



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

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.

P

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.

B

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

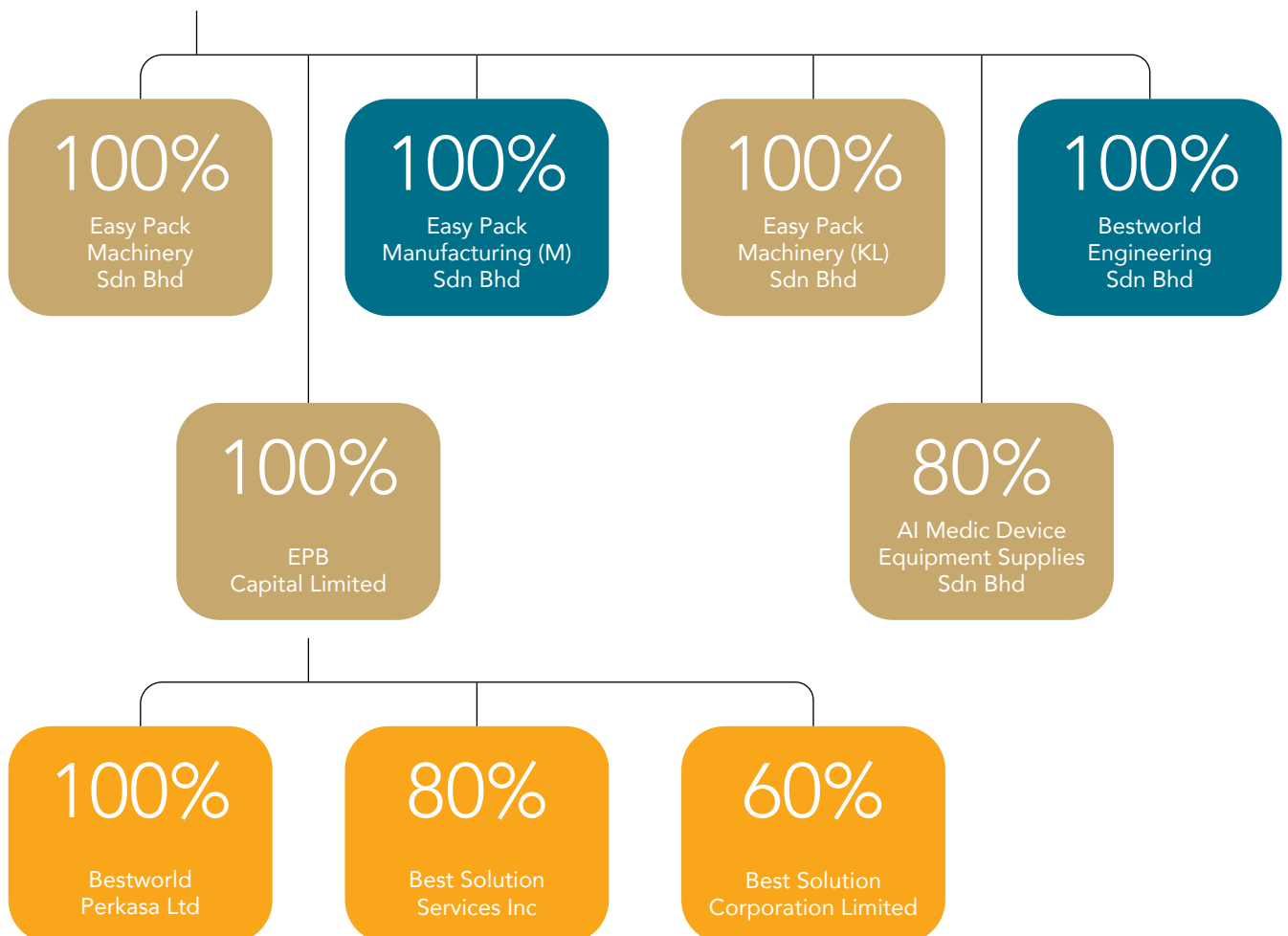
STOCK EXCHANGE LISTING

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

Corporate Structure



Registration No.: 202201007128 (1452825-U)



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.



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.

Revenue

FYE 2025

RM120.96 million

Growth



14.64 %



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 overseas 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.

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.

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

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
Female

Age
49

Nationality
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
Male

Age
44

Nationality
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)
<u>Analysis by business segments</u>		
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 in 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.

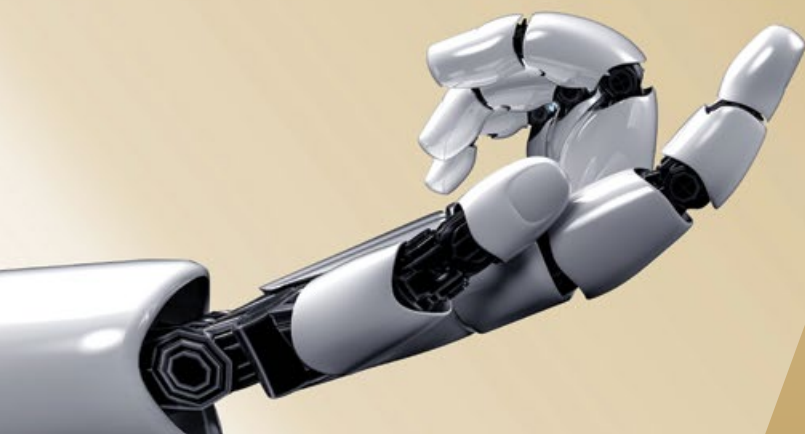
We currently do not have a formal policy with respect to our foreign exchange transactions. Exposure on foreign exchange is monitored on an ongoing basis, and our Group endeavours to keep the net exposure within an acceptable level.

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.

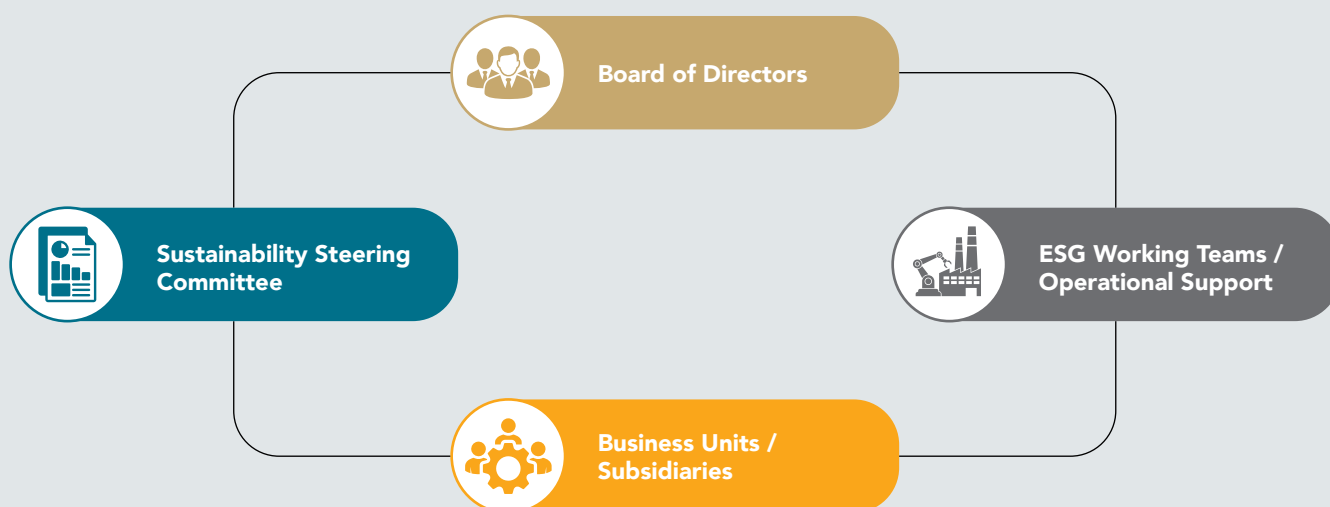
Sustainability considerations are integrated into the Board's broader oversight of business performance, compliance, and long-term resilience.

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.



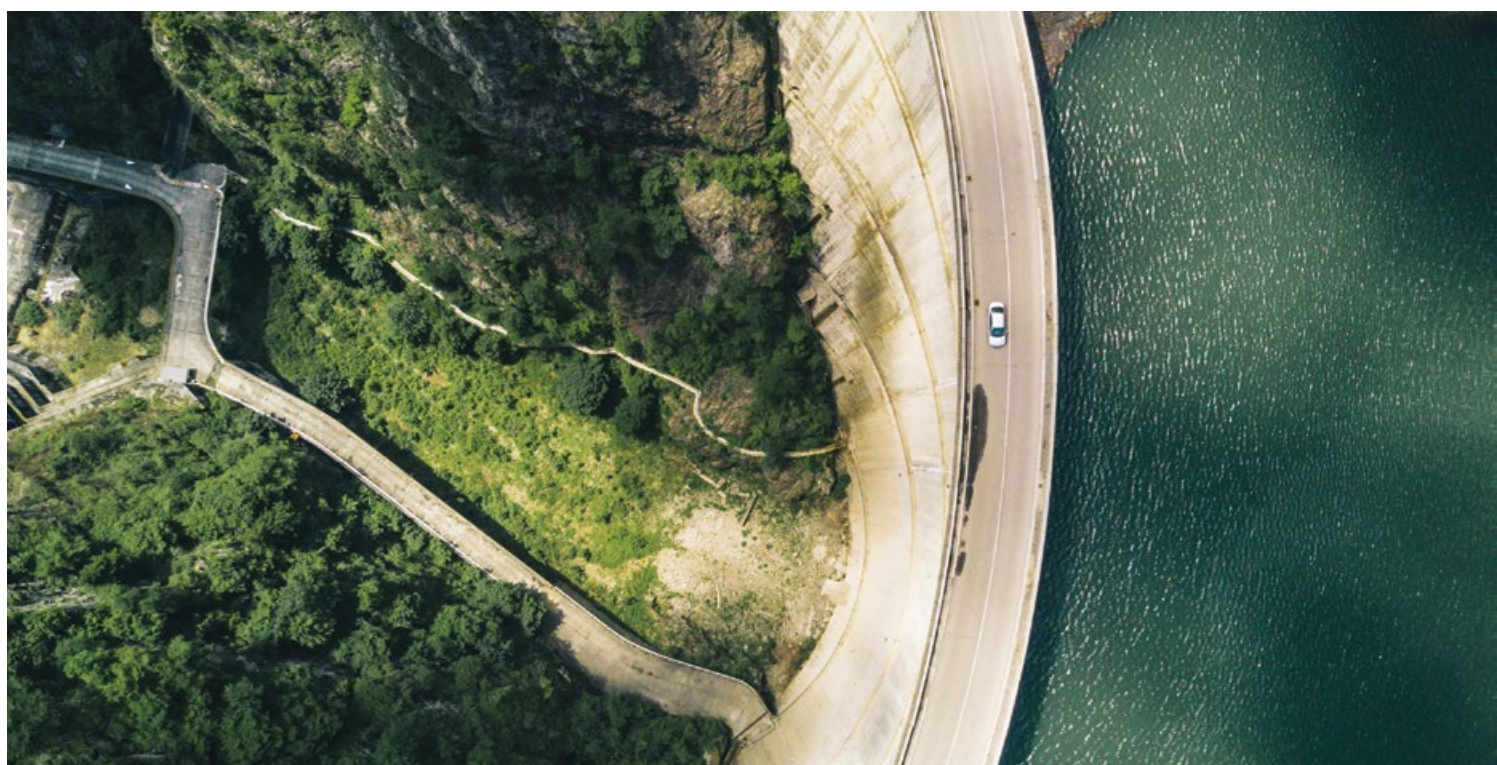
Sustainability Statement (Cont'd)

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
	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).
	Global Reporting Initiative (GRI)	Provides the foundation for reporting our most significant impacts on the economy, environment, and people (Impact Materiality).
	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 tCO₂e

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 m³

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.

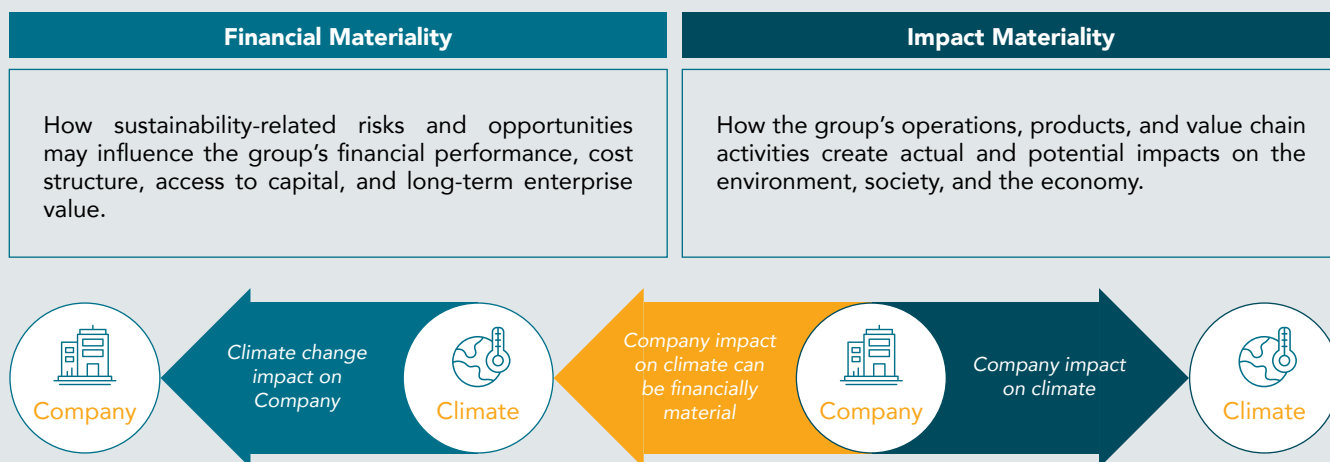
This assessment was undertaken to strengthen our understanding of how sustainability-related matters may affect the group’s operational continuity, regulatory compliance, financial resilience, and broader stakeholder expectations.

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.



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)

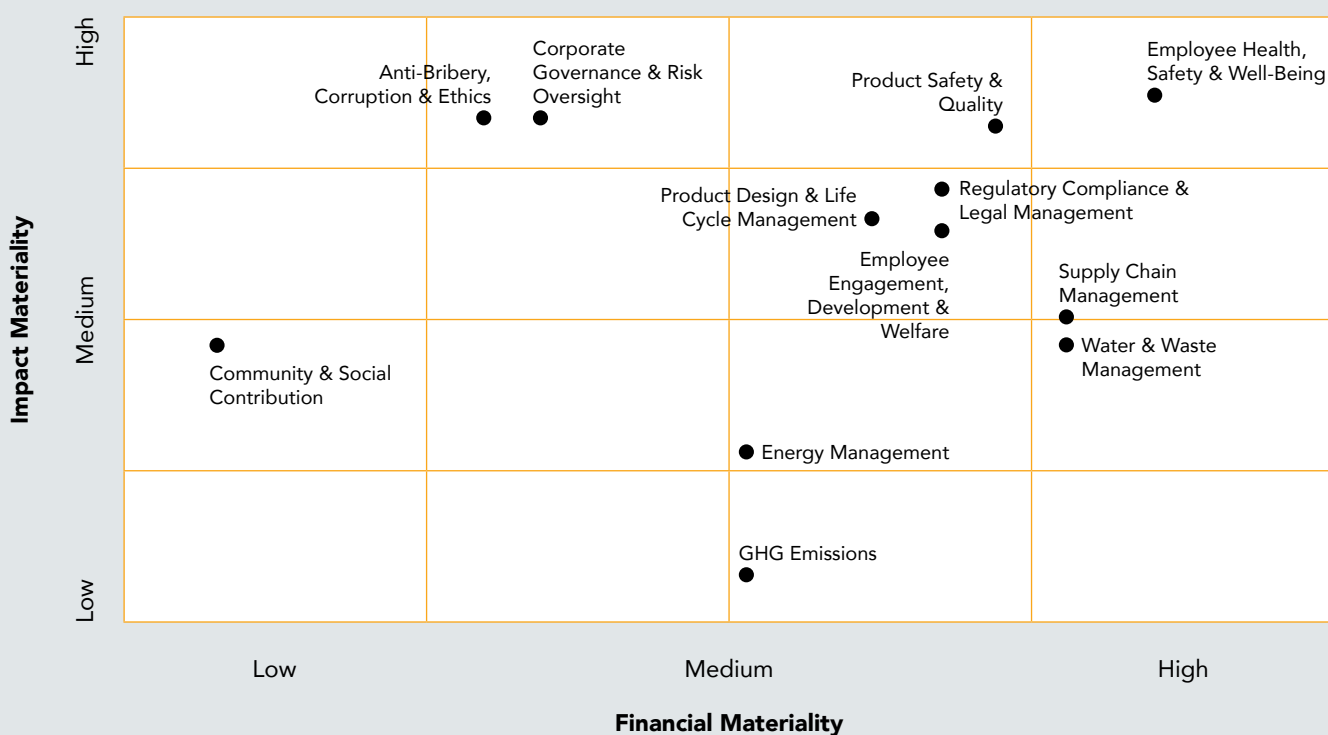
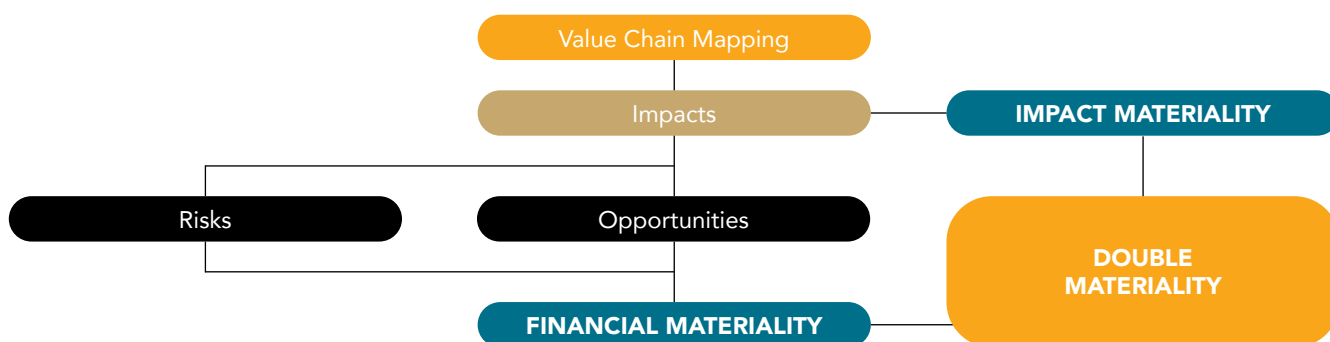
1.5

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.

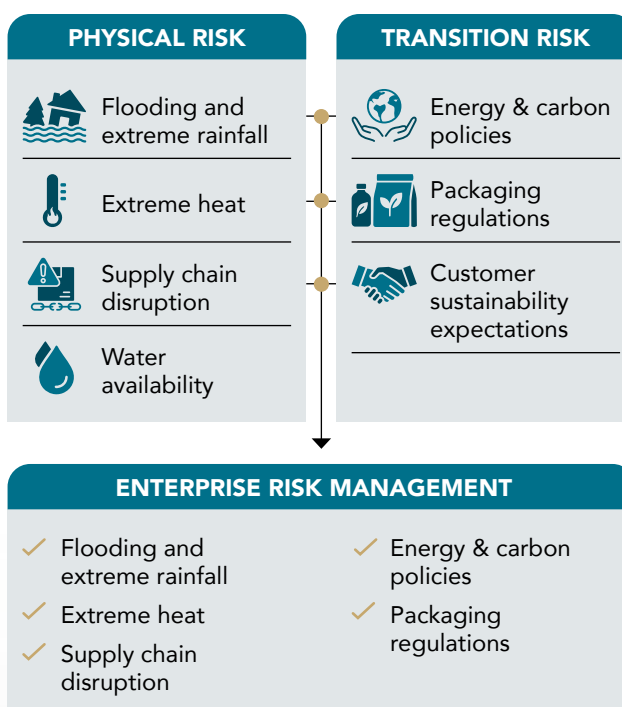
The Group currently applies a qualitative screening approach to assess physical and transition climate risks across relevant time horizons.

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
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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.

1.6.3.3 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.

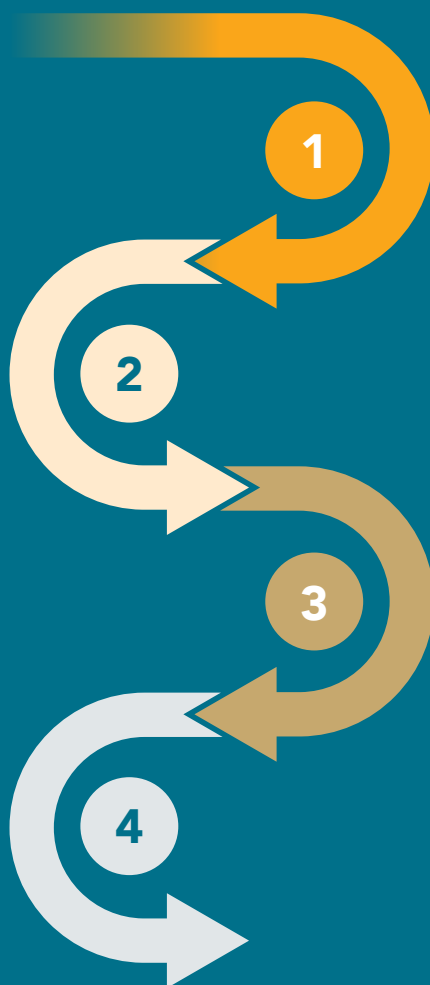
1.6.3.2 Assessment and Prioritisation

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.

