Terms of Reference of Investment Committee of Duopharma Biotech Berhad

Version: 2.0

Effective Date: 15 May 2025

Reference No: Duopharma Biotech/TORIC/02

Updated: 19 September 2025

Investment Committee
of Duopharma Biotech Berhad

Terms of Reference

This Terms of Reference sets out the matters concerning the governance of the Investment Committee ("IC" or the "Committee").

1. Purpose

1.1 The IC is a standing committee of the Board of Directors (the "Board") of Duopharma Biotech Berhad ("Duopharma Biotech" or the "Company").

1.2 The Committee is to assist the Board in ensuring effective discharge of its statutory and fiduciary responsibilities and oversight of all existing and potential investments to be made by Duopharma Biotech and its subsidiaries (collectively referred to as the "Group").

1.3 The primary purpose of the Committee is to review recommendations from Management, and where appropriate, endorse such recommendations for the Board's approval–and make recommendations from Management to the Board for approval regarding investment proposals, including but not limited to:

- Investments in new or expansion / renovation of existing property, plant and equipment.
- Mergers, acquisitions, divestitures, and strategic alliances.
- Capital expenditures.
- Other material investments as determined by the Board.
- Post expenditure proposal review.

For the avoidance of doubt, Management is responsible for conducting the necessary assessment, evaluation and due diligence in respect of the proposals before tabling such recommendations to the Committee.

1.4 The Committee will ensure that all investment proposals are aligned with the Company's overall strategic objectives, risk appetite, and financial targets. The Committee will keep under review the effectiveness and/or prudency of the Group's investments, taking into account:

(a) the integration of material economic, environmental and social considerations in the operations of the Group;
(b) the Group's culture of risk management;
(c) feedback from the Management, internal auditor, external auditor, head of group risk management, and/or relevant consultants / advisers (if any appointed in relation to any proposal coming under the purview of the Committee) on the maters coming under the purview of the Committee;
(d) the likelihood, impact and mitigation of significant risk events affecting or relating to the matters coming under the purview of the Committee; and
(e) the Group's Limits of Authority and the Merger & Acquisition and Investment Framework.

The Committee will also oversee the due diligence process for investment opportunities and monitor the performance of approved investments.

1.5 In the exercise of its functions, it is understood that the IC is delegated with some decision-making powers. With respect to matters for which the IC is not delegated with decision-making powers, the IC shall report its recommendations to the Board for decision. For matters that the IC is delegated with decision-making powers, the IC shall report its decisions to the Board for notation. The existence of the IC does not diminish the Board's ultimate statutory and fiduciary responsibility for the decision-making relating to the functions and duties of the Committee.

2. Composition

2.1 Size

(a) The Committee shall be appointed by the Board and shall have at least three (3) members.

2.2 Membership

(a) All the Committee members shall be Non-Executive Directors.
(b) The Chairman of the Board shall not be a member of the Committee.
(c) No Alternate Director shall be appointed as member of the IC.
(d) In the event of any vacancies arising in the Committee resulting in the number of members of the Committee falling below three (3), the vacancy shall be filled as soon as possible, but not later than three (3) months from any arising vacancies.

2.3 Chairman of the Committee

(a) The Board shall appoint the Chairman of the Committee.
(b) Before appointment as Chairman of the IC, it is desirable (but not mandatory) for the appointee to have served on the IC for an appropriate period.

2.4 Secretary of the Committee

(a) The Secretary of the Committee ("Secretary") shall be the Company Secretary or his or her representative.

3. Appointment of members

3.1 The Nomination and Remuneration Committee ("NRC") shall recommend the appointment of IC members to the Board.

3.2 The Board may, from time to time, appoint, remove, or replace the members of the Committee and/or the Chairman of the Committee. Members of the Committee may nevertheless relinquish their membership in the Committee with prior written notice to the Board.

3.3 Members shall be appointed based on their ability to devote time, character, integrity, competence and experience relevant to their duties within the IC. Collectively, the Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate and able to understand matters under the purview of the IC. They should be able to demonstrate objectivity, commercial acumen, and sound judgment to effectively guide, advise, challenge, and facilitate robust discussions and monitoring on the Group's investment decisions.

3.4 The members serving the IC shall be changed at appropriate and regular intervals. In order to ensure that as far as practicable the entire Committee is not replaced at any one time, such change of members shall be done on a progressive basis.

4. Performance Evaluation

4.1 The effectiveness of the Committee as a Board Committee (including skills mix and contribution of members) shall be assessed annually by the NRC.

5. Duties of the Chairman of the Committee

5.1 The key duties of the Chairman of IC shall include the following:

(a) Ensure the overall effectiveness of the Committee;
(b) Plan and conduct the IC meetings;
(c) Ensure that the IC meetings are run efficiently and each agenda item is thoroughly and thoughtfully discussed by all members of the committee;
(d) Encourage open and constructive discussion during meetings;
(e) Oversee reporting to the Board; and
(f) Act as the key contact between the Committee members and members of the Board and maintain ongoing dialogue with Management.

6. Duties of the Committee

Subject to any resolution of the Board, the duties of the Committee are to:

6.1 To carry out the following, in relation to the **investment oversight**:

(a) Oversee, review and recommend investment proposals, taking into consideration its impact on timelines, budget, and deliverables, to be tabled to the Board, in accordance with the Merger & Acquisition and Investment Framework ("Framework") of the Company and the relevant enumerations encapsulated in the authoritative promulgations (as may be applicable), including but not limited to the following:
   i. Companies Act 2016;
   ii. Capital Markets and Services Act 2007;
   iii. Bursa Malaysia Securities Berhad's Main Market Listing Requirements
   iv. Malaysian Code on Corporate Governance 2016;
   v. Corporate Governance Guide (4th Edition) issued by Bursa Malaysia;
   vi. Malaysian Code on Takeovers & Mergers; and
   vii. Bank Negara Malaysia and financial covenants of relevant financial and banking facilities;

(b) Provide oversight, advice and guidance on the investment proposals, scope, budget, timeline, and resources including on the interim and final deliverables in relation to the investment proposals, and the implementation of the investment proposals to achieve the respective objectives;

(c) Review the progress of the investment proposals and provide guidance and recommendations to ensure that investment proposals' proposed goals and outcomes are met and that the development, findings and progress of the investment proposals be presented to the Board on a regular basis;

(d) Where the investment proposal involves related party transaction(s), review the recommendation on the investment proposal prior to tabling to the Audit Committee and the Board for consideration from the perspective of related party transactions (if any) in accordance with the Framework and/or the Framework for Related Party Transaction adopted by the Board from time to time;

(e) Provide oversight on any issue that has major implication for the investment proposal;

(f) Ensure alignment of the investments with organisational strategy, goals and priorities supported by sound business principles, strategies, framework, policies and processes;

(g) Provide oversight on the governance of the investment proposal, including the management of internal and external dependencies;

(h) Provide oversight to ensure the approved investment is completed and the project closeout is signed off by the lead person in charge of the investment/project;

(i) Approve the proposed investments (including mergers and acquisitions) for investment which is not regarded as Related Party Transaction for consideration/ value of assets equal or up to USD1.0 million), and report the same to the Board;

(j) Review and recommend to the Board all acquisitions and disposals of assets/properties (including property, plant and equipment, and right of use of land and building) by the Group in accordance with the Group's Limits of Authority as approved by the Board from time to time; *(Item A of the Group's Limits of Authority)*

[Note: The Group's Limits of Authority as approved by the Board from time to time may prescribe that the Group Managing Director or the Chief Executive of Duopharma Biotech be given the authority to approve any budgeted capital expenditure (including property, plant and equipment, and right of use of land and building) to such limit(s) as may be stipulated in the said Group's Limits of Authority. All such capital expenditure approved by the Group Managing Director or the Chief Executive shall be tabled to the IC for information.]

(k) Review and recommend to the Board all budgeted capital expenditure **Provided That** where the Group's Limits of Authority as approved by the Board from time to time prescribes that the Group Managing Director or the Chief Executive of Duopharma Biotech be given the authority to approve any budgeted capital expenditure up to such limit(s) as stipulated in the said Group's Limits of Authority, the IC shall review and, if deemed fit, recommend to the Board all budgeted capital expenditure as proposed by companies within the Group in excess of the said limit(s); *(Item A of the Group's Limits of Authority)*

[Note: The Group's Limits of Authority as approved by the Board from time to time may prescribe that the Group Managing Director or the Chief Executive of Duopharma Biotech be given the authority to approve unbudgeted operating expenditure up to such limit(s) as may be stipulated in the said Group's Limits of Authority. All such unbudgeted operating expenditure approved by the Group Managing Director or the Chief Executive shall be tabled to the IC for information.]

(l) Review and, if deemed fit, recommend to the Board unbudgeted operating expenditure **Provided That** where the Group's Limits of Authority as approved by the Board from time to time prescribes that the Group Managing Director or the Chief Executive of Duopharma Biotech be given the authority to approve any unbudgeted operating expenditure up to such limit(s) as stipulated in the said Group's Limits of Authority, the IC shall review and, if deemed fit, approve unbudgeted operating expenditure that exceeds the said limit(s) **Provided Further That** the IC's authority to approve such unbudgeted operating expenditure shall be subject to such limit(s) as stipulated in the said Group's Limits of Authority; *(Item B of the Group's Limits of Authority)*

(m) Review and recommend to the Board divestments of companies (excluding dormant companies), setting up of new business including joint ventures and partnerships, irrespective of value, and disposal of business;

(n) Approve unbudgeted capital expenditure up to such limit(s) as may be prescribed in the Group's Limits of Authority and report the same to the Board; *(Item B of the Group's Limits of Authority)*

(o) Review and, if deemed fit, recommend to the Board unbudgeted capital expenditure exceeding the limit(s) as may be prescribed in the Group's Limits of Authority referred to in paragraph 6.1(n) above; *(Item B of the Group's Limits of Authority)*

(p) Monitor the post-expenditure review (including the financial and operational performance) of the investment proposals, capital expenditure and projects approved by the IC (as well as the Risk Management Committee prior to the establishment of the IC) and the Board (as the case maybe) twelve (12) months after completion of capital

expenditure or project (or such other period as deemed appropriate or requested by the IC), including the usage of contingencies from the said capital expenditure or project;

(q) Review and, if deemed fit, recommend to the Board the Management's recommendations on action or mitigation plans in respect of significant deviations on the revenue and timeline which may impact return from the respective investment proposal, capital expenditure or project; and

(r) Receive, review, scrutinise and provide commentaries on reports from the Group Risk Management and Integrity Department ("GRMID") on identification, management and mitigation of risks which could impact the objectives of the proposed investments, capital expenditure or projects, and in relation thereto, taking into consideration the Group's risk appetite, framework, policies and processes for identifying, managing and/or accepting risks beyond the approval discretion provided to Management.

6.2 To carry out the following:

(a) The IC may undertake to perform any additional functions delegated to it by the Board from time to time;

(b) Approve spending for preliminary, initial, or feasibility study assessments, reviews, or due diligence as needed for the proposed and/or potential investments, up to a total of Ringgit Malaysia Two Hundred and Fifty Thousand (RM250,000) for each proposed or potential investment. Any additional expenses exceeding this amount shall require Board approval;

(c) Approve and report the same to the Board the appointment of consultants in relation to matters that fall within the duties of the IC, where such appointment exceeds the Group Managing Director's, Chief Executive's or Management's limits of authority; and

(d) Review and recommend to the Board the Group's merger & acquisition and investment policy and/or framework.

6.3 For the avoidance of doubt –

(a) to avoid duplicity of oversight by different Committees of the Board, and given that time may be of the essence in relation to a proposal or investment, any proposal coming within the scope of this Terms of Reference of the IC that is tabled to the IC need not be tabled to any other Committee of the Board (including the Risk Management Committee) before the proposal is tabled to the Board (if necessary to be tabled to the Board) or implementation of the proposal Provided However That if the proposal or investment involves related party transaction(s), the proposal or investment must (in addition to tabling the matter to the IC) also be tabled to the Audit Committee for its deliberation as a related party transaction(s); and

(b) any reference to proposal or investment in this Terms of Reference includes without limitation –

(i) any proposal for restructuring of the Group's business(es), joint ventures and/or other forms of business partnership or arrangements involving the Group;
(ii) any matter falling within the scope of the Merger & Acquisition and Investment Framework of the Company as adopted or revised by the Board from time to time;
(iii) acquisition of minor or strategic equity stakes in other companies or business entities; and
(iv) capital expenditure projects.

(c) For the purpose of this Terms of Reference, the "Chief Executive" in relation to Duopharma Biotech, means the principal executive officer of Duopharma Biotech for the time being, by whatever name called, and whether or not he or she is a director.

7. Meetings

7.1 Meeting frequencies and calling of meetings

(a) The Committee shall meet at least once in every half year or as frequently as the circumstances dictate.

(b) Additional meetings shall be scheduled as considered necessary by the Committee. The Chairman of the Committee shall call for a meeting if requested to do so by the Chairman of the Board or requested by another member of the Committee.

7.2 Quorum and participation

(a) The quorum for the Committee shall be two (2) members.

(b) In the event the Chairman is unable to be present for a meeting, the members who are present at the meeting can appoint a Chairman among themselves to chair the meeting.

(c) Each member of the Committee shall attend at least 50% of the Committee meetings held during the financial year.

(d) The Committee may request other Directors of the Company, members of Management, counsels or consultants to attend the Committee meetings by invitation if necessary.

(e) The meetings shall convene in a face-to-face manner or remotely (i.e., via virtual means). The members shall ensure all deliberations or information being communicated remotely is treated with confidence, and he/she shall prevent leakage of information/materials to any third party.

7.3 Notice on meetings and information flow

(a) Notice of a meeting shall be sent to all members in a timely manner, which should include the date, time, venue, and the agenda of the meeting *(Paragraph 4 – notice on meetings, Third Schedule of Companies Act 2016)*.

(b) Notice of meeting may be sent by post, hand, electronic mail or by any means of telecommunication in accordance with the Constitution of the Company.

(c) The IC meeting agendas shall be developed by the Chairman of the Committee and the Secretary in consultation with Management.

(d) The Chairman and, (where applicable in relation to a project under the scope of the IC) the project leader, together with the Company Secretary shall ensure that sufficient information, such as the agenda and accompanying meeting materials for each meeting are as far as practicable circulated at least five (5) business days before each meeting to the Committee members and all those who are invited to attend the meeting, where applicable.

7.4 Voting

(a) At the commencement of each meeting, all IC members should declare whether they have any conflict of interest in respect of any matter on the agenda. Such conflict should be recorded in the minutes.

(b) A matter put to vote at the Committee meetings shall be decided by a simple majority of the votes cast, and in the event of an equality of votes, the Chairman of the meeting has the casting vote. A member of the Committee, who has an interest or is involved

directly or indirectly in any matter under consideration by the meeting, shall not participate in the deliberation of the matter nor voting process. In the event that only one member of the IC is not affected by a conflict of interest, the matter shall be deliberated and decided by the Board.

(c) Any resolution in writing, signed or assented to by the majority of the members of the IC shall be as valid and effectual as if it had been passed at a meeting of the IC duly called and constituted and may consist of several documents in the like form each signed by one or more of such members.

7.5 Meeting minutes

(a) The Committee shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee *(Paragraph 13, Third Schedule of Companies Act 2016).*

(b) The minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive and contemporaneous evidence without any further proof of the facts thereon stated.

(c) All members should ensure that the meeting minutes accurately reflect the deliberations and decisions of the Committee, which includes any dissenting comments made as well as abstention of the members *(Guidance to Practice 1.6, Malaysian Code on Corporate Governance)*.

(d) The reproduction of any parts of the meeting minutes shall only be performed through or by the Secretary.

7.6 Reporting and disclosure

(a) The report of each Committee meeting shall be tabled and presented to the Board during the subsequent Board meeting to keep them informed and updated on the key issues deliberated by the Committee.

8. Confidentiality and Procedures

8.1 All Committee members shall safeguard all communications relating to matters under or relating to the IC and/or this Terms of Reference and treat them as strictly private and confidential, and for the use of the Committee members only.

8.2 All members of the Committee shall maintain their independence and shall not be involved in the investment process, namely due diligence, and negotiations with buyers/sellers. In the event visit by the Committee as a whole or by selected member(s) is necessary for the Committee's decision-making or oversight, the Committee shall escalate its request to the Chairman of the Board for approval.

9. Authority

9.1 Unless otherwise provided by or subject to any applicable laws or legislative requirements, the Committee shall have the permission to obtain resources needed to fulfil its duties and responsibilities as set out in this Terms of Reference at the expense of the Duopharma Biotech Berhad and its subsidiary companies (the "**Group**"), such as:

(a) to obtain professional and independent advice from external advisors with relevant

knowledge and experience, either through the Group Managing Director or the Company Secretary's office, when it is deemed necessary; and

(b) full and unrestricted access to information concerning the Group.
(paragraph 15.04 of Main Market Listing Requirements by Bursa Malaysia Securities Berhad)

10. Review and amendments of the Terms of Reference

10.1 This Terms of Reference has been approved by the Board. The Board shall review this Term of Reference periodically and make amendments when necessary.

10.2 The Company Secretary shall ensure that the provisions of this Terms of Reference continue to comply with legal requirements and corporate governance enumerations applicable to the Group and, if necessary, shall suggest amendments to the Terms of Reference for consideration by the Board.

Version	Release Date	Summary of Changes	Prepared by	Reviewed by	Approved by
1.0/2025	**15 May 2025**	**Adoption of the Terms of Reference of the Investment Committee**	**Group Legal and Secretarial Department**	-sgd- **Encik Leonard Ariff Bin Abdul Shatar, Group Managing Director** -sgd- **Encik Ibrahim Hussin Salleh, Chief Legal Officer and Group Company Secretary**	-sgd- **YBhg. Datin Paduka Kartini Binti Hj. Abdul Manaf, Non-Independent Non-Executive Chairman, Duopharma Biotech Berhad** -sgd- **YBhg. Datuk Mohd Radzif Bin Mohd Yunus, Chairman of the Investment Committee of Duopharma Biotech Berhad**
2.0/2025	**19 September 2025**	**Adoption of the Terms of Reference of the Investment Committee**	**Group Legal and Secretarial Department**	-sgd- **Encik Leonard Ariff Bin Abdul Shatar, Group Managing Director** -sgd- **Encik Ibrahim Hussin Salleh, Chief Legal Officer and Group Company Secretary**	-sgd- **YBhg. Datin Paduka Kartini Binti Hj. Abdul Manaf, Non-Independent Non-Executive Chairman, Duopharma Biotech Berhad** -sgd- **YBhg. Datuk Mohd Radzif Bin Mohd Yunus,**

Version	Release Date	Summary of Changes	Prepared by	Reviewed by	Approved by
					Chairman of the Investment Committee of Duopharma Biotech Berhad