SOP: RELATED PARTY TRANSACTIONS

1.0 PURPOSE

To outline the procedures for purpose of identifying, monitoring, evaluating, reporting and approving related party transactions ("**RPT**") and recurrent related party transactions ("**RRPT**").

To comply with the Part E, Rules 10.08 and 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and other applicable laws.

2.0 DEFINITIONS

2.1	ARMC	:	Audit and Risk Management Committee.
2.2	Board	:	Board of Directors of MyDCD Berhad.
2.3	Bursa Securities	:	Bursa Malaysia Securities Berhad.
2.4	Company or MyDCD	:	MyDCD Berhad
2.5	CEO	:	Chief Executive Officer
2.6	Director	:	shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six (6) months from the date on which the terms of the transaction were agreed upon:- (i) a director of the listed corporation, its subsidiary(ies) or holding company; or (ii) a chief executive of the listed corporation, its subsidiary(ies) or holding company.
2.7	MyDCD Group or the Group	:	MyDCD and its subsidiaries
2.8	Dept	:	Department
2.9	Family	:	in relation to a person means such person who falls within any one (1) of the following categories:- i. spouse; ii. parent; iii. child including an adopted child and step-child; iv. brother or sister; and v. spouse of the person referred in point 2.8 (iii) and (iv) above.
2.10	FIN	:	Finance
2.11	FIN HOD	:	Finance Head of Department

2.12	Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities.
2.13	Major Shareholder	:	a person who has an interest or interests in one (1) or more voting shares in the Company and the number or aggregate number of those shares is: (i) 10% or more of the total number of voting shares in the Company; or (ii) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Companies Act 2016. Major Shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon - a major shareholder of the listed corporation as defined under Rule 1.01 of Listing Requirements or any other corporation which is its subsidiary or holding company.
2.14	Person connected	:	in relation to a Director or Major Shareholder, means such person who falls under any one (1) of the following categories:- i. a family member of the Director or Major Shareholder; ii. a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director or Major Shareholder, is the sole beneficiary; iii. a partner of the Director or Major Shareholder, or a partner of a person connected with that Director or Major Shareholder; iv. a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder; v. a person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act; vi. a body corporate or its Directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder; vii. a body corporate or its Directors, in accordance with whose directions, instructions or wishes the Director or

Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;

viii. a body corporate in which the Director or Major Shareholder, or person connected with him/her are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or

ix. a body corporate which is a related corporation of the Director or Major Shareholder.

2.15	Recurrent Related Party Transaction or RRPT	:	a related party transaction which is recurrent, of revenue or trading nature, which is necessary for day-to-day operations of the Company or its subsidiaries and which has been made or will be made by the Company and/or its subsidiaries at least once in three (3) years in the course of its business.
2.16	Related Party	:	Director, Major Shareholder or person connected with such Director or Major Shareholder of the Company, its subsidiaries or holding company.
2.17	Related Party Transaction or RPT	:	a transaction entered into by the Company or its subsidiaries that involves the interest, direct or indirect, of a related party.
2.18	Transaction	:	the acquisition, disposal or leasing of assets, the establishment of joint ventures, the provision of financial assistance, the provision or receipt of services or any business transaction or arrangement entered into, by the Company or its subsidiaries but excludes transactions entered into between the Company (or any of its wholly-owned subsidiaries) and its wholly-owned subsidiaries.

3.0 IDENTIFICATION OF RELATED PARTIES

The list of Related Parties (which is not exhaustive) will be compiled and kept by the FIN Dept and circulated within the Group (i.e. FIN Dept and its head of subsidiaries) annually.

MyDCD and all its subsidiaries are advised to understand and familiarise themselves with the list of Related Parties when entering into any transaction.

In the event that the proposed transaction is to be entered into with any of the Related Parties as identified in the list of Related Parties, such proposed transaction shall be reported to the FIN Dept to ascertain the compliance requirements under the Listing Requirements.