1.6.3.4 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 tCO₂e, 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)

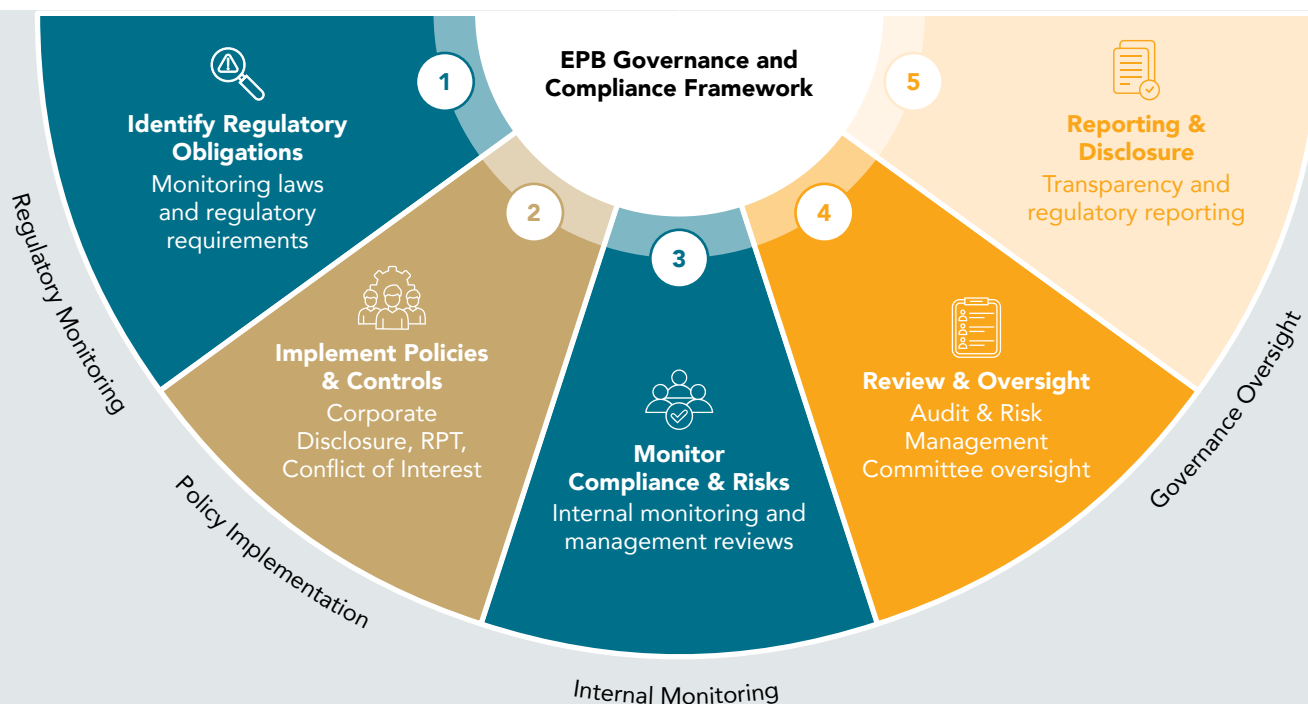
2.3.2 Monitoring and Management Approach

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.



Sustainability Statement (Cont'd)

Chapter 3:

Empowering People and Strengthening Communities

- 3.1 Workplace Diversity, Equity and Inclusion
- 3.2 Employee Health, Safety & Well-Being
- 3.3 Employee Engagement, Development & Welfare
- 3.4 Community & Social Contribution
- 3.5 Sustainability-Related Risks and Opportunities (SRROs)

Sustainability Statement (Cont'd)

3.1 // Workplace Diversity, Equity and Inclusion

(GRI 405-1)

3.1.1 Our Commitment

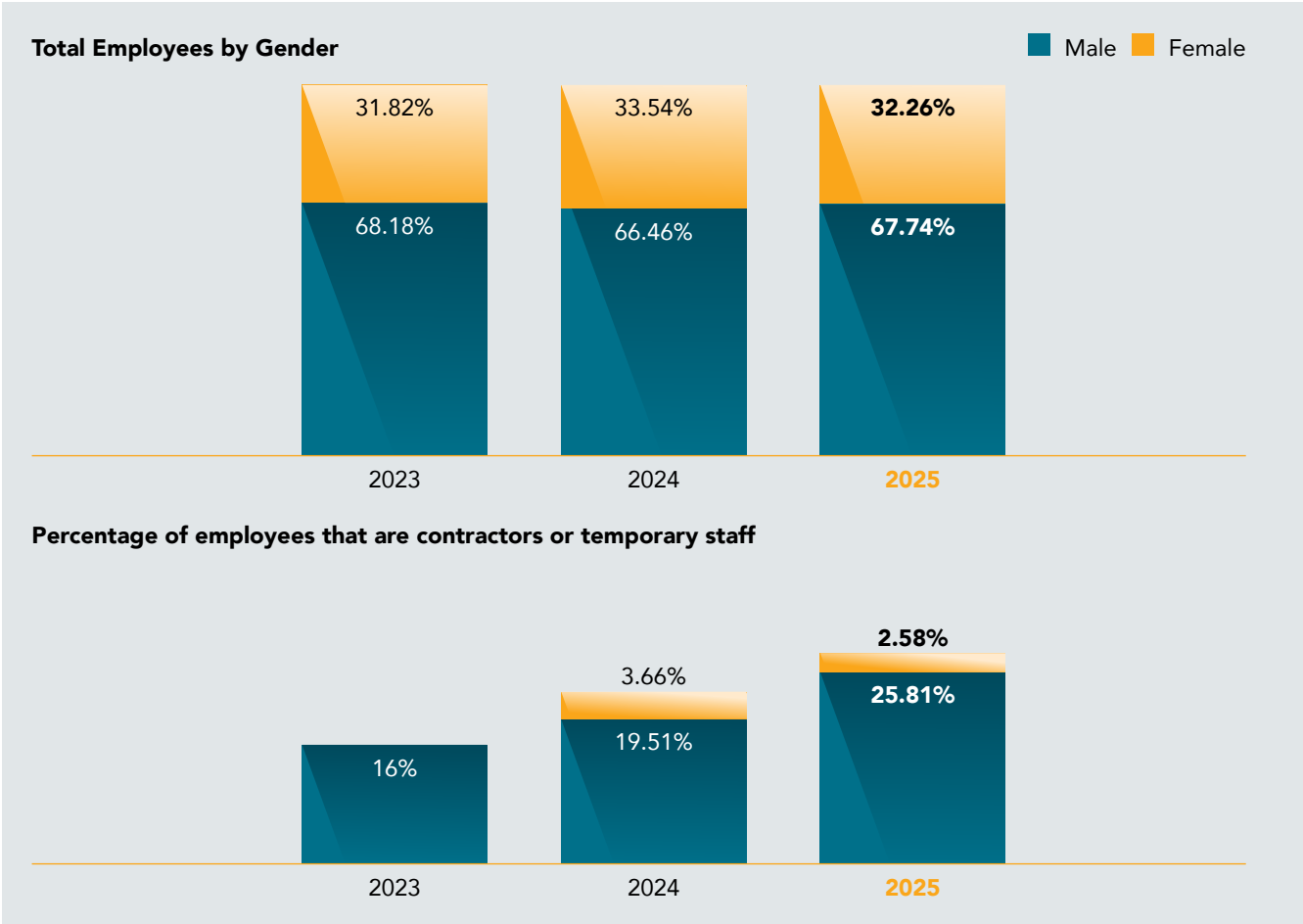
The group recognises that a diverse, equitable and inclusive workplace is fundamental to building a resilient and high-performing organisation. Through its subsidiaries the Group relies on a workforce with varied skills, perspectives and backgrounds to support innovation, operational excellence and long-term business growth.

The Group is committed to employment practices guided by non-discrimination, merit-based opportunity and mutual respect, regardless of gender, ethnicity, age or background. By embedding diversity and inclusion into its human capital practices, the group aims to strengthen employee engagement, workplace culture and sustainable workforce development aligned with its operational and strategic priorities.

3.1.2 Workforce Profile (GRI 2-7, 2-8, 405-1)

The group recognises that its workforce is a key driver of operational excellence, innovation and long-term business sustainability. The Group relies on skilled professionals, technical specialists and operational personnel to deliver integrated automation and engineering solutions while maintaining service quality and responding effectively to evolving industry demands.

The following workforce profile provides an overview of the consolidated employee composition across the group's operations, reflecting workforce distribution across key demographic indicators. These disclosures support transparency in workforce reporting and demonstrate the Group's commitment to responsible employment practices and inclusive workplace management.



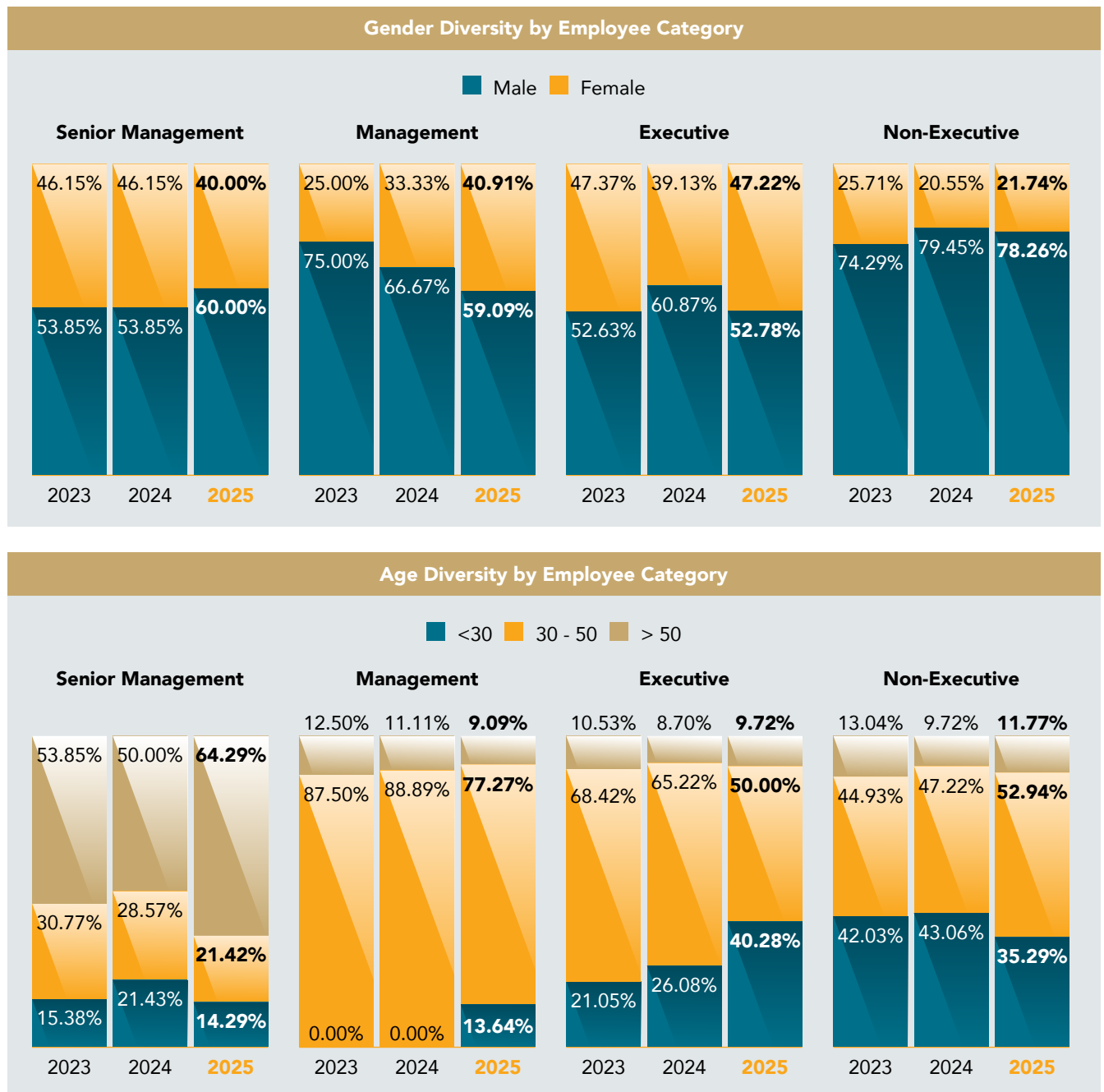
Sustainability Statement (Cont'd)

3.1

Workplace Diversity, Equity and Inclusion (Cont'd)

(GRI 405-1)

3.1.2 Workforce Profile (GRI 2-7, 2-8, 405-1) (Cont'd)



Sustainability Statement (Cont'd)

3.1

Workplace Diversity, Equity and Inclusion (Cont'd)

(GRI 405-1)

3.1.2 Workforce Profile (GRI 2-7, 2-8, 405-1) (Cont'd)

Workforce Movement			
	2023	2024	2025
Total Number of New Employee Hires	7	5	6
Hiring Rate	-	-	15%
Total Number of Employee Turnover	-	-	3
Turnover Rate	-	-	6.9%

3.2

Employee Health, Safety & Well-Being

3.2.1 Our Commitment

The group recognises that protecting employee health, safety and wellbeing is fundamental to sustaining operational reliability, workforce productivity and regulatory compliance. Through its subsidiaries, Easy Pack and Bestworld, the Group's activities involve machinery operation, fabrication processes, manual handling and workshop-based engineering environments, which may expose employees to workplace injuries and occupational health risks if not properly managed.

The Group therefore prioritises effective workplace safety management and employee wellbeing initiatives to mitigate operational risks and enhance workforce resilience. Through safety procedures, employee protection benefits, and continuous training and awareness programmes, the group aims to reduce workplace incidents, improve productivity and maintain compliance with occupational health and safety requirements.

3.2.2 Monitoring and Management Approach

The group manages employee health, safety and wellbeing through internal policies, operational procedures and employee protection programmes implemented across the Group. Safety management practices are guided by workplace policies documented in the Group Employee Handbook, including occupational safety, fire prevention, emergency response and workplace conduct procedures.

Employee wellbeing is further supported through structured medical and financial protection programmes, including hospitalisation and surgical insurance, personal accident insurance, access to panel clinics, and life and travel insurance where applicable.

The Group also provides welfare benefits to support work-life balance and employee wellbeing, including parental leave, marriage leave, compassionate leave, annual leave entitlements and attendance incentives.

Operational safety performance is monitored through key indicators including Lost Time Injury Frequency Rate (LTIFR), Total Recordable Injury Rate (TRIR), lost-time injuries, fatalities, near-miss reporting and employee safety training coverage.

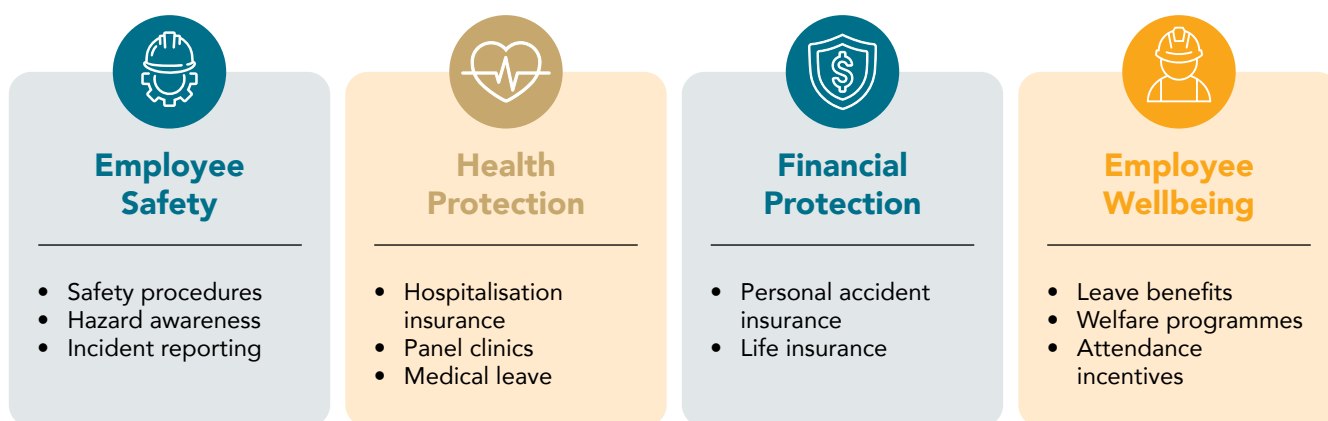
Sustainability Statement (Cont'd)

3.2

Employee Health, Safety & Well-Being (Cont'd)

3.2.2 Monitoring and Management Approach (Cont'd)

EPB Workforce Protection Framework



3.2.3 Initiatives and Opportunities

Workplace Safety Training and Competency Development

During FY2025, the group conducted health and safety training programmes to strengthen hazard awareness, risk assessment and incident response capabilities. Key programmes included HIRARC training, incident reporting and investigation training, electrical safety awareness and operational safety programmes related to driving and equipment handling.

Opportunity:

Strengthening employee safety competency reduces the likelihood of workplace incidents, improves operational reliability and supports compliance with occupational safety regulations.

Employee Protection and Welfare

The Group provides insurance coverage, medical support and welfare benefits, including hospitalisation and surgical insurance, personal accident insurance, panel clinic access and leave entitlements to support employee wellbeing and work-life balance.

Opportunity:

A supportive workplace environment enhances employee satisfaction, strengthens talent retention and contributes to improved workforce productivity.

Sustainability Statement (Cont'd)

3.2

Employee Health, Safety & Well-Being (Cont'd)

3.2.4 Progress, Performance Insights & Assurance

During FY2025, the group continued to monitor workplace safety performance across its operations to maintain a safe and controlled working environment. Key indicators including fatalities, lost-time incidents and employee safety training coverage are tracked to assess the effectiveness of the Group's workplace safety practices.

The following table presents the Group's key health and safety performance indicators for FY2025.

OSH Performance			
	2023	2024	2025
Number of work-related fatalities	0	0	0
Lost time incident rate	0	0	0
Number of employees trained on health and safety standards	19	12	7

Monitoring workplace safety performance indicators enables the group to identify trends, assess operational risks and continuously improve workplace safety practices. These measures support employee wellbeing, workforce stability and operational continuity across the Group.

Workplace safety data and workforce metrics are compiled internally and reviewed periodically by management as part of the Group's sustainability reporting and internal monitoring processes.

3.3

Employee Engagement, Development & Welfare

3.3.1 Our Commitment

The group recognises that its employees are central to sustaining operational performance, innovation and long-term business growth. Through its subsidiaries, Easy Pack and Bestworld, the Group operates in manufacturing and engineering environments that require skilled personnel, technical expertise and a motivated workforce.

The Group therefore prioritises employee engagement, workforce capability development and employee welfare as key components of its human capital management approach. Through structured learning opportunities, employee support programmes and workplace engagement initiatives, the group aims to strengthen workforce capability, enhance employee satisfaction and support long-term workforce stability.

3.3.2 Monitoring and Management Approach

Employee engagement, development and welfare are managed through the Group's human resource policies and practices outlined in the Employee Handbook. The Human Resource function oversees employee development initiatives, workforce welfare programmes and employee benefits.

Employees are supported through welfare benefits including insurance coverage, medical support, leave entitlements and employee assistance initiatives that promote wellbeing and work-life balance. Employee development is monitored through indicators such as training hours, employee turnover and performance appraisal outcomes.

Workplace policies and employee guidelines are communicated through employee orientation programmes, internal communications and the Employee Handbook.

Sustainability Statement (Cont'd)

3.3

Employee Engagement, Development & Welfare (Cont'd)

3.3.3 Initiatives and Opportunities

Technical and Professional Skills Development

Employees participated in technical and professional training programmes covering operational systems, data management and regulatory compliance, including E-Invoicing, ERP systems, Microsoft Excel, ISO 9001 awareness training and ESG related training.

Opportunity

Continuous professional training improves workforce productivity and operational efficiency.



ESG Awareness Training



ESG Reporting Training

Employee Engagement and Team Building

The group organised various employee engagement initiatives, including team-building programs, seasonal celebrations, and an annual dinner.

Opportunity

These initiatives strengthen teamwork, improve morale and support employee retention.

Leadership, Strategy and Business Capability Development

Leadership development programmes support long-term organisational growth.

Opportunity

Workplace safety training strengthens risk awareness and reduces operational disruptions.

Workplace Safety and Operational Training

Operational and safety-related training programmes included HIRARC, incident reporting and investigation training, and electrical safety training.

Opportunity

Workplace safety training strengthens risk awareness and reduces operational disruptions.



