EPB GROUP BERHAD

Registration No.: 202201007128 (1452825-U)

INNOVATING INTEGRATED EFFICIENCY

ANNUAL REPORT

2025

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RATIONALE →

INNOVATING INTEGRATED EFFICIENCY

EPB Group is driving the future of industrial productivity through enhanced technological intelligence and fully integrated automation solutions. The Group is poised to transform operations with innovative, sustainable, and value-driven solutions that exceed customer expectations. By leveraging its technical expertise and resources, EPB is shaping a new era of smart, efficient, and connected manufacturing, redefining industry standards and setting the pace for innovation that works smarter and faster.

For more information, visit our website
https://epb.group/

About Us

Business Purpose

CORPORATE VISION

To be recognised globally as a trusted partner, drive innovation, and deliver turnkey automation solutions across markets.

CORPORATE MISSION

We are dedicated to offering competitively priced food processing and packaging automation solutions, robotics technology, revolutionary flexible packaging, and cellulose casing products to our customers to elevate Southeast Asia's food sector to global standards by enhancing hygiene, quality, and efficiency.

About Us (Cont'd)

CORE VALUES

E P B

EXCELLENCE

We believe that excellence is the foundation of our success and innovation. We strive to excel in everything we do by maintaining high standards, striving for continuous improvement, and committing to achieving the best results possible.

PASSION

Passion fuels the work we do. We approach every endeavour with passion, enthusiasm, and dedication. It is this passion that drives our innovation and inspires us to make a positive impact in all we undertake.

BELIEF

We believe in our mission, our team, and our ability to make a difference. This unwavering belief inspires our actions and drives us to overcome challenges, achieve excellence, and create a better future for all stakeholders.

TAGLINE

"Elevating Excellence, Inspiring Possibilities,"

Objectives and Strategies

Our strategic priority is to leverage the Group's core competitive strengths to drive sustainable growth across both existing and new markets. We remain committed to enhancing the quality of our solutions through continuous improvement initiatives, supported by prudent capital investments in advanced machinery and automation technologies to strengthen operational efficiency and maintain our competitive position within the industry.

Our tagline, "Elevating Excellence, Inspiring Possibilities," reflects the Group's commitment to upholding high standards of performance and delivering long-term value to our stakeholders.

Guided by our core values of Excellence, Passion, and Belief (EPB), we foster a culture of discipline, accountability, and innovation across the organisation. This enables us to build resilience, strengthen our capabilities, and support the delivery of sustainable, long-term growth.

Corporate Information

BOARD OF DIRECTORS

Noor Azman Bin Nordin
Independent Non-Executive Chairman / Independent Non-Executive Director

Yeoh Chee Min
Managing Director

Liew Meng Hooi
Deputy Managing Director

Ooi Kim Kew *(f)*
Executive Director

Khor Chai Tian
Independent Non-Executive Director

Ooi Hun Pin
Independent Non-Executive Director

Stephen Chua Chee Keong
Independent Non-Executive Director

Oh Lean Sim *(f)*
Independent Non-Executive Director

Wong Sim Kuan *(f)*
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Ooi Hun Pin
Khor Chai Tian
Stephen Chua Chee Keong
Oh Lean Sim
Wong Sim Kuan

REMUNERATION COMMITTEE

Khor Chai Tian
Ooi Hun Pin
Stephen Chua Chee Keong
Oh Lean Sim
Wong Sim Kuan

NOMINATION COMMITTEE

Stephen Chua Chee Keong
Khor Chai Tian
Ooi Hun Pin
Oh Lean Sim
Wong Sim Kuan

COMPANY SECRETARIES

Kong Sown Kaey
(MAICSA 7047655)
(SSM Practicing Certificate No. 202008001434)

Nur Asmida Binti Rosli
(MAICSA 7069974)
(SSM Practicing Certificate No. 202308000678)

REGISTERED OFFICE

35, 1st Floor,
Jalan Kelisa Emas 1
Taman Kelisa Emas
13700 Seberang Jaya
Pulau Pinang, Malaysia
Tel: (604 - 397 6672)
Fax: (604 - 397 6675)
E-mail: enquiry@shmalaysia.com

SPONSOR

Malacca Securities Sdn Bhd
BO1-A-13A, Level 13A, Menara 2
3, Jalan Bangsar
KL Eco City
59200 Kuala Lumpur, Malaysia
Tel: (603 - 2201 2100)

AUDITORS

Folks DFK & Co PLT (AF 0502)
(LLP0045209-LCA)
12th Floor,
Wisma Tun Sambanthan
No. 2, Jalan Sultan Sulaiman
50000 Kuala Lumpur, Malaysia
Tel: (603 - 2273 2688)
Fax: (603 - 2274 2688)

HEAD OFFICE AND FACTORY

PMT 1186,
Jalan Perindustrian Bukit Minyak 18
Taman Perindustrian Bukit Minyak
Penang Science Park
14100 Simpang Ampat
Pulau Pinang, Malaysia
Tel: (604 - 502 6545)
Fax: (604 - 501 9899)
E-mail: info@epb.group
Website: www.epb.group

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel: (603 - 7890 4700)
Fax: (603 - 7890 4670)
E-mail:
bsr.helpdesk@boardroomlimited.com

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock Name: EPB
Stock Code: 0317
Shariah Compliant

Corporate Structure

EPB GROUP BERHAD

Registration No.: 202201007128 (1452825-U)

- 100% Easy Pack Machinery Sdn Bhd
- 100% Easy Pack Manufacturing (M) Sdn Bhd
- 100% Easy Pack Machinery (KL) Sdn Bhd
- 100% Bestworld Engineering Sdn Bhd
- 100% EPB Capital Limited
  - 100% Bestworld Perkasa Ltd
  - 80% Best Solution Services Inc
  - 60% Best Solution Corporation Limited
- 80% AI Medic Device Equipment Supplies Sdn Bhd

Financial Highlights

Key Financial Data	2022 (RM'000)	2023 (RM'000)	2024 (RM'000)	2025 (RM'000)
Revenue	89,114	122,116	105,514	**120,960**
Gross Profit ("**GP**")	30,459	40,358	36,517	**37,679**
Profit Before Tax ("**PBT**")	15,579	19,155	13,501	**14,557**
Profit After Tax ("**PAT**")	12,282	14,258	9,786	**13,670**
Total Assets	83,796	79,258	134,409	**145,993**
Total Liabilities	41,337	24,547	31,779	**35,493**
Net Assets ("**NA**")	42,459	54,711	102,630	**110,500**
Net Current Assets	31,756	43,090	90,786	**75,232**
Borrowings [(1)]	5,928	3,972	1,916	**10,107**

Key Financial Indicators	2022 (%)	2023 (%)	2024 (%)	2025 (%)
GP Margin	34.18	33.05	34.61	**31.15**
PAT Margin	13.78	11.68	9.27	**11.30**
Gearing ratio	0.14	0.07	0.02	**0.09**

	(Sen)	(Sen)	(Sen)	(Sen)
Earnings per share[(2)]	3.30	3.83	2.63	**3.67**
NA per share [(3)]	11.41	14.71	27.59	**29.70**

Notes: -

(1) Computed based on total borrowings (consist of bank borrowings and lease liabilities).

(2) Computed based on the total profit attributable to owners of the Company for the respective financial years over enlarged issued share capital of 372,000,002 ordinary shares.

(3) Computed based on NA for the respective financial years over enlarged issued share capital of 372,000,002 ordinary shares.

Message from The Chairman

Dear Shareholders,

Following our successful listing on the ACE Market of Bursa Malaysia Securities Berhad on 23 August 2024, the financial year ended 31 December 2025 ("**FYE 2025**") marks our first full year as a publicly listed company. This milestone year represents a period of transition, execution and strengthening of our foundation as we continue our journey towards becoming a leading one-stop solution provider for food processing, packaging and refrigeration solutions.

Revenue

FYE 2025

RM120.96 million

Growth

↑ 14.64 %

On behalf of the Board of Directors of EPB Group Bhd ("**EPB**" or the "**Group**"), I am pleased to present the Annual Report and Financial Statements of the Group for FYE 2025.

BUILDING ON OUR LISTING MOMENTUM

In 2025, the Group remained firmly focused on executing the strategic initiatives outlined at the time of our Initial Public Offering ("**IPO**"). We are encouraged by the continued confidence demonstrated by our stakeholders following our listing. The solid foundation established over the years, together with our strengthened capital position, has enabled us to actively pursue growth opportunities while maintaining prudent financial discipline.

For the FYE 2025, the Group recorded revenue of RM120.96 million, representing a favourable growth of 14.64% as compared to the previous year, reflecting our commitment to provide long-term value to our shareholders. Despite continued investments to support long-term growth, the Group maintained a disciplined approach to cost management and operational efficiency.

The Group's financial position remains robust, supported by a strengthened capital base following the IPO. This positions us well to capitalise on emerging opportunities while maintaining resilience in a dynamic operating environment.

Looking ahead, we remain committed to executing our growth strategy, enhancing shareholder value, and delivering sustainable returns.

Message from The Chairman (Cont'd)

STRATEGIC PRIORITIES AND GROWTH INITIATIVES

In FYE 2025, the Group made steady progress in several key areas: -

- Expansion of our product and service offerings to meet evolving customer needs;
- Enhancement of operational and automation capabilities;
- Strengthening of our presence in key export markets; and
- Continued investment in talent development and operational excellence.

These initiatives are aligned with our long-term vision of delivering comprehensive, high-quality solutions across our value chain.

DIVIDENDS

On 2 October 2025, EPB has declared an interim single-tier dividend of RM0.01 per ordinary share amounting to approximately RM3.72 million in respect of the FYE 2025. The dividend was paid on 26 November 2025 to EPB's shareholders who are registered in the Record of Depositors as at 5.00 p.m. on 6 November 2025. The Board remains committed to delivering long-term value and will continue to assess future dividend declarations with due consideration to the Group's financial position, cash flow, and growth priorities.

Dividend

RM0.01

per ordinary share

(FYE 2025: RM3.72 million)

ACKNOWLEDGEMENT

I would like to take this opportunity to thank my fellow Board members for your support and I look forward to working closely with all of you to carry out the Board's duties and responsibilities in the years to come. As a Group, we would also like to express our sincere appreciation to our management team and our employees for their dedication, commitment, loyalty and contribution throughout the year. You are clearly the driving force behind our achievements, and we look forward to seeing all of you working together in propelling our Group towards greater heights of success.

Our appreciation also goes to our valued shareholders, customers, suppliers, business partners, consultants, advisers and regulators for your continued trust and support as we progress in our journey as a listed company.

Terima Kasih.

Noor Azman Bin Nordin
Independent Non-Executive Chairman

Board of Directors' Profile

1
Noor Azman Bin Nordin
Independent Non-Executive Chairman / Independent Non-Executive Director

2
Yeoh Chee Min
Managing Director

3
Liew Meng Hooi
Deputy Managing Director

4
Ooi Kim Kew *(f)*
Executive Director

5
Khor Chai Tian
Independent Non-Executive Director

6
Ooi Hun Pin
Independent Non-Executive Director

7
Stephen Chua Chee Keong
Independent Non-Executive Director

8
Oh Lean Sim *(f)*
Independent Non-Executive Director

9
Wong Sim Kuan *(f)*
Independent Non-Executive Director

Board of Directors' Profile (Cont'd)

NOOR AZMAN BIN NORDIN

Independent Non-Executive Chairman

Gender	/	Male
Age	/	58
Nationality	/	Malaysian

En. Noor Azman Bin Nordin is the Independent Non-Executive Chairman of the company, appointed to the Board on 20 September 2022. He obtained an Executive Diploma in Counselling from the University of Malaya in 2012.

En. Noor Azman Bin Nordin began his career in 1988 with Mayban Finance Berhad as a Credit Control Officer and later as a Marketing Officer until 2004. After leaving Mayban Finance, he served as a director in various private limited companies, where he was involved in business development, managing customer relationships, and handling compliance matters.

Additionally, En. Noor Azman Bin Nordin has also ventured into multiple businesses covering sectors like clothing, furniture, ICT services, events, food outlets, and general trading.

He attended all 6 Board meetings of the Company held during the financial period 2025.

He has no family relationship with any other director / major shareholder of our Company.

He does not hold any other directorship in other public listed companies. He does not have any conflict of interest with the Company. In the past five (5) years, he has not been convicted of any offence.

YEOH CHEE MIN

Managing Director

Gender	/	Male
Age	/	61
Nationality	/	Malaysian

Mr. Yeoh Chee Min is the Managing Director of the company, appointed to the Board on 28 February 2022. He is responsible for formulating and implementing the overall business strategy and corporate development of the Group, as well as overseeing EP Machinery and EP Machinery KL.

With over 30 years of experience, Mr. Yeoh Chee Min has been instrumental in the growth of the Group, formulating corporate strategies, identifying business opportunities, and overseeing operations.

Under his leadership, the Group expanded from a small business to a major provider of food processing and packaging machinery solutions in Malaysia. In 1998, he and Liew Meng Hooi established a business for frozen food processing machinery and expanded into international markets. Later, in 2014, he ventured into the flexible packaging industry through EP Manufacturing.

He attended all 6 Board meetings of the Company held during the financial period 2025.

Save for him being the spouse of Ms. Ooi Kim Kew, our Executive Director, he has no family relationship with any other director / major shareholder of our Company.

He does not hold any other directorship in other public listed companies. He does not have any conflict of interest with the Company. In the past five (5) years, he has not been convicted of any offence.

Board of Directors' Profile (Cont'd)

LIEW MENG HOOI

Deputy Managing Director

Gender	/	Male
Age	/	60
Nationality	/	Malaysian

Mr. Liew Meng Hooi is our Deputy Managing Director of the company, appointed to the Board on 28 February 2022. He is responsible for managing the daily operations of BW Engineering, EPB Capital Limited, and BW Perkasa UAE, focusing on business strategy, sales, and operations.

