) of the Companies Act, 2016.

[#] Excluding a total of 13,478,500 shares bought back by the Company and retained as treasury shares as at 3 June 2026.

By virtue of his interest of more than 20% in the shares of the Company, Datuk Lim Siow Jin is also deemed to have an interest in the shares of all the subsidiaries to the extent the Company has an interest.

DIRECTOR'S INTEREST IN OPTIONS OVER ORDINARY SHARES

No.	Name of Directors	No. of Options Granted under Employees' Share Option Scheme ("ESOS")	No. of Options Exercised since the Implementation of ESOS
1.	DATUK LIM SIOW JIN	3,000,000	0
2.	DATO' LIM BOON YEE	250,000	0
3.	DATUK NORIPAH BINTI KAMSO	200,000	0
4.	YM TUNKU AFWIDA BINTI TUNKU A.MALEK	200,000	0
5.	STEFAN HEITMANN	200,000	0
6.	ONG HUEY MIN	200,000	0
7.	PRAJITH PAVITHRAN	1,500,000	0

LIST OF TOP 30 HOLDERS AS AT 3 JUNE 2026

No.	Name	HOLDINGS	% [#]
1.	LSJ GLOBAL SDN. BHD.	840,465,105	16.905
2.	DATIN LEONG BEE LING	765,000,000	15.387
3.	LSJ GLOBAL SDN. BHD.	374,315,700	7.529
4.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR DATUK LIM SIOW JIN (PB)	250,000,000	5.029
5.	DATIN WAN ILLIYYIN BINTI WAN MOHD NAZI	250,000,000	5.029
6.	CGS INTERNATIONAL SECURITIES MALAYSIA SDN. BHD. IVT FOR EDIA2 (OTC)	209,460,000	4.213

ANALYSIS OF SHAREHOLDINGS

No.	Name	HOLDINGS	% [#]
7.	ABB NOMINEE (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR DATIN LEONG BEE LING	200,000,000	4.023
8.	RHB INVESTMENT BANK BERHAD IVT (SHQ-TRES BOOK) EQD TEAM	200,000,000	4.023
9.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LSJ GLOBAL SDN. BHD.	170,000,000	3.419
10.	ABB NOMINEE (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR DATUK LIM SIOW JIN	140,000,000	2.816
11.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. CGS INTERNATIONAL FUTURES MALAYSIA SDN. BHD. (MY)	100,000,000	2.011
12.	MAYBANK INVESTMENT BANK BERHAD IVT (15) ECD D1-H	100,000,000	2.011
13.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. CIMB BANK BERHAD (EDP 2)	99,570,000	2.003
14.	IRONCLAD TRADING SDN. BHD.	96,650,697	1.944
15.	VERSEA GLOBAL SDN. BHD.	87,532,198	1.761
16.	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM CHEA LIN	84,335,900	1.696
17.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. AMBANK (M) BERHAD	72,100,000	1.450
18.	ABB NOMINEE (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LSJ GLOBAL SDN. BHD.	60,000,000	1.207
19.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR DATUK LIM SIOW JIN	45,000,000	0.905
20.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. AMBANK (M) BERHAD (HEDGING)	34,883,000	0.702
21.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	26,453,100	0.532
22.	CITIGROUP NOMINEES (ASING) SDN. BHD. CBNY FOR NORGES BANK (FI 17)	20,735,500	0.417
23.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	20,384,500	0.410
24.	NG SEM GUAN	13,550,000	0.273
25.	ENG BOON KIAN	12,220,500	0.246
26.	MAYBANK SECURITIES NOMINEES (ASING) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MATHEW PURACKAL KUNCHERIA	11,930,000	0.240
27.	NAI JOO CHYI	11,000,000	0.221
28.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR KAWAN FOOD MANUFACTURING SDN. BHD. (PB)	10,000,000	0.201
29.	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR PHILLIP CAPITAL MANAGEMENT SDN BHD (EPF)	9,677,930	0.195
30.	OOI ENG LEONG	6,530,000	0.131

[#] Excluding a total of 13,398,500 shares bought back by the Company and retained as treasury shares as at 3 June 2026, which further excludes 80,000 shares purchased on 29 May 2026 due to the T+2 settlement cycle window not being captured in the Record of Depositors.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirtieth (“30th”) Annual General Meeting (“AGM”) of DXN Holdings Bhd. (“DXN” or “Company”) will be held at DXN Cyberville, Jalan Teknokrat 1, Cyber 3, 63000 Cyberjaya, Selangor Darul Ehsan on Monday, 10 August 2026 at 10:00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 28 February 2026 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1)*
2. To re-elect the following Directors who are due to retire in accordance with Clause 188 of the Company’s Constitution and being eligible, offers themselves for re-election:
 - (i) Yang Mulia Tunku Afwida Binti Tunku A. Malek; and *(Ordinary Resolution 1)*
 - (ii) Mr. Stefan Heitmann. *(Ordinary Resolution 2)*

Mr. Abraham Verghese A/L T V Abraham who retires in accordance with Clause 188 of the Company’s Constitution, has expressed his intention not to seek re-election and hence, he will hold office as Director until the conclusion of the 30th AGM.
3. To re-elect Mr. Prajith Pavithran who is retiring pursuant to Clause 179 of the Company’s Constitution and being eligible, has offered himself for re-election. *(Ordinary Resolution 3)*
4. To approve the payment of Directors’ fees payable to the Directors up to an amount of RM600,000.00 only for the period from the conclusion of this AGM until the next AGM of the Company in the year 2027. *(Ordinary Resolution 4)*
5. To approve the payment of Directors’ benefits payable to the Directors up to an amount of RM450,000.00 only for the period from the conclusion of this AGM until the next AGM of the Company in the year 2027. *(Ordinary Resolution 5)*
6. To re-appoint KPMG PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company in the year 2027 and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 6)*

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions, with or without modifications as Ordinary Resolutions:

7. **ORDINARY RESOLUTION AUTHORITY TO ISSUE AND ALLOT SHARES** *(Ordinary Resolution 7)*

“**THAT** subject always to the Companies Act 2016 (“Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals from Bursa Securities and any relevant governmental or regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised and empowered pursuant to the Act to issue and allot shares in the Company to such persons, 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 shares to be issued pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being;

NOTICE OF ANNUAL GENERAL MEETING

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THAT in connection with the above, pursuant to Section 85 of the Act to be read together with Clause 37 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to the Act;

THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company, or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier, unless such authority is revoked or varied by resolution passed by the shareholders in general meeting;

AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company."

8. ORDINARY RESOLUTION

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS AND NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

(Ordinary Resolution 8)

"**THAT**, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("**DXN Group**" or "**Group**") to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.4 and Section 2.5 of the Part A of the Circular & Statement to Shareholders dated 29 June 2026 which transactions are necessary for the day-to-day operations in the ordinary course of business of DXN Group on terms not more favourable to the related parties or unrelated third parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

AND THAT, such approval, shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the mandate is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

AND FURTHER THAT, the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed Shareholders' Mandate."

NOTICE OF ANNUAL GENERAL MEETING

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9. ORDINARY RESOLUTION

PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED SHARE BUY-BACK") *(Ordinary Resolution 9)*

"**THAT**, subject to the Companies Act 2016 ("**Act**") (as may be amended, modified or re-enacted from time to time), the Company's Constitution, the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and approvals of all relevant governmental and/or regulatory authorities, where applicable, the Company be and is hereby authorized to purchase and/or hold such amount of ordinary shares in the Company ("**Proposed Share Buy-Back**") as may be determined by the Directors of the Company from time to time and upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company, provided that:

- (i) the aggregate number of ordinary shares to be purchased and/or held by the Company shall not exceed ten percent (10%) of the total number of issued shares of the Company as at the point of purchase(s); and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate retained profits of the Company based on the latest audited financial statements for the financial year ended 28 February 2026 available at the time of the purchase(s);

AND THAT, at the discretion of the Directors of the Company, the ordinary shares of the Company to be purchased may be cancelled; and/or retained as treasury shares and subsequently distributed as dividends or resold on Bursa Securities or transfer for the purpose of or under an employee share option scheme ("**ESOS**") or as part of purchase consideration; or be cancelled.

AND THAT, the Directors of the Company be and are hereby empowered to take all such steps as necessary to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be required or imposed by the relevant authorities from time to time and to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.

FURTHER THAT such authority conferred by this Resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company in 2027 at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM 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
- (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is earlier; but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid date and in any event, in accordance with the provisions in the guidelines issued by Bursa Securities and/or by any other relevant authorities;

whichever occurs first."

- 10. To transact any other business of which due notice shall have been given.

NOTICE OF ANNUAL GENERAL MEETING

By Order of the Board,

Lim Yew Lin (SSM PC NO. 202008001679) (MIA 20906)

Yeow Sze Min (SSM PC NO. 201908003120) (MAICSA 7065735)

Tan Ley Theng (SSM PC NO. 201908001685) (MAICSA 7030358)

Joint Company Secretaries

Date: 29 June 2026

Kuala Lumpur

(A) NOTES:

1. In respect of deposited securities, only members whose names appear on the Record of Depositors as at 3 August 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 30th AGM of the Company or to appoint proxy or proxies to attend, speak and vote on his/her behalf.
2. A member entitled to attend, speak and vote at the 30th AGM of the Company shall be entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead.
3. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy appointed by the member shall have the same rights as the member to attend, speak, and vote at the Meeting.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
5. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy. An Exempt Authorised Nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

6. The instrument appointing a proxy shall be in writing (hard copy or electronic means), under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under its Common Seal, or under the hand of an officer or attorney duly authorised. An instrument appointing a proxy to vote shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer. Members not resident in Malaysia may appoint and revoke proxies using electronic means or by means of a website.
7. For the proxy to be valid, the Proxy Form duly completed must be deposited at Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
8. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy.
9. The lodging of a form of proxy does not preclude a member from attending and voting in person at the meeting should the member subsequently decide to do so. However, the appointment of the proxy will be treated as terminated once that member attends that meeting.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**"), all resolutions set out in this Notice of the 30th AGM will be put to vote by way of a poll.

(B) EXPLANATORY NOTES:

1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 28 February 2026

The first agenda of this meeting is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval for the Audited Financial Statements from the shareholders. Hence, this Agenda is not put forward to shareholders for voting.

2. Items 2 and 3 of the Agenda - Re-election of Directors

Clause 188 of the Company's Constitution states that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. All the Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

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NOTICE OF ANNUAL GENERAL MEETING

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Clause 179 of the Company's Constitution states that the board can appoint a person as an additional director or to fill a casual vacancy. The director(s) so appointed shall hold office only until the next AGM of the Company and shall then be eligible for re-election.

Yang Mulia Tunku Afwida Binti Tunku A. Malek and Mr. Stefan Heitmann, who retire in accordance with Clause 188 of the Company's Constitution, together with Mr. Prajith Pavithran, who retires in accordance with Clause 179 of the Company's Constitution, being eligible, have offered themselves for re-election.

In determining the eligibility of the Directors to stand for re-election at the 30th AGM of the Company, the Board Nomination and Remuneration Committee ("BNRC") has considered the following:

- (i) satisfactory performance and have met the criteria of Fit and Proper Policy of the Company in terms of character, experience, integrity, competence and time in discharging their duties and responsibilities; and
- (ii) for Independent Directors, the level of independence demonstrated by the Independent Directors and their ability to act in the best interest of the Company in decision-making by providing an annual declaration of independence.

The Board (save for the retiring Directors who had abstained from deliberation and voting in respect of their own re-election) accepted the BNRC's recommendation that the Directors who retire in accordance with Clause 188 and 179 of the Company's Constitution are eligible to stand for re-election.

3. Item 4 and 5 of the Agenda - Proposed Payment of Directors' Fees and Benefits

Section 230(1) of the Act provides amongst others, that the fee of the Directors and any benefits payable to the Directors of a listed company shall be approved at the general meeting.

The Board wishes to seek shareholders' approval at the 30th AGM on the separate resolutions as below:

- Ordinary Resolution 4 on payment of Directors' fees on a monthly basis in arrears after each month of completed service of the Directors from the conclusion of this AGM until the next AGM in year 2027.
- Ordinary Resolution 5 on payment of Directors' benefits being meeting allowance payable for attendance of Directors at Board and/or Board Committees' meetings from the conclusion of this AGM until the next AGM in year 2027.

The benefits payable is calculated based on the number of days scheduled for meetings of Board and Board Committees. Board Committees refer to, in a collective sense, the Board Audit Committee, BNRC and the Board Risk Committee. Fees comprised fees payable to Directors as members of the Board and Board Committees. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of additional Director(s), additional unscheduled meetings of the Board and Board Committees and/or for the formation of additional Board Committee(s).

In the event that the proposed Directors' fees and benefits payable are insufficient due to enlarged Board size, prior approval will be sought at the next AGM for additional Directors' fees and benefits to meet the shortfall.

4. Item 6 of the Agenda - Re-appointment of Auditors

Pursuant to Section 271(3)(b) of the Act, shareholders shall appoint auditors who shall hold office until the conclusion of the next AGM in year 2027. The current auditors, Messrs. KPMG PLT has expressed their willingness to continue in office.

The Board Audit Committee ("BAC") has assessed the suitability, effectiveness, and independence of KPMG PLT based on the annual assessment and was satisfied with their independence and performance. The BAC had recommended the re-appointment of KPMG PLT as external auditors of the Company to the Board for their recommendation to the shareholders for re-appointment at the 30th AGM of the Company until the conclusion of the AGM in the year 2027.

The Board, at the recommendation of the BAC, endorsed the re-appointment of KPMG PLT as external auditors of the Company for the financial year 2027, to be presented to the shareholders for approval.

5. Item 7 of the Agenda - Authority to Issue and Allot Shares

The proposed Ordinary Resolution 7 is intended to renew the authority granted to the Directors of the Company at the Twenty-Ninth AGM of the Company held on 13 August 2025 ("Previous Mandate") to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being ("New Shares").

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The proposed Ordinary Resolution 7, if passed, will provide flexibility to the Directors of the Company to undertake any possible fund-raising activities, including but not limited to placement of shares for the purpose of funding the Company's current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or such other purposes as the Directors may deem fit, without having to convene a general meeting, provided that the aggregate number of the shares issued pursuant to the general mandate does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

In accordance with Clause 37 of the Constitution of the Company, the proposed Ordinary Resolution 7, if passed, shall be taken as the members' agreement for the New Shares to be issued to such persons as the Directors may deem fit without first being offered to the existing shareholders.

As at the date of this Notice, the Company has not issued any new ordinary shares pursuant to the Previous Mandate granted by the shareholders and hence no proceeds were raised therefrom.

6. Item 8 of the Agenda - Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions and New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue and Trading Nature ("Proposed Shareholders' Mandate")

The Company is seeking shareholders' approval for proposed renewal of shareholders' mandate and proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature, details of which are set out in Section 2.4 and Section 2.5 of the Circular & Statement to Shareholders dated 29 June 2026.

The proposed Ordinary Resolution 8, if passed, will enable the DXN Group to enter into recurrent transactions with the related parties provided that such transactions are carried out in the ordinary course of business on normal commercial terms which are consistent with the DXN Group's normal business practices and policies and on terms not more favourable to the related parties than those extended to the other customers of the DXN Group, and not to the detriment of the minority shareholders.

Further information on the Proposed Shareholders' Mandate is set out in Part A of the Circular & Statement to Shareholders dated 29 June 2026.

7. Item 9 of the Agenda – Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 9, if passed, would empower the Directors of the Company to exercise the power of the Company to purchase the Company Shares of not more than 10% of the total number of issued shares of the Company at any time within the time period stipulated in the MMLR of Bursa Securities by utilising the funds allocated which shall not exceed the total retained profits of the Company. This authority, unless revoked or varied at a meeting of members, shall continue to be in full force until the conclusion of the next AGM.

Further information on the Proposed Share Buy-Back is set out in Part B of the Circular & Statement to Shareholders dated 29 June 2026.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak, and vote at the forthcoming 30th AGM of the Company and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, claims, demands, losses, and damages as a result of the member's breach of warranty.

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STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE LISTING REQUIREMENTS)

1. Details of individuals who are standing for election as Directors

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at this forthcoming 30th AGM.

2. General mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements

Details of the general mandate to issue securities in the Company pursuant to Section 75 and Section 76 of the Act are set out in Explanatory Note (B)(5) of the Notice of the 30th AGM.

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ADDITIONAL INFORMATION

ADMINISTRATIVE GUIDE TO THE THIRTIETH (30TH) ANNUAL GENERAL MEETING

Administrative Guide for the Thirtieth (30th) Annual General Meeting ("AGM") of DXN Holdings Bhd. ("Company")

Day & Date	: Monday, 10 August 2026
Time	: 10:00 a.m.
Venue	: DXN Cyberville, Jalan Teknokrat 1, Cyber 3, 63000 Cyberjaya, Selangor Darul Ehsan

Registration on the day of AGM

1. Registration will commence at 8:30 a.m. and will end at the time as may be determined by the Chairman of the Meeting.
2. Please present your original MyKad or Passport to the registration staff for verification. Please make sure your MyKad or Passport is returned to you after registration.

Entitlement to Participate and Appointment of Proxy

3. Only members whose name(s) appear on the Record of Depositors on **3 August 2026** (General Meeting Record of Depositors) shall be eligible to attend, participate, pose questions and vote in the meeting or appoint proxy(ies) to participate on his/her behalf.
4. The instrument appointing a proxy shall be deposited to Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan at least forty-eight (48) hours before the AGM meeting time or any adjournment thereof, which is latest by Saturday, 8 August 2026 at 10:00 a.m.

Revocation of Proxy

5. If you have submitted your Proxy Form(s) and subsequently decide to appoint another person or wish to participate in our 30th AGM in person, please write in and be deposited at the Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan to revoke the earlier appointed proxy at least forty-eight (48) hours before the AGM meeting time or any adjournment thereof, which is latest by Saturday, 8 August 2026 at 10:00 a.m.

Enquiries

6. If you have enquiries prior to the AGM, please contact Boardroom Share Registrars Sdn. Bhd. ("BoardRoom") during office hours on Mondays to Fridays from 8:30 am to 5:30 pm (except public holidays):

BoardRoom Help Desk

T: +603 7890 4700

E: bsr.helpdesk@boardroomlimited.com

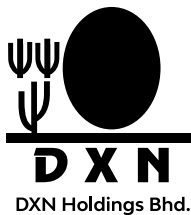
Personal data Privacy

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 30th Annual General Meeting of the Company and any adjournment thereof.

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PROXY FORM

**DXN HOLDINGS BHD.**

Registration No.: 199501033918 (363120-V)
(Incorporated in Malaysia)

CDS Account No.	
No. of Shares Held	

30th Annual General Meeting

I*/We* _____
(Full name in Block Letters and NRIC/Company No.)

of _____ and _____
(Address) (Tel. No.)

being a member*/members* of DXN Holdings Bhd. hereby appoint

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding
Email Address			
Telephone No.			

* and/or (if more than one (1) proxy) (*delete if not applicable).

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding
Email Address			
Telephone No.			

or failing *him/her, THE CHAIRMAN OF THE MEETING as my*/our* proxy, to vote for me*/us* and on my*/our* behalf at the Thirtieth Annual General Meeting ("**30th AGM**") of the Company to be convened and held at DXN Cyberville, Jalan Teknokrat 1, Cyber 3, 63000 Cyberjaya, Selangor Darul Ehsan on Monday, 10 August 2026 at 10:00 a.m. or at any adjournment thereof.

* My/our proxy is to vote on the resolutions referred to in the Notice of the 30th AGM as indicated below:

ORDINARY BUSINESS:			
Ordinary Resolution		For	Against
1.	To re-elect Yang Mulia Tunku Afwida Binti Tunku A. Malek as Director.		
2.	To re-elect Mr. Stefan Heitmann as Director.		
3.	To re-elect Mr. Prajith Pavithran as Director.		
4.	To approve the payment of Directors' fees for the period from the conclusion of this AGM until the next AGM of the Company in the year 2027.		
5.	To approve the payment of benefits for the period from the conclusion of this AGM until the next AGM of the Company in the year 2027.		
6.	To re-appoint KPMG PLT as Auditors of the Company.		
SPECIAL BUSINESS:			
Ordinary Resolution			
7.	Authority for the Directors to issue and allot shares.		
8.	Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions (" RRPT ") and New Shareholders' Mandate for Additional RRPT.		
9.	Proposed Renewal of Share Buy-Back Authority.		

* Strike out whichever is not applicable.

(Please indicate with an "X" in the appropriate box how you wish your proxy(ies) to vote. If no instruction is given, the proxy(ies) will vote or abstain at his/her/their discretion.)

Note: Please note that the short descriptions given above of the Resolutions to be passed do not in any way whatsoever reflect the intent and purpose of the Resolutions. The short descriptions have been inserted for convenience only. Shareholders are encouraged to refer to the **Notice of the 30th AGM** for the full purpose and intent of the Resolutions to be passed.

Signed this _____ day of _____ 2026

Signature of Shareholder

Common Seal to be affixed here if
Shareholder is a Corporation

Notes:

1. In respect of deposited securities, only members whose names appear on the Record of Depositors as at 3 August 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 30th AGM of the Company or to appoint proxy or proxies to attend, speak and vote on his/her behalf.
2. A member entitled to attend, speak and vote at the 30th AGM of the Company shall be entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead.
3. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy appointed by the member shall have the same rights as the member to attend, speak, and vote at the Meeting.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
5. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy. An Exempt Authorised Nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing (hard copy or electronic means), or, if the appointer is a corporation, either under its Common Seal, or under the hand of an officer or attorney duly authorised. An instrument appointing a proxy to vote shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer. Members not resident in Malaysia may appoint and revoke proxies using electronic means or by means of a website.
7. For the proxy to be valid, the Proxy Form duly completed must be deposited at Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
8. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy.
9. The lodging of a form of proxy does not preclude a member from attending and voting in person at the meeting should the member subsequently decide to do so. However, the appointment of the proxy will be treated as terminated once that member attends that meeting.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities ("Listing Requirements"), all resolutions set out in this Notice of the 30th AGM will be put to vote by way of a poll.
11. Any alteration in this form must be initiated.

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Affix
Stamp

The Share Registrar

DXN HOLDINGS BHD.

Registration No.: 199501033918 (363120-V)
(Incorporated in Malaysia)

11th Floor, Menara Symphony, No. 5,
Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor

Then fold here

Fold this flap for sealing



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