Group Annual Dinner - Diversity Night



Easy Pack Group Team Building



Easy Pack Group Employee Engagement Event



Bestworld Group Team Building



Bestworld Group Employee Engagement Event

Sustainability Statement (Cont'd)

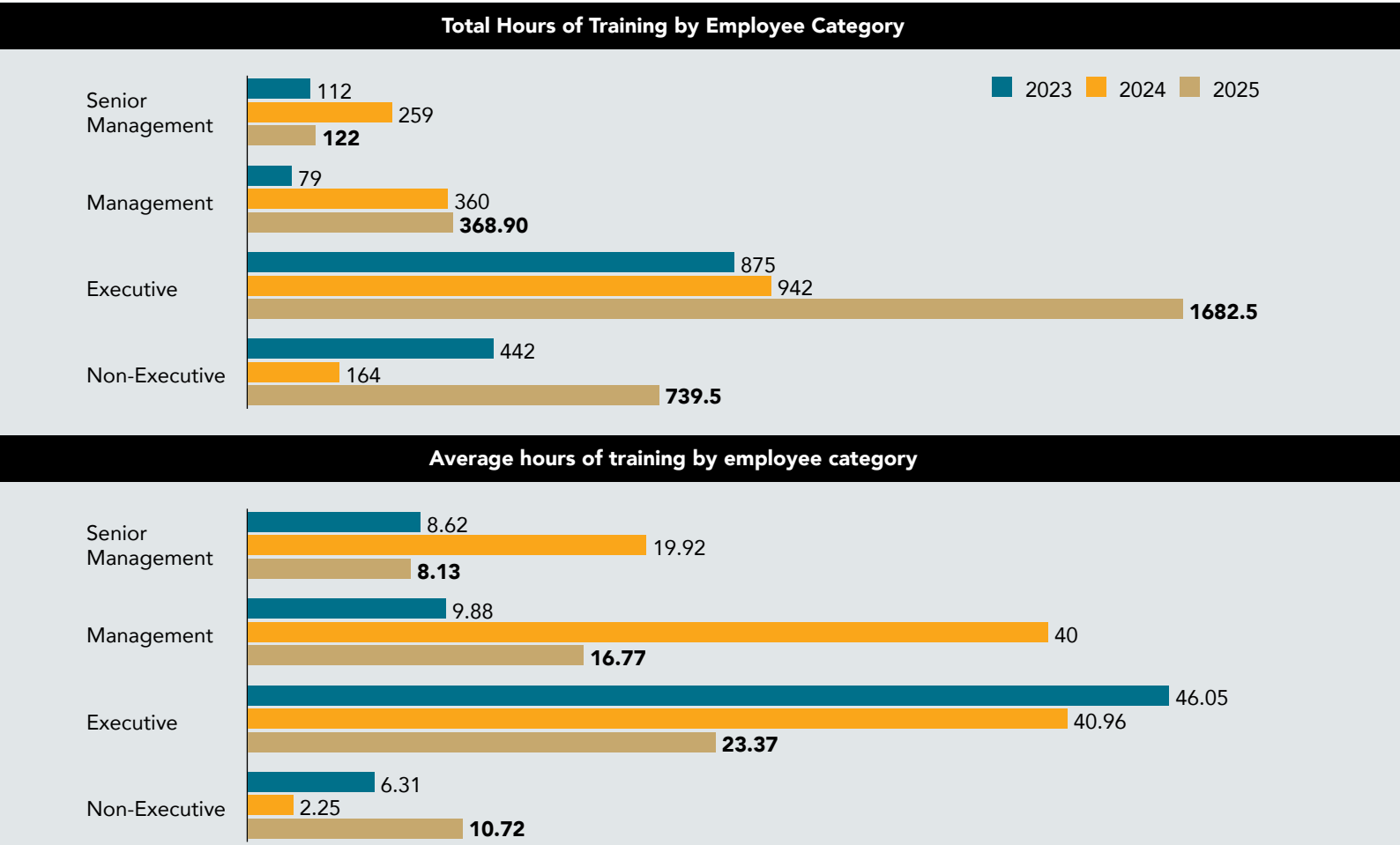
3.3 Employee Engagement, Development & Welfare (Cont'd)

3.3.4 Progress, Performance Insights & Assurance

During FY2025, the group continued to strengthen workforce capability and employee engagement through structured training, welfare initiatives and performance management practices. A total of **2,254.9 training hours** were recorded during the reporting period.

During the reporting period, no substantiated complaints concerning human rights violations, workplace discrimination, child labour or hazardous work involving young workers were recorded.

The following tables present the Group’s training performance indicators.



Employee development and welfare initiatives contribute to maintaining a capable and motivated workforce across the Group’s operations. Continuous training supports skill development and operational capability, while welfare benefits and engagement initiatives strengthen employee satisfaction and workforce stability.

Training records, workforce statistics and welfare programmes are documented internally and reviewed by management as part of workforce monitoring and sustainability reporting processes.

Sustainability Statement (Cont'd)

3.4 Community & Social Contribution

3.4.1 Our Commitment

The group recognises that maintaining positive relationships with surrounding communities is important for sustaining long-term business operations and stakeholder trust. Through its subsidiaries, Easy Pack and Bestworld, the Group supports community engagement initiatives and social contribution programmes that create positive social value while fostering goodwill with local stakeholders and authorities.

Through community support, employee volunteerism and awareness initiatives, the group seeks to contribute meaningfully to the communities where it operates while promoting responsible and inclusive growth.

3.4.2 Monitoring and Management Approach

Community engagement and social contribution initiatives are coordinated at Group level with support from management and employees across the organisation. Projects are selected based on their ability to support community needs, social wellbeing and environmental awareness.

The Group monitors these initiatives through indicators including community investment, number of programmes conducted, employee volunteer hours and beneficiaries reached. Information is compiled through internal records, programme documentation and participation records.

Where relevant, initiatives are carried out in collaboration with charitable organisations, community groups and educational institutions.

3.4.3 Initiatives and Opportunities

Supporting Community Welfare

Demonstrating its commitment to the Social (S) pillar of ESG, the Group supported community well-being through targeted outreach initiatives. The Group contributed essential food preparation equipment to the **Buddhist Triple Wisdom Hall**, enhancing its capacity to prepare and serve meals to vulnerable and underserved communities.

In addition, the Group extended its support to **Rumah Bakti Kasih Ayahbonda**, an orphanage dedicated to caring for children in need. Employees contributed clothing and bedsheets through internal donation drives, complemented by the Group's provision of stationery and sponsored meals, collectively contributing to the children's daily welfare and comfort.

As part of the Group's social initiatives, an industry learning visit was organised for students from **Politeknik METrO Johor Bahru** at its machinery facility. Participants gained hands-on exposure to manufacturing processes, safety practices, and sustainable operations, fostering industry readiness, knowledge sharing, and stronger collaboration while contributing to community development and future workforce skills.



Sustainability Statement (Cont'd)

3.4 Community & Social Contribution (Cont'd)

3.4.3 Initiatives and Opportunities (Cont'd)

Promoting Environmental Awareness

The Group continued to strengthen its environmental stewardship through the launch of the **"Make ESG a Daily Habit"** initiative in August 2025. The programme promotes responsible consumption and waste segregation practices across six key categories: paper, plastic, aluminium, clothing/textile, e-waste, and beverage cartons.

To support effective implementation, the Group conducted awareness programmes, training sessions, and provided visual guidance to employees to encourage proper recycling practices and sustainable behavioural change. Employees were also encouraged to minimise waste generation, adopt reusable alternatives, and ensure proper disposal of recyclable materials.

This initiative reinforces the Group's commitment to reducing environmental impact and embedding sustainability into daily operations.



Sustainability Statement (Cont'd)

3.4 Community & Social Contribution (Cont'd)

3.4.3 Initiatives and Opportunities (Cont'd)

Strengthening Employee Engagement and Well-being

The Group places strong emphasis on employee well-being, engagement, and workplace cohesion. In collaboration with JCI Nibong Tebal, the Group organised the **"Be Healthy, Be Fit, Be Green Campaign"** on 12 October 2025 in Penang. The programme integrated wellness, sports, and environmental awareness activities to promote a holistic approach to employee health and sustainability.

Activities included a recycling education session focused on beverage carton waste, a guided yoga session to promote mindfulness and stress management, and National Sports Day activities such as pickleball, badminton, and basketball to encourage teamwork and cross-departmental engagement.

The initiative successfully fostered a culture of wellness, collaboration, and sustainability awareness among employees.



3.4.4 Progress, Performance Insights & Assurance

During FY2025, the group conducted seven community and social contribution initiatives, benefiting 96 individuals and generating 83.5 volunteer hours contributed by employees across the Group. Community investments amounted to RM2,000.

These initiatives strengthen relationships with local stakeholders while promoting social responsibility and employee volunteerism across the organisation. Environmental awareness initiatives further encourage employees to adopt sustainable practices in daily activities.

Information relating to community initiatives, volunteer hours and community investments is compiled through internal records, programme documentation, participation records and supporting photographs.

Sustainability Statement (Cont'd)

3.5

Sustainability-Related Risks and Opportunities (SRROs)

1) Description of Risks

The group's sustainability-related risks and opportunities within the Social pillar are primarily associated with employee health and safety, workforce capability development, employee engagement and community relations across its manufacturing and engineering operations.

Given the operational nature of machinery manufacturing, fabrication and engineering activities, the Group is exposed to workplace safety risks and workforce management challenges that may impact operational efficiency, employee wellbeing and regulatory compliance if not effectively managed.

Key risks include:

- workplace injuries, lost-time incidents and operational disruptions arising from machinery and fabrication activities;
- limited training opportunities, insufficient skills development or unclear career progression pathways that may affect productivity and workforce retention; and
- limited community engagement that may lead to reputational risks and strained stakeholder relationships.

These risks may affect operational continuity, workforce stability and long-term stakeholder trust if not systematically managed.

2) Effects on Business Model and Value Chain

The identified sustainability-related risks and opportunities may influence the group's value chain across workforce management, internal operations and stakeholder relationships.

Workforce capability gaps, inadequate safety practices or labour shortages may affect operational efficiency and production reliability.

Workplace incidents may lead to temporary work stoppages, compensation costs and reduced employee morale, while insufficient workforce development may contribute to higher turnover and increased recruitment costs.

Strong safety practices, workforce development initiatives and community engagement programmes enhance stakeholder confidence and support long-term business growth.

3) Effects on Strategy and Decision-Making

Social risks and opportunities influence the group's operational planning, workforce management strategies and stakeholder engagement priorities.

The Group prioritises:

- strengthening workplace health and safety practices;
- enhancing workforce capability through training and development;
- promoting employee engagement and welfare programmes; and
- supporting community engagement and social contribution initiatives.

These measures support operational stability, workforce sustainability and long-term business resilience.

4) Governance of Material Topic

Oversight of sustainability-related social risks and opportunities is embedded within the group's internal management structures and operational practices.

Workplace health and safety matters are managed through operational safety procedures and training programmes, while employee welfare, workforce development and performance management are overseen by the Human Resource function.

Community engagement and social contribution initiatives are coordinated at Group level with participation from employees across subsidiaries.

Operational performance indicators, workforce data and training records are monitored internally to support management review and continuous improvement.

Sustainability Statement (Cont'd)

3.5

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

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)	Workplace safety incidents	Compensation costs, operational disruption	Increased insurance premiums	Negative ESG perception
	Insufficient workforce training	Productivity losses, higher error rates	Increased operational risk perception	Reduced client confidence
Medium-term (2–5 years)	High employee turnover	Increased recruitment and onboarding costs	Workforce stability concerns	Investor perception of operational risk
	Workforce shortages due to labour constraints	Higher labour costs and operational inefficiencies	Risk premium adjustments	Reduced investor confidence
	Weak community engagement	Reputational risks and stakeholder tensions	Higher stakeholder management cost	Reduced stakeholder confidence
Long-term (5+ years)	Strong safety culture and workforce development	Improved productivity and operational resilience	Lower operational risk perception	Improved eligibility for ESG-linked financing
	Structured community engagement programmes	Stronger social licence to operate	Enhanced stakeholder confidence	Improved reputation among investors

Short Term Opportunities	- Strong workplace safety practices reduce operational disruptions, compensation claims and insurance-related costs. - Structured employee training programmes enhance workforce capability and operational efficiency. - Employee welfare initiatives support workforce stability and reduce turnover-related costs. - Community engagement initiatives strengthen stakeholder relationships and support smoother operational activities.
Long Term Opportunities	- Continuous workforce capability development enhances innovation and operational competitiveness. - Strong employee engagement and welfare programmes improve talent retention and organisational resilience. - Positive community relationships strengthen the Group's social licence to operate. - Strong social governance practices enhance reputation among investors and ESG-conscious stakeholders.

6) Resilience

The group enhances organisational resilience by integrating workforce management, safety practices and community engagement initiatives into its operational framework.

Safety awareness programmes and operational controls help reduce workplace incidents and operational disruptions, while continuous training strengthens workforce capability and operational efficiency.

Employee welfare and engagement initiatives support workforce stability and retention, while community programmes strengthen stakeholder relationships and the Group's reputation as a responsible corporate citizen.

Through these practices, the group strengthens its ability to manage sustainability-related social risks while supporting long-term business resilience.

Sustainability Statement (Cont'd)

Chapter 4:

Environmental Stewardship and Climate Responsibility

- 4.1 GHG Emissions
- 4.2 Water, Waste and Wastewater Management
- 4.3 Energy Management
- 4.4 Sustainability-Related Risks and Opportunities (SRROs)

Sustainability Statement (Cont'd)

4.1 // GHG Emissions

4.1.1 Our Commitment

The group recognises that managing greenhouse gas (GHG) emissions is a key component of responsible environmental stewardship, operational efficiency, and long-term climate resilience. By monitoring emissions arising from its operations, the Group aims to strengthen emissions transparency, improve environmental performance, and identify opportunities to reduce climate-related risks and operational costs.

In alignment with IFRS S1 and IFRS S2, the group has begun strengthening internal systems to track climate-related metrics and establish a reliable emissions baseline. The current reporting boundary includes fuel consumption from company-owned vehicles and forklifts, purchased electricity consumption, and selected upstream indirect emissions such as employee commuting and business travel.

4.1.2 Monitoring and Management Approach

The group has implemented a structured GHG data collection and tracking system across the organisation to standardise emissions data management and improve reporting transparency. Each department has appointed designated data owners and representatives responsible for collecting and submitting relevant activity data on a quarterly basis.

Internal engagement sessions and training workshops were conducted to familiarise relevant personnel with the GHG tracking tools and reporting requirements, strengthening internal capability and data reliability.

The Group's GHG inventory is currently structured as follows:

Scope 1 – Direct Emissions	Scope 2 – Indirect Energy Emissions	Scope 3 – Selected Indirect Emissions
Fuel consumption from company-owned vehicles and forklifts.	Purchased electricity consumed across the Group's facilities.	Business travel and employee commuting.

This structured approach supports progressive strengthening of the group's emissions management framework and climate-related data quality.

4.1.3 Initiatives and Opportunities

During the reporting period, the group strengthened its internal GHG monitoring framework through the development and implementation of a dedicated GHG data tracking tool. The tool supports structured collection of activity data related to fuel consumption, electricity usage, and selected Scope 3 categories.

Internal stakeholder engagement sessions were conducted to clarify roles, responsibilities, and reporting requirements, while the appointment of departmental data owners strengthened accountability and routine data submission.

The established baseline emissions inventory provides a foundation for identifying future reduction opportunities, including fuel efficiency improvements, electricity optimisation measures, and management of travel-related emissions.

Sustainability Statement (Cont'd)

4.1 GHG Emissions (Cont'd)

4.1.4 Progress, Performance Insights and Assurance

Performance

For the reporting period, the group recorded total GHG emissions of 661.54 tCO₂e, derived from direct and indirect operational activities.

The emissions profile is primarily driven by electricity consumption and transportation-related activities.

		Bestworld Group		Easy Pack Machinery	Easy Pack Manufacturing	
Sources	FY2025	FY2024	FY2023	FY2025	FY2025	
1	Mobile Emissions					
	Diesel Vehicle	48.8	47.14	50.96	72.44	0
	Petrol Vehicles	0	1.72	7.4	51.19	0.26
	Fugitive Emissions					
	Refrigerant	NA	NA	NA	NA	NA
	Fire Extinguisher	NA	NA	NA	NA	NA
2	Purchased Electricity	50.61	51.54	53.25	245.85	51.11
3	Business Travel	58.7	NA	NA	19.23	0
	Employee Commute	Group total	NA	NA	Group total	Group total

*Note: Scope 1 fugitive emissions data tracking is in progress. In FY2023-2025 we have collected data on the amount in RM spent on maintenance. For FY2026 we have requested our vendors to provide data in mass refills.

	Bestworld Group	Easy Pack Machinery & Easy Pack Manufacturing
Scope 1	48.8	123.89
Scope 1 (Total)	172.69	
Scope 2	50.61	296.96
Scope 2 (Total)	347.57	
Scope 3 (Cat 6)	58.7	19.23
Scope 3 (Cat 7)		63.35
Scope 3 Total	141.28	
Group Total	661.54	

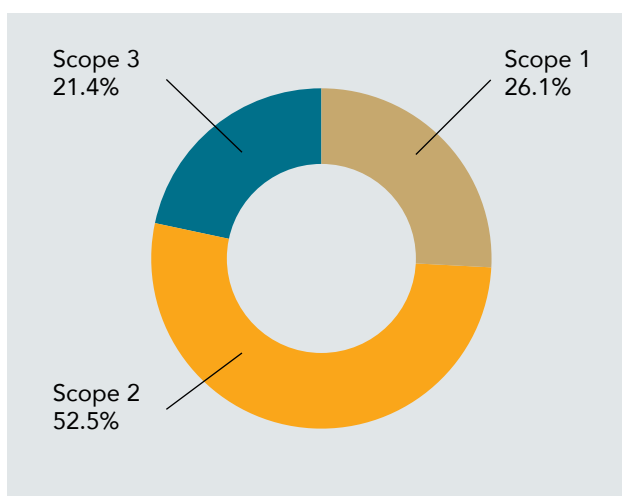


Figure: Group GHG Emissions contribution by scope

Sustainability Statement (Cont'd)

4.1 // GHG Emissions (Cont'd)

4.1.4 Progress, Performance Insights and Assurance (Cont'd)

Performance Insights

The Group recorded total GHG emissions of 661.54 tCO₂e for the reporting year.

Scope 2 emissions remained the dominant contributor at 347.57 tCO₂e (52.5%), followed by Scope 1 emissions at 172.69 tCO₂e (26.1%) and Scope 3 emissions at 141.28 tCO₂e (21.4%).

The emissions profile remains primarily electricity-driven, indicating that future decarbonisation efforts should prioritise energy management, efficiency improvements, and clean energy adoption across operational facilities.

This baseline provides the group with a clear foundation for tracking future emissions performance and identifying reduction opportunities.

Data Reliability and Assurance

The group's GHG emissions data is compiled using internally developed tracking tools and activity data collected from designated departmental representatives. Data is reviewed internally as part of the Group's sustainability data consolidation process.

As reporting maturity improves, the Group will continue to strengthen data verification processes and alignment with recognised reporting practices.

4.2 // Water, Waste and Wastewater Management

4.2.1 Our Commitment

Responsible management of water resources and waste generation remains an important component of the group's environmental stewardship efforts. Although the Group's operations are primarily office- and facility-based and are not water-intensive, the group recognises the importance of responsible resource consumption and effective waste management across its operational locations.

Water consumption mainly arises from sanitary use, pantry and drinking purposes, cleaning, housekeeping, and general facility maintenance. Waste generated across facilities is monitored to better understand waste streams and support proper disposal practices.

During the reporting period, the group confirmed that no industrial effluent or processed wastewater is generated from its operations. As such, wastewater treatment and discharge management are currently not applicable within the Group's operational scope.

4.2.2 Monitoring and Management Approach

The group monitors water consumption and waste generation through internal administrative and facility management processes.

Water usage data is primarily collected through monthly utility bills and reviewed internally across key operational locations, including facilities under Best World Engineering and Easy Pack Machinery and Manufacturing.

Waste monitoring is coordinated internally, with Human Resources (HR) supporting the tracking and consolidation of waste-related information based on available facility-level records.

During the reporting year, one subsidiary successfully recorded detailed waste generation data across several categories. While the second subsidiary has implemented the internal waste tracking tool, complete data was not available for the reporting period. The Group expects improved waste data availability from FY2026 onwards as monitoring processes continue to strengthen.

Sustainability Statement (Cont'd)

4.2 Water, Waste and Wastewater Management (Cont'd)

4.2.3 Initiatives and Opportunities

The group continues to strengthen its internal monitoring systems for water consumption and waste management as part of its broader sustainability data management efforts.

Water usage data is compiled across operational locations through utility billing records to improve visibility into resource consumption and identify efficiency opportunities.

The Group has also introduced internal tools to support waste monitoring across subsidiaries. While detailed waste data was available from one subsidiary during the reporting year, the implementation of standardised tracking tools across the Group is expected to improve data completeness and consistency in future reporting periods.

Waste streams are segregated into identifiable categories such as paper, plastics, wood waste, metals, electronic waste, and general landfill waste, supporting better disposal practices and future recycling opportunities.

4.2.4 Progress, Performance Insights and Assurance

Water Consumption Performance

During the reporting period, the group recorded a total water consumption of 18,589 m³ across its operational locations.

Month	Water Usage at			
	Easy Pack Machinery Sdn Bhd – Penang Science Park (m ³)	Bestworld Engineering Sdn Bhd and Easy Pack Manufacturing Sdn Bhd – Bukit Minyak (m ³)	Bestworld Engineering Sdn Bhd - KL Office (m ³)	Bestworld Engineering Sdn Bhd - Asas Jaya Facility (m ³)
January	3070	10.5	18	27
February	3132	4	16	–
March	2504	3	19	27
April	5492	2.5	22	–
May	911	3.5	28	23
June	399	4	34	–
July	390	5.5	26	18
August	497	3	23	–
September	451	4	18	9
October	545	4	19	–
November	405	5	19	26
December	343	1.5	27	–
Total	18139	51	269	130

Sustainability Statement (Cont'd)

4.2

Water, Waste and Wastewater Management (Cont'd)

4.2.4 Progress, Performance Insights and Assurance (Cont'd)

Waste Generation Performance

Waste generation data was recorded for one subsidiary during the reporting period across several waste categories.

Waste Type	Total Generated (kg)
Paper	915
Plastic	760
Wood Waste	15,960
Metals	3,865
Electronic Waste	390
General Waste (Landfill)	7,880

Wood waste and general landfill waste represented the largest waste streams recorded during the reporting period.

For FY2026, the Group aims to expand waste data monitoring across multiple facilities through strengthened internal tracking mechanisms and closer engagement with waste handlers and contractors to improve data availability by weight and treatment method.

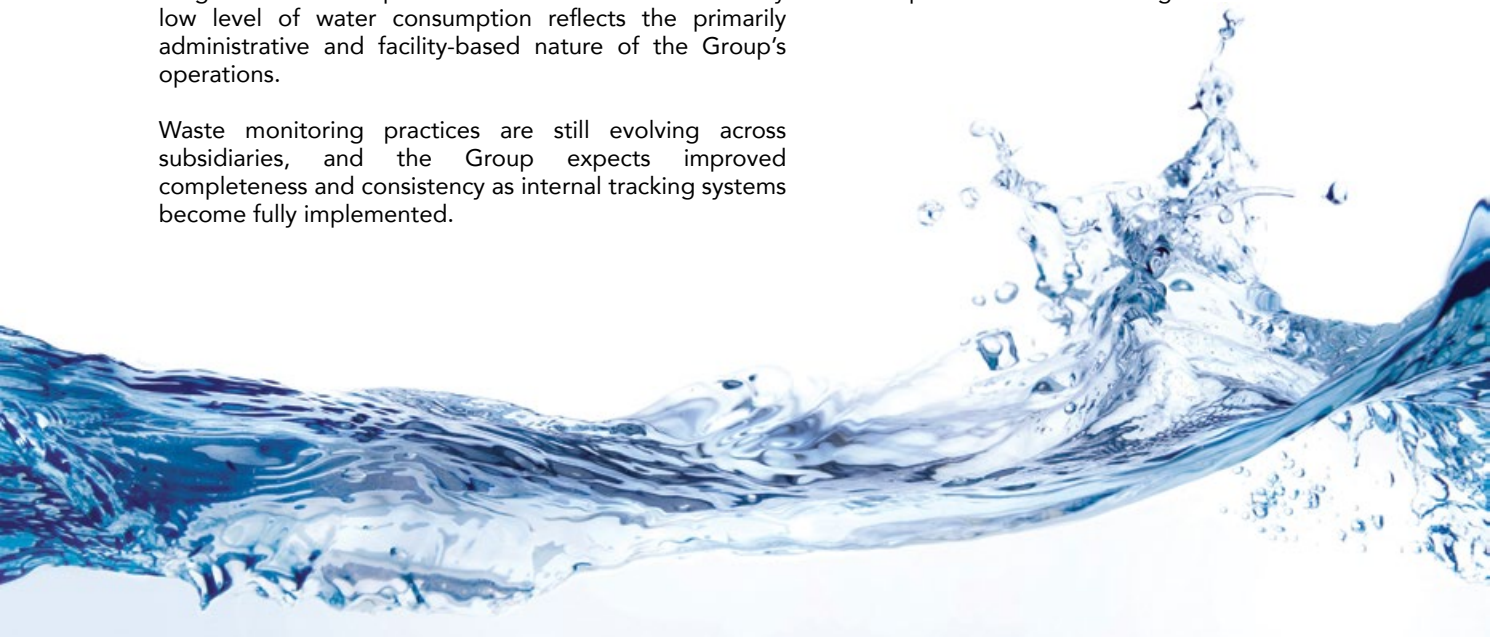
Performance Insights

Monitoring water consumption and waste generation provides the group with improved visibility into resource usage across its operational locations. The relatively low level of water consumption reflects the primarily administrative and facility-based nature of the Group's operations.

Waste monitoring practices are still evolving across subsidiaries, and the Group expects improved completeness and consistency as internal tracking systems become fully implemented.

Data Reliability and Assurance

The Group will continue to strengthen environmental data collection processes to enhance reporting transparency and performance monitoring.



Sustainability Statement (Cont'd)

4.3 Energy Management

4.3.1 Our Commitment

Energy management is a material environmental topic for the group due to its direct link to operational efficiency, cost management, and greenhouse gas emissions.

Energy consumption across the Group primarily arises from electricity used in operational facilities and offices, as well as fuel used for company-owned vehicles and operational equipment. Effective energy management therefore plays an important role in reducing environmental impact while improving operational performance.

The Group recognises that responsible energy use supports both environmental sustainability and long-term business resilience. Rising energy costs, evolving regulatory expectations, and the transition towards lower-carbon energy systems may influence operational expenditure and sourcing decisions, while improvements in energy efficiency and renewable energy adoption present opportunities to reduce costs and minimise the Group's carbon footprint.

4.3.2 Monitoring and Management Approach

Energy management within the group is coordinated through operational monitoring processes across its subsidiaries, supported by internal sustainability reporting mechanisms.

Responsibility for energy monitoring is shared across operational departments, with designated personnel at each site responsible for collecting and maintaining energy consumption records.

Energy performance is monitored through structured data collection tools covering fuel consumption for vehicles and equipment, purchased electricity consumption, and renewable energy generated through solar photovoltaic installations.

Energy data is primarily obtained from electricity utility bills, fuel purchase and usage records, and solar generation records, and is periodically consolidated for sustainability reporting purposes.

4.3.3 Initiatives and Opportunities

The group continues to explore opportunities to improve energy efficiency and integrate renewable energy solutions across its operations.

A key initiative is the rooftop solar photovoltaic (PV) system implemented in 2021 at EasyPack Machinery Sdn. Bhd. in Bukit Mertajam, Pulau Pinang, with an installed capacity of 280 kWp (DC capacity). This supports on-site renewable electricity generation, reduces reliance on grid-supplied electricity, and strengthens the Group's decarbonisation efforts.

During the reporting period, the solar PV system contributed an estimated 300.84 tCO₂e of avoided emissions.

In addition, the group encourages responsible energy usage across its facilities through equipment maintenance, operational optimisation, and employee awareness practices such as switching off unused equipment and managing lighting efficiently.

4.3.4 Progress, Performance Insights and Assurance

Performance

The Group monitors its energy consumption across operational facilities to better understand its energy profile and identify opportunities for improvement. Energy consumption arises primarily from purchased electricity, fuel used in operational vehicles and equipment, and renewable energy generated through on-site solar installations.

Energy Source	Unit	Quantity
Fuel Consumption from Non-Renewable Sources		
Diesel	Litres	46,881.43
Petrol	Litres	21,991.74
Fuel Consumption from Renewable Sources		
Solar Energy Generated	kWh	385,688.22
Purchased Electricity (within the organisation)		
Electricity Consumption	kWh	383,022

Sustainability Statement (Cont'd)

4.3 Energy Management (Cont'd)

4.3.4 Progress, Performance Insights and Assurance (Cont'd)

Performance (Cont'd)

The table below shows energy consumption breakdown in gigajoules of energy consumed.

Energy Source	In GJ
Purchased Electricity	1,378.88
Solar Energy Generated (Renewable, On-Site)	1,388.48
Non-Renewable Energy (e.g., fuels)	2,561.74
Total Energy Consumption	5,329.1

Solar energy generation remained relatively stable throughout the year, with seasonal variations in line with irradiation levels. Peak generation was recorded mid-year, while lower output was observed during periods of reduced sunlight exposure.

Insights

The group's energy profile indicates a diversified mix comprising non-renewable fuels, purchased electricity, and on-site renewable energy generation.

Non-renewable energy sources remain the largest contributor to total energy consumption, while electricity and solar energy account for a balanced share of the overall mix. Notably, on-site solar generation contributed approximately 26% of total energy consumption, reflecting meaningful progress in renewable energy integration.

Continuous monitoring of energy consumption supports better visibility into usage patterns and helps identify opportunities to improve operational efficiency and strengthen long-term energy management practices.

4.4 Sustainability-Related Risks and Opportunities (SRROs)

1) Description of Risks

The group's sustainability-related risks and opportunities within the Environmental pillar are primarily associated with energy consumption, resource efficiency, waste management and greenhouse gas (GHG) emissions arising from its manufacturing and engineering operations conducted through its subsidiaries, Easy Pack and Bestworld.

Given the operational nature of machinery manufacturing, fabrication activities and workshop-based engineering processes, the Group relies on electricity-intensive equipment and operational utilities that contribute to energy consumption, resource usage and industrial waste generation. If not effectively managed, these environmental exposures may increase operating costs, regulatory risks and operational inefficiencies.

Sustainability Statement (Cont'd)

4.4

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

1) Description of Risks

Energy Management Risks

Energy-related risks arise from the Group's reliance on electricity to power machinery, production equipment and operational facilities. High electricity consumption across manufacturing operations may expose the Group to rising electricity tariffs and energy price volatility, potentially increasing operating expenditure and affecting profit margins over time.

The Group also recognises potential regulatory risks associated with increasing policy attention towards energy efficiency and climate-related disclosures. Future regulatory developments may require organisations to implement energy efficiency improvements, upgrade equipment or introduce energy monitoring systems. Such requirements may result in capital expenditure related to retrofitting machinery or upgrading facilities to meet compliance expectations.

Water and Waste Management Risks

Manufacturing and fabrication operations generate industrial waste and utilise water in operational activities such as cleaning processes, equipment maintenance and fabrication workflows. Improper handling, storage or disposal of industrial waste may expose the Group to environmental incidents, regulatory non-compliance and financial penalties.

Operational or awareness gaps in waste management practices may result in incorrect segregation, storage or disposal of scheduled wastes. Such incidents may lead to regulatory investigations, clean-up costs or temporary operational disruptions that may increase operating expenditure.

The Group is also exposed to risks related to water consumption. High water usage without efficiency controls may increase operational costs if water tariffs rise or if supply constraints occur. In addition, accidental spills or improper storage of industrial waste materials may lead to environmental contamination, remediation costs and reputational damage if not effectively controlled.

Greenhouse Gas (GHG) Emissions Risks

The Group's operational activities rely on grid electricity and fuel consumption within machinery operations and internal logistics activities. Reliance on grid electricity exposes the Group to potential increases in electricity tariffs or the introduction of carbon pricing mechanisms in the future, which may increase operating costs.

The Group also recognises emerging risks associated with evolving climate-related disclosure expectations. Limited emissions tracking capability may affect the organisation's ability to meet future sustainability reporting requirements or investor expectations related to climate transparency.

If not managed proactively, these environmental risks may affect operational efficiency, regulatory compliance and cost competitiveness over time.

Sustainability Statement (Cont'd)

4.4

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

2) Effects on Business Model and Value Chain

The identified sustainability-related environmental risks and opportunities may influence the group's value chain across upstream resource inputs, operational activities and downstream stakeholder expectations.



Upstream Exposure

The group's operations depend on reliable access to electricity, water and fuel resources to support manufacturing and engineering activities. Increases in electricity tariffs, fuel price volatility or potential water supply constraints may affect the cost structure of operational activities.

In addition, regulatory developments related to environmental compliance, waste management practices and climate disclosures may influence supplier practices and operational compliance requirements across the Group's operational ecosystem.



Operational Impact

Environmental inefficiencies within manufacturing operations may lead to higher utility consumption and increased operating costs. Excessive electricity usage, inefficient water consumption or inadequate waste management practices may gradually increase operational expenditure.

Environmental incidents related to improper waste handling or storage may result in regulatory penalties, remediation costs and temporary operational disruptions. Such incidents may also require additional compliance investments or operational adjustments.

Limited emissions monitoring capabilities may also affect the Group's ability to track environmental performance effectively or respond proactively to emerging sustainability disclosure expectations.



Downstream Exposure

Customers, investors and regulators are increasingly attentive to environmental performance and sustainability practices. Organisations that demonstrate effective energy management, responsible waste handling and credible emissions management practices may strengthen stakeholder confidence and enhance their market reputation.

Conversely, environmental incidents, regulatory breaches or inefficient resource management may negatively affect the Group's reputation and stakeholder relationships.

Sustainability Statement (Cont'd)

4.4

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

3) Effects on Strategy and Decision-Making

Environmental risks and opportunities influence the group's operational planning, resource management strategies and sustainability priorities. The Group recognises that efficient resource management is essential for maintaining operational efficiency and controlling operating costs. Improving energy efficiency across machinery and facilities can reduce electricity consumption and help manage exposure to energy price volatility.

The Group also acknowledges the importance of responsible waste management practices to minimise regulatory risks and environmental incidents. Strengthening waste segregation practices, improving operational awareness and implementing appropriate storage and disposal controls support regulatory compliance and reduce environmental risk exposure.

Water efficiency initiatives may also support long-term operational resilience by reducing dependency on external water supply and managing potential utility cost increases.

In addition, improving emissions monitoring capability enables the Group to strengthen transparency in sustainability reporting and better respond to evolving climate-related disclosure expectations.

Strategically, the Group prioritises:

- Improving energy efficiency across operational facilities
- Strengthening energy monitoring and operational optimisation
- Enhancing waste management practices and environmental compliance controls
- Promoting water efficiency initiatives within operational activities
- Strengthening emissions monitoring and climate-related transparency

These initiatives support cost efficiency, regulatory compliance and long-term environmental sustainability.

4) Governance of Material Topic

Oversight of sustainability-related environmental risks and opportunities is integrated into the group's operational management and environmental control practices.

Energy consumption, resource usage, and waste management practices are monitored internally through facility management and operational oversight processes to support management review, compliance, and identification of efficiency improvement opportunities.

Environmental performance data, including resource consumption and waste generation, is reviewed internally to support operational oversight and continuous improvement.

Sustainability Statement (Cont'd)

4.4

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

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)	High electricity consumption	Increased electricity costs and operating expenditure	Operational cost pressures	Investor attention on efficiency performance
	Industrial waste handling incidents	Fines, remediation costs and temporary operational disruptions	Higher operational risk perception	Negative ESG perception
Medium-term (2–5 years)	Energy monitoring gaps	Inefficient energy usage increases operating costs	Efficiency risks may influence financing assessments	Reduced confidence in operational management
	Rising water tariffs	Increased utility expenditure	Cost management concerns	Investor scrutiny of resource efficiency
	Carbon pricing or tariff increases	Increased operating expenditure from electricity use	Climate risk perception	Investor attention on carbon exposure
Long-term (5+ years)	Energy efficiency improvements	Reduced electricity consumption and operating costs	Lower operational risk perception	Improved attractiveness to ESG-focused investors
	Improved emissions monitoring and disclosure	Greater transparency and investor confidence	Lower sustainability risk perception	Improved access to ESG-linked financing

Short Term Opportunities	• Energy efficiency initiatives reduce electricity consumption and operational costs. • Improved energy monitoring systems enhance operational efficiency and cost predictability. • Strong waste segregation practices reduce disposal costs and regulatory exposure. • Water efficiency initiatives lower utility costs and strengthen resource resilience.
Long Term Opportunities	• Continuous energy efficiency improvements enhance long-term operational competitiveness. • Strong environmental management practices reduce regulatory risk exposure. • Improved emissions monitoring strengthens credibility with lenders and investors. • Adoption of cleaner energy sources may reduce long-term operating costs and carbon exposure.

6) Resilience

The group strengthens organisational resilience by integrating energy management, resource efficiency, and environmental compliance practices into its operational framework.

Energy efficiency initiatives, improved monitoring systems, and resource management practices support reduced electricity consumption, better cost control, and improved preparedness for evolving sustainability reporting expectations.

These measures strengthen the Group's ability to manage environmental risks while supporting long-term business resilience and sustainable growth.

Sustainability Statement (Cont'd)

Chapter 5:

Sustainable Value Creation and Operational Excellence

- 5.1 Sustainable Value Creation Through Operational Excellence
- 5.2 Product Design, Lifecycle, Safety & Quality Management
- 5.3 Supply Chain Management
- 5.4 Sustainability-Related Risks and Opportunities (SRROs)

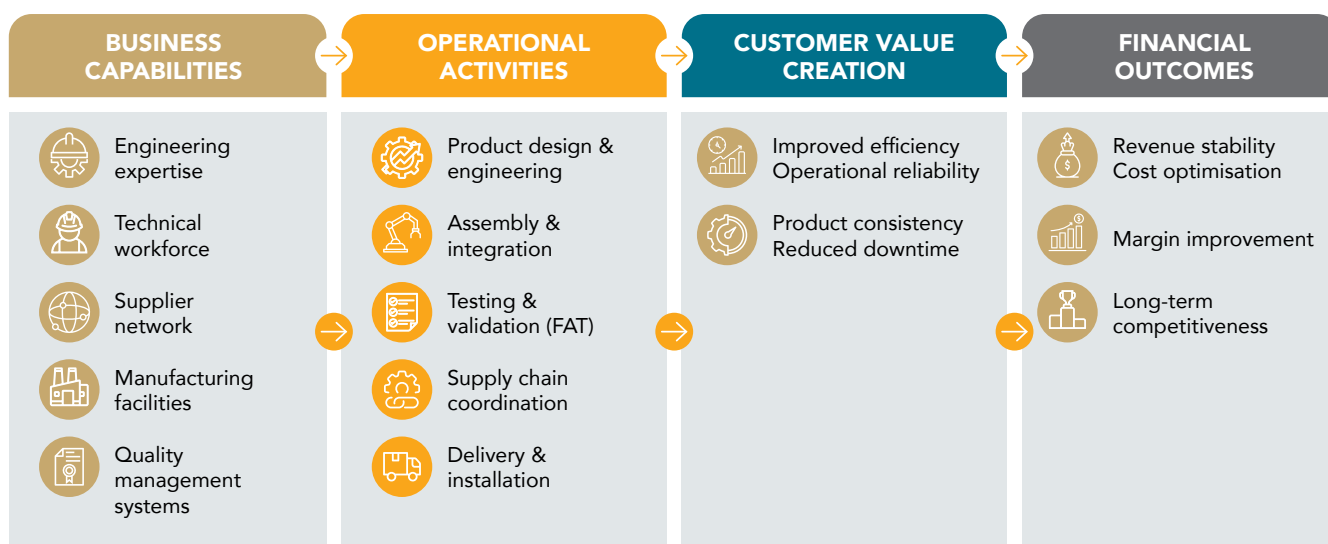
Sustainability Statement (Cont'd)

5.1

Sustainable Value Creation Through Operational Excellence

The group's approach to sustainability is embedded within how we design, manufacture and deliver solutions that create long-term economic value. As an integrated provider of industrial processing, automation and packaging solutions, our business model is driven by engineering capability, operational efficiency and responsiveness to evolving customer requirements.

Sustainable Value Creation Model



Our operations encompass the design, fabrication and integration of customised machinery and automation systems, supported by manufacturing, trading and technical services activities. This integrated operating model enables us to provide end-to-end solutions while maintaining flexibility to adapt to changing customer specifications and market conditions. At the same time, it places strong emphasis on efficient material usage, product durability, supplier coordination and execution reliability — all of which directly influence cost competitiveness and long-term profitability.

As demand for automation, efficiency and reliability continues to grow across manufacturing industries, the group recognises that sustainable business growth requires disciplined operational management and continuous improvement across the value chain. Product design decisions influence material consumption, lifecycle performance and downstream customer efficiency, while supply chain effectiveness supports timely project delivery, quality assurance and revenue stability.

In alignment with our financial materiality assessment and enterprise risk management processes, the group has identified Product Design and Life Cycle Management and Supply Chain Management as key economic material topics. Together, these areas support operational efficiency, cost discipline and execution reliability, while enabling the Group to respond proactively to evolving market expectations and competitive pressures.

Through ongoing optimisation of engineering practices, supplier engagement and operational planning, we aim to reinforce business resilience while delivering sustainable economic value to shareholders, customers and stakeholders. The following sections outline how these priorities support the group's operational performance, risk management and long-term value creation.

Sustainability Statement (Cont'd)

5.2

Product Design, Lifecycle, Safety & Quality Management

5.2.1 Our Approach to Product Quality, Safety and Lifecycle Excellence

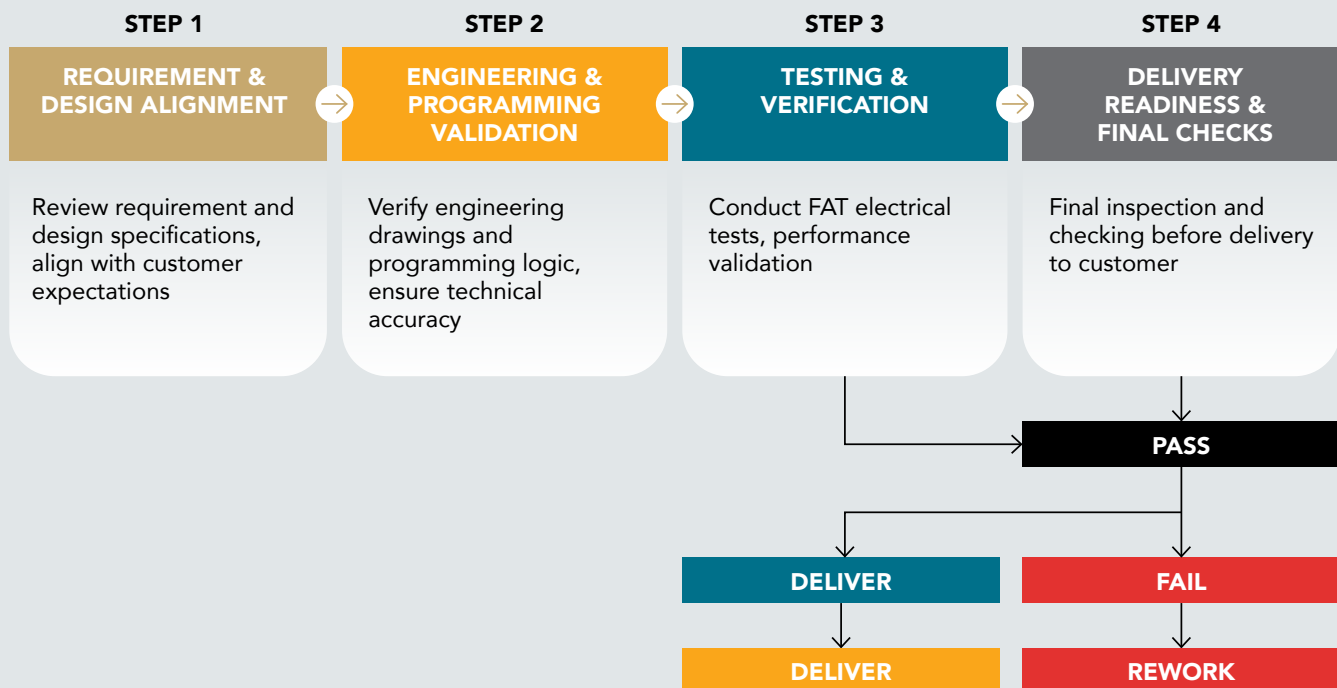
Our long-term competitiveness depends on our ability to design and deliver machinery that performs reliably, meets customer specifications and sustains value throughout its operational life cycle. We are committed to strengthening product quality, durability and operational safety through disciplined engineering practices, structured verification prior to delivery and documented traceability across design, programming, electrical validation and testing stages. These practices support cost efficiency, reduce downstream rectification risks and strengthen customer confidence and repeat business relationships.

In addition to performance and durability considerations, our engineering and validation processes incorporate product safety principles to ensure machinery operates reliably within intended parameters. By embedding safety and functional reliability into design and verification stages, we minimise operational risks to end-users while supporting stable downstream performance.