In 1998, he co-founded Inovasi Kitchen Specialist Sdn. Bhd. together with Mr. Yeoh Chee Min to venture into the businesses of importing and trading processing machinery solutions for frozen food products. This was the first business collaboration between the two. They subsequently established various companies namely BW Engineering, BW Perkasa Labuan and BW Perkasa UAE, which are now part of our Group. He is responsible for driving the frozen food processing machinery and cold chain facility solutions business including sausage casing trading.

With over 30 years of experience, Mr. Liew Meng Hooi has been instrumental in the growth of the Group, particularly in the area of business development and expansion strategies for our oversea markets.

He attended all 6 Board meetings of the Company held during the financial period 2025.

Save for him being the uncle of Mr. Yeow Song You, our Director of BW Engineering, he has no family relationship with any other director / major shareholder of our Company.

He does not hold any other directorship in other public listed companies. He does not have any conflict of interest with the Company. In the past five (5) years, he has not been convicted of any offence.

OOI KIM KEW

Executive Director

Gender	/	Female
Age	/	61
Nationality	/	Malaysian

Ms. Ooi Kim Kew is our Executive Director of our Company, appointed to the Board on 20 September 2022. She is responsible for overseeing the EP Manufacturing's operations, particularly in procurement and production.

She holds a Technician Diploma in Architectural Draughtsmanship from the Federal Institute of Technology, Kuala Lumpur in 1986. After her studies, she took sewing classes and later founded a fashion business with branches in Kedah and Penang, which she sold in 2000.

In 2001, she joined EP Manufacturing as an Administrative Manager, where she managed bookkeeping, procurement, and sales team training. By 2014, she was supervising the company's daily operations, focusing on procurement and production.

She attended all 6 Board meetings of the Company held during the financial period 2025.

Save for her being the spouse of Mr. Yeoh Chee Min, our Managing Director, she has no family relationship with any other director / major shareholder of our Company.

She does not hold any other directorship in other public listed companies. She does not have any conflict of interest with the Company. In the past five (5) years, she has not been convicted of any offence.

Board of Directors' Profile (Cont'd)

KHOR CHAI TIAN

Independent Non-Executive Director

Gender	/	Male
Age	/	64
Nationality	/	Malaysian

Dr. Khor Chai Tian is our Independent Non-Executive Director. He was appointed to the Board on 20 September 2022 and is the chairman of Remuneration Committee and a member of Audit and Risk Management Committee and Nomination Committee.

He obtained a Bachelor of Economics (Honours) from Universiti Malaya in 1986; an MBA from Asia International Open University, Macau in 1994; and a Doctor of Business Administration from the University of South Australia in 2011.

Dr. Khor Chai Tian's career began in 1986 with Golden Frontier Packaging Sdn. Bhd., where he was an Executive Director. He co-founded a company specializing in corrugated cartons and packaging distribution. In 1995, he became Executive Director at Hunza Consolidation Berhad (now Master-Pack Group Berhad), focusing on corporate strategy and expansion until his resignation in 2005.

In 2007, Dr. Khor Chai Tian became an Independent Non-Executive Director of AsiaEP Resources Berhad (now known as GFM Services Berhad), a company specialising in e-marketplace solutions, until his resignation in 2017.

Currently, he is the Executive Director of CTP Leadership Centre Sdn. Bhd., which provides business coaching and consultancy services, and the Chair/CEO Coach of Vistage Malaysia Sdn. Bhd., a CEO coaching and peer advisory organization, both roles he has held since 1989 and 2013, respectively.

He attended all 6 Board meetings of the Company held during the financial period 2025.

He has no family relationship with any other director / major shareholder of our Company.

He does not hold any other directorship in other public listed companies. He does not have any conflict of interest with the Company. In the past five (5) years, he has not been convicted of any offence.

OOI HUN PIN

Independent Non-Executive Director

Gender	/	Male
Age	/	62
Nationality	/	Malaysian

Dr. Ooi Hun Pin is our Independent Non-Executive Director. He was appointed to the Board on 20 September 2022 and serves as the chairman of the Audit and Risk Management Committee, as well as a member of the Remuneration Committee and Nomination Committee.

He is a member of the Malaysian Institute of Certified Public Accountants since 1987 and the Malaysian Institute of Accountants since 1988. Dr. Ooi Hun Pin obtained a Master of Business Administration from the University of Strathclyde in 2002 and a Doctor of Business Administration from the University of South Australia in 2005.

Dr. Ooi Hun Pin's career began in 1983 with Price Waterhouse, followed by roles at Datuk Keramat Holdings Berhad, Universal Furniture Limited, and CIMB Securities Sdn. Bhd. He later worked in senior roles at SJ Securities Sdn Bhd, Enrich Resowella (M) Sdn. Bhd. and served as Deputy CEO at Avenue Securities Sdn. Bhd. from 2002 to 2004.

In 2004, he founded a company in management consultancy and ran the business till 2006. He returned to the corporate world in 2006, joining K&N Kenanga Berhad and later Kim Eng Securities Pte Ltd in Singapore. Between 2010 and 2017, he worked as an independent research consultant with a career break in between.

He attended all 6 Board meetings of the Company held during the financial period 2025.

He has no family relationship with any other director / major shareholder of our Company.

He does not hold any other directorship in other public listed companies. He does not have any conflict of interest with the Company. In the past five (5) years, he has not been convicted of any offence.

Board of Directors' Profile (Cont'd)

STEPHEN CHUA CHEE KEONG

Independent Non-Executive Director

Gender	/	Male
Age	/	42
Nationality	/	Malaysian

Mr. Stephen Chua Chee Keong is our Independent Non-Executive Director, appointed to the Board on 20 September 2022. He serves as the chairman of the Nomination Committee and is also a member of the Audit and Risk Management Committee and the Remuneration Committee.

He graduated with a Bachelor of Law (Honours) from Universiti Kebangsaan Malaysia in 2007 and was called to the Malaysian Bar in 2009. After graduation, he worked as a Federal Counsel at the Malaysian Attorney General's Chambers, providing legal advice to government agencies from 2007 to 2009.

In 2009, he joined Messrs Lim Kean Siew & Co. as a Legal Assistant, focusing on commercial disputes, land disputes, employment issues, and banking litigation. He later worked at Messrs Ho & Company in 2014, handling conveyancing and uncontested litigation matters.

From 2015 to 2017, Mr. Stephen Chua Chee Keong managed his own law firm, Messrs Stephen & Co., with a focus on family law, estate administration, civil litigation, debt recovery, and contract law. In 2017, he joined Messrs Wong & Loh as a Partner, specializing in civil litigation, banking, finance, family law, corporate and commercial law, and other areas.

He attended all 6 Board meetings of the Company held during the financial period 2025.

He has no family relationship with any other director / major shareholder of our Company.

He does not hold any other directorship in other public listed companies. He does not have any conflict of interest with the Company. In the past five (5) years, he has not been convicted of any offence.

OH LEAN SIM

Independent Non-Executive Director

Gender	/	Female
Age	/	40
Nationality	/	Malaysian

Ms. Oh Lean Sim is our Independent Non-Executive Director, appointed to the Board on 10 March 2026. She is a member of Nomination Committee, Audit and Risk Management Committee and Remuneration Committee.

She graduated with a Bachelor of Accountancy (Honours) from Universiti Utara Malaysia in 2010 and is a Chartered Accountant and member of the Malaysian Institute of Accountants since 2013.

Ms. Oh Lean Sim began her career with Crowe Horwath (now known as Crowe Malaysia PLT) as an Audit Assistant in 2010, followed by roles at Efficient MailCom Sdn Bhd (now known as Canon MailCom Malaysia Sdn Bhd), Regalia Records Management Sdn Bhd, CNI Holdings Berhad (now known as Citra Nusa Holdings Berhad), and served as the Executive Director at Trinity Avenue Sdn Bhd.

In 2024, she joined KK Fresh Frozen Sdn Bhd (a subsidiary of MyAxis Group Berhad, a company listed on the LEAP Market of Bursa Securities) as Finance Manager, a role she currently assumes where she oversees the group's financial, accounting, and tax management functions, including financial planning, cash flow management, and financial reporting.

She has not attended any Board meetings of the Company held during the financial period 2025, as she is only appointed to the Board in 2026.

She has no family relationship with any other director / major shareholder of our Company.

She does not hold any other directorship in other public listed companies. She does not have any conflict of interest with the Company. In the past five (5) years, he has not been convicted of any offence.

Board of Directors' Profile (Cont'd)

WONG SIM KUAN

Independent Non-Executive Director

Gender	/	Female
Age	/	52
Nationality	/	Malaysian

Ms. Wong Sim Kuan is our Independent Non-Executive Director. She was appointed to the Board on 10 March 2026 and is a member of Nomination Committee, Audit and Risk Management Committee and Remuneration Committee.

She graduated with a Bachelor of Arts from the University of Strathclyde, Scotland in 1995, and a Master of Applied Psychology (Coaching) from HELP University, Malaysia, in 2019.

In 1996, Ms. Wong Sim Kuan began her career with United Overseas Bank (Malaysia) Berhad in the Merchandising Department, followed by roles at Executive Workplace (M) Sdn Bhd, BO LE Associate Ltd, Federal Auto Holdings Berhad, LCL Corporation Berhad.

From 2006 to 2012, she was with Louis Vuitton (M) Sdn. Bhd., holding roles including Store Manager, Operations Manager, and subsequently Human Resource & Training Manager. In these capacities, she was responsible for talent acquisition, performance management, leadership development and regional training functions across Malaysia, supporting Singapore, Indonesia and Taiwan.

In 2012, she left the company and founded Luxury Business Solutions Sdn. Bhd., where she currently serves as Managing Director. The company provides management consulting, talent planning, leadership development, executive coaching and training services. She also founded Agensi Pekerjaan LBS Sdn. Bhd. in 2018, a private employment agency specialising in executive search and talent placement, as an Executive Director.

She has not attended any Board meetings of the Company held during the financial period 2025, as she is only appointed to the Board in 2026.

She has no family relationship with any other director / major shareholder of our Company.

She does not hold any other directorship in other public listed companies. She does not have any conflict of interest with the Company. In the past five (5) years, he has not been convicted of any offence.

Notes: -

1. *Save for Mr Yeoh Chee Min, our Managing Director is the spouse of Ms. Ooi Kim Kew, our Executive Director; none of our Directors has any other family relationship with any other director / major shareholder of our Company.*

2. *As at the date of this Annual Report, all of our Directors do not hold any other directorship in other public listed companies and have not entered into any transaction, whether directly or indirectly, that has a conflict of interest with the Group.*

3. *None of our Directors have been convicted of any offence (other than traffic offences, if any) in the past five (5) years preceding the date of this Annual Report, nor has had any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.*

Key Senior Management's Profile

TAN CHENG CHENG

Chief Financial Officer

Gender	Age	Nationality
Female	50	Malaysian

Ms. Tan Cheng Cheng is our Chief Financial Officer. Prior joining our Group, she has vast experience in financial management, audits, and operations across Malaysia, Singapore, and Mexico.

She joined our Group as the Group Accountant in 2010, mainly responsible for overseeing our Group's overall finance-related functions and she was re-designated to her current position in October 2022.

Ms. Tan Cheng Cheng completed the Association of Chartered Certified Accountants examinations in 1999 and has been a member of the Malaysian Institute of Accountants since 2017.

YEOW SONG YOU

Director of BW Engineering

Gender	Age	Nationality
Male	35	Malaysian

Mr. Yeow Song You is our Director of BW Engineering. He is in charge of managing BW Engineering daily activities.

He has been with the Group since the beginning of his career in 2015, where he joined as the personal assistant to our Deputy Managing Director, Mr. Liew Meng Hooi and was in charge of managing service reports and project cycle flow and preparation of documentations for the project and service team to improve the overall operational flow with an emphasis on efficiency and wastage reduction in BW Engineering. He rose ranks and assume his current position in 2022.

He graduated from Monash University with a Bachelor of Engineering in the field of Chemical Engineering in 2016.

WANG BOON PHOEY

Director of BW Perkasa UAE

Gender	Age	Nationality
Female	39	Malaysian

Ms. Wang Boon Phoey is our Director of BW Perkasa UAE. She is in charge of managing BW Perkasa UAE's daily activities. She began her career as a food technologist with Premier Cereal Sdn Bhd in 2011, where she was primarily tasked to developing cost structures and innovative food concepts.

She was transferred to BW Engineering to work as the Personal Assistant to Mr. Liew Meng Hooi. She was in charge of developing business ideas, executing sales and marketing operations, developing business initiatives and improvement plans, and supervising the development and implementation of the company's quality management system. She rose through ranks to become the Director of BW Perkasa UAE in 2022.

She obtained a Bachelor of Food Science (Honours) in Food Service and Nutrition in 2011 from Universiti Malaysia Terengganu and in 2021, she graduated from Universiti Sains Malaysia with a Master of Business Administration.

GOH TOH SIN

General Manager cum Marketing Manager of EP Machinery

Gender	Age	Nationality
Male	47	Malaysian

Mr. Goh Toh Sin is our General Manager cum Marketing Manager of EP Machinery. He is mainly responsible for managing the local sales of our food processing and packaging machinery, and flexible packaging materials. Prior joining our Group, he has vast experience in overseeing sales, services and marketing operations.

In 2021, he joined EP Machinery to undertake the role of General Manager (Marketing and Customer Relationship) of EP Machinery and was re-designated to his current position in 2022.

In 2001, he obtained a Diploma in Network Technology from Informatics College, Malaysia.

Key Senior Management's Profile (Cont'd)

WONG WEI CHOO

Accounts and Purchasing Manager of EP Manufacturing

Gender	Age	Nationality
Female	49	Malaysian

Ms. Wong Wei Choo is our Accounts and Purchasing Manager of EP Manufacturing. She oversees the accounting and procurement functions at EP Manufacturing, including the day-to-day operational.

She has more than 20 years of experience in finance and administration, having held various positions in the private sector before joining the Group in 2001. Since then, she has taken on increasing responsibilities within the organisation, leading to her current managerial role.

Ms. Wong Wei Choo holds a Bachelor of Arts in Business Administration from the University of Abertay Dundee,United Kingdom in 2005.

LOH CHOW HONG

Factory Manager of EP Machinery

Gender	Age	Nationality
Male	44	Malaysian

Mr. Loh Chow Hong is our Factory Manager of EP Machinery. He is mainly responsible for leading and training our technical team as well as supervising food packaging machinery installation, maintenance and repair activities.

He has been attached to our Group since the start of his career. In 2004, he joined our Group as a Service Technician responsible for providing installation, maintenance, test and repair of machinery. He rose ranks through and assume his current position in 2022.

He obtained an Executive Diploma in Mechanical Manufacturing Technology from Universiti Teknologi Malaysia in 2011 and an Executive Bachelor of Business Administration & Entrepreneurship from Asia e University in Subang Jaya, Selangor in 2017.

Notes: -

1. *Save for Mr. Liew Meng Hooi, our Deputy Managing Director is the uncle of Mr. Yeow Song You, our Director of BW Engineering; none of our Key Senior Management has any other family relationship with any other director / major shareholder of our Company.*

2. *As at the date of this Annual Report, all of our Key Senior Management do not hold any other directorship in other public listed companies and have not entered into any transaction, whether directly or indirectly, that has a conflict of interest with the Group.*

3. *None of our Key Senior Management have been convicted of any offences, (other than traffic offences, if any) in the past five (5) years preceding the date of this Annual Report, nor has had any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.*

Management Discussion And Analysis

This Management Discussion and Analysis ("**MD&A**") is designed to provide shareholders with a comprehensive overview of the Group's operations for the financial year ended ("**FYE**") 31 December 2025. Presenting relevant non-financial information from management's perspective, this MD&A serves to enhance the accompanying financial statements by offering stakeholders a clearer understanding of the Group's overall performance, operational progress, risk exposure, and business outlook.

BUSINESS AND OPERATIONS OVERVIEW

Our Group is a one-stop provider of food processing and packaging machinery solutions. We are primarily involved in the design, customisation, fabrication, integration and automation of production lines for food manufacturing and processing companies, based on our customers' needs. We are also involved in the trading of cellulose casings, as well as manufacturing and trading of flexible packaging materials.

Our Group is principally involved in: -

(i) provision of food processing and packaging machinery solutions including industrial robots and related accessories for its customers primarily involved in the food industry and also as laboratory equipment and its related accessories for research purposes;

(ii) trading of cellulose casings; and

(iii) manufacturing and trading of flexible packaging materials.

Our business model can be illustrated as follows: -

	One-stop provider of food processing and packaging machinery solutions		
Business segment	**Provision of food processing and packaging machinery solutions**	**Trading of cellulose casings**	**Manufacturing and trading of flexible packaging materials**
Activities	• Provision of food processing and packaging machinery solutions	• Trading of cellulose casings	• Manufacturing and trading of flexible packaging materials
Target customers	• Food manufacturers • Food processing companies • Cold chain logistics providers • Industrial and logistics property owners	• Food manufacturers • Food processing companies	• Food manufacturers • Personal care manufacturers • Pet food manufacturers

Management Discussion And Analysis (Cont'd)

PERFORMANCE REVIEW

	FYE 2024 (RM'000)	FYE 2025 (RM'000)
Analysis by business segments		
Overall Revenue	105,514	**120,960**
Food processing and packaging machinery solutions	76,784	**97,701**
Trading of cellulose casings	13,075	**11,050**
Manufacturing and trading of flexible packaging materials	15,655	**12,209**
PAT	9,786	**13,670**

1 REVENUE AND PROFITABILITY

Our Group recorded revenue of RM120.96 million for the FYE 2025, reflecting an increase of RM15.45 million or 14.64% as compared to RM105.51 million in FYE 2024. The increase was mainly driven by the higher revenue recorded from our Group's core business segment in the provision of food processing and packaging machinery solutions.

Our food processing and packaging machinery solutions business segment contributed RM97.70 million or 80.77% of our Group's total revenue for the FYE 2025 (FYE 2024: RM76.78 million or 72.77%), increased by RM20.92 million or 27.25% as compared to the FYE 2024, in line with the higher sales to our Group's local customers as well as our Group's overseas customers based in the Philippines.

The abovementioned increase was, however, partially offset by the decrease in revenue from trading of cellulose casings business segment and manufacturing and trading of flexible packaging materials business segment amounting to RM2.03 million and RM3.45 million respectively; as a result of lower orders received and delivered to our Group's customers.

On the back of the higher revenue recorded during FYE 2025, our Group's GP increased by RM1.18 million or 3.23% to RM37.70 million for FYE 2025 (FYE 2024: RM36.52 million), mainly in line with the revenue growth from provision of food processing and packaging machinery solutions business segment as explained above. Our Group's PAT increased by RM3.88 million or 39.69% respectively for FYE 2025, mainly attributable to the growth in GP; as well as reversal of deferred tax liabilities provided for in the prior years.

Revenue

FYE 2025

RM120.96 million

(FYE 2024: RM105.51 million)

Gross Profit ("GP")

FYE 2025

RM37.70 million

(FYE 2024: RM36.52 million)

Profit After Tax ("PAT")

FYE 2025

RM13.67 million

(FYE 2024: RM9.79 million)

Management Discussion And Analysis (Cont'd)

PERFORMANCE REVIEW (Cont'd)

2 FINANCIAL POSITION AND LIQUIDITY

	FYE 2024 (RM'000)	FYE 2025 (RM'000)
• Total Assets	134,409	**145,993**
• Total Liabilities	31,779	**35,493**
• Net Assets / Total Equity	102,630	**110,500**
• Net Current Assets	90,786	**75,232**

Financial Ratios		
• Current ratio [(1)]	4.29	**3.91**
• Gearing ratio [(2)]	0.02	**0.09**
• Net Cash / (Debt) [(3)]	70,224	**53,577**

Notes: -

(1) Computed based on current assets over current liabilities as at each of the FYE.

(2) Computed based on total borrowings (consist of bank borrowings and lease liabilities) over net assets / total equity as at each of the FYE.

(3) Computed based on total borrowings (consist of bank borrowings and lease liabilities) less total cash and bank balances (including of fixed deposits placed with licensed banks) as at each of the FYE.

Our Group's financial position as of 31 December 2025 remained relatively healthy and stable.

3 CAPITAL REQUIREMENTS, STRUCTURE AND RESOURCES

	(RM'000)
Fixed deposits with licensed banks and cash and bank balances as at 31 December 2025	63,684
Less: -	
Unutilised proceeds raised from our Listing	6,982
Fixed deposits with licensed banks and cash and bank balances available for working capital and operational funding requirements as at 31 December 2025	56,702

As of 31 December 2025, our Group had sufficient cash reserves to fund the existing capital expenditure requirements, to settle the existing indebtedness and to carry out our day-to-day business operations. Although there is no immediate shortage in capital resources, our Group may, from time to time, assess the need for additional fund-raising to meet future capital expenditure requirements while ensuring that our Group's financial and liquidity position remains healthy.

Management Discussion And Analysis (Cont'd)

PERFORMANCE REVIEW (Cont'd)

4 DIVIDEND POLICY

Our Group presently does not have any formal dividend policy. The dividend payment will be made after taking into consideration, inter alia, cash availability, return on equity and the projected level of capital expenditures; always bearing in mind the importance of long-term value creation for our shareholders. The declaration of interim dividends and the recommendation of any final dividends are subject to the discretion of the Board, whilst any final dividend proposed is subject to our shareholders' approval.

On 2 October 2025, our Company has declared an interim single-tier dividend of RM0.01 per ordinary share amounting to approximately RM3.72 million in respect of the FYE 2025, which was paid on 26 November 2025 to our shareholders who are registered in the Record of Depositors as at 5.00 p.m. on 6 November 2025.

ANTICIPATED AND KNOWN RISKS

Dependence on a major supplier

We are dependent on one of our suppliers in China to supply cellulose casings for our business operations in the trading of cellulose casing business segment.

While we do have existing distribution agreement with the supplier and have cultivated a solid and mutually beneficial relationship with them over the years, there can be no assurance they will continue to supply us with the necessary amount of goods to meet our demands.

In the event of shortage of supplies from them, we would be able to access other similar suppliers of cellulose casing to ensure no disruption to our operations. In order to mitigate this risk, we are consistently evaluating potential suppliers at home and abroad while expanding our operations to reduce our reliance on a single third-party supplier.

Management Discussion And Analysis (Cont'd)

ANTICIPATED AND KNOWN RISKS (Cont'd)

Dependence on our ability to continually secure new orders from existing and new customers

Our financial performance is dependent on our ability to continually secure new orders from existing and new customers in relation to our business operation is the respective business segments.

Our products and services (after-sales maintenance and repair works), particularly in relation to our food processing and packaging machinery solutions business segment, are generally offered on a one-off basis customised in accordance with our customers' needs and specifications; whilst our sales for the manufacturing and trading of flexible packaging materials business segment are generally based on individual confirmed orders from our customers. For our trading of cellulose casings, although we have entered into supply contract with some of our customers, the actual sale delivery will still be subject to confirmation from the said customers.

Our existing customers may opt to cease issuing new purchase orders, reduce or limit the size and/or scope of products and/or services requested, and/or cancel the purchase orders made due to various factors such as budget constraints, our ability to meet customers' specification and requirements, competitive pricing, timely delivery, as well as continued customer service. Notwithstanding our sales and marketing efforts, there can be no assurance that new customers approached by our Group will eventually purchase from us.

In view of this, the Group is continuously looking towards expanding our customer base in the domestic and international markets while securing our current customer base by consistently delivering quality products in a timely manner. We also actively engage our customers to ensure their needs are met or to resolve any issues quickly.

Foreign exchange fluctuations

We are exposed to foreign currency risk because some portion of our sales and purchases are primarily transacted in foreign currencies namely the USD, EUR, NTD, SGD, IDR, RMB and PHP. Naturally, we are exposed to currency exchange rate risks that can be affected by a myriad of factors beyond our control.

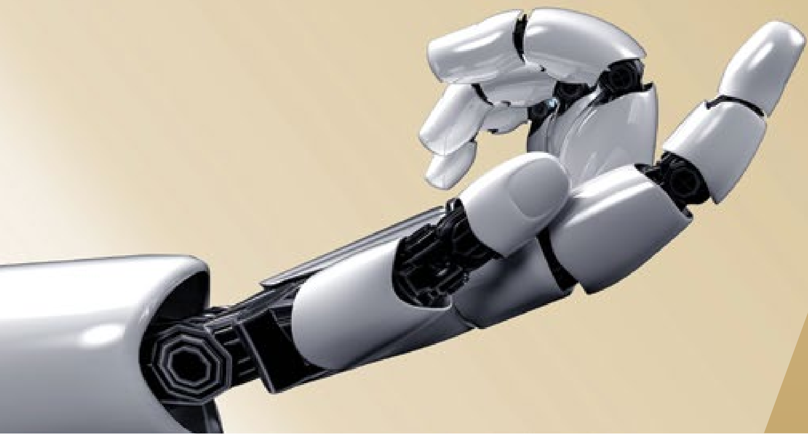
We currently do not have a formal policy with respect to our foreign exchange transactions. Exposure on foreign exchange is monitored on an ongoing basis, and our Group endeavours to keep the net exposure within an acceptable level.

We intend to continue to monitor foreign exchange risks through naturally hedge with our foreign currency payments against our foreign currency collections as well as holding cash and cash equivalents denominated in foreign currencies for working capital purposes.

Management Discussion And Analysis (Cont'd)

PROSPECTS AND OUTLOOK

Against this uncertain global backdrop, EPB's key markets within the Association of Southeast Asian Nations ("**ASEAN**") continue to present medium-term growth opportunities despite uneven short-term performance. Indonesia recorded its strongest economic expansion in three years in 2025, supported by robust household spending and investment activity. *(Source: Indonesia Economic Growth Rate, Reuters, February 2026)* while growth momentum in the Philippines is expected to improve, underpinned by sound macroeconomic fundamentals despite near-term challenges. These markets remain structurally attractive for food and beverage manufacturing investments, particularly as producers seek to modernise facilities, improve productivity and comply with higher packaging and food safety standards.



In Malaysia, the economic performance in the fourth quarter of 2025 remained robust. Advance estimates indicate that gross domestic product growth accelerated to 5.7% year-on-year, compared with 5.2% in the preceding quarter, supported by broad-based expansion across the services, manufacturing, construction and agriculture sectors. On a quarter-on-quarter basis, economic growth moderated to 3.0% from 5.4% in the third quarter, reflecting normalisation effects following a strong earlier performance. *(Source: Advance Gross Domestic Product Estimates, Department of Statistics Malaysia, January 2026)* The Monetary Policy Committee of Bank Negara Malaysia maintained the Overnight Policy Rate at 2.75%, signalling continued confidence in domestic growth conditions while preserving accommodative financial support for consumption and investment activities. *(Source: Monetary Policy Statement, Bank Negara Malaysia, January 2026)* In addition, the services sector grew by 5.4%, driven by stronger wholesale and retail trade, transportation and storage, and food and beverage-related subsectors. *(Source: Monetary Policy Statement, Bank Negara Malaysia, January 2026)* These trends point to sustained activity across Malaysia's food production, processing and distribution value chain, reinforcing demand for automation, processing efficiency and packaging solutions.

Looking ahead, Malaysia's growth momentum is expected to carry into 2026, supported by resilient domestic demand, steady employment conditions and wage growth, as well as income-related policy measures. Investment activity is anticipated to remain healthy, driven by the continued implementation of multi-year public and private sector projects, high realisation rates of approved investments and the rollout of national master plans. Under Budget 2026, policy measures aimed at strengthening food security, productivity and automation, together with long-term tax incentives of up to 10 years of 100.00% tax exemption for qualifying food industry investments, continue to support capital expenditure across Malaysia's food manufacturing ecosystem. *(Source: Budget 2026 Highlights, The Edge, February 2026)* These incentives are expected to accelerate machinery replacement cycles and capacity expansion, particularly among mid-to-large-scale food processors upgrading towards automated and energy-efficient production lines.

Management Discussion And Analysis (Cont'd)

PROSPECTS AND OUTLOOK (Cont'd)

According to independent market research, Malaysia's food processing and packaging machinery market is projected to expand at a compound annual growth rate of 10.4% from 2024 to 2028, potentially reaching a market size of approximately RM2.84 billion by the end of the period. This growth trajectory is underpinned by structurally rising automation adoption, increasing demand for ready-to-consume food products, and the continued expansion of regional food exports, which collectively drive sustained demand for processing, packaging and automation solutions. *(Source: Protégé's Independent Market Research Report, EPB's Prospectus dated 27 June 2024)* Against this backdrop, the Group remains well-positioned to strengthen its competitive standing heading into 2026. The Group's strategic partnership with Shenzhen Honglin Machinery Equipment Co Ltd culminated in the establishment of AI Medic, a new automation-focused subsidiary in which EPB holds an 80.00% equity interest. This majority ownership structure provides EPB with strategic control over technology localisation, product development and regional deployment of robotics and AI-enabled automation solutions tailored to the food processing and packaging industry. *(Source: Partnership with Shenzhen Honglin and Strategic Sustainability Partnership with Nidec, Company's Announcement on Bursa Securities in relation to Press Release dated 21 August 2025)*

In parallel, the Group's collaboration with Nidec Corporation enables the integration of variable frequency drives into its core machinery offerings, delivering quantifiable benefits in energy efficiency, reduced machine wear, lower operating costs and extended equipment lifespan; key considerations for food manufacturers facing rising energy and compliance costs. Supported by the ramp-up of the Group's new manufacturing facility, these initiatives enhance the Group's production capacity, technology depth and environmental, social, and governance profile, positioning the Group to capture structurally rising demand for automation upgrades across Malaysia and key ASEAN markets, where food processing output and packaging requirements continue to expand in line with manufacturing growth.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains certain forward-looking statements with respect to the financial condition, results of operations and business of our Group. Wordings such as "expects", "estimates", "anticipates", "intends", "plans", "believes", "potential", and variations of these wordings and similar expressions are intended to identify forward-looking statements. These forward-looking statements represent our Group's expectations or beliefs concerning future events and involve inherent risks and uncertainties. Forward-looking statements speak only as of the date they are made, and one should not assume that they have been revised or updated in the light of new information or future events. Accordingly, undue reliance should not be placed on them. Readers should be cautioned that a number of factors could cause actual results to differ, in some instances materially, from those anticipated or implied in any forward-looking statement. Trends and factors that are expected to affect our Group's results of operations are disclosed in the above sections.

Sustainability Statement

Chapter 1:

Building a Responsible and Resilient Business

1.1 Leadership Commitment: Embedding Responsibility into EPB's Business

1.2 Leadership Oversight and Organisational Accountability

1.3 Basis of Preparation

1.4 Performance Highlights and Recognition

1.5 Understanding Our Material Impacts, Risks and Opportunities

1.6 Climate Risk Management

Sustainability Statement (Cont'd)

1.1 Leadership Commitment: Embedding Responsibility into EPB's Business

1.1.1 A Commitment to Long-Term Business Stability

At EPB Group Berhad ("EPB"), responsible business practices are fundamental to sustaining long-term growth, operational resilience, and stakeholder confidence. Beyond delivering industrial automation, machinery, and engineering solutions, the Group remains committed to operating ethically, safely, and in compliance with applicable regulatory requirements.

Sustainability is embedded as a practical and evolving approach that supports sound governance, operational discipline, and long-term business stability.

1.1.2 Governance and Operational Discipline

As an industrial and automation-focused group, the group operates in environments where system reliability, workplace safety, and regulatory compliance are critical. The Board and Management continue to strengthen governance structures, internal controls, and accountability mechanisms across the Group.

These efforts support operational discipline, risk management, and improved disclosure readiness in line with Bursa Malaysia requirements.

1.1.3 Responsible Business Conduct and Stakeholder Trust

Our long-term performance depends on the trust of our customers, employees, suppliers, regulators, and shareholders. Through responsible sourcing, quality assurance, and ethical business conduct, we aim to support reliable operations and long-term business continuity.

This approach strengthens stakeholder confidence and supports sustainable business growth.

1.1.4 Environmental Responsibility and Resource Management

The group recognises the environmental considerations associated with energy use, material consumption, and industrial operations. Practical initiatives such as rooftop solar adoption, as well as the monitoring of energy and water consumption, provide a foundation for progressively strengthening resource management and environmental performance.

Sustainability Statement (Cont'd)

1.2 Leadership Oversight and Organisational Accountability

1.2.1 Board Oversight of Sustainability Matters

The Board of Directors retains overall responsibility for overseeing governance, risk management, and sustainability-related matters across the Group.

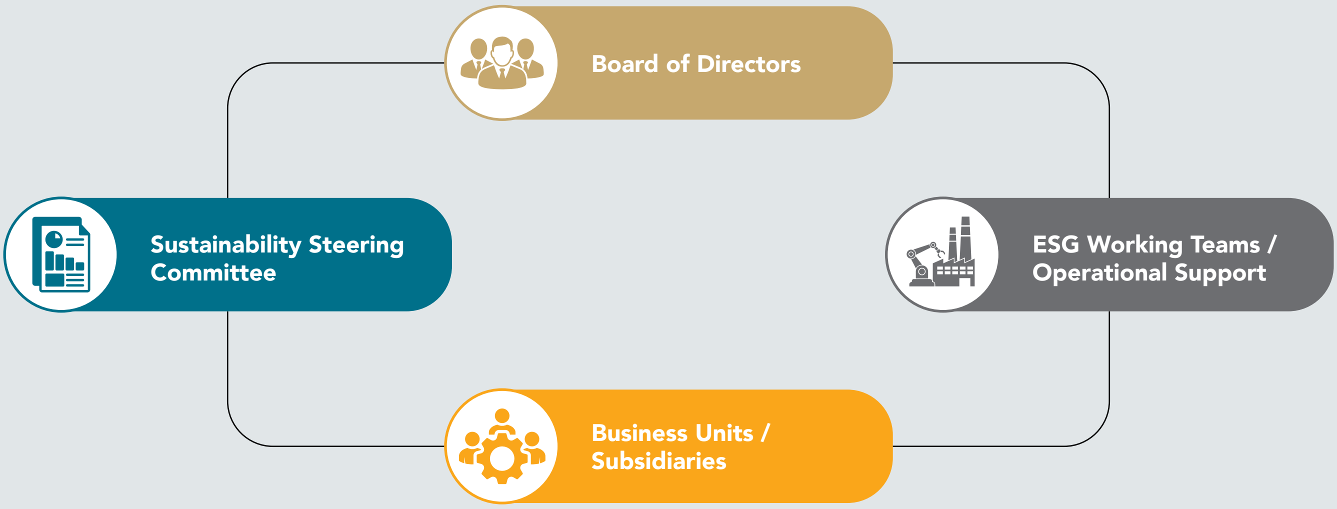
Sustainability considerations are integrated into the Board's broader oversight of business performance, compliance, and long-term resilience.

1.2.2 Management Accountability and Implementation

Management is responsible for implementing the Board's direction and integrating sustainability-related expectations into day-to-day operations, including compliance, workplace safety, environmental monitoring, and responsible business conduct.

Sustainability-related matters are managed through existing management and operational processes to ensure practical implementation across the Group.

Management Accountability and Implementation



1.2.3 Embedding Responsibility Across the Organisation

Policies, procedures, internal guidelines, and employee training support consistent practices related to ethics, safety, compliance, and operational discipline. This strengthens accountability and supports a culture of continuous improvement.

Sustainability Statement (Cont'd)

1.3 Basis of Preparation

1.3.1 Report Outline

This section outlines the basis of preparation for the group's sustainability disclosures, including reporting scope, boundaries, frameworks applied, and key assumptions.

1.3.2 Reporting Period and Scope

This Sustainability Statement covers the group's sustainability-related and climate-related information for the financial year ended 31 December 2025.

1.3.3 Boundary Conditions

The reporting boundary reflects the group's key operating subsidiaries, including:

1. Easy Pack Machinery Sdn. Bhd.
2. Easy Pack Manufacturing (M) Sdn. Bhd.
3. Bestworld Engineering Sdn. Bhd.

Our remaining subsidiaries within the group are:

1. Easy Pack Machinery (KL) Sdn. Bhd.
2. AI Medic Device Equipment Supplies Sdn Bhd
3. EPB Capital Limited (formerly Bestworld Perkasa Ltd) & its Subsidiaries:
   - i Bestworld Perkasa Ltd
   - ii Best Solution Corporation Limited
   - iii Best Solution Services Inc

1.3.4 Statement of Compliance

This Sustainability Statement is prepared with reference to:

- IFRS S1 and IFRS S2
- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- GRI Standards
- SASB – Industrial Machinery & Goods

1.3.5 Connectivity of Information

This report contains the sustainability-related financial information of the Group for the financial year ended 31 December 2025. It aligns with the reporting period of the Group's consolidated financial statements.

This report makes connections with the financial statements, to present a cohesive view of how relevant SROs could impact the Group's financial position, performance and cash flows over the short, medium and long term.

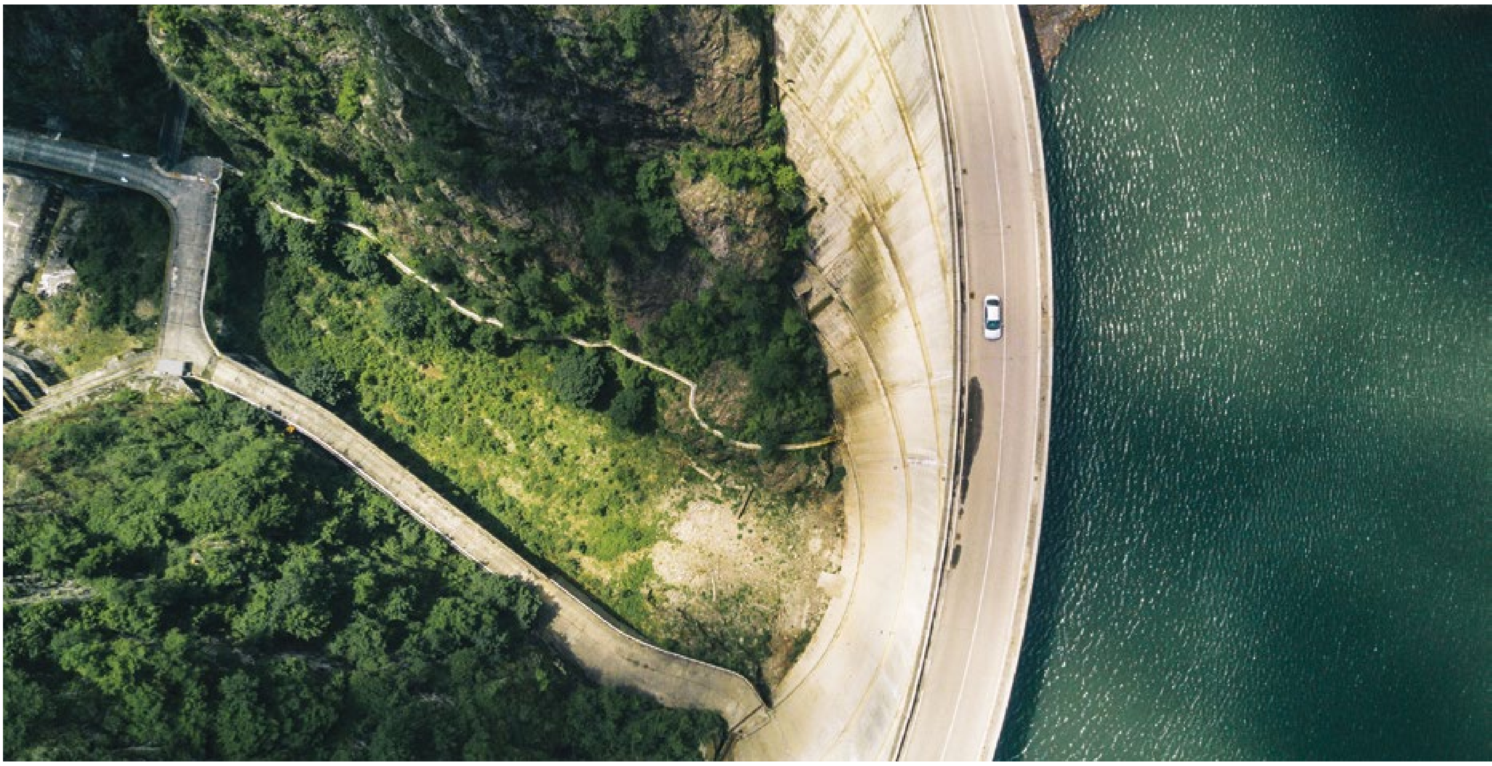
Sustainability Statement (Cont'd)

1.3 Basis of Preparation (Cont'd)

1.3.6 Reporting Frameworks and Standards

We reference selected local and international sustainability reporting frameworks to guide the preparation of this Sustainability statement and to support transparency and consistency in disclosures. The frameworks listed below reflect those commonly referenced in sustainability reporting and are monitored by the Group as part of its ongoing review of reporting practices.

	Frameworks	Alignment Focus
IFRS®	International Sustainability Standards Board (ISSB)	The IFRS S1 and S2 standards guides our disclosure on sustainability-related risks and opportunities that affect enterprise value and climate-related financial information (Financial Materiality).
GRI	Global Reporting Initiative (GRI)	Provides the foundation for reporting our most significant impacts on the economy, environment, and people (Impact Materiality).
SASB	Sustainability Accounting Standards Board (SASB)	Sector: Industrial Machinery & Goods and it provides industry-specific standards to identify and disclose financially material sustainability risks and opportunities that may affect enterprise value (Financial Materiality).



Sustainability Statement (Cont'd)

1.3 Basis of Preparation (Cont'd)

1.3.7 Assumptions, Judgements and Estimates

Topic	Description
Materiality Assessment	The group applied judgement in assessing key material issues limited to qualitative analysis of the financial impact or potential financial exposure to revenue, CAPEX, OPEX and access to capital. This will be extended to quantitative analysis in the upcoming reporting cycle.
GHG Emissions	The Group applied judgement in defining the organisational and operational boundaries of its GHG emissions inventory, which currently covers Scope 1 (fuel consumption from company-owned vehicles and forklifts), Scope 2 (purchased electricity), and selected Scope 3 categories limited to business travel (air travel only) and employee commuting. Estimation techniques were applied where primary activity data was not fully available, including the use of standard emission factors and internally collected activity data. Assumptions were also made in standardising data inputs across subsidiaries to ensure consistency in reporting. As the Group's emissions data collection systems continue to mature, the scope, accuracy and completeness of emissions data are expected to improve in future reporting periods.
Sustainability Data	The Group exercised judgement in consolidating sustainability-related data across subsidiaries where data collection processes are still being standardised. Certain environmental and operational data, including waste generation and resource consumption, were based on available records from selected facilities and may not yet represent full Group-wide coverage. As internal tracking systems and data governance processes continue to improve, the Group expects enhanced data accuracy, consistency and coverage in future reporting periods.

1.3.8 Transition Reliefs

The group has applied transition reliefs permitted under the IFRS Sustainability Disclosure Standards for its first reporting cycle, including qualitative disclosures and selected Scope 3 emissions categories. The Group intends to progressively expand the scope and depth of these disclosures as data quality, internal systems, and governance processes continue to mature.

1.3.9 External and Internal Assurance

The Group did not obtain external assurance for FY2025. All disclosed information is derived from established internal data collection, validation, and review processes.

An internal control review has been undertaken to evaluate the effectiveness of internal control systems and governance processes, supporting the accuracy, consistency, and reliability of the reported sustainability information.

1.3.10 Feedback

The group welcomes stakeholder feedback and enquiries relating to its sustainability disclosures and practices.

Sustainability Statement (Cont'd)

1.4 Performance Highlights and Recognition

1.4.1 Our Year at a Glance (FY2025)

FY2025 represents a foundational year in strengthening the group's sustainability governance, operational reliability, and environmental data systems.

Workforce & Employment

Key Highlight:

Maintained a stable workforce to support operational delivery across engineering and manufacturing activities

Workforce composition tracked across gender, age and employee category

19%

contractor/temporary workforce

Workplace Safety & Health

Key Highlight:

Maintained safe working conditions across operational and workshop environments with no major incidents reported

Zero fatalities and zero lost time incidents recorded

Learning & Development

Key Highlight:

Strengthened workforce capability through technical, safety and operational training programmes

7 employees trained in health and safety-related programmes

Energy Management

Key Highlight:

Electricity consumption identified as a key operational cost and environmental driver, forming the basis for future efficiency initiatives

Energy consumption is monitored diligently across operational facilities to avoid wastage.

Sustainability Statement (Cont'd)

1.4 Performance Highlights and Recognition (Cont'd)

1.4.1 Our Year at a Glance (FY2025) (Cont'd)

GHG Emissions

Key Highlight:

Established first structured GHG inventory and internal monitoring system aligned with international standards

Total emissions:

661.54 tCO_2e

Scope 1: 172.69
Scope 2: 347.57
Scope 3: 141.28

Water Management

Key Highlight:

Maintained relatively low water consumption aligned with non-water-intensive operations

Total water consumption:

18,589 m^3

across operational facilities

Waste Management

Key Highlight:

Initiated structured waste monitoring with visibility on key waste streams

Major waste streams include

Wood waste **15,960** kg

General waste **7,880** kg

Environmental Data & Systems

Key Highlight:

Strengthened environmental data governance through implementation of internal tracking tools and assigned data owners

Quarterly data collection system established for GHG and resource monitoring

Governance & Risk Oversight

Key Highlight:

Strengthened governance framework through structured policies, Board oversight and sustainability integration into risk management

Governance supported by Board Committees and internal sustainability governance structure

Supply Chain & Operational Reliability

Key Highlight:

Maintained structured verification, testing and supplier coordination processes to support delivery reliability

ISO 9001:2015 quality management system applied across operations

Product Quality & Engineering Excellence

Key Highlight:

Strengthened product reliability through structured testing, validation and traceability processes

Implementation of FAT testing, programming validation and engineering records for delivery assurance

Sustainability Statement (Cont'd)

1.5 Understanding Our Material Impacts, Risks and Opportunities

The group conducted its first structured Double Materiality Assessment ("DMA") in FY2025 to identify the sustainability matters most relevant to our business operations, stakeholders, and long-term resilience.

This assessment was undertaken to strengthen our understanding of how sustainability-related matters may affect the group's operational continuity, regulatory compliance, financial resilience, and broader stakeholder expectations.

The DMA considers two complementary dimensions:

- Impact Materiality – how the group's operations, products, and value chain activities create actual and potential impacts on the environment, society, and the economy.
- Financial Materiality – how sustainability-related risks and opportunities may influence the group's financial performance, cost structure, access to capital, and long-term enterprise value.

Together, these perspectives provide a holistic understanding of the Group's most significant sustainability priorities and support the integration of sustainability considerations into governance, risk management, and strategic decision-making.

The outcomes of the assessment are presented across the financial, impact, and integrated double materiality dimensions below.

Financial Materiality	Impact Materiality
How sustainability-related risks and opportunities may influence the group's financial performance, cost structure, access to capital, and long-term enterprise value.	How the group's operations, products, and value chain activities create actual and potential impacts on the environment, society, and the economy.

Sustainability Statement (Cont'd)

1.5 Understanding Our Material Impacts, Risks and Opportunities (Cont'd)

Simplified Double Materiality Assessment Methodology Process Flow

1.5.1 Financial Materiality Assessment

The financial materiality assessment evaluates sustainability-related risks and opportunities that may influence the group's operating costs, regulatory exposure, revenue continuity, and long-term financial resilience.

The results indicate that the group's most financially relevant sustainability matters are closely linked to operational continuity, workforce safety, supply chain resilience, and regulatory compliance. These topics may influence cost efficiency, productivity, compliance-related expenditure, and business continuity over time.

Topics such as Employee Health, Safety and Well-Being, Supply Chain Management, and Water and Waste Management demonstrate comparatively higher financial relevance due to their direct linkage to operational reliability, compliance exposure, and cost performance.

The financial materiality results for the group are presented below.

Material Topic	Score	Financial Rationale
Water and Waste Management	39%	Exposure to regulatory non-compliance, waste handling costs, remediation expenses, and operational disruption arising from industrial waste and water usage.
Energy Management	36%	Rising electricity tariffs and energy intensity may lead to sustained increases in operating expenditure and margin pressure.
GHG Emissions	36%	Future disclosure expectations, financing considerations, and exposure to energy-related transition costs may influence long-term operating and capital expenditure.

Sustainability Statement (Cont'd)

1.5 Understanding Our Material Impacts, Risks and Opportunities (Cont'd)

1.5.1 Financial Materiality Assessment (Cont'd)

Material Topic	Score	Financial Rationale
Employee Health, Safety and Well-Being	41%	Workplace incidents may result in compensation costs, productivity loss, insurance impacts, and regulatory scrutiny.
Employee Engagement, Development and Welfare	36%	Workforce turnover, labour availability constraints and regulatory employment requirements may increase recruitment costs and operational disruption.
Product Safety and Quality	37%	Product defects or non-compliance may lead to warranty claims, rectification costs, customer dissatisfaction, and potential contract risks.
Supply Chain Management	39%	Supplier disruptions and fluctuations in order pipeline or customer demand may affect production utilisation, revenue stability, and procurement costs.
Anti-Bribery, Corruption and Ethics	31%	Ethical lapses or inaccurate ESG disclosures may expose the Group to regulatory scrutiny, reputational damage, and increased compliance costs.
Regulatory Compliance and Legal Management	36%	Regulatory breaches, contractual disputes, or customer credit defaults may result in fines, liquidity pressure, and operational disruption.
Corporate Governance and Risk Oversight	32%	Weak oversight, insurance coverage gaps, or foreign exchange volatility may lead to unmanaged financial exposure and earnings variability.
Community and Social Contribution	27%	Limited engagement may affect stakeholder relationships, approvals, and social licence to operate, with indirect financial implications.

The assessment results reinforce the importance of integrating sustainability-related considerations into the group's broader enterprise risk management and long-term planning processes.

1.5.2 Impact Materiality Assessment

The impact materiality assessment evaluates the group's actual and potential impacts on the environment, society, economy, and value chain.

The assessment highlights that the group's most significant impacts arise across operational activities, workforce wellbeing, governance practices, and product and supply chain responsibilities.

The results demonstrate that many sustainability matters generate both positive and negative impacts depending on the effectiveness of management controls, operational discipline, and governance oversight. This reflects the group's ability not only to mitigate risks, but also to create positive value for employees, customers, regulators, and the environment.

Sustainability Statement (Cont'd)

1.5 Understanding Our Material Impacts, Risks and Opportunities (Cont'd)

1.5.2 Impact Materiality Assessment (Cont'd)

The detailed impact pathways identified through the assessment are presented in the table below.

Finalised Material Topics	Output Narrative	Value Chain Location	Nature of Impact	Impacted Stakeholder / Area
Water and Waste Management	Water use and industrial waste generation increase resource use and environmental compliance risks	Operations	Negative	Regulators, Environment, Local Communities
	Efficient water management, waste handling, and recycling reduce environmental impact and support compliance	Operations	Positive	Regulators, Environment, Company
Energy Management	High electricity consumption increases energy intensity and indirect environmental impacts	Operations	Negative	Management, Regulators, Environment
	Energy monitoring and optimisation improve efficiency and environmental performance	Operations	Positive	Company, Environment
GHG Emissions	Energy and fuel consumption contribute to operational greenhouse gas emissions	Operations	Negative	Regulators, Environment, Society
	Efficiency improvements and operational controls reduce emissions and climate exposure	Operations	Positive	Environment, Company, Customers
Employee Health, Safety & Well-Being	Operational and workshop hazards may result in injuries or occupational health risks	Operations	Negative	Employees, Regulators, Management
	Safety management, training, and hazard controls improve wellbeing and regulatory compliance	Operations	Positive	Employees, Regulators, Company
Employee Engagement, Development & Welfare	Limited engagement or training may reduce morale, productivity, and retention	Operations	Negative	Employees, Management
	Training and welfare initiatives enhance workforce capability and long-term engagement	Operations	Positive	Employees, Company
Community & Social Contribution	Limited engagement may reduce social value creation and local stakeholder alignment	Operations & Local Community	Negative	Local Communities, Local Authorities
	Community initiatives strengthen relationships and support positive social outcomes	Local Community	Positive	Local Communities, Society

Sustainability Statement (Cont'd)

1.5 Understanding Our Material Impacts, Risks and Opportunities (Cont'd)

1.5.2 Impact Materiality Assessment (Cont'd)

Finalised Material Topics	Output Narrative	Value Chain Location	Nature of Impact	Impacted Stakeholder / Area
Anti-Bribery, Corruption & Ethics	Weak ethical controls may expose the Group to corruption, legal, and reputational risks	Group-wide	Negative	Regulators, Shareholders, Customers
	Strong ethical practices and integrity culture strengthen stakeholder confidence	Group-wide	Positive	Shareholders, Customers, Employees
Regulatory Compliance & Legal Management	Non-compliance with laws and regulations may lead to penalties and operational disruption	Group-wide	Negative	Regulators, Shareholders, Management
	Effective compliance management supports legal adherence and stable operations	Group-wide	Positive	Regulators, Company
Corporate Governance & Risk Oversight	Weak governance or oversight may result in unmanaged risks and poor decision-making	Group-wide	Negative	Shareholders, Board, Management
	Strong governance and risk oversight enhance accountability and organisational resilience	Group-wide	Positive	Shareholders, Board, Company
Product Design and Life Cycle Management	Inefficient product design may increase material use, waste, and downstream inefficiencies	Operations & Downstream (Customers)	Negative	Customers, Company, Environment
	Lifecycle optimisation improves product efficiency and long-term customer value	Operations & Downstream (Customers)	Positive	Customers, Company
Supply Chain Management	Limited supplier oversight may increase disruption, quality, and reputational risks	Upstream (Suppliers)	Negative	Suppliers, Customers, Company
	Supplier collaboration improves supply reliability and operational resilience	Upstream (Suppliers)	Positive	Suppliers, Customers, Company
Product Safety and Quality	Product defects or inconsistencies may affect customer operations and safety	Downstream (Customers)	Negative	Customers, Business Partners, Company
	Quality assurance and testing enhance reliability, safety, and customer trust	Downstream (Customers)	Positive	Customers, Company

The assessment provides an important foundation for identifying the areas where the group's activities have the greatest influence across its stakeholders and value chain.

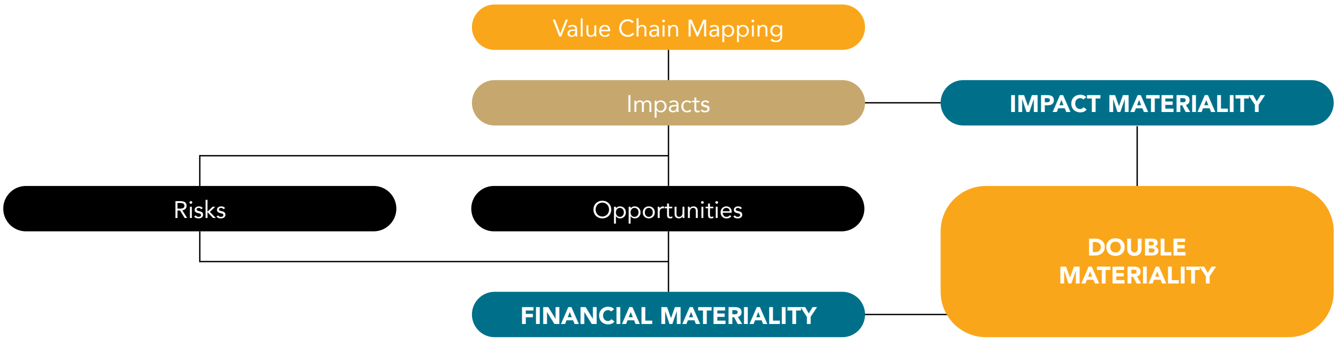
Sustainability Statement (Cont'd)

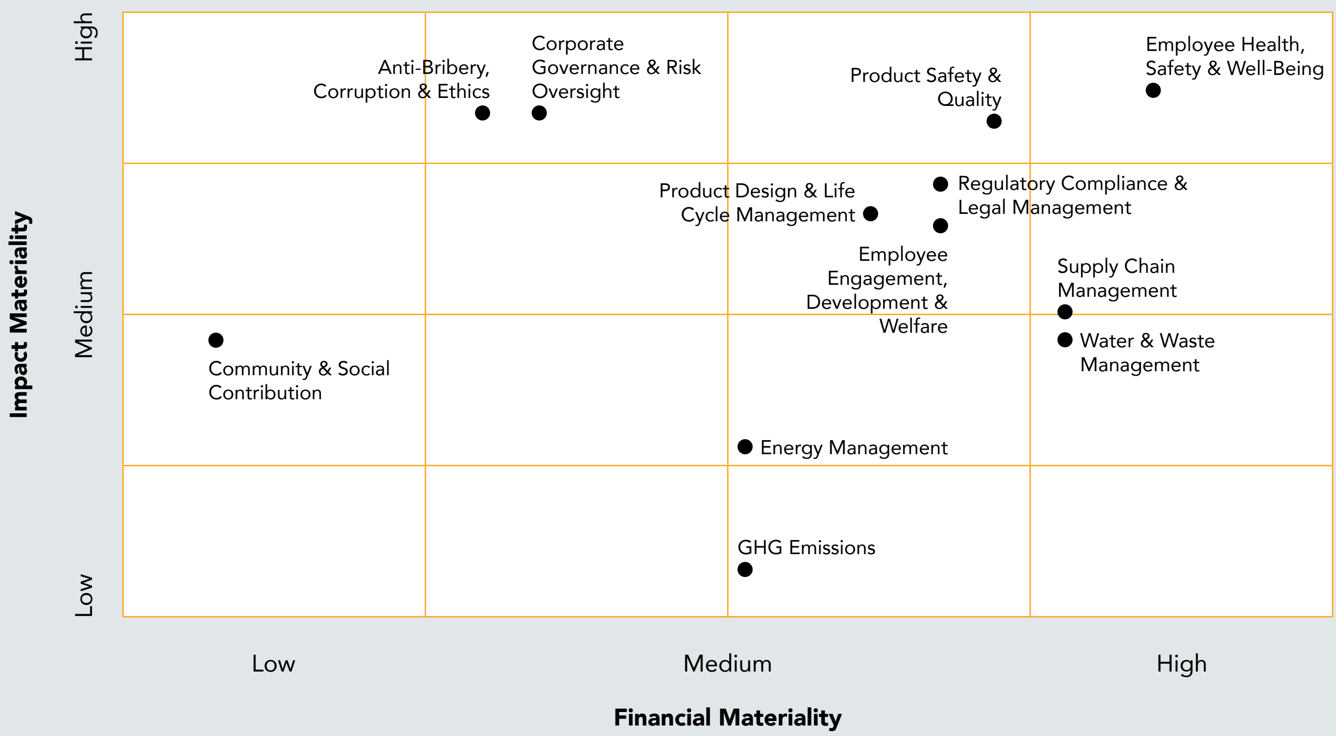
1.5 Understanding Our Material Impacts, Risks and Opportunities (Cont'd)

1.5.3 Double Materiality Assessment

The integrated assessment combines both impact and financial perspectives to prioritise the group's most significant sustainability matters.

This enables the Group to identify topics that are material from both a stakeholder impact perspective and a financial resilience perspective, ensuring that sustainability priorities remain closely aligned with business strategy and long-term value creation.





Sustainability Statement (Cont'd)

1.5 Understanding Our Material Impacts, Risks and Opportunities (Cont'd)

1.5.3 Double Materiality Assessment (Cont'd)

Finalised Material Topic	Sustainability Pillar	Impact Materiality	Financial Materiality	Double Materiality
Energy Management	EM	✓	✓	✓
GHG Emissions	GHG	✓	✓	✓
Water & Waste Management	WW	✓	✓	✓
Employee Health, Safety & Well-Being	OSH	✓	✓	✓
Employee Engagement, Development & Welfare	ED	✓	✓	✓
Community & Social Contribution	CS	✓	O	O
Anti-Bribery, Corruption & Ethics	ABC	✓	✓	✓
Regulatory Compliance & Legal Management	RC	✓	✓	✓
Corporate Governance & Risk Oversight	CG	✓	✓	✓
Product Design & Life Cycle Management	PD	✓	✓	✓
Supply Chain Management	SC	✓	✓	✓
Product Safety & Quality	PQ	✓	✓	✓

Legend:
✓ = Material
O = Not assessed as highly financially material in the current reporting year

Overall, the Double Materiality Assessment indicates that the group's sustainability priorities are strongly concentrated around operational resilience, workforce safety, governance integrity, product reliability, and supply chain continuity.

These findings guide the Group's sustainability priorities, future disclosures, and risk management enhancements as the group continues progressing towards more mature sustainability governance and IFRS-aligned reporting practices.

Sustainability Statement (Cont'd)

1.6 Climate Risk Management

The group recognises climate-related risks and opportunities as increasingly relevant to operational continuity, supply chain resilience, energy costs, and long-term competitiveness.

In line with **IFRS S2 Climate-related Disclosures**, climate-related considerations are integrated into the Group's governance and enterprise risk management framework.

Climate-related risks and opportunities are assessed through two key dimensions:

- **Physical risks**: Arising from environmental and weather-related events that may affect facilities, logistics, utilities, and supply chains
- **Transition risks**: Arising from regulatory developments, market expectations, technological change, and the broader shift towards a lower-carbon economy

This approach enables the group to progressively strengthen resilience planning while remaining aligned with operational realities and current data maturity.

1.6.1 Climate Change Governance

The group recognises the importance of effective governance in overseeing enterprise risks and opportunities, including those influenced by climate-related factors.

Climate considerations are embedded within the Group's existing governance and risk management structures to ensure appropriate oversight, accountability, and integration with enterprise-wide decision-making processes.

Rather than operating through a standalone climate governance structure, the group integrates climate-related considerations within its existing Board, management, and operational governance mechanisms.

Refer to the Organisational Climate Competency Matrix for an overview of climate-related skills across governance levels.

Organisational Competency Matrix

Governing Body / Level	Relevant Skills: Sustainability	Risk Management	Financial Risk Management	Environmental Compliance	Social Compliance	Governance Matters
All Board Members	●	●	●			●
Management Team (Sustainability Steering Committee, Key Senior Management & Head of Department)	●	●	●	●	●	●
ESG Working Teams / Operational Support	●	●		●	●	●

This governance structure establishes clear accountability from operational execution through management oversight to Board-level supervision.

Sustainability Statement (Cont'd)

1.6 Climate Risk Management (Cont'd)

1.6.2 Strategy

The group recognises that climate-related developments may present both risks and opportunities that could influence the Group's long-term resilience, cost structure, regulatory exposure, and competitive positioning.

While the group is not a carbon-intensive operator relative to heavy industries, climate-related considerations remain increasingly relevant due to the Group's manufacturing footprint, energy consumption, utilities dependence, and evolving customer and regulatory expectations.

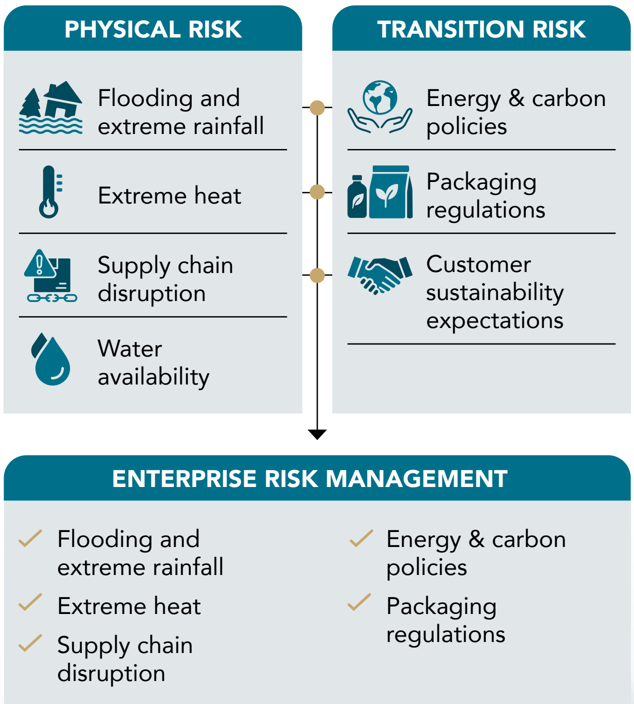
The Group currently applies a qualitative screening approach to assess physical and transition climate risks across relevant time horizons.

1.6.2.1 Physical Climate Risks

The assessment indicates that the group's physical climate exposures are primarily linked to:

- Operational Continuity
- Facility Resilience
- Utilities Dependence
- Supply Chain Reliability

EPB Climate Risk Categories



Sustainability Statement (Cont'd)

1.6 Climate Risk Management (Cont'd)

1.6.2 Strategy (Cont'd)

1.6.2.1 Physical Climate Risks (Cont'd)

Physical Risk	Type of Risk	Time Horizon	Description	Impacted Business Activities and Value Chain
Flooding and extreme rainfall	Acute	Short to medium-term	Periods of intense rainfall and localised flooding may disrupt access to operational facilities and logistics routes, potentially affecting inventory handling and delivery schedules. Exposure is assessed through operational risk considerations.	Upstream logistics; Midstream manufacturing and office operations; Downstream delivery activities
Extreme heat and higher average temperatures	Chronic	Medium to long-term	Higher ambient temperatures may increase cooling demand and operational strain on facilities and equipment over time, influencing energy consumption and maintenance needs.	Factory operations, warehouses, offices, energy management systems
Climate-related supply chain disruption	Acute	Medium to long-term	Severe weather events and climate-related disruptions in key supplier and export markets may affect availability, pricing and delivery reliability of machinery components, packaging films and logistics services. Over time, recurring disruptions may increase the importance of supplier diversification and logistics resilience.	Upstream: regional and international suppliers Midstream: production planning and inventory management Downstream: export sales and logistics partners
Water availability and quality	Chronic	Medium to long-term	Changes in regulatory or environmental conditions affecting industrial water use may influence operational costs and compliance requirements over time.	Utilities and production processes

Sustainability Statement (Cont'd)

1.6 Climate Risk Management (Cont'd)

1.6.2 Strategy (Cont'd)

1.6.2.1 Physical Climate Risks (Cont'd)

Physical Risk	Business Model / Operational Impact	Adaptation Measures	Planned / Anticipated Actions	Potential Financial Implications (Qualitative)
Flooding and extreme rainfall	Temporary disruption to operational continuity and delivery timelines.	Existing site drainage controls, emergency procedures, and insurance coverage for physical assets.	Progressive improvement of preparedness planning and logistics contingency arrangements as part of operational risk management.	Potential repair costs, temporary downtime, and logistics cost increases.
Extreme heat and higher average temperatures	Increased operational energy intensity and equipment stress.	Monitoring of facility energy use and maintenance of cooling systems.	Continued optimisation of energy management and evaluation of efficiency upgrades.	Higher electricity OPEX and maintenance costs over time.
Climate-related supply chain disruption	Reduced supply reliability could impact production schedules, inventory availability, and customer delivery commitments.	Supplier relationship management and operational inventory controls to manage short-term disruptions.	Strengthening supplier diversification strategies, logistics resilience planning, and enhanced monitoring of climate exposure in key supply chains.	Potential procurement cost volatility, production delays, and revenue disruption from missed customer fulfilment.
Water availability and quality	Increased compliance and operational management requirements.	Monitoring and compliance practices aligned with current regulations.	Evaluation of water efficiency improvements and process optimisation where relevant.	Higher utility costs and potential efficiency investment needs.

These risks are currently assessed qualitatively and integrated within existing operational risk management processes.

1.6.2.2 Transition Risks and Opportunities

Transition-related considerations are particularly relevant to:

Energy Cost Exposure	Packaging Regulations	Customer Sustainability Expectations	Operational Efficiency Opportunities

At the same time, these developments present strategic opportunities for the group to strengthen operational efficiency, expand renewable energy adoption, and enhance product competitiveness through circular and lower-impact solutions.

Sustainability Statement (Cont'd)

1.6 Climate Risk Management (Cont'd)

1.6.2 Strategy (Cont'd)

1.6.2.2 Transition Risks and Opportunities (Cont'd)

Transition Risk or Opportunity	Time Horizon	Description	Impacted Business Activities and Value Chain
Risk: Energy and carbon-related policy and pricing	Medium-term	Evolving energy and environmental policies, including potential tariff adjustments or regulatory developments, may influence operating costs over time.	Cost pressure on facility operations and overheads.
Risk: Regulation on packaging waste and materials	Medium to long-term	Evolving packaging regulations, including extended producer-responsibility schemes and recyclability requirements, may increase redesign and compliance obligations. Early alignment will be important to protect long-term market access.	Midstream: manufacturing of flexible packaging materials Downstream: product design and customer solutions Supporting: compliance and R&D
Risk: Customer expectations for low-carbon, resource-efficient solutions	Short to medium-term	Customers increasingly consider sustainability performance alongside cost and reliability when selecting suppliers, which may influence long-term commercial positioning. Insufficient progress may affect EPB's positioning in downstream customer partnerships.	Downstream: sales to food and FMCG manufacturers Supporting: R&D, product development and marketing
Opportunity: Energy efficiency and renewable energy at EPB facilities	Short to medium-term	Scaling rooftop solar PV and energy-efficiency initiatives can reduce electricity costs, mitigate exposure to future carbon-related price increases and support operational resilience. This is a near-term operational lever within the energy transition.	Midstream: energy use at Penang head office and factory Supporting: facilities management, finance and sustainability
Opportunity: Low-carbon and circular product portfolio	Medium to long-term	Developing machinery and packaging solutions that reduce material use and support recyclability can differentiate EPB and align offerings with sustainability trends. This represents a longer-term strategic opportunity in packaging markets.	Downstream: product development and sales Upstream: sourcing of lower-impact materials
Opportunity: Access to sustainable finance and green incentives	Medium-term	Enhanced climate-related disclosures and measurable emissions reductions can improve eligibility for sustainability-linked loans, grants or incentives. This may support transition-related investments over time.	Group-wide: finance, treasury and capital projects Supporting: sustainability and investor relations

Sustainability Statement (Cont'd)

1.6 Climate Risk Management (Cont'd)

1.6.2 Strategy (Cont'd)

1.6.2.2 Transition Risks and Opportunities (Cont'd)

Transition Risk or Opportunity	Business Model / Value Chain Effect	Strategic Response	Planned / Anticipated Actions	Potential Financial Implications (Qualitative)
Risk: Energy and carbon-related policy and pricing	Energy monitoring and operational efficiency initiatives.	Evaluation of renewable energy and long-term energy planning.	Continued evaluation of renewable energy adoption and long-term energy planning strategies.	Higher operating expenditure, potential compliance-related costs, and increased exposure to tariff volatility.
Risk: Regulation on packaging waste and materials	Changes in regulatory expectations may require adjustments in packaging design, materials sourcing, and product strategies.	Monitoring emerging regulations and ongoing product development discussions around recyclability.	Further integration of circular design principles, material innovation, and enhanced regulatory readiness planning.	Potential redesign costs, higher compliance expenditure, and risk of reduced market access.
Risk: Customer expectations for low-carbon, resource-efficient solutions	Sustainability expectations may influence purchasing decisions and long-term customer relationships.	Customer engagement on sustainability performance and focus on operational efficiency improvements.	Development of lower-impact product solutions and stronger sustainability value propositions.	Potential revenue and pricing impacts alongside reputational and contract competitiveness risks.
Opportunity: Energy efficiency and renewable energy at EPB facilities	Improves cost efficiency while strengthening resilience against transition pressures.	Existing energy efficiency measures and renewable energy initiatives underway.	Expansion of rooftop solar PV capacity, equipment upgrades, and structured energy performance improvement roadmap.	OPEX savings, reduced exposure to rising tariffs, and improved eligibility for green financing.
Opportunity: Low-carbon and circular product portfolio	Enhances differentiation and aligns EPB's portfolio with evolving market sustainability expectations.	Ongoing innovation focus within machinery and flexible packaging segments.	Accelerated R&D into recyclable solutions and customer-facing circular economy offerings.	Revenue growth potential, stronger customer retention, and reduced long-term material dependency risks.
Opportunity: Access to sustainable finance and green incentives	Strengthens financing capacity and investor confidence as disclosure expectations rise.	Progressive improvement of sustainability governance and disclosure readiness.	Strengthening emissions data maturity and exploration of sustainability-linked financing structures.	Potential reduction in financing costs, improved access to incentives, and stronger long-term capital availability.

Sustainability Statement (Cont'd)

1.6 Climate Risk Management (Cont'd)

1.6.2 Strategy (Cont'd)

1.6.2.3 CRRO Concentration Across the Value Chain

Value Chain Segment	Key Activities	Concentration of Climate-Related Risks	Concentration of Climate-Related Opportunities
Upstream	Procurement, logistics	Exposure to supply chain disruption and input availability challenges potentially influenced by environmental and market conditions	Collaboration with suppliers on material efficiency and sourcing resilience
Midstream	Manufacturing & facilities	Exposure to energy cost volatility, operational disruptions, and environmental conditions affecting facility operations	Energy efficiency, renewable energy adoption, and operational resilience improvements
Downstream	Customers & markets	Changing customer expectations and evolving packaging regulations	Differentiation through resource-efficient and circular solutions
Group-wide	Finance & governance	Increasing disclosure and compliance expectations	Access to sustainable finance and strengthened investor confidence

1.6.2.4 Climate Scenario Analysis

At the current stage, the group has not undertaken quantitative climate scenario modelling.

The current focus remains on developing a structured understanding of how climate-related developments may affect manufacturing operations, cost structures, supply chain reliability, and customer markets over time.

Sustainability Statement (Cont'd)

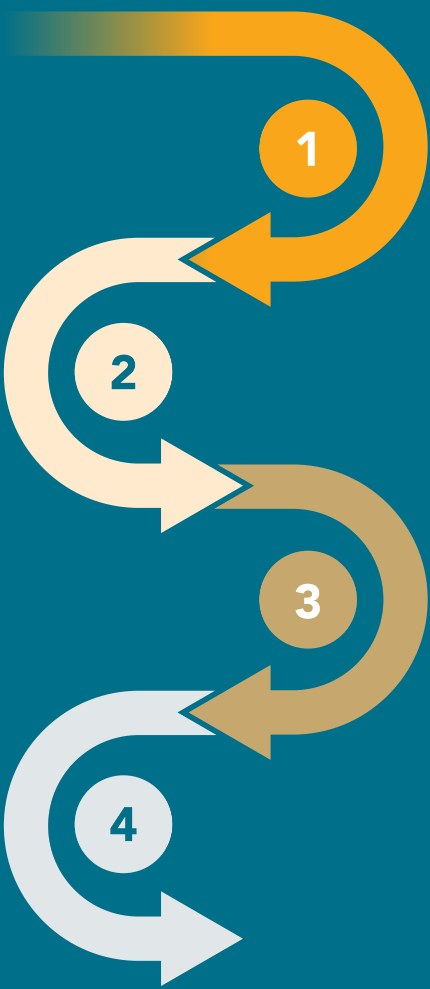
1.6 Climate Risk Management (Cont'd)

1.6.3 Risk Management

In line with IFRS S2 Climate-related Disclosures, the group integrates climate-related risks and opportunities within its existing enterprise risk management ("ERM") framework.

This ensures that climate-related considerations are assessed alongside broader operational, financial, and regulatory risks in a manner proportional to the Group's current governance maturity.

The Group's approach currently focuses on the following key steps:



1.6.3.1 Identification of Climate-related Risks and Opportunities

Climate-related risks and opportunities are identified through existing enterprise and operational risk reviews across manufacturing operations, utilities dependence, logistics exposure, and supply chain activities.

This includes consideration of evolving regulatory developments, customer expectations, and environmental conditions that may influence business performance.

1.6.3.2 Assessment and Prioritisation

Following identification, climate-related matters are assessed qualitatively across short-, medium-, and long-term time horizons.

Assessment focuses on potential impacts on operational continuity, cost structure, supply chain reliability, compliance exposure, and customer relationships.

1.6.3.3 Monitoring and Management

Relevant climate-related risks and opportunities are managed through existing operational controls, business continuity planning, sustainability initiatives, and periodic management reviews.

This includes monitoring of facility energy use, supply chain resilience, regulatory developments, and resource efficiency initiatives.

1.6.3.4 Continuous Improvement

As the group's data maturity and governance capabilities continue to strengthen, the Group intends to progressively enhance its climate-related risk assessment, monitoring, and disclosure practices.

Sustainability Statement (Cont'd)

1.6 Climate Risk Management (Cont'd)

1.6.4 Metrics and Targets

The group monitors climate-related risks and opportunities through a structured set of emissions metrics aligned with the Greenhouse Gas Protocol and IFRS S2.

For the reporting period, the group recorded total emissions of 661.54 tCO_2e, with Scope 2 emissions representing the largest share at 52.5%.

This emissions profile serves as an important baseline for identifying operational hotspots and prioritising decarbonisation strategies.

The Group has established the following indicative targets towards FY2028:

- Reduce Scope 2 emissions intensity by 5–10%
- Improve Scope 1 emissions management
- Expand Scope 3 emissions coverage
- Strengthen GHG data governance
- Establish a formal decarbonisation roadmap

These metrics and targets are integrated into the group's broader sustainability governance and risk management framework.

As the group's data maturity continues to improve, the Group intends to progressively refine these targets and strengthen alignment with evolving regulatory and disclosure expectations.

Sustainability Statement (Cont'd)

Chapter 2:

Responsible Governance and Ethical Business Conduct

2.1 Corporate Governance and Risk Oversight
2.2 Leadership Oversight and Organisational Accountability
2.3 Basis of Preparation
2.4 Performance Highlights and Recognition

Sustainability Statement (Cont'd)

2.1 Corporate Governance and Risk Oversight

2.1.1 Our Commitment

The group is committed to maintaining strong corporate governance practices that promote integrity, accountability, transparency, and responsible decision-making across its operations. The Group recognises that effective governance structures are essential to safeguarding stakeholder interests, ensuring compliance with applicable laws and regulations, and supporting long-term business sustainability.

Governance oversight is led by the Board of Directors and supported by established Board Committees, including the Audit and Risk Management Committee, Nomination Committee, and Remuneration Committee. These governance structures support strategic oversight, risk management, leadership accountability, and alignment with Bursa Malaysia ACE Market Listing Requirements and the Malaysian Code on Corporate Governance.

The Group further reinforces responsible business conduct through formal policies including the Code of Ethics and Conduct, Anti-Bribery and Corruption Policy, Whistleblowing Policy, Conflict of Interest Policy, and enterprise risk management frameworks.

2.1.2 Governance Policies and Frameworks in Practice

The group's governance framework is supported by a structured set of Board-approved policies, procedures, and governance instruments that guide ethical conduct, accountability, and transparent decision-making across the Group.

These governance documents establish clear standards for directors, management, and employees while supporting compliance with applicable laws, regulatory requirements, and governance best practices.

Governance Policies

Corporate Governance Policy	Purpose	Policy Owner
Code of Ethics & Conduct	Establishes ethical standards and professional conduct expected of directors and employees in the performance of their duties	Board / Management
Anti-Bribery and Corruption Policy	Prevents bribery and corrupt practices while promoting ethical and transparent business conduct	Board / Management
Whistleblowing Policy and Procedures	Provides confidential reporting channels for suspected misconduct, fraud or unethical behaviour	Board / Audit & Risk Management Committee
Directors' Fit and Proper Policy	Ensures directors possess the integrity, competence and commitment required to discharge their governance responsibilities effectively	Nomination Committee
Remuneration Policy and Procedures	Establishes principles and procedures for determining remuneration of directors and key senior management	Remuneration Committee
Corporate Disclosure Policy	Ensures timely, accurate and transparent disclosure of material information in compliance with regulatory requirements and investor expectations	Board / Management
Conflict of Interest Policy	Provides guidance on identifying, declaring and managing actual, potential or perceived conflicts of interest to maintain objectivity and integrity	Board / Management
Related Party Transactions Policy & Procedures	Establishes governance controls for identifying, reviewing, approving and disclosing related party transactions in accordance with regulatory requirements	Board / Audit & Risk Management Committee

Sustainability Statement (Cont'd)

2.1 Corporate Governance and Risk Oversight (Cont'd)

2.1.2 Governance Policies and Frameworks in Practice (Cont'd)

Governance Policies (Cont'd)

Corporate Governance Policy	Purpose	Policy Owner
Risk Management Policy	Defines the enterprise-wide risk management framework for identifying, assessing, monitoring and managing risks across the Group	Board / Audit & Risk Management Committee
Business Continuity Policy	Provides a structured framework to ensure continuity of critical operations and minimise disruption during emergencies or unforeseen events	Board / Management
Personal Data Protection Policy	Ensures compliance with data protection laws through proper collection, use, storage and safeguarding of personal data	Management
Information Technology Policy & Procedures	Establishes guidelines for the secure use, management and maintenance of IT systems, infrastructure and digital resources	Management

2.1.3 Sustainability Governance

The group integrates sustainability considerations into its corporate governance framework to ensure that environmental, social, and governance ("ESG") priorities are embedded within strategic decision-making and operational management. Sustainability oversight is guided by the Board and supported by management-level structures that coordinate sustainability initiatives, monitor emerging ESG risks, and ensure alignment with the Group's long-term business strategy.

The Group adopts a multi-tier governance structure that integrates Board-level oversight with management and operational monitoring. At the Board level, the Board of Directors provides oversight of enterprise risks and emerging sustainability considerations that may affect the Group's long-term resilience and business strategy, with relevant matters escalated through management and the Audit and Risk Management Committee where appropriate. At the management level, the Sustainability Steering Committee coordinates the implementation of sustainability initiatives and supports the integration of sustainability considerations into operational planning and risk management processes.

Operational monitoring is carried out by business units, subsidiaries, and ESG working teams, which identify operational exposures, implement mitigation measures, and consolidate sustainability-related data to support reporting and performance tracking.

This structure strengthens risk visibility, enhances accountability, and supports the integration of sustainability considerations into business decision-making across the Group.

Sustainability Statement (Cont'd)

2.1 Corporate Governance and Risk Oversight (Cont'd)

2.1.3 Sustainability Governance (Cont'd)

Sustainability Governance Structure

The Group's sustainability governance structure outlines the integration of Board oversight, management coordination and operational implementation in managing sustainability-related risks and opportunities.

The Group will continue to review the formalisation of dedicated sustainability governance layers as reporting maturity and governance requirements evolve in future years.

The Group's sustainability governance framework operates through clearly defined levels of oversight, coordination and implementation, ensuring effective management of sustainability-related risks and opportunities across the organisation.

Governance Body	Key Responsibilities	Frequency
Board of Directors	Provides strategic oversight of sustainability matters and enterprise risks as part of overall governance and risk oversight	At least annually
Sustainability Steering Committee	Coordinates implementation of sustainability initiatives and supports integration into risk management and business planning	Quarterly
Business Units	Identify and manage operational risks	Throughout the year
ESG Working Teams	Collect and consolidate sustainability data	Quarterly
Subsidiaries & Operational Units	Site-level implementation	Throughout the year

Sustainability data and performance indicators are consolidated internally and reviewed periodically to support reporting aligned with Bursa Malaysia Sustainability Reporting Guide, GRI Standards, and IFRS S1 and S2 disclosure requirements.

Sustainability Statement (Cont'd)

2.1 Corporate Governance and Risk Oversight (Cont'd)

2.1.4 Board Oversight and Committees

The Board of Directors is responsible for providing overall strategic direction, governance oversight, and accountability for the Group's performance.

The Board reviews business strategies, oversees enterprise risk management processes, and monitors the effectiveness of internal control systems across the Group.

To support focused oversight, the Board is assisted by key Board Committees:

Audit and Risk Management Committee	• Oversees financial reporting integrity • Reviews internal controls and risk management framework • Monitors governance risks and sustainability disclosures • Reviews related party transactions and conflicts of interest
Nomination Committee	• Reviews Board composition and effectiveness • Evaluates suitability and independence of directors • Oversees succession planning • Supports Directors' Fit and Proper assessments
Remuneration Committee	• Reviews remuneration packages for Directors and Key Senior Management • Ensures alignment with performance and governance principles

2.1.5 Governance Progress, Initiatives and Assurance

During FY2025, the group continued strengthening governance coordination, internal controls, and monitoring of sustainability and operational risks. Key focus areas included improving integration of sustainability considerations into enterprise risk management, enhancing coordination across operational teams and management, and strengthening internal control and risk monitoring processes.

The Group continues to monitor emerging regulatory developments, environmental conditions, and supply chain disruptions that may influence operational performance. These practices support informed decision-making, stronger accountability, improved risk visibility, and enhanced organisational resilience.

Sustainability Statement (Cont'd)

2.2 Anti-Bribery, Corruption & Ethics

2.2.1 Our Commitment

The group recognises that weak ethical controls, unmanaged conflicts of interest, or unethical conduct may expose the Group to bribery, corruption, legal penalties, reputational damage, and loss of stakeholder confidence. Maintaining a strong culture of integrity is therefore a key component of the Group's governance framework and long-term sustainability strategy.

To mitigate these risks, the Group upholds high ethical standards through formalised policies, internal controls, and awareness initiatives. The following key governance instruments support responsible business conduct:

- **Code of Ethics and Conduct**
- **Anti-Bribery and Corruption Policy**
- **Whistleblowing Policy and Procedures**
- **Conflict of Interest Policy**

Together, these establish clear expectations for ethical behaviour, transparency, and accountability across the organisation.

2.2.2 Monitoring and Management Approach

The Group's approach to managing anti-bribery, corruption, and ethical conduct is guided by a structured governance framework supported by Board-approved policies and internal procedures.

Key governance instruments include:

Code of Ethics and Conduct

Establishes standards of behaviour and professional conduct for employees and directors, including integrity, confidentiality, and avoidance of conflicts of interest.

Whistleblowing Policy and Procedures

Provides a confidential reporting mechanism for employees, directors, and external stakeholders to report suspected misconduct, with safeguards against retaliation.

Anti-Bribery and Corruption Policy

Reinforces the Group's zero-tolerance stance against bribery and corrupt practices, including guidance on gifts, hospitality, and improper advantages.

Conflict of Interest Policy

Guides the identification, declaration, and management of actual, potential, or perceived conflicts of interest.

Oversight of ethical conduct is supported through the Group's governance structure, with management responsible for implementing policy requirements and monitoring compliance across operations.

The **Audit and Risk Management Committee** provides oversight of governance risks, including:

- ethical conduct
- internal controls
- reported misconduct
- governance-related incidents

Key performance indicators may include:

- number of confirmed corruption cases
- whistleblowing reports received
- employee ethics training coverage
- disciplinary actions for misconduct
- conflict-of-interest declarations reviewed

Sustainability Statement (Cont'd)

2.2 Anti-Bribery, Corruption & Ethics (Cont'd)

2.2.3 Ethical Governance Initiatives, Progress and Assurance

During FY2025, the group continued strengthening its ethical governance culture through policy communication, awareness initiatives, reporting mechanisms, and whistleblowing channels.

The Group monitors the effectiveness of its anti-bribery and ethical governance framework through internal controls, policy enforcement mechanisms, periodic awareness programmes, and oversight by the Audit and Risk Management Committee.

These efforts support stronger regulatory compliance, stakeholder confidence, transparency, and reduced legal exposure.

2.3 Regulatory Compliance & Legal Management

2.3.1 Our Commitment

The group is committed to conducting its business in compliance with applicable laws, regulatory requirements, and contractual obligations across the jurisdictions in which it operates. Maintaining strong legal and regulatory compliance practices is essential to ensuring operational continuity, protecting the Group's reputation, and maintaining stakeholder confidence.

The Group's commitment to regulatory compliance is supported by formal governance policies and procedures, including the Corporate Disclosure Policy, Conflict of Interest Policy, and Related Party Transactions Policy, which establish clear requirements for transparency, accountability, and adherence to regulatory obligations.

Legal and compliance considerations are integrated into the Group's governance and operational practices to ensure that regulatory obligations are properly monitored and addressed. Through structured oversight, internal monitoring processes, and adherence to established policies and procedures, the group aims to minimise legal exposure, prevent regulatory breaches, and support responsible and transparent business operations.

Sustainability Statement (Cont'd)

2.3 Regulatory Compliance & Legal Management (Cont'd)

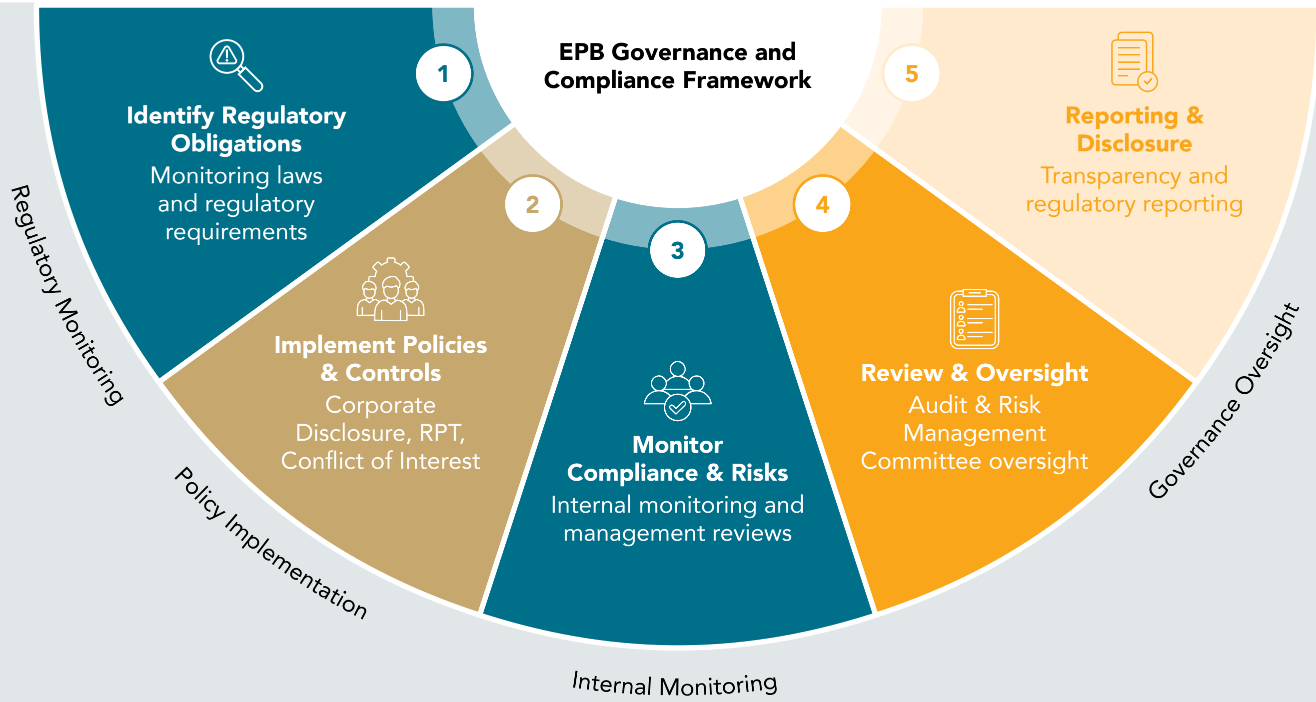
2.3.2 Monitoring and Management Approach

The Group manages regulatory compliance and legal risks through internal governance mechanisms that support the identification, monitoring, and management of legal obligations and contractual responsibilities across its operations.

Compliance oversight is embedded within the Group's governance structure, where management is responsible for ensuring adherence to applicable regulatory requirements, contractual obligations, and internal governance policies. Legal and compliance considerations are integrated into operational decision-making processes and supported by internal monitoring, management reviews, and established governance policies.

To strengthen oversight, the group adopts the following compliance management framework:

Regulatory Compliance & Legal Management Framework



This framework supports a continuous process of identifying regulatory obligations, implementing internal controls, monitoring compliance risks, and ensuring timely governance oversight and transparent reporting.

Oversight of regulatory compliance and governance risks is further supported by the Audit and Risk Management Committee, which reviews key compliance matters, internal controls, and risk exposures as part of the Group's overall governance framework.

Sustainability Statement (Cont'd)

2.3 Regulatory Compliance & Legal Management (Cont'd)

2.3.3 Compliance Initiatives, Progress and Assurance

During FY2025, the group continued strengthening regulatory compliance and legal governance through ongoing regulatory monitoring, stronger contract governance, and improved credit and payment risk monitoring.

These efforts support compliance readiness, reduce legal and financial risks, strengthen operational resilience, and safeguard stakeholder confidence.

2.4 Sustainability-Related Risks and Opportunities (SRROs)

1) Description of Risks

Key governance-related risks include weak ethical controls, unmanaged conflicts of interest, regulatory breaches, contractual non-compliance, weak legal and credit monitoring, and insufficient Board and management oversight.

2) Effects on Business Model and Value Chain

Governance-related risks and opportunities may influence multiple points of the Group's value chain.

Upstream, suppliers, contractors, and service providers may create compliance, legal, or contractual risks if due diligence and governance controls are not effectively implemented.

Within operations, weak governance practices may lead to control gaps, delayed decision-making, financial inefficiencies, and increased exposure to legal and operational risks.

Downstream, customers, financial institutions, and business partners increasingly expect strong governance, ethical conduct, and compliance standards.

Strong governance therefore supports stakeholder trust, commercial credibility, and long-term business resilience.

3) Effects on Strategy and Decision-Making

Governance-related sustainability risks directly influence the Group's strategic planning and risk management priorities.

Key strategic focus areas include:

- strengthening ethical governance and anti-corruption controls
- improving regulatory and legal compliance monitoring
- enhancing enterprise risk identification and escalation processes
- strengthening Board oversight and accountability structures

These measures support more informed decision-making, improved operational stability, and stronger long-term value preservation.

4) Governance of Material Topic

Oversight of governance-related sustainability risks and opportunities is embedded within the Group's existing corporate governance and enterprise risk management framework.

The **Board of Directors** provides overall oversight of governance, strategic risks, and organisational performance.

Sustainability Statement (Cont'd)

2.4 Sustainability-Related Risks and Opportunities (SRROs) (Cont'd)

4) Governance of Material Topic (Cont'd)

Relevant Board Committees support oversight in specific areas, including:

- risk management
- compliance monitoring
- internal controls
- ethical governance
- legal and regulatory matters

At the management level, operational teams support the implementation of governance policies, compliance controls, and risk monitoring processes.

This integrated governance structure strengthens accountability and supports timely identification and management of emerging risks.

5) Potential Financial Implications

Time Horizon	Risk / Opportunity	Potential Impact on Future Cash Flows	Impact on Cost of Capital	Impact on Access to Finance
Short-term (0–2 years)	Failure to comply with regulatory requirements	Regulatory fines, penalties and operational disruption	Higher perceived compliance risk	Increased governance risk perception
	Weak ethics awareness or governance controls	Investigation costs and reputational damage	Increased governance risk perception	Reduced stakeholder confidence
Medium-term (2–5 years)	Weak contract or legal management	Financial losses from disputes or claims	Higher risk perception among investors	Potential impact on contract opportunities
	Inadequate risk monitoring	Unexpected operational disruptions and financial losses	Increased operational risk perception	Reduced investor confidence
Long-term (5+ years)	Strong governance and risk oversight	Improved operational stability and reduced compliance-related losses	Lower governance risk perception	Improved access to ESG-linked financing
	Effective regulatory compliance management	Strengthened reputation and improved stakeholder trust	Increased investor confidence	Stronger financing and partnership opportunities

Short Term Opportunities	• Strengthened ethics awareness and governance controls reduce the likelihood of misconduct and investigation costs. • Proactive regulatory compliance monitoring helps avoid penalties and operational disruptions. • Improved risk identification processes enhance operational stability and decision-making.
Long Term Opportunities	• Strong corporate governance practices enhance organisational resilience and stakeholder confidence. • Effective compliance management strengthens reputation and supports long-term business sustainability. • Integrated enterprise risk management improves strategic preparedness and reduces exposure to unexpected losses.

Sustainability Statement (Cont'd)

2.4 Sustainability-Related Risks and Opportunities (SRROs) (Cont'd)

6) Resilience

The Group strengthens organisational resilience through structured governance practices embedded within its corporate governance and risk management frameworks.

This includes:

- anti-bribery and ethical conduct policies
- whistleblowing and escalation mechanisms
- regulatory monitoring processes
- enterprise risk management reviews
- Board and management accountability structures

These mechanisms support early risk identification, stronger compliance discipline, and improved response to governance-related risks.

Through continuous improvement of governance, compliance, and risk oversight practices, the Group aims to strengthen long-term resilience and support sustainable value creation.