All Directors and major shareholders are required to declare and disclose any transaction in which they are deemed to have an interest and give their undertakings that all business transactions entered between themselves and/or persons connected with them and the group of companies are

negotiated and agreed at arm's length basis based on normal commercial terms and are not to the detriment of the minority shareholders and favourable to the related party/parties.

4.0 REPORTING PROCESS AND APPROVING AUTHORITY FOR RPT AND RRPT

4.1 RPT

4.1.1 Before entering into a Transaction, the originator/buyer must notify and furnish the details of the contract/agreement/transaction to the FIN Dept for verification of whether it is a RPT.

4.1.2 The FIN Dept will compute the percentage ratio in accordance with formulas that are provided in the Listing Requirements as set out in Appendix I and ensure the compliance requirements as set out in Appendix II.

4.1.3 RPT which is below RM200,000 in value for each transaction is subject to the approval of the Fin HOD, CEO or Executive Director of the Company. If the CEO or the Executive Director of the Company has an interest in the RPTs, he or she shall withdraw from any discussion and decision-making procedure and approval from the Fin HOD shall be sought. The Board's approval is not required for RPTs with value less than RM200,000.

4.1.4 RPT which is above RM200,000 and above in value shall be reviewed and approved by the ARMC and the Board before the Transaction is entered into. If any member of the ARMC or the Board has an interest in the RPTs, approval shall be sought from the remaining non-interested members of the ARMC and the Board.

4.1.5 The ARMC and the Board shall satisfy that the RPT is:-

a. in the best interest of the Company;
b. fair, reasonable and on normal commercial terms; and
c. not detrimental to the interest of the minority S/H.

4.1.6 Submit the announcement for the RPT to the Board for discussion and approval based on the ARMC's recommendation when any one of the percentage ratios of the RPT is 0.25% or more. The announcement is not required if the value of the consideration of the RPT is less than RM200,000 or it is a RRPT.

4.1.7 If a member of the ARMC, the Board or the Board of the Company's subsidiaries have any interest (direct or indirect), in the RPT, he/she shall:

a. declare his/her interest in the RPT and abstain from any discussion and decision making by the ARMC, the Board, or the Directors of the Company's subsidiaries in respect of such RPT and continue to abstain from voting on the resolution approving the RPT; and

b. undertake that he/she will ensure that persons connected with him/her abstain from voting on the resolution discussing or approving the proposal at the general meeting.

4.1.8 The FIN Dept will maintain and update a Register of RPTs and ensure that all relevant announcements are released to Bursa Securities accordingly.

4.1.9 The External Auditors to review the Register of RPTs on an annual basis.

4.1.10 The FIN Dept shall report the RPTs to the ARMC the Board on a quarterly basis and to disclose any material RPTs in the quarterly report to Bursa Securities.

4.2 RRPT

4.2.1 Before entering into a Transaction, the originator/buyer must notify and furnish the details of the contract/agreement/transaction to the FIN Dept for verification of whether it is a RRPT.

4.2.2 The FIN Dept will:

a. maintain and update the Register of RRPTs.

b. monitor the threshold of the RRPT and ensure that an immediate announcement is made if:-

- in relation to a listed corporation with a share capital of RM60 million and above –

  - the consideration, value of the assets, capital outlay or costs of RRPT is RM1 million or more; or
  - the percentage ratio of the RRPT is 1% or more,

whichever is the higher.

- in relation to a listed corporation with a share capital which is less than RM60 million -
  - the consideration, value of the assets, capital outlay or costs of RRPT is RM1 million or more; or
  - the percentage ratio of the RRPT is 1% or more,

whichever is the lower.

monitor the threshold of the RRPT and ensure that an immediate announcement is made when the actual value of RRPT exceeds the estimated value of the RRPT disclosed in the circular (S/H' mandate for RRPT, if any) by 10% or more.

4.2.3 External Auditors to review the Register of RRPTs on an annual basis.

4.2.4 The pricing for services and products to be provided/supplied and/or received will be determined based on the Group's business practices and policies to ensure that prices and terms and conditions are based on competitive prices of similar products and services in the open market.

4.2.5 At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as a comparison, wherever

possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

4.2.6 In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transactions price will be based on prevailing market rates/prices that are agreed based on usual business practices and policies and on terms that are generally in line with industry norms in order to ensure that the RRPT is not detrimental to the Company or the Group.

4.2.7 The RRPT which is below RM1.0 million in aggregate or 1% of any percentage ratios, whichever is lower, is subject to the approval of the Fin HOD, CEO or the Executive Director of the Company. If the CEO or the Executive Director of the Company has an interest in the RRPTs, he or she shall abstain from any deliberation and decision-making procedure and approval from the Fin HOD shall be sought.

4.2.8 The RRPT which is above RM1.0 million in aggregate or 1% of any percentage ratios, whichever is lower, shall be reviewed and approved by the ARMC and the Board before the transaction is entered into. If any member of the ARMC or the Board has an interest in the RRPTs, approval shall be sought from the remaining non-interested members of the ARMC and the Board.

4.2.9 The ARMC shall review the findings of internal audit reports relating to the RRPT (if any).

4.2.10 Any member of the ARMC may, as he/she deems fit, request for additional information pertaining to the transaction from independent sources or advisers, including obtaining of valuation from professional valuers or advisers.

4.2.11 If a member of the ARMC, the Board or the Board of Company's subsidiaries have any interest (direct or indirect), in the RRPT, he/she shall:

a. declare his/her interest in the RRPT and abstain from any deliberation and decision making by the ARMC, the Board or the Board of the Company's subsidiaries in respect of such RRPT and continue to abstain from voting on the resolution approving the transactions; and

b. Undertake that he/she will ensure that persons connected with him/her abstain from voting on the resolution deliberating or approving the proposal at the general meeting.

4.2.12 The FIN Dept shall report to the ARMC and the Board on the RRPT on a quarterly basis and disclose RRPT in the quarterly report to Bursa Securities.

4.2.13 MyDCD may seek a mandate from its shareholders for the RRPTs subject to the following:-

a. the transactions are entered into in the ordinary course of business and are on terms not more favourable to the RP than those generally available to the public;

b. the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than prescribed threshold under Section 4.2.2 above;

c. the Company's circular to shareholders for the shareholder mandate includes such information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a compliance checklist; and

d. at the general meeting to obtain the shareholder mandate, the interested related party must abstain from voting on the resolution approving the RRPT. An interested related party must ensure that the persons connected with him abstain from voting on the resolution in respect of RRPT;

e. MyDCD must immediately announce to Bursa Securities when the actual value of a RRPT, exceeds the estimated value of the RRPT as disclosed in the circular by 10% or more and must include such information as may be prescribed by Bursa Securities in its announcement; and

f. Where MyDCD has procured the shareholder mandate, the provisions of Rule 10.08 of the Listing Requirements on the RPT shall not apply.

5.0 TRANSACTIONS NOT REGARDED AS RPT

The transactions that are normally not regarded as RPT are as set out in Rule 10.08(11) of the Listing Requirements.

6.0 MAINTENANCE OF RECORDS

The FIN Dept shall keep the list of Related Parties and Directors and Major Shareholders' declaration forms.

The FIN Dept shall keep the Registers of RPTs and RRPTs and ensure proper maintenance and retention of documentation. Such documentation should be made available for inspection by auditors, regulators and other interested parties upon request

7.0 MODIFICATION

The ARMC and the Board reserve the right to modify or amend this Policy at any time as it many deem necessary to align the policy with Listing Requirements, the Companies Act 2016, the latest Malaysian Code on Corporate Governance and any other applicable laws enforced at the time being.

8.0 BOARD APPROVAL

This Policy (Version No. 1) was reviewed and adopted by the Board of Directors of the Company on 16 December 2025.

9.0 APPENDIX

9.1 Listing Requirements
9.2 Compliance Requirement