5.2.2 Monitoring and Management Approach

We manage product design, lifecycle performance and quality assurance through a structured documentation and verification framework that provides traceability from customer requirements through to delivery readiness. Key monitoring and control mechanisms include:

Quality Verification Process Flow



Sustainability Statement (Cont'd)

5.2

Product Design, Lifecycle, Safety & Quality Management (Cont'd)

5.2.2 Monitoring and Management Approach (Cont'd)

- **Quality management governance:** Our ISO 9001:2015-certified quality management system supports consistent control over design, manufacturing and servicing activities for packing and food processing machinery.
- **Specification alignment and engineering traceability:** Sales order discussion records document customer requirements and internal technical alignment, ensuring that both standard and customised machines are developed according to agreed specifications.
- **Automation and programming validation:** Programming records for both standard and non-standard machines document development stages, testing attempts and approval checkpoints, supporting controlled implementation of automation logic and system functionality.
- **Electrical verification and safety checks:** Electrical records capture verification of electrical integrity, functional performance and operational readiness prior to delivery. These controls help ensure stable system performance and safe commissioning before machines are deployed to customers.
- **Structured testing prior to delivery:** We apply staged verification gates through pre-test checklists and Factory Acceptance Tests (FAT), including application-specific testing for filling and retort systems. These checks confirm operational performance, system integration and controlled functionality before shipment.
- **Performance verification where applicable:** Product weight and quantity testing records provide measurable confirmation that machines meet required operating tolerances and customer performance expectations.
- **Delivery readiness controls:** Packing checklists serve as a final verification step to ensure equipment completeness and protection prior to shipment, reducing discrepancies and downstream disruption risks.
- **Product conformity assurance:** Where applicable, we maintain product conformity certification to demonstrate compliance with relevant machinery, technical and safety requirements.

Together, these controls ensure quality, reliability and safety considerations are embedded throughout the product lifecycle rather than relying solely on final inspection.

5.2.3 Continuous Improvement and Value Creation Opportunities

We continuously refine our design and verification practices to enhance efficiency and strengthen the value delivered to our customers. This includes improving design optimisation to reduce material usage and manufacturing complexity while strengthening lifecycle durability to minimise warranty and servicing requirements.

We also apply consistent validation practices across product families to improve delivery reliability and reduce defect recurrence. Documented testing outcomes, engineering records and customer feedback are analysed to support continuous product refinement, improved system stability and enhanced operational safety over time.

Collectively, these efforts support sustained competitiveness while reinforcing product reliability, customer trust and long-term business performance.

5.2.4 Assurance and Quality Performance

Product assurance is maintained through structured pre-delivery verification and post-delivery performance monitoring. Design optimization, staged validation and documented engineering records support consistent product quality and functional reliability prior to shipment, while lifecycle performance considerations help minimise warranty exposure and servicing requirements over time.

Beyond delivery, we maintain structured mechanisms to monitor product performance in actual operating environments. Customer feedback data collected through sales and service channels provides visibility into operational performance trends, defect patterns and areas for technical refinement. Where issues arise, formal rejection and claim procedures are implemented to support timely repair, replacement or corrective action in a controlled and traceable manner.

Where performance concerns may have safety implications, structured investigation and corrective action protocols are implemented to ensure safe functionality and prevent recurrence. These processes provide valuable feedback inputs to engineering and programming teams, enabling continuous refinement of design, testing and verification practices.

Through the integration of documented testing, delivery verification and downstream performance feedback, we maintain an ongoing quality assurance loop that supports faster issue resolution, improved delivery reliability and sustained customer confidence. Collectively, these practices reinforce long-term product reliability, operational safety and stable revenue generation.

Sustainability Statement (Cont'd)

5.3 Supply Chain Management

5.3.1 Our Approach to Responsible and Reliable Supply Chain Management

Our ability to deliver reliable machinery and sustain long-term customer relationships depends on a stable and well-coordinated supply chain. We are committed to managing supplier coordination, material quality and order execution in a structured manner to ensure that components and systems integrated into our machines meet required specifications and delivery timelines. By strengthening supply chain discipline and visibility, we aim to minimise disruption risks, maintain production efficiency and support consistent revenue generation.

5.3.2 Monitoring and Management Approach

We manage supply chain risks through operational controls that integrate procurement, engineering, logistics and production processes, ensuring that supplier inputs and delivery execution are verified throughout project execution rather than only at final shipment.

Key monitoring and management practices include:

- **Specification alignment at project initiation:** Sales order discussion records support early clarification of technical and commercial requirements, enabling procurement and engineering teams to align sourcing decisions with customer specifications.
- **Integration of supplier components into staged verification:** Supplier-provided components are validated through structured pre-test and Factory Acceptance Test (FAT) processes, ensuring compatibility, functionality and performance prior to delivery.
- **Quality verification during assembly and testing:** Electrical verification, programming validation and operational testing collectively confirm that supplied components function correctly within integrated systems, reducing downstream quality risks.
- **Documentation and traceability controls:** Engineering, testing and packing records provide traceability across procurement, assembly and delivery stages, enabling timely identification and resolution of potential issues.
- **Delivery coordination and logistics oversight:** Local deliveries are executed through a combination of third-party logistics providers and company-managed transportation, allowing flexibility while maintaining operational control over shipment timelines and handling conditions.
- **Risk allocation and shipment assurance:** Insurance arrangements are structured according to delivery scope, with local deliveries insured by the Group and export shipments covered under customer arrangements where applicable. This approach clarifies risk ownership during transit and supports controlled delivery execution.
- **Delivery readiness and shipment assurance:** Packing checklists serve as a final control step to confirm completeness and readiness prior to dispatch, reducing delivery discrepancies and customer disruption.

These coordinated controls help ensure supply reliability, consistent production execution and dependable fulfilment of customer orders.

Sustainability Statement (Cont'd)

5.3 Supply Chain Management (Cont'd)

5.3.2 Monitoring and Management Approach (Cont'd)

To provide additional visibility on sourcing exposure, the Group monitors the proportion of procurement spend across local and overseas suppliers at subsidiary level. This helps assess supply chain concentration risks, cost exposure and dependency on international sourcing.

Subsidiary	FY2023 Local	FY2023 Overseas	FY2024 Local	FY2024 Overseas	FY2025 Local	FY2025 Overseas
BWEN	24.76	75.24	23.47	76.53	11.07	88.93
BWPD	0.03	99.97	6.39	93.61	0.68	99.32
EPMFG	–	–	–	–	46.26	53.74
EPM	–	–	–	–	79.05	20.95
EPM KL	–	–	–	–	99.76	0.24

5.3.3 Supply Chain Strengthening and Operational Opportunities

We continue to strengthen supply chain resilience by improving coordination and operational visibility across sourcing and delivery activities. This includes enhancing supplier coordination and communication to reduce delays and improve delivery predictability, as well as strengthening verification practices to minimise rework and production interruptions arising from component inconsistencies.

We also focus on improving alignment between sales planning and production capability to stabilise utilisation levels, while leveraging operational documentation and testing outcomes to support continuous improvement in sourcing and execution practices. Collectively, these efforts help protect margins, improve delivery performance and reinforce customer confidence.

5.3.4 Assurance and Delivery Reliability

We support supply chain reliability through structured operational controls and documented verification processes that extend beyond production into delivery and post-delivery engagement. Pre-testing, Factory Acceptance Test (FAT) validation and integrated system checks provide confirmation that sourced components meet functional and performance expectations before shipment, helping to minimise downstream disruptions.

Traceable documentation maintained across order discussions, engineering validation and delivery preparation provides evidence of coordinated execution between internal teams and external suppliers. Our ISO 9001:2015 quality management framework further reinforces consistent procurement and production practices, supporting controlled processes across the supply chain.

Following delivery, customer feedback mechanisms form an additional assurance layer. Feedback on machine performance and product defects is channelled through the sales team, supported by documented rejection and claim records that enable structured investigation, repair or replacement where required. These processes allow operational learnings to be captured and integrated into future design, sourcing and execution improvements.

In parallel, ongoing customer engagement initiatives — including participation in customer events and relationship-building activities — support long-term collaboration and strengthen communication channels, enabling early identification of operational concerns. Together, these measures reinforce execution reliability, reduce operational risks and sustain trusted business relationships through dependable delivery performance and responsive after-sales support.

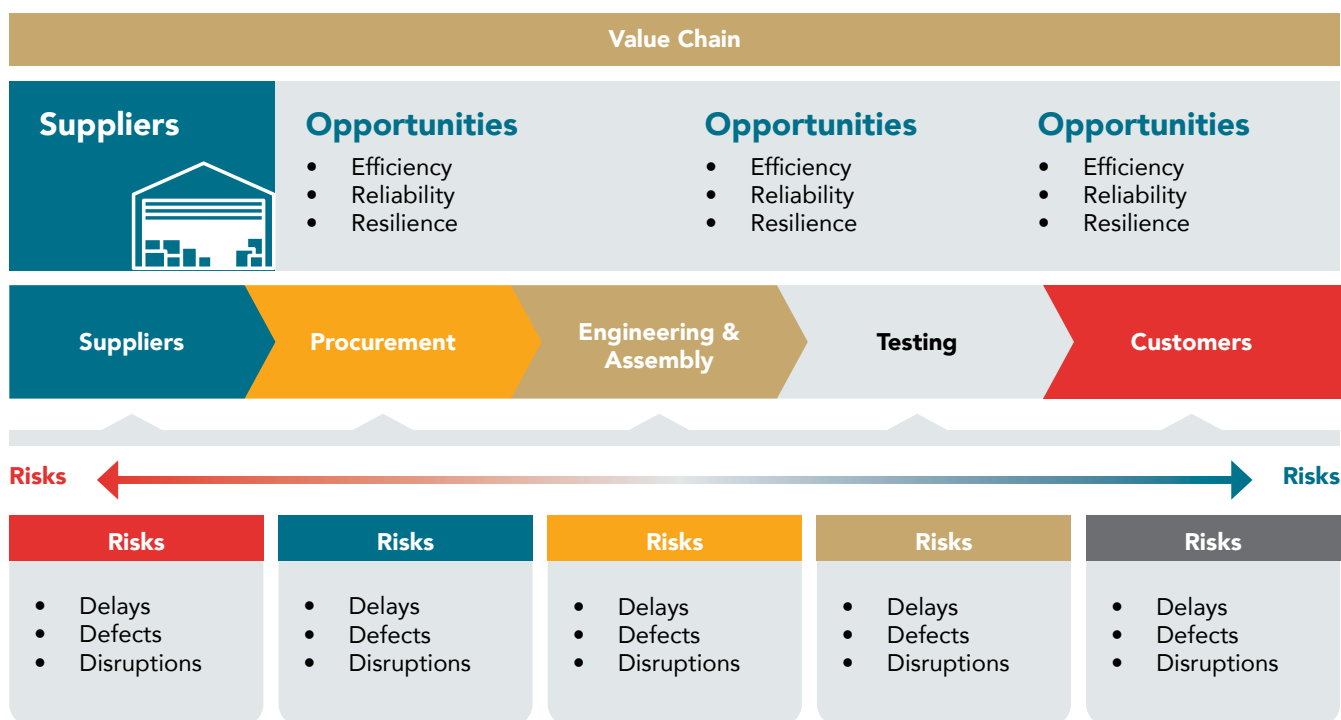
Sustainability Statement (Cont'd)

5.4

Sustainability-Related Risks and Opportunities (SRROs)

This section brings together sustainability-related risks and opportunities arising from the material topics of Product Design, Lifecycle, Safety and Quality Management and Supply Chain Management, and considers how these factors may influence the group's operating performance, commercial stability and long-term value creation.

As a provider of customised industrial processing and automation solutions, the group's financial outcomes are closely linked to engineering efficiency, product reliability, quality assurance effectiveness and the reliable sourcing of specialised components. The Group's ability to consistently convert customer demand into completed projects depends on disciplined design controls, effective verification processes and coordinated supplier execution. Sustainability considerations in these areas primarily relate to cost management, delivery performance, product reliability and long-term competitiveness rather than environmental exposure alone.



Sustainability Statement (Cont'd)

5.4

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

5.4.1 Description of Risks

Risks associated with Product Design, Lifecycle, Safety and Quality Management relate to how design decisions, material utilisation, durability considerations, quality control effectiveness and safety integration influence production efficiency and downstream product performance. Inefficient material usage, insufficient lifecycle optimization, quality control gaps or weaknesses in safety validation may increase manufacturing costs, elevate warranty exposure, increase defect rates and reduce overall product value delivered to customers. Where product performance concerns affect operational stability or safe functionality, customer confidence and repeat business relationships may be impacted. Over time, these factors may affect pricing flexibility, margins and competitive positioning.

Within Supply Chain Management, risks arise from dependence on external suppliers for specialised parts and materials required in customised solutions. Limited supplier transparency, inconsistent input quality or delivery delays may interrupt production schedules, increase rework requirements and elevate procurement costs. Business performance also remains sensitive to fluctuations in customer orders, as reduced order inflow may lower production utilisation and place pressure on revenue stability.

While these risks are manageable under existing operational controls, ineffective monitoring, delayed response or inadequate coordination across engineering and procurement functions may gradually affect margins, delivery timelines and customer confidence.

5.4.2 Effects on Business Model and Value Chain

The group's business model integrates engineering design, procurement, fabrication, system assembly and final delivery of tailored industrial equipment.

At the upstream level, procurement efficiency and supplier reliability play a critical role in maintaining production continuity. Delays in receiving components or inconsistencies in supplier quality may require production adjustments, potentially affecting delivery commitments and cost performance.

Across internal operations, engineering design choices directly influence manufacturing complexity, material consumption, system integration and lifecycle durability. Designs that are not optimised for manufacturability, quality assurance or operational safety may increase scrap generation, extend production time, elevate defect risks or lead to higher after-sales servicing and warranty requirements.

At the customer interface, delivery delays, product quality inconsistencies or safety-related performance concerns may affect repeat business opportunities and long-term relationships. Maintaining consistent reliability, quality standards and delivery timelines is therefore essential to sustaining the group's market reputation and revenue continuity.



Sustainability Statement (Cont'd)

5.4

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

5.4.3 Effects on Strategy and Decision-Making

Consideration of sustainability-related risks and opportunities informs several operational and commercial decisions within the Group.

Engineering teams evaluate product configurations with attention to manufacturability, durability, efficient material usage and system reliability to ensure that design improvements support both cost control and customer value. Quality assurance protocols and staged validation processes are applied to reduce defect exposure and enhance operational safety performance.

At the same time, procurement strategies emphasise supplier coordination, performance monitoring and diversification where appropriate to minimise disruption risks. Management evaluates sales growth alongside operational readiness, recognising that order acquisition must remain balanced with supply capability and production capacity.

These considerations contribute to planning discussions relating to capital allocation, process optimisation, risk management and long-term growth sustainability.

5.4.4 Governance of Material Topics

Oversight of matters relating to product design, quality assurance, safety performance and supply chain reliability is integrated into the group's existing management and reporting structures.

The Board maintains visibility over operational performance and strategic risks through regular management reporting, including matters that may affect delivery capability, cost performance, product reliability or growth sustainability. At the operational level, Engineering, Procurement, Operations and Finance functions collectively monitor supplier performance, production efficiency, quality outcomes and project execution results.

Material operational issues or emerging risks are escalated through established internal reporting channels to support timely management response and informed decision-making.



Sustainability Statement (Cont'd)

5.4

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

5.4.5 Potential Financial Implications

Time Horizon	Risk	Impact on Future Cash Flows	Impact on Cost of Capital	Impact on Access to Finance
Short-term (0–2 years)	Supplier delays or inconsistent input quality	Project delays, higher rework costs and temporary revenue timing impacts	Neutral	Limited immediate impact
	Inefficient material utilisation in production	Increased manufacturing cost and margin compression	Neutral	Minimal short-term effect
Medium-term (2–5 years)	Product durability or lifecycle performance gaps	Higher warranty costs and reduced repeat orders	Slight increase if earnings stability weakens	May influence lender perception over time
	Fluctuating order pipeline	Variability in utilisation and revenue visibility	Potential moderate increase	Could affect financing outlook if volatility persists
Long-term (5+ years)	Structural supply chain inefficiencies	Sustained cost disadvantage relative to competitors	Higher risk perception	Reduced attractiveness to efficiency-focused investors
	Failure to evolve product design with market expectations	Gradual loss of competitiveness and market share	Higher	May limit long-term capital attractiveness

5.4.6 Sustainability-Related Opportunities

Short Term Opportunities	- Improved engineering optimization can reduce material usage, production cost and defect rates. - Stronger coordination with suppliers supports more predictable delivery timelines and consistent component quality. - Better alignment between sales planning and production capacity improves utilisation efficiency and cost control.
Medium- to Long-Term Opportunities	- Lifecycle-focused product development, strengthened quality assurance and integrated safety considerations enhance reliability and reduce downstream servicing exposure. - Broader supplier engagement and performance monitoring reduce dependency risks and improve resilience. - Continuous operational refinement supports stable margins, stronger customer retention and sustained competitiveness.

5.4.7 Resilience

The group's resilience is supported by its integrated engineering capabilities, structured quality assurance processes, safety validation controls and coordinated supplier engagement practices.

By strengthening product design, quality and safety integration, and supply chain coordination, the Group improves its ability to manage cost pressures, defect risks and delivery disruptions.

These measures support stable operations, reliable product performance and long-term competitiveness.

Sustainability Statement (Cont'd)

SASB Content Index – Industrial Machinery & Goods

Topic	Accounting Metric	Reference	Code
Energy Management	(1) Total energy consumed	Chapter 4 – 4.3.4 Progress, Performance Insights and Assurance	RT-IG-130a.1
	(2) Percentage grid electricity	Chapter 4 – 4.3.4 Progress, Performance Insights and Assurance	RT-IG-130a.1
	(3) Percentage renewable	Chapter 4 – 4.3.4 Progress, Performance Insights and Assurance	RT-IG-130a.1
Workforce Health & Safety	(1) Total recordable incident rate (TRIR)	Not disclosed	RT-IG-320a.1
	(2) Fatality rate	Chapter 3 – 3.2.4 Progress, Performance Insights & Assurance	RT-IG-320a.1
	(3) Near miss frequency rate (NMFR) for direct employees	Not disclosed	RT-IG-320a.1
	(4) Near miss frequency rate (NMFR) for contract employees	Not disclosed	RT-IG-320a.1
Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Not applicable. These metrics relate to the use-phase fuel economy and air emissions of engines, vehicles and non-road equipment, which fall outside EPB's product portfolio (packaging materials and refrigerated warehouse assembly)	RT-IG-410a.1
	Sales-weighted fuel efficiency for non-road equipment		RT-IG-410a.2
	Sales-weighted fuel efficiency for stationary generators		RT-IG-410a.3
	(1) Sales-weighted emissions of nitrogen oxides (NOx) for marine diesel engines		RT-IG-410a.4
	(2) Sales-weighted emissions of particulate matter (PM) for marine diesel engines		RT-IG-410a.4
	(3) Sales-weighted emissions of nitrogen oxides (NOx) for locomotive diesel engines		RT-IG-410a.4
	(4) Sales-weighted emissions of particulate matter (PM) for locomotive diesel engines		RT-IG-410a.4
	(5) Sales-weighted emissions of nitrogen oxides (NOx) for on-road medium- and heavy-duty engines		RT-IG-410a.4
	(6) Sales-weighted emissions of particulate matter (PM) for on-road medium- and heavy-duty engines		RT-IG-410a.4
	(7) Sales-weighted emissions of nitrogen oxides (NOx) for other non-road diesel engines		RT-IG-410a.4
	(8) Sales-weighted emissions of particulate matter (PM) for other non-road diesel engines		RT-IG-410a.4

Sustainability Statement

(Cont'd)

SASB Content Index – Industrial Machinery & Goods (Cont'd)

Topic	Accounting Metric	Reference	Code
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Chapter 5 – 5.3.1 Our Approach to Responsible and Reliable Supply Chain Management; 5.3.2 Monitoring & Management	RT-IG-440a.1
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	Not Applicable	RT-IG-440b.1

Sustainability Statement (Cont'd)

Bursa Malaysia's Prescribed Table

EPB GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-30_09:56:32

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
* Anti-corruption	* Senior Management Training	* Percentage	* 0	* 100	* No assurance	
Footnote Sustainability Matter						
Footnote Metric	Anti-corruption					
Footnote Measurement Unit	Senior Management					
Footnote Measurement Unit	Percentage					
Footnote 2025	0					
Footnote Target	100					
Footnote Assurance	No					
Anti-corruption	* Management Training	Percentage	0	* 100	No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Metric	Management Training					
Footnote Target	100					
Anti-Corruption	* Executive Training	Percentage	0	* 100	No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Metric	Executive Training					
Footnote Target	100					
Anti-Corruption	Non-Executive Training	Percentage	0	* 100	No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Target	100					

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EPB GROUP BERHAD
BMLR Transition Period

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-corruption	Percentage of operations assessed for corruption-related risks	Percentage	100	100	No assurance	Risk Management is assessed across all our subsidiary and their operations
Footnote Sustainability Matter						
This row has been added.						
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	Maintain 0 Incidents	No assurance	
Footnote Sustainability Matter						
This row has been added.						
Community/Society	* Total amount invested in the community where the target beneficiaries are external to the listed issue	* MYR	* 2000	* None	* No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Metric						
Total amount invested in the community where the target beneficiaries are external to the listed issuer						
Footnote Measurement Unit						
MYR						
Footnote 2025						
2000						
Footnote Target						
None						
Footnote Assurance						
No assurance						
Community/Society	Total number of beneficiaries of the investment in communities	* Number	96	* None	No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Measurement Unit						
Number						
Footnote Target						
None						
* Energy management	* Total energy consumption	* GJ	* 53291	* None	* No assurance	

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EPB GROUP BERHAD

BMLR Transition Period

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Energy management					
Footnote Metric	Total energy consumption					
Footnote Measurement Unit	GJ					
Footnote 2025	53291					
Footnote Target	None					
Footnote Assurance	No assurance					
Health and Safety	Number of work-related fatalities	Number	0	0	No assurance	
Footnote Sustainability Matter	This row has been added.					
Health and Safety	Lost time incident rate	Rate	0	0	No assurance	
Footnote Sustainability Matter	This row has been added.					
Health and Safety	Number of employees trained on health and safety standards	Number	7	0	No assurance	
Footnote Sustainability Matter	This row has been added.					
* Water Management	* Total volume of water used	* cubic metre	* 18,589	* None	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Water Management					
Footnote Metric	Total volume of water used					
Footnote Measurement Unit	cubic metre					

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EPB GROUP BERHAD
BMLR Transition Period

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote 2025	18589					
Footnote Target	None					
Footnote Assurance	No assurance					
Waste Management	total waste generated	tonnes	29.77	* None	No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Target	None					
Waste Management	total waste diverted from disposal	tonnes	21.89	* None	No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Target	None					
Waste Management	total waste directed to disposal	tonnes	788	* None	No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Target	None					
Emissions management	Scope 1 emissions in tonnes of CO2e	CO2e	172.69	* None	No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Target	None					
Emissions management	Scope 2 emissions in tonnes of CO2e	CO2e	34757	* None	No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Target	None					

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EPB GROUP BERHAD

BMLR Transition Period

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Emissions management	Scope 3 emissions in tonnes of CO2e	CO2e	141.28	* None	No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Target	None					
* Diversity	* Percentage of male employees	Percentage	* 6774	—	No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	*Percentage of male employees					
Footnote 2025	6774					
* Diversity	* Percentage of female employees	Percentage	* 32.36	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of female employees					
Footnote 2025	32.36					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of employees by Senior Management employee category	* Percentage	* 8.43	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					

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EPB GROUP BERHAD
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Metric	Percentage of employees by Senior Management employee category					
Footnote Measurement Unit	Percentage					
Footnote 2025	8.43					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of employees by Management employee category	* Percentage	* 12.36	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	*Diversity					
Footnote Metric	*Percentage of employees by Management employee category					
Footnote Measurement Unit	Percentage					
Footnote 2025	12.36					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of employees by Executive employee category	* Percentage	* 40.45	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	*Diversity					
Footnote Metric	*Percentage of employees by Executive employee category					
Footnote Measurement Unit	Percentage					
Footnote 2025	40.45					

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EPB GROUP BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Assurance						
* Diversity		* Percentage of employees by Non-Executive employee category	* 38.76	—	* No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Sustainability Matter						
*Diversity						
Footnote Metric						
*Percentage of employees by Non-Executive employee category						
Footnote Measurement Unit						
Percentage						
Footnote 2025						
38.76						
Footnote Assurance						
No Assurance						
* Diversity		* Percentage of senior management employees by male	* 60	—	* No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Sustainability Matter						
Diversity						
Footnote Metric						
Percentage of senior management employees by male						
Footnote Measurement Unit						
Percentage						
Footnote 2025						
60						
Footnote Assurance						
No Assurance						
* Diversity		* Percentage of senior management employees by female	* 40	—	* No assurance	

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EPB GROUP BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of senior management employees by female					
Footnote Measurement Unit	Percentage					
Footnote 2025	40					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of senior management employees by age group <30	* Percentage	* 14.29	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of senior management employees by age group <30					
Footnote Measurement Unit	Percentage					
Footnote 2025	14.29					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of senior management employees by age group 30-50	* Percentage	* 21.43	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of senior management employees by age group 30-50					

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Bursa Malaysia's Prescribed Table (Cont'd)

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EPB GROUP BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Measurement Unit	Percentage					
Footnote 2025	21.43					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of senior management employees by age group >50	* Percentage	* 64.29	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of senior management employees by age group >50					
Footnote Measurement Unit	Percentage					
Footnote 2025	64.29					
Footnote Assurance	No Assurance					
Diversity	* Percentage of management employees by male	* Percentage	* 50.09	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Metric	Diversity					
Footnote Measurement Unit	*Percentage of management employees by male					
Footnote 2025	*Percentage					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of management employees by female	* Percentage	* 40.91	—	* No assurance	

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EPB GROUP BERHAD
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	*Diversity					
Footnote Metric	*Percentage of management employees by female					
Footnote Measurement Unit	Percentage					
Footnote 2025	40.91					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of management employees by age group <30	* Percentage	* 13.64	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of management employees by age group <30					
Footnote Measurement Unit	Percentage					
Footnote 2025	13.64					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of management employees by age group 30-50	* Percentage	* 77.27	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of management employees by age group 30-50					

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Measurement Unit	Percentage					
Footnote 2025	7727					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of management employees by age group >50	* Percentage	* 9.09	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	*Diversity					
Footnote Metric	*Percentage of management employees by age group >50					
Footnote Measurement Unit	*Percentage					
Footnote 2025	*9.09					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of executive employees by male	* Percentage	* 52.78	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of executive employees by male					
Footnote Measurement Unit	Percentage					
Footnote 2025	52.78					
Footnote Assurance	No Assurance					

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EPB GROUP BERHAD
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
* Diversity	* **Percentage of executive employees by female	* Percentage	* 4722	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of executive employees by female					
Footnote Measurement Unit	Percentage					
Footnote 2025	4722					
Footnote Assurance	No Assurance					
* Diversity	* **Percentage of executive employees by age group <30	* Percentage	* 40.28	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of executive employees by age group <30					
Footnote Measurement Unit	Percentage					
Footnote 2025	40.28					
Footnote Assurance	No Assurance					
Diversity	Percentage of executive employees by age group 30-50	Percentage	50	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Assurance	No Assurance					

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EPB GROUP BERHAD
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
* Diversity	* Percentage of executive employees by age group >50	* Percentage	* 9.72	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	*Diversity					
Footnote Metric	*Percentage of executive employees by age group >50					
Footnote Measurement Unit	*Percentage					
Footnote 2025	*9.72					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of non-executive employees by male	* Percentage	* 78.26	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	*Diversity					
Footnote Metric	*Percentage of non-executive employees by male					
Footnote Measurement Unit	*Percentage					
Footnote 2025	78.26					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of non-executive employees by female	* Percentage	* 21.74	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	*Diversity					

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EPB GROUP BERHAD
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Metric	*Percentage of non-executive employees by female					
Footnote Measurement Unit	*Percentage					
Footnote 2025	21.74					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of non-executive employees by age group <30	* Percentage	* 35.29	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of non-executive employees by age group <30					
Footnote Measurement Unit	Percentage					
Footnote 2025	35.29					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of non-executive employees by age group 30-50	* Percentage	* 52.94	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of non-executive employees by age group 30-50					
Footnote Measurement Unit	PercentageNo Assurance					
Footnote 2025	52.94					

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EPB GROUP BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Assurance						
		No Assurance				
* Diversity	* Percentage of non-executive employees by age group >50	* Percentage	* 11.76	—	* No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Sustainability Matter						
*Diversity						
Footnote Metric						
Percentage of non-executive employees by age group >50						
Footnote Measurement Unit						
Percentage						
Footnote 2025						
11.76						
Footnote Assurance						
No Assurance						
* Diversity	* *Percentage of directors by male	* Percentage	* 85.71	—	* No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Sustainability Matter						
*Diversity						
Footnote Metric						
Percentage of directors by male						
Footnote Measurement Unit						
Percentage						
Footnote 2025						
85.71						
Footnote Assurance						
No Assurance						
* Diversity	* Percentage of directors by female	* Percentage	* 14.28	—	* No assurance	
Footnote Sustainability Matter						
This row has been added.						

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EPB GROUP BERHAD
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of directors by female					
Footnote Measurement Unit	*Percentage					
Footnote 2025	14.28					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of directors by age group <30	* Percentage	* 0	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	*Diversity					
Footnote Metric	Percentage of directors by sge group <30					
Footnote Measurement Unit	Percentage					
Footnote 2025	0					
Footnote Assurance	No Assurance					
*Diversity	Percentage of directors by age group 30-50	*Percentage	14.28	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Assurance	No Assurance					
* Diversity	* Percentage of directors by age group >50	* Percentage	* 85.71	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of directors by age group >50					
Footnote Measurement Unit	Percentage					
Footnote 2025	85.71					
Footnote Assurance	No Assurance					
* Labour practices and standards	* Total hours of training by Senior Management	* Hours	* 122	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Labour practices and standards					
Footnote Metric	Total hours of training by Senior Management					
Footnote Measurement Unit	Hours					
Footnote 2025	122					
Footnote Assurance	No Assurance					
* Labour practices and standards	* Total hours of training by- Management	* Hours	* 368.9	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Labour practices and standards					
Footnote Metric	Total hours of training by Senior Management					
Footnote Measurement Unit	Hours					
Footnote 2025	*368.9					

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Assurance						
* Labour practices and standards		No Assurance				
* **Total hours of training by- Executive		* Hours	* 1682.5	—	* No assurance	
Footnote Sustainability Matter						
This row has been added.						
Footnote Sustainability Matter						
Labour practices and standards						
Footnote Metric						
Total hours of training by Executive						
Footnote Measurement Unit						
Hours						
Footnote 2025						
1682.5						
Footnote Assurance						
No Assurance						
* Labour practices and standards		* Total hours of training by- Non-Executive	* Hours	* 739.5	—	* No assurance
Footnote Sustainability Matter						
This row has been added.						
Footnote Sustainability Matter						
Labour practices and standards						
Footnote Metric						
Total hours of training by Non-Executive						
Footnote Measurement Unit						
Hours						
Footnote 2025						
739.5						
Footnote Assurance						
No Assurance						
Labour practices and standards		Percentage of employees that are contractors or temporary staff	Percentage	19	—	* No assurance
Footnote Sustainability Matter						
This row has been added.						

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EPB GROUP BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Assurance	No Assurance					
* Labour practices and standards	* Total number of employee turnover	* Number	* 3	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Labour practices and standards					
Footnote Metric	Total number of employee turnover					
Footnote Measurement Unit	Number					
Footnote 2025	3					
Footnote Assurance	No Assurance					
* Labour practices and standards	* Number of substantiated complaints concerning human rights violations	* Number	* 0	—	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Labour practices and standards					
Footnote Metric	Number of substantiated complaints concerning human rights violations					
Footnote Measurement Unit	Number					
Footnote 2025	0					
Footnote Assurance	No Assurance					
* Data privacy and security	* Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	* Number	* 0	* Maintain 0	* No assurance	

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Data privacy and security					
Footnote Metric	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data					
Footnote Measurement Unit	Number					
Footnote 2025	0					
Footnote Target	Maintain 0					
Footnote Assurance	No Assurance					
* Supply Chain Management	* Proportion of spending on local suppliers - BWEN	* Percentage	* 11.07	* None	* No assurance	
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Supply Chain Management					
Footnote Metric	*Proportion of spending on local suppliers - BWEN					
Footnote Measurement Unit	Percentage					
Footnote 2025	11.07					
Footnote Target	None					
Footnote Assurance	No Assurance					
*Supply Chain Management	*Proportion of spending on local suppliers - BWPD	Percentage	0.68	None	No assurance	
Footnote Sustainability Matter	This row has been added.					

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
*Supply Chain Management	*Proportion of spending on local suppliers - EPMFG	Percentage	46.26	None	No assurance	
Footnote Sustainability Matter This row has been added.						
Supply Chain Management	*Proportion of spending on local suppliers - EPM	Percentage	79.05	None	No assurance	
Footnote Sustainability Matter This row has been added.						
Supply Chain Management	*Proportion of spending on local suppliers - EPM KL	* Percentage	* 99.76	* None	* No assurance	
Footnote Sustainability Matter This row has been added.						
Footnote Measurement Unit *Percentage						
Footnote 2025 *99.76						
Footnote Target *None						
Footnote Assurance No Assurance						

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EPB GROUP BERHAD
IFRS S2

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	172.89	0	No assurance	
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	34757	0	No assurance	
GHG emissions	Scope 2 Market-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	34757	0	No assurance	
Footnote Sustainability Matter This row has been deleted.						
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	7793	0	No assurance	
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	63.35	0	No assurance	
Climate Risk	Physical Risk: 1) Description of Risk 2) Impacted Business Activities and Value Chain 3) Mitigation Measures	Narrative	NA	NA	No assurance	Refer to section 1.6.2.1 "Physical Climate Risks"
Climate Risk	Transition Risk: 1) Description of Risk 2) Value Chain Effect 3) Mitigation Measures 4) Potential Financial Implications	Narrative	NA	NA	No assurance	Refer to section 1.6.2.2 "Transition Risks and Opportunities"

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Corporate Governance Overview Statement

The Board of Directors ("**Board**") of EPB Group Berhad ("**EPB**" or the "**Company**") recognises the importance of practising good corporate governance ("**CG**") and is committed to apply applicable principles and recommendations as set out in the Malaysian Code on Corporate Governance 2021 (the "**Code**") and the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") throughout the Group's operations and management so as to enhance the value to our shareholders and other stakeholders as well as to generate long term sustainability and growth.

This CG Overview Statement presents our governance framework and application of the principles set out in the Code for the financial year ended 31 December 2025 ("**FYE 2025**") and outlines the Group's key focus areas and priorities; with reference to the application of the principles set out in the Code:

Principle A: Board Leadership and Effectiveness;

Principle B: Effective Audit and Risk Management; and

Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

(collectively, referred as the "**Principles**")

This statement is made pursuant to the AMLR of Bursa Securities and is to be read together with the CG Report, which provides details on how the Company has applied each practice as set out in the Code, a copy of which is available on the website of Bursa Securities together with the Company's Annual Report 2025, and is also available on the Company's corporate website at www.epb.group ("**Corporate Website**").

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

• ROLES AND RESPONSIBILITIES

The Group is led by the Board which plays an important role in the stewardship of the direction and operations of the Group. It focuses mainly on strategies, financial performance and critical business issues. The Board adopts a well-defined framework on the various categories of matters that require the Board's approval, endorsement or notation, as the case may be. The Board is supported by the Managing Director, Deputy Managing Director, Executive Director and the Management, whose responsibilities are to implement the Group's strategies and manage the operations of the Group, subject to certain prescribed authority limits.

The Board has full and effective control over the business undertakings of the Company subject to the powers reserved for shareholders under the Company's Constitution, the AMLR of Bursa Securities and other applicable laws. This includes responsibility for determining the Company's overall strategic direction as well as the approval of annual and interim results, specific items of investments and divestments (if applicable), as well as the risk management framework and internal control policies and procedures for the Group.

Where appropriate, matters have been delegated to the following committees, all of which have written terms of reference to assist the Board in discharging its duties and responsibilities. The Board receives the reports of their proceedings and deliberations at its scheduled committees' meetings:

1. Audit and Risk Management Committee
2. Nomination Committee
3. Remuneration Committee

(collectively, referred as the "**Board Committees**")

These Board Committees oversee the broad strategic areas within the Group such as audit and finance, risk, remuneration, sustainability and ethics, re-election and appointment of Directors and related matters. Each of these committees has its own written Terms of Reference ("**TOR**"), which are reviewed on a periodic basis by each Board Committee and approved by the Board, to ensure its effectiveness and relevance. The Board Committees report to, and their actions are reviewed by, the Board. The chairman and members of each Board Committee are nominated by the Board.

Board Charter

The Board has approved and adopted the Board Charter in 16 March 2023. The Board Charter is intended to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Management with regard to the roles and responsibilities of the Board, Board Committees and the Directors' roles and responsibilities in discharging their fiduciary duties towards the Company as well as the Board's operating practices.

Corporate Governance Overview Statement (Cont'd)

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

• ROLES AND RESPONSIBILITIES (CONT'D)

Board Charter (Cont'd)

The Board Charter is subject to review and update by the Board from time to time to ensure it remains consistent with the Board's objectives and kept up-to-date with changes in regulations and governance practices. It was last reviewed by the Board in 26 February 2025.

The Company's Board Charter is available on the Company's Corporate Website.

• CODE OF ETHICS AND CONDUCT

The Code of Ethics and Conduct sets out the ground rules and guidance for proper standard of conduct and ethical behaviour for the Board and its members, based on the principles of integrity, accountability and professionalism. The Company's Code of Ethics and Conduct can be accessed on the Company's Corporate Website.

• ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

The Company has established an Anti-Bribery and Anti-Corruption Policy that outlines the Group's commitment towards its ethical business practices in compliance with the Malaysian Anti-Corruption Commission Act 2009. The Group adopts a zero-tolerance against corruption and bribery, and the Group is committed to carry out all of its business practices with transparency, accountability and integrity.

The Group has communicated the Anti-Bribery and Anti-Corruption Policy to all its employees and business associates to ensure good standards of ethical behaviour flow through all levels of the Group to prevent unethical practices and consequently, support the delivery of long-term sustainable success of the Group. The Company's Anti-bribery and Anti-Corruption Policy is available on the Company's Corporate Website.

• WHISTLEBLOWING POLICIES AND PROCEDURES

The Board has adopted the Whistleblowing Policy and Procedures which provides a mechanism for employees of the Group and external parties to raise genuine concerns in relation to any improper conduct by any employee or Director of the Group (including any misconduct, wrongdoings, corruption, fraud and/or abuse of power) at the earliest opportunity without being subject to reprisals and/or retaliation (including victimisation, harassment or discriminatory treatment) and to have such concerns properly investigated and appropriate actions to be taken.

The Group has not received any report on improper conduct during the FYE 2025. The Company's Whistleblowing Policy and Procedures is available on the Company's website at www.epb.group.

• BOARD COMPOSITION AND BALANCE

As at the date of this annual report, the Board, at present, consist of 1 Independent Non-Executive Chairman, 5 Independent Non-Executive Directors and 3 Executive Directors (consist of its Managing Director, Deputy Managing Directors and an Executive Director).

Each of the Director's profile is presented under the section titled "Profile of Directors" in the Company's Annual Report 2025.

Currently, over 50% of the Board is composed of Independent Directors which complies with the AMLR of Bursa Securities which require at least two (2) directors or 1/3 of the Board members (whichever is the higher) to be Independent Directors as well as the recommended practice under the Code to have at least half of the board comprising independent directors.

Corporate Governance Overview Statement (Cont'd)

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

• BOARD COMPOSITION AND BALANCE (CONT'D)

In addition to gender diversity, the Board is committed to fostering a corporate culture that embraces all forms of diversity. To this end, the Board has put in place a formalised Gender Diversification Policy. The Board acknowledges that promoting diversity in the workplace fosters dynamic talent and business growth, enabling us to build robust succession pipelines at all levels. The Board, through the Nomination & Remuneration Committee ("**NRC**"), will conduct all Board appointment process in a manner that promotes gender diversity. Among the benefits is the ability to develop people leaders who set the tone for openness and transparency while embracing new ideas and ways of thinking, creating an environment where talents can thrive and reach their full potential. On the contrary, a lack of diversity at management level can lead to narrow strategic focus and even a poor understanding of diverse customer needs, leading to missed opportunities and potentially impacting our reputation. At the organisational level, EPB Group has achieved a diverse talent pool that reflects our business needs. The workforce comprises 67.74% male and 32.26% female employees, with females occupying 50% of key senior management positions as at 31 December 2025.

The Independent Non-Executive Directors play an important role in ensuring corporate governance and accountability are being upheld, as they provide unbiased and independent views, advice, opinions and judgments as well as provide effective check and balance in the functioning of the Board to safeguard the interests, not only of the Group but also that of the minority shareholders, employees, customers, suppliers and the communities in which the Group conducts its businesses. The Board is satisfied that the current Board composition adequately reflects the interests of the minority shareholders of the Company.

Save for the Chairman of the Board, the Independent Non-Executive Directors are also actively involved in the various Board Committees. They provide broader views, independent assessments and opinions on management proposals, including any related party transactions entered or to be entered into by the Group.

The role of the Chairman and the Managing Director of the Company are held by different individuals to ensure a good balance of power and authority between the Chairman and the Managing Director. Their respective duties and responsibilities are set out in the Board Charter of the Company.

In recognition of the importance to promote gender diversity in the Board, the Board seeks to maintain at least one-woman director on the Board at all times, whilst taking cognisance of the recommended practice under the Code to have at least 30% women directors on the board of directors. On 10 March 2026, the Company has appointed Ms Oh Lean Sim and Ms Wong Sim Kuan as the Independent Non-Executive Directors of the Company and therefore comply with the recommended practice under the Code to have at least 30% female directors.

The Board has reviewed and is satisfied that its current size and composition of the Board provide an effective blend of entrepreneurship, business and professional expertise in general management, finance and technical areas of the industries in which the Group is involved. The mixture of skills and experience is vital for the continued success and future direction of the Group.

• SUPPLY OF AND ACCESS TO INFORMATION

All scheduled Board and Board committee meetings held are preceded by a formal agenda issued by the Company Secretary in consultation with the Chairman of the meetings. The agenda for each of the meetings are accompanied by the minutes of preceding meetings of the Board, which may include reports on group financial performance, operational performance of its major business units, market analysis, unaudited quarterly results for announcements, internal audit and risk management reports, updates on material litigations (if any) and other relevant information. The meeting materials, which are shared in a timely manner, are comprehensive and encompass all aspects of the matters being considered, enabling the Board to look at both quantitative and qualitative factors so that informed decisions can be made.

The Company Secretary would also brief the Board on the proposed contents and timing of any material announcements by the Company before being released to Bursa Securities for public dissemination. The Board and the Board Committees have access to the advice and services of the Company Secretary especially relating to the procedural and regulatory requirements such as companies and securities laws, corporate governance matters and AMLR of Bursa Securities.

In addition to the above, the Board and the Board Committees have full and unrestricted access to the advice and services of the Management and Company Secretary and to obtain all necessary external and independent professional advice, when required, at the Company's expense.

Corporate Governance Overview Statement (Cont'd)

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

• COMMITMENT OF THE BOARD

The Board is satisfied with the level of time committed by the Board members in discharging their respective duties and roles as Directors of the Company. All the Directors of the Company have complied with the AMLR of Bursa Securities on the maximum number of directorships which they can hold in public listed companies.

An annual corporate meetings calendar is prepared in advance by the Company Secretary and sent to the Board members before the beginning of every year which provides the scheduled meeting dates for the Board, Board Committees, the AGM and trainings/seminars to be organised/arranged by the Company.

The Board meets at least four (4) times a year, with additional meetings to be convened as and when necessary. Issues deliberated at such meetings and the relevant decisions made are duly minuted by the Company Secretary. During the FYE 2025, six (6) Board meetings were held, of which all the Directors have attended and details of the attendance of the Directors at the Board meetings are as follows:

Directors	Designation	Attendance
Noor Azman Bin Nordin	Independent Non-Executive Chairman	6/6
Yeoh Chee Min	Managing Director	6/6
Liew Meng Hooi	Deputy Managing Director	6/6
Ooi Kim Kew	Executive Director	6/6
Khor Chai Tian	Independent Non-Executive Director	6/6
Ooi Hun Pin	Independent Non-Executive Director	6/6
Stephen Chua Chee Keong	Independent Non-Executive Director	6/6

In the intervals between scheduled Board meetings, for any exceptional matters requiring urgent Board decisions, Board approvals have been sought either via circular resolutions which are attached with sufficient and relevant information required for an informed decision to be made or via ad-hoc Board meetings to be convened. Where a potential conflict of interests arises involving any of the Directors or persons deemed connected to him/her, such Director is required to declare his/her interest and abstain from further deliberation on the Board matters and the decision-making process.

• DIRECTORS' TRAINING

The Board recognises the importance of ongoing professional development for the Directors to enable them to discharge their duties effectively. The Directors will continue to undergo other appropriate training programmes to further enhance their knowledge and skills and to keep abreast with new developments within the industry.

Besides the annual assessment conducted to assess the training needs of the Directors, each Director may also identify any appropriate training that enhances their effectiveness in discharging their duties as directors. The Management facilitates the organisation of in-house training programmes as well as registration for external training programmes and seminars for the Directors, if needed.

Corporate Governance Overview Statement (Cont'd)

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

• DIRECTORS' TRAINING (CONT'D)

The Directors attended the following professional trainings during FYE 2025:

Directors	Name of Conferences, Seminars and Training Programmes
Noor Azman Bin Nordin	Mandatory Accreditation Programme ("MAP") Part II
Yeoh Chee Min	MAP Part II
Liew Meng Hooi	- MAP Part II - ESG Reporting, Risk Mapping and Framework Development for EPB Group Berhad
Ooi Kim Kew	MAP Part II
Khor Chai Tian	MAP Part II
Ooi Hun Pin	MAP Part II
Stephen Chua Chee Keong	- MAP Part II - HR & IR Documents & Procedures in Managing Employees

As for Ms Wong Sim Kuan and Ms Oh Lean Sim, being the newly appointed Independent Non-Executive Directors of our Company subsequent to FYE 2025, the Management and Company Secretary have facilitated to registered themselves with MAP Part I organised by Institute of Corporate Directors Malaysia ("ICDM"), which are scheduled to be attended on first half of 2026, being not later than 4 months from their date of appointment (10 March 2026) as required under the AMLR of Bursa Securities.

• BOARD COMMITTEES

A. AUDIT AND RISK MANAGEMENT COMMITTEE

The primary objective of the Audit and Risk Management Committee ("**ARC**") is to assist the Board in fulfilling its responsibilities relating to the Group's corporate governance, financial reporting and internal control systems; as well as to assist the Board in overseeing the risk management activities of the Group and recommending the appropriate risk management policies and risk appetite for approval by the Board.

In addition, ARC is also responsible to oversee sustainability-related risks and ensure that sustainability considerations are incorporated in the Group's businesses and strategies so as to create value for its businesses and stakeholders in the longer term as well as to support business continuity and competitiveness over the longer term.

The composition of the ARC is in compliance with the AMLR of Bursa Securities, including the requirements that all its members shall comprise non-executive directors with independent non-executive directors forming the majority and one of the members being a qualified accountant.

The current members of the ARC are as follows: -

- (i) **Ooi Hun Pin**
Chairman/Independent Non-Executive Director
Member of the Malaysian Institute of Accountants
- (ii) **Khor Chai Tian**
Member/Independent Non-Executive Director
- (iii) **Stephen Chua Chee Keong**
Member/Independent Non-Executive Director
- (iv) **Wong Sim Kuan** (appointed on 10 March 2026)
Member/Independent Non-Executive Director

Corporate Governance Overview Statement (Cont'd)

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

• BOARD COMMITTEES (CONT'D)

A. AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

- (v) **Oh Lean Sim** (*appointed on 10 March 2026*)
Member/Independent Non-Executive Director
Member of the Malaysian Institute of Accountants

The ARC is able to obtain external professional advice and where necessary, invite external auditors / advisers / consultants with relevant experience to attend its meeting to seek opinions, viewpoints and clarifications.

The ARC's terms of reference, duties and responsibilities are available at the Company's Corporate Website. The ARC shall meet not less than four (4) times a year.

During the FYE 2025, five (5) ARC meetings were held, of which all the members have attended and details of the attendance of the members at the ARC meetings are as follows: -

Directors	Attendance
Ooi Hun Pin	5/5
Khor Chai Tian	5/5
Stephen Chua Chee Keong	5/5

Further details are enclosed in the ARC Report.

B. NOMINATION COMMITTEE

The Board Nomination Committee ("**NC**") assists the Board in overseeing the matters relating to selection, nomination and appointment of Directors as well as reviewing the composition of the Board from time to time.

The NC shall comprise not fewer than three (3) members who must be non-executive directors, with a majority of them being independent directors of the Company. The current members of the NC are all Independent Non-Executive Directors, as follows: -

- (i) **Stephen Chua Chee Keong**
Chairman/Independent Non-Executive Director
- (ii) **Khor Chai Tian**
Member/Independent Non-Executive Director
- (iii) **Ooi Hun Pin**
Member/Independent Non-Executive Director
Member of the Malaysian Institute of Accountants
- (iv) **Wong Sim Kuan** (*appointed on 10 March 2026*)
Member/Independent Non-Executive Director
- (v) **Oh Lean Sim** (*appointed on 10 March 2026*)
Member/Independent Non-Executive Director
Member of the Malaysian Institute of Accountants

The terms of reference, duties and responsibilities of the NC are available on the Company's Corporate Website.

Corporate Governance Overview Statement (Cont'd)

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

• BOARD COMMITTEES (CONT'D)

B. NOMINATION COMMITTEE (CONT'D)

The NC meets at least once a year and as and when required. During the FYE 2025, one (1) NC meeting was held, of which all the members have attended and details of the attendance of the members at the NC meeting are as follows: -

Directors	Attendance
Stephen Chua Chee Keong	1/1
Ooi Hun Pin	1/1
Khor Chai Tian	1/1

During the FYE 2025, the following is the summary of activities undertaken by the NC: -

- Reviewed and assessed the term of reference of the NC;
- Evaluated the balance of skills, knowledge, experience and diversity of the Board;
- Carried out the assessment of each Director's performance and reviewed the contribution of the individual Directors;
- Reviewed and assessed the independence of the Independent Non-Executive Directors of the Company;
- Reviewed and assessed the performance of ARC; and
- Reviewed and recommended to the Board the re-election of Directors who retired in accordance with the Company's Constitution.

C. REMUNERATION COMMITTEE

The Board Remuneration Committee ("RC") assists the Board in implementing its remuneration policies and procedures including reviewing and recommending matters relating to the remuneration of Board and senior management.

The RC shall comprise not fewer than three (3) members who must be non-executive directors, with a majority of them being independent directors of the Company. The current members of the RC, consist of entirely Independent Non-Executive Directors, as follows: -

- (i) **Khor Chai Tian**
Chairman/Independent Non-Executive Director
- (ii) **Ooi Hun Pin**
Member/Independent Non-Executive Director
Member of the Malaysian Institute of Accountants
- (iii) **Stephen Chua Chee Keong**
Member/Independent Non-Executive Director
- (iv) **Wong Sim Kuan** (appointed on 10 March 2026)
Member/Independent Non-Executive Director
- (v) **Oh Lean Sim** (appointed on 10 March 2026)
Member/Independent Non-Executive Director
Member of the Malaysian Institute of Accountants

The terms of reference, duties and responsibilities of the RC are available on the Company's Corporate Website.

Corporate Governance Overview Statement (Cont'd)

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

• BOARD COMMITTEES (CONT'D)

C. REMUNERATION COMMITTEE (CONT'D)

The RC meets at least once a year and whenever required. During the FYE 2025, one (1) RC meeting was held, of which all the members have attended and details of the attendance of the members at the RC meeting are as follows:

Directors	Attendance
Khor Chai Tian	1/1
Ooi Hun Pin	1/1
Stephen Chua Chee Keong	1/1

During the FYE 2025, the following is the summary of activities undertaken by the RC: -

- Reviewed the remuneration packages of executive directors and key senior management and ensured that all remuneration decisions comply with applicable laws, corporate governance standards, and disclosure requirements;
- Reviewed and recommended the mandate for the directors' fees and benefit payable; and
- Reviewed and recommended the other allowance and benefits for the executive directors and key senior management.

• APPOINTMENTS AND RE-ELECTIONS TO THE BOARD

The NC is responsible for assessing and making recommendations on any new appointments to the Board. Selection of new candidates to be considered for new appointment as director is facilitated through recommendations from the Board members, the Management and/or through independent sources. In making these recommendations, the NC considers various factors, including the diversity in skills, knowledge, professional/industry experience, age, cultural and educational backgrounds, ethnicity and length of services of the candidates. As part of the process of appointing new Directors, the new Directors are provided with an orientation programme in order to be familiar with the operations and organisation structure of the Group.

The Company's Constitution provides that the number of directors of the Company shall not be less than two (2) and not more than nine (9). The Board has the power under the Company's Constitution to appoint a director from time to time either to fill a casual vacancy or as an additional director. Article 156 of the Company's Constitution provides that any director so appointed shall hold office only until the next following annual general meeting ("AGM") and shall then be eligible for re-election at the said AGM.

For the re-election of Directors, Article 165.1 of the Company's Constitution requires that one third (1/3) of the Directors for the time being or, if their number is not three (3) or a multiple of three (3), then the number nearest to one third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

The Directors who are seeking re-election at the forthcoming AGM are stated in the notice of the AGM. The NC has assessed the performance of these Directors and accordingly recommended to the Board for their re-election to be tabled for shareholders' approval at the forthcoming AGM. This provides an opportunity for the shareholders to renew their mandates for the said Directors to continue to serve on the Board. The re-election of each director will be voted by way of separate shareholders' resolutions. To assist the shareholders in their decision, information such as their personal profile and shareholdings in the Group of each director standing for re-election are furnished in the Company's Annual Report 2025.

Corporate Governance Overview Statement (Cont'd)

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

• BOARD EVALUATION

The NC has reviewed and adopted the criteria used for the annual assessment and evaluation of each individual Director, the Board as a whole and the Board Committees as well as the independence assessment of the Independent Directors.

Each Director is required to review and appraise himself/herself and the Board and/or the respective Board Committees of which he/she is a member based on the criteria as set out in the evaluation form. From the results, the NC will draw conclusions on the Board's and Committees' effectiveness in discharging their duties and responsibilities. The results and conclusions will be escalated to the Board.

The NC's annual review and evaluation of the Board as a whole and the individual Directors for the FYE 2025 concluded that the Board and its members had continued to operate effectively towards fulfilling their duties and responsibilities as members of the Board throughout the year under review.

• ASSESSMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board acknowledges the importance of having independence and objectivity in decision-making by the Independent Non-Executive Directors of the Company. Assessment on the independence of the Company's Independent Non-Executive Directors is taken annually, prior to any new appointment and when any new interest or relationship develops between the Independent Director and the Company.

The NC reviews the independence of the Independent Non-Executive Directors in accordance with the criteria on independence as stipulated in the AMLR and Practice Notes of Bursa Securities as well as the Code. The Independent Non-Executive Directors are also assessed on their ability and commitment to continue to bring independence and objective judgement to the deliberation and decision making of the Board and Board Committees.

Based on the annual assessment, the NC and the Board are satisfied with the level of independence demonstrated by all of the Independent Non-Executive Directors of the Company and that they fulfil the definition of "Independent Director" under the AMLR of Bursa Securities.

• TENURE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board notes and supports the recommendation of the Code that the tenure of an Independent Non-Executive Director should not exceed a term limit of nine (9) years. In the event the Board intends to retain any Director as an Independent Non-Executive Director who has served beyond nine (9) years, approval from the shareholders will be sought at the Company's general meeting through a two-tier voting process and justification for the retention would be given.

Currently, none of the Independent Non-Executive Directors has served for more than nine (9) years on the Board and the tenure of the longest serving Independent Non-Executive Directors is approximately 43 months as at the date of this statement.

• DIRECTORS' REMUNERATION

The Board has adopted the Remuneration Policy and Procedures for Directors and Key Senior Management, which is designed to align the interests of the Directors and Key Senior Management with those of shareholders, by linking reward to the Group's and individual's performance, therefore promoting long-term sustainability of the Group. It seeks to attract, motivate and retain key employees with competitive remuneration packages base on respective individual's responsibilities, expertise, prevailing market conditions and relevant market benchmarks. The objective of the Group's Remuneration Policy and Procedures is to attract and retain the Directors and Key Senior Management who play important roles in leading and controlling the Group's operations effectively.

The Independent Non-Executive Chairman receives a fixed monthly director's fee of RM5,000, while each of the other Independent Non-Executive Directors receives RM3,800 per month. In addition, both the Independent Non-Executive Chairman and the Independent Non-Executive Directors are entitled to a meeting allowance of RM800 per day for attending meetings. Executive Directors are not entitled to any director's fee or meeting allowance.

Corporate Governance Overview Statement (Cont'd)

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

• DIRECTORS' REMUNERATION (CONT'D)

The remuneration of the Company's Independent Non-Executive Directors is appropriate to the level of contribution, considering factors such as effort and time spent, responsibilities undertaken, and are benchmarked against prevailing market practices. The director fees of the Independent Non-Executive Directors are subject to approval by shareholders at each AGM thereby ensuring that their independence is not compromised. Each Director shall abstain from deliberating and voting on decision in respect of his or her own remuneration.

The aggregate fees, remuneration and other emoluments received by the Executive Directors of the Company for the FYE 2025 are stated as follows: -

(RM '000)	Salaries	Fees	Bonus & Other Emoluments	Statutory contributions	Benefits-in-kind	Total
Yeoh Chee Min	560	-	93	41	24	718
Liew Meng Hooi	560	-	346	55	25	986
Ooi Kim Kew	380	-	71	38	-	489
Total	1,500	-	510	134	49	2,193

Remark

The remuneration of the Executive Directors are paid/payable by the Company or the subsidiaries of the Company.

Details of the remuneration for each of the Independent Non-Executive Directors paid during the FYE 2025 are stated as follows: -

	Total Fees/Emoluments (RM '000)
Noor Azman Bin Nordin	67
Khor Chai Tian	53
Ooi Hun Pin	53
Stephen Chua Chee Keong	53
Total	226

Remark

The remunerations of the Independent Non-Executive Directors are paid by the Company.

Corporate Governance Overview Statement (Cont'd)

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

• REMUNERATION OF SENIOR MANAGEMENT PERSONNEL

Details of the top 5 highest remuneration paid to our Senior Management Personnel during the FYE 2025 are stated as follows: -

(In band of RM50,000)	Salaries	Bonus & Other Emoluments	Statutory contributions	Benefits-in-kind	Total
Wang Boon Phoeey	200,001-250,000	250,001-300,000	0-50,000	-	500,001-550,000
Yeow Song You	200,001-250,000	50,001-100,000	0-50,000	-	350,001-400,000
Goh Toh Sin	150,001-200,000	50,001-100,000	0-50,000	0 - 50,000	300,001-350,000
Loh Chow Hong	200,001-250,000	0-50,000	0-50,000	0 - 50,000	250,001-300,000
Tan Cheng Cheng	200,001-250,000	0-50,000	0-50,000	-	250,001-300,000

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

• FINANCIAL REPORTING

The Board continually strives to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects, primarily through the annual audited financial statements as disclosed in the annual report and quarterly interim financial results to shareholders as well as the Chairman's statement, Management Discussion and Analysis and Sustainability Statement in the Company's Annual Report 2025.

In preparing the financial statements, the Group has adopted the applicable accounting policies which have been consistently applied and are supported by reasonable and prudent judgements and estimates by the Board. All accounting standards that the Board considers to be applicable have been adopted.

The Board is also assisted by the ARC to oversee the Group's financial reporting processes and the quality of its financial reporting.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required to present a set of financial statements for the Group and the Company which give a true and fair view of the state of affairs of the Group and the Company at the end of each financial year as well as the financial results and their cash flows for that financial year.

The Directors consider that in preparing the financial statements,

- the Group and the Company have used the appropriate accounting policies and such policies were consistently applied;
- reasonable and prudent judgements and estimates have been made;
- all applicable approved accounting standards in Malaysia have been adopted; and
- the financial statements have been prepared on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue to be in operations for the foreseeable future.

The Directors are responsible for ensuring that the Group keeps proper accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company, and which will enable them to ensure that the Financial Statements comply with the relevant provisions of the Companies Act, 2016.

The Directors also have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities, where possible.

Corporate Governance Overview Statement (Cont'd)

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

• SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS

Through the ARC, the Group has established a transparent and appropriate relationship with the Group's external Auditors in seeking professional assurance and ensuring compliance with the applicable accounting standards in Malaysia.

The role of the ARC in relation to the External Auditors can be found in the ARC Report as set out in the Company's Annual Report 2025.

The ARC has also obtained confirmation from the External Auditors that they are and have been independent throughout the conduct of their audit engagement in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants' independence requirements.

The ARC has also conducted an annual review of all the non-audit services provided by the affiliated firm of the External Auditors for the FYE 2025, as disclosed in this Annual Report and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The ARC has assessed and was satisfied with the competence and independence of the external auditors and had recommended the re-appointment of the external auditors to the Board for endorsement before tabling it for shareholders' approval at the forthcoming AGM.

• SOUND FRAMEWORK TO MANAGE RISKS

The Board acknowledges its responsibility for maintaining a sound system of internal controls to safeguard the shareholders' investment and the Group's assets. Due to limitations that are inherent in any system of internal controls, the system adopted by the Group is designed to identify, mitigate and manage rather than to fully eliminate such risks that may potentially impede the attainment of the Group's objectives.

The Group has in place an enterprise risk management framework that enables the Group to identify the risks and address internal control to mitigate or eliminate the risks. These risks are prioritised based on risk appetite and risk tolerance levels that the Board has adopted. Key risks identified by the Management are discussed at the Board meeting while all other risks are managed by respective department head and reported to the Board on an exceptional basis.

The review on risk management and internal audit function of the Group and the conclusion thereof is presented in the Statement on Risk Management and Internal Control as included in the Company's Annual Report 2025.

• INTERNAL AUDIT FUNCTION

The Company has outsourced its internal audit function to GovernAce Advisory & Solutions Sdn Bhd ("**Internal Auditor**"), which reports directly to the ARC. The role of the Internal Auditor is to provide independent and objective reports on the effectiveness of the system of internal controls within the business units of the Group to the ARC for review and deliberation. The ARC has assessed and was satisfied with the competence and independence of the Internal Auditor as well as the adequacy of its resources in carrying out the internal audit function.

Further details of the internal audit function and the activities are set out in the Statement on Risk Management and Internal Control and the ARC Report of the Company's Annual Report 2025.

Corporate Governance Overview Statement (Cont'd)

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

• EFFECTIVE COMMUNICATION AND PROACTIVE ENGAGEMENTS WITH SHAREHOLDERS

The Group values and strongly believes in the importance of effective communication with shareholders, potential investors and the public. This is to ensure that all shareholders, both institutional and individual investors, have full access to the relevant information disclosed by the Company. It does this through the Company's Annual Report, AGM, the Company's Corporate Website and the timely release of all corporate announcements and quarterly interim financial results, thus providing shareholders and the investing public with an overview of the Group's performance and operations. All enquiries made are dealt with as promptly as practicable.

The Annual Report remains as the Company's main source of information to the shareholders and investors while the Company's website, which has a dedicated investor relations section, is intended to provide relevant information about the Group to a wider segment of the investing public.

Any shareholders and/or stakeholders of the Group who may have concerns relating to the Group may directly convey to the Company Secretaries of our Group, who serves as a point of contact for shareholders and other stakeholders.

The Board has adopted the Corporate Disclosure Policy, which spells out guidelines and practices that it applies when communicating with shareholders and prospective investors and provides appropriate information needed to make well-informed investment decisions.

• ENSURE TIMELY AND HIGH-QUALITY DISCLOSURE

The Board recognises the importance of prompt and timely dissemination of accurate and relevant information concerning the Company and its Group to the shareholders, investors and other stakeholders to enable them to make informed decisions. The Board has adopted the Corporate Disclosure Policy which sets out the guidelines and policies for disseminating corporate information to, and in dealing with shareholders, stakeholders, analysts, media and the investing public in compliance with legal and regulatory requirements on disclosure.

The Company maintains the practice of releasing all requisite announcements as well as material and price sensitive information in a timely manner to Bursa Securities in compliance with the disclosure requirements as set out in the AMLR of Bursa Securities. The Company also releases timely updates to the market and community through the Company's websites, media release and other appropriate channels. Price-sensitive information and information that may be regarded as undisclosed material information about the Group is, however, not disclosed until after the requisite announcement to Bursa Securities has been made.

• THE AGM

In line with the practices, shareholders should receive annual reports, circular and notices of AGM, which are to be issued at least twenty-eight (28) days before the date of AGM. The forthcoming AGM will be the 4th AGM of the Company. The notice of the forthcoming AGM ("**Notice of AGM**") will be issued on 30 April 2026, which is more than 28 days prior to the AGM to provide the shareholders sufficient time to consider the proposed resolutions that will be discussed and decided at the 3rd AGM.

The Company will commence to use electronic communications to transmit its annual report and other documents such as the Notice of AGM to shareholders by uploading such documents onto Bursa Securities' website at <http://www.bursamalaysia.com> and on the Company's Corporate Website.

The Notice of AGM is also published in the nationally circulated daily newspaper within the mandatory period and the Company's announcements via Bursa Securities as well as the Company's website. The Notice of AGM provides further explanation beyond the minimum content stipulated in the AMLR for the resolutions proposed along with any background information and reports or recommendation that are relevant, where required and necessary, to enable shareholders to make an informed decision in exercising their voting rights.

Corporate Governance Overview Statement (Cont'd)

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

• THE AGM (CONT'D)

The Board regards its AGM or other general meetings as an opportunity to communicate directly with shareholders and endeavour to encourage shareholders to participate in these meetings. The forthcoming AGM represents the principal forum for dialogue and interaction with shareholders. The Management will give a detailed presentation of the Group's business overview and financial performance for the FYE 2025. All Directors including the Chairman of the Board and the respective Chairmen of the Board Committees, the Managing Director and other Key Senior Management will be present to answer any questions put to them and address concerns from shareholders.

The External Auditors will also be present to address any shareholders' queries about the conduct of audit and the preparation and content of the auditors' reports. The Chairman will provide appropriate and sufficient time and encourage shareholders to raise questions, express opinions and give suggestions about the issues throughout the entire meeting.

The Board members and key senior management will endeavour to respond to relevant questions addressed to them during the forthcoming AGM. In order to have greater transparency, accuracy and efficiency in the voting process, the Company will be adopting the system of e-voting by poll at the forthcoming AGM. An independent scrutineer will be appointed to validate the votes cast and results of each resolution put to vote are announced at the meeting. An announcement detailing the results, including the total number of votes cast for and against each resolution and the respective percentages will be announced via Bursa Securities' website after the conclusion of the AGM. Minutes of AGM which incorporate substantial comments and queries from shareholders and responses from the Company will be available on the Company's website after the conclusion of the AGM.

• INVESTOR RELATIONS

Another important channel of communication with shareholders, investors and the general investment community, both locally and internationally, is the Group's investor relations activities. The Company intends to conduct regular briefings with financial analysts and fund managers from time to time as a means of maintaining and improving investor relationship. Analyst briefings may be held to coincide with the release of the Group's quarterly interim financial results. Additional engagements with individual or group of analysts and fund managers may be held on an ad hoc basis as and when requested.

The Group's Corporate Website has a section dedicated to investor relations and provides up-to-date information on the Group's business and operations. Further enquiries on all investor related matters may be directed to the following person:

Ms Tan Cheng Cheng
Chief Financial Officer
Tel: +601 - 2405 2773
Email: cctan@epb.group

The Board is fully committed to comply with the Principles, recommendations and best practices set out in the Code and the AMLR of Bursa Securities, where applicable. In addition, the Board will also continue to strengthen its strategic sustainability approaches to have a deeper integration of sustainability into our day-to-day operations as guided by the Sustainable Development Goals adopted by the Group. The Board will continue to consider all risks and opportunities relating to the Group, whilst safeguarding the health and safety of the Group's employees, customers and the general public.

The Board is satisfied that the Company complies substantially with the principles and practices as set out in the Code as well as the AMLR.

This Statement on Corporate Governance has been approved by the Board of Directors on 20 April 2026.

Audit and Risk Management Committee Report

Introduction

The Audit and Risk Management Committee ("**ARC**") is pleased to present the Audit and Risk Management Committee Report ("**ARC Report**") for the FYE 2025 which is prepared in compliance with the ACE Market Listing Requirements issued by Bursa Securities ("**AMLR**").

ARC was established to serve as a committee of the Board of Directors of the Company and is guided by the terms of reference approved by the Board in performing their duties and discharging their responsibilities. The primary objective of the ARC is to assist the Board in discharging its statutory duties and responsibilities, among others, providing additional assurance to the Board by giving an objective and independent review of the Group's corporate governance, financial reporting and internal control systems. The terms of reference of ARC can be accessed at the Company's website at www.epb.group.

Composition

The composition of the ARC is in compliance with Rule 15.09 of the AMLR of Bursa Securities, including the requirements that all its members shall comprise non-executive directors with independent non-executive directors forming the majority and one of the members being a qualified accountant. The members of the ARC and details of attendance are as follows: -

- (i) **Ooi Hun Pin**
Chairman / Independent Non-Executive Director
Member of the Malaysian Institute of Accountants
- (ii) **Khor Chai Tian**
Member / Independent Non-Executive Director
- (iii) **Stephen Chua Chee Keong**
Member / Independent Non-Executive Director
- (iv) **Wong Sim Kuan (appointed on 10 March 2026)**
Member/Independent Non-Executive Director
- (v) **Oh Lean Sim (appointed on 10 March 2026)**
Member/Independent Non-Executive Director
Member of the Malaysian Institute of Accountants

During the FYE 2025, five (5) ARC meetings were held, of which all the members have attended and details of the attendance of the members at the ARC meetings are as follows: -

Directors	Attendance
Ooi Hun Pin	5/5
Khor Chai Tian	5/5
Stephen Chua Chee Keong	5/5

Summary of Activities

During the financial year under review, the ARC had carried out the following activities in discharging its roles and responsibilities: -

- (i) Financial Reporting
 - Reviewed the unaudited interim financial reports, before recommending them to the Board for consideration, approval and public announcement. In reviewing the unaudited interim financial results, the ARC had considered the following:
 - The appropriateness of the basis of preparation, in particular, the accounting policies and practices adopted and applied as well as the impact of the new accounting standards that came into effect during the financial year ended 31 December 2025; and
 - The fluctuations in the financial performance. The ARC had sought clarifications from the Management on the reasons for the variances in the financial results (as compared to corresponding periods in the preceding year), particularly on the Group's revenue, profitability and expenses; and ensured that consistent disclosures were made in the interim financial reports.

Audit and Risk Management Committee Report (Cont'd)

Summary of Activities (Cont'd)

(i) Financial Reporting (Cont'd)

- Reviewed the annual audited financial statements, before recommending them to the Board for consideration, approval and public announcement. In reviewing the annual audited financial statements, the ARC had communicated with the External Auditors with particular focus on:
 - Compliance with the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards, and other relevant legal and regulatory requirements; and
 - Significant audit and accounting matters highlighted, significant judgements made by the Management in preparing the financial statements as well as significant events and/or transactions during the financial year under review; and how these matters were addressed.

(ii) Risk Management and Internal Control

- Reviewed the internal audit plan proposed by the Internal Auditors;
- Reviewed the report tabled by the Internal Auditors; and
- Communicated with the Management on the Internal Auditors' findings to ensure that appropriate remedial actions and improved procedures are implemented.

(iii) External Audit

- Reviewed the audit plan for the financial year ended 31 December 2025.
- The ARC had obtained assurance from the External Auditors that they have complied with the relevant ethical requirements regarding professional independence.
- Subsequent to the year-end, in April 2026, reviewed with the External Auditors the results of the annual audit for the financial year ended 31 December 2025, the audit report and the extent of compliance with legal and regulatory requirements.

(iv) Other Matters

- Reviewed the related party transactions of the Group, to ensure that they are based on terms favourable to the Group. The ARC noted that there was no related party transaction being entered into by the Group during the financial year under review that are unfavourable and/or detrimental to the Group.
- Reviewed the litigation matters of the Group. The ARC noted that there was no outstanding/unresolved litigation matter involving the Group during the financial year under review.
- Reviewed the financial assistance provided by the Group. The ARC noted that there was no financial assistance provided by the Group to external parties during the financial year under review.

Financial Reporting

The Board continually strives to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects, primarily through the annual financial statements and quarterly interim financial results to shareholders as well as the Chairman's Statement, Management Discussion and Analysis and Sustainability Statement in the Company's Annual Report 2025.

In preparing the financial statements, the Group has adopted the applicable accounting policies which have been consistently applied and are supported by reasonable and prudent judgements and estimates by the Board. All accounting standards that the Board considers to be applicable have been adopted.

The ARC assists the Board to oversee the Group's financial reporting processes and the quality of its financial reporting.

Audit and Risk Management Committee Report (Cont'd)

Internal Control System and Internal Audit Function

The Company has outsourced its internal audit function to GovernAce Advisory & Solutions Sdn Bhd acting as the Internal Auditor, reporting directly to the ARC. The role of the Internal Auditor is to provide independent and objective reports on the effectiveness of the system of internal controls within the business units of the Group to the AC for review and deliberation, on a regular basis or as and when directed by the ARC.

During FYE 2025, the internal audit function has conducted the following:

- presented the internal audit plan to the ARC for approval;
- conducted internal audit review of various areas such as fixed assets management, account and finance, procurement, sales & marketing, processing, planning and logistics management, warehouse, human resource management, machine and equipment maintenance, information technology general control, quality assurance and quality control management;
- reported audit findings, along with recommendations for improvement and Management's response, to the ARC on a quarterly basis; and
- seek endorsement from the ARC on whether any change to the internal audit plan was required during the ARC meeting.

The total costs incurred in the internal audit function of the Group for FYE 2025 was RM26,500.

External Auditors

Through the ARC, the Group has established a transparent and appropriate relationship with the Group's external auditors in seeking professional assurance and ensuring compliance with the applicable accounting standards in Malaysia. The external auditors fulfil an essential role in giving an assurance to the shareholders of the Company, of the reliability of the financial statements prepared by the Company. The external auditors have an obligation to bring to the attention of the Board of Directors, the ARC and the Management any significant defects in the Group's systems of reporting, deficiencies in internal control and failure to comply with approved accounting standards and legal and regulatory requirements.

The fees paid or payable to the external auditors, Folks DFK & Co PLT and its affiliates ("**External Auditors**") in relation to the audit and non-audit services rendered to the Company and the Group for the FYE 2025 are as follows: -

(RM '000)	Company	Group
Audit fees	30	134
Non-audit fees	28	28
Total	58	162

Non-audit fees consist of professional fees incurred for tax compliance services, review of Statement on Risk Management and Internal Control and the review of interim financial statements.

The Board, through the ARC, assesses and affirms the independence and suitability of the External Auditors to continue providing its services annually. The scope of the assessment covers competence of the audit firm, audit team member, fees, scope and planning as well as quality of processes and performance, independence and objectivity and client communication. The Board has formalised a set of criteria on assessment on the independence and suitability of External Auditors as well as to govern circumstances under which contracts for provision of non-audit services could be entered into with the External Auditors.

This ARC Report has been approved by the ARC on 20 April 2026.

Statement on Risk Management and Internal Control

The board of directors of the Company ("**Board**") is pleased to present the Statement on Risk Management and Internal Control ("**Statement**") for the FYE 2025 prepared pursuant to Rule 15.26(b) of the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**") and the Malaysian Code on Corporate Governance ("**Code**") by Securities Commission.

Board's Responsibility

The Board is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies endorsed by Bursa Malaysia in making disclosures concerning main features of the Risk Management Framework and Internal Control System of the Group ("**Control System**") and is committed to fulfilling its responsibility of maintaining a sound Control System in the Group. This Statement outlines the nature and scope of risk management and internal control of the Group during the financial year. The Board recognises the importance of maintaining a sound Control System and the proper identification and management of risks affecting the operations of the Group in order to safeguard shareholders' investments and other stakeholders' interests.

The Board ensured to devote sufficient time for thorough discussion on key matters at formal Board meetings to ensure that each Director is actively engaged. Accordingly, the Board affirms its overall responsibilities for the Group's Control System which is vital to managing principal risk which may impede the achievement of the Group's corporate and business objectives. These responsibilities include reviewing the adequacy and integrity of this system which covers enterprise risk management, financial, organisational, operational and compliance controls. Given that there are inherent limitations in any system of risk management and internal control, the said system is designed to manage risks within tolerable and knowledgeable limits in an efficient manner, rather than eliminating the risk of failure to achieve business objectives of the Group. The system can therefore only provide reasonable, but not absolute assurance, against material misstatements of management and financial information, financial losses, defalcations, fraud and breaches of laws or regulations.

Management's Responsibility

The Management is responsible for the day-to-day activities of the business and operations of the Group. It has primarily responsibility for identifying, assessing and reporting key business risks to the Board in order to safeguard shareholders' investment and the Group's assets. While identifying potential risks areas, management can improve the control testing, monitoring functions and reducing the complexity of business processes also offers the potential for improving the efficiency of core operations and enhance risk management. The Management's performance is monitored by the Board through a comprehensive summary of the Group's financial performance on a quarterly basis.

Risk Management Framework

Risk management is embodied in the Groups' key business processes through the enterprise risk management framework, which sets out amongst others, a systematic approach to identify, analyse, monitor and report key risks and the likelihood of risk occurrence as well as the magnitude of impact using a self-assessment approach. In addition, the framework outlines the significant risks that the Group is exposed to. The individual risks identified are scored for their likelihood of occurrence and the magnitude of impact/consequences thereof based on a '5 by 5' risk matrix, deploying parameters established for the Group. The risk parameters comprise relevant financial and non-financial metrics for risks to be evaluated or quantified, as the case may be, in terms of likelihood of their occurrence and the magnitude of impact/consequences. The use of such metrics essentially articulates the Board's risk appetite, i.e. the extent of risk the Group is prepared to tolerate in achieving its business objectives.

Details of specific risks are documented in individual risk registers, covering the risk description, stakeholders, risk ratings, internal controls implemented to address the root causes. During the financial year under review, the management, represented by the Executive Directors and the Key Senior Management (collectively referred as the "**Management**"), has identified key risks and evaluated the potential impact of these risks. Risk register was reviewed by the Management and Audit and Risk Management Committee ("**ARC**") meetings were held to communicate and deliberate the issues or risks, where appropriate. The control systems and action plans were implemented and taken to ensure continuous risk mitigation and risk management. In order to ensure that the Groups' risk management framework remains sound, risks were reviewed periodically to include emerging risk as and when necessary. This serves to ensure controls are in place and continue to operate adequately and effectively.

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

Risk Management Framework (Cont'd)

During the financial year under review, the key risks identified were as follows:

Descriptions	Details
Operational and business risks	Risks of loss resulting from failed internal processes, people or systems or external events. Examples include adverse changes to government policies, increasing competition and dependency on limited number of suppliers.
Strategic risks	Risks due to external causes or circumstances that, if they were to occur, would be serious enough to alter the strategic direction of our business, impacting on its future success or failure.
Financial risks	Risks due to financial losses such as foreign exchange fluctuations and changes in interest rates, credit losses, inadequacy insurance coverage on the Group's assets and etc.
Reputation risks	Risks due to threats or danger to our good name or standing of our business or entity, which may include poor environmental, social and governance ("ESG") practices and inaccurate ESG disclosure to the public.
Human resources risks	Risks due to disruption to the Group's operations, which may include unfavourable regulatory and policy changes relating to the recruitment of foreign workers and dependency on our Management for the continued success and growth of our business.
Technology and cybersecurity risk	Risk due to the utilisation of information technology platforms, systems, applications, and infrastructure. Examples include security breaches that may disrupt operations and/or cause financial reputational losses.
Regulatory non-compliance risk	Risk of loss or imposition of penalties, fines, or other liabilities arising from breaches of applicable laws, regulations, or contractual obligations.
Sustainability risk	Risk of loss or leading to increase in costs. Examples include policy and regulatory shifts leading to increasing compliance costs as well as market and capital uncertainty influencing investment flows.

Internal Control System

Internal controls are important to support the function of the risk management system. The Group continually reviews and enhances its internal control procedures with the recommendations of internal auditors.

The key features of the control framework and procedures in the Group are as follows:

- Management organisation structure defining the management's responsibilities and hierarchical structure of reporting lines and accountability, subject to certain prescribed authority limits;
- Delegation and separation of responsibilities between the Board and the Management and the establishment of various Board Committees and the presence of Independent Non-Executive Directors in overseeing the financial, compliance and operational performance of the Management;
- Standard operating procedures ("SOP") guiding employees of the Group to carry out their duties and functions effectively. These SOP cover the monitoring of nonconformity controls and risk-based action;
- Periodic management review meetings to review operational and financial performance as well as formulate action plans to address any areas of concern. There is quarterly reporting by the Management to the Board on significant changes in business and the external environment in which the Group operates;
- Whistle-blowing policies and procedures are put in place as a mechanism for employees of the Group and external parties to raise genuine concerns in relation to any improper conduct by any employee or Director of the Group (including any misconduct, wrongdoings, corruption, fraud and/or abuse of power) at the earliest opportunity without being subject to reprisals and/or retaliation (including victimisation, harassment or discriminatory treatment) and to have such concerns properly investigated and appropriate actions to be taken;

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

Internal Control System (Cont'd)

The key features of the control framework and procedures in the Group are as follows: (Cont'd)

- Code of Ethics and Conduct which sets out the ground rules and guidance for proper standard of conduct and ethical behaviour for the Directors and employees of the Group, based on the principles of integrity, accountability and professionalism; and
- Anti-bribery and Anti-Corruption Policy which outlines the Group's commitment towards its ethical business practices in compliance with the Malaysian Anti-Corruption Commission Act 2009. The Group adopts a zero tolerance against corruption and bribery, and the Group is committed to carry out all of its business practices with transparency, accountability and integrity.

Internal Audit Function

The Group's internal audit function is outsourced to an external professional firm, GovernAce Advisory & Solutions Sdn Bhd, to conduct a scheduled review on the adequacy of systems, procedures and controls of the Group in respect of various areas such as fixed assets management, account and finance, procurement, sales & marketing, processing, planning and logistics management, warehouse, human resource management, machine and equipment maintenance, information technology general control, quality assurance and quality control management. The person responsible for internal audit is Ryan Chong Chee Seng, Director of GovernAce Advisory & Solutions Sdn Bhd, a Chartered Member of the Institute of Internal Auditors Malaysia, a Certified Internal Auditor ("CIA"), a Fellow Certified Practising Accountant ("FCPA") with CPA Australia and a Chartered Accountant registered with the Malaysian Institute of Accountants ("MIA").

GovernAce Advisory & Solutions Sdn Bhd utilised the internal control framework as promulgated by the Committee of Sponsoring Organisation of the Treadway Commission (COSO Framework) as a reference framework. The review procedures carried out was guided by applicable standards of the International Professional Practices Framework issued by the Institute of Internal Auditors, Inc.

In addition, GovernAce Advisory & Solutions Sdn Bhd acting as the Internal Auditor, reporting directly to the ARC. The role of the Internal Auditor is to provide independent and objective reports on the effectiveness of the system of internal controls within the business units of the Group to the ARC for review and deliberation, on a periodical basis as outlined in the internal audit plan as approved by the ARC. The ARC assessed and was satisfied with the competence and independence of the Internal Auditor as well as the adequacy of its resources in carrying out the internal audit function.

In carrying out its activities, the Internal Auditor had unrestricted access to the relevant records, personnel and physical properties. The internal audit report(s) were forwarded to the Management for responses and the taking of necessary actions. Management was responsible to provide a written reply on action plans proposed to be taken to address the audit findings. The Internal Auditor was required to report to the ARC during the course of its review, on any material matters which have come to their attention that cause them to believe there are major weaknesses in the internal control systems within those selective processes that they have assessed, with focus on material risks associated with such processes.

Board's Comments on the Adequacy and Operating Effectiveness of the Group's Control System

During the financial year under review, the Board assisted by the ARC has reviewed the adequacy and operating effectiveness of the Group's Control System and relevant actions have been or were being taken, as the case may be, to remedy the internal control weaknesses identified from the review. The Board is of the view that the Control System in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Company's Annual Report 2025, is sound and sufficient to safeguard the interest of shareholders, customers, employees and the Group's assets. There was no material losses incurred during the financial year as a result of weaknesses in the risk management and internal control system. Notwithstanding that, the Board believes that this system must continuously evolve to meet the changing business landscape and environment of the Group operates in. Therefore, the Board continues to put in place action plans, as deemed appropriate, to strengthen the system of risk management and internal control from time to time towards achieving the Group's corporate strategies.

Statement on Risk Management and Internal Control

(Cont'd)

Review of Statement by the External Auditors

In accordance with Rule 15.23 of the AMLR of Bursa Securities, the External Auditors, Folks DFK & Co PLT have reviewed this Statement for inclusion in the Company's Annual Report 2025. Their review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (AAPG 3): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants.

AAPG 3 does not require external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

The External Auditors have reported to the Board that based on their review procedures performed, nothing has come to their attention that has caused them to believe that this Statement was not prepared, in all material aspects, in accordance with the disclosures required by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, nor is the Statement factually inaccurate.

Conclusion

The Board has obtained assurance from the Executive Directors and the Management, is satisfied that the Group's Control System has been effective, throughout the financial year and up to the date of issuance of this Statement, to safeguard shareholders' investments, protect customer interests, ensure regulatory compliance, uphold employee welfare, and secure the Group's assets. There were no significant internal control deficiencies or weaknesses that resulted in material losses or contingencies to the Group during the financial year under review. This Statement is made in accordance with the resolution of the Board of Directors dated 20 April 2026.

Additional Compliance Information

1. Status of utilisation of Proceeds from Initial Public Offering ("IPO")

The Company completed its IPO exercise upon the listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad on 23 August 2024, raising gross proceeds of RM40.08 million. As of 31 December 2025, the status of utilisation of proceeds raised from the IPO are as follows:

Details of utilisation ⁽¹⁾	Proposed utilisation		Actual utilisation	Deviation	Balance to be utilised	Estimated timeframe for utilisation from the date of listing
	RM'000	%	RM'000	RM'000	RM'000	
Factory expansion: -						
(a) Acquisition of land	13,000	32.43	13,000	-	-	Within 12 months
(b) Construction of factory	10,500	26.20	4,370	-	6,130	Within 36 months
(c) Purchase of machinery	1,100	2.74	248	-	852	Within 36 months
Repayment of bank borrowings	3,000	7.49	3,000	-	-	Within 6 months
Working capital	8,479	21.16	8,479	-	-	Within 12 months
Estimated listing expenses	4,000	9.98	4,000	-	-	Within 3 months
Total	40,079	100.00	33,097	-	6,982	

Note: -

(1) The utilisation of proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 27 June 2024.

2. Audit and Non-Audit Fees

The fees paid or payable to the external auditors, Folks DFK & Co PLT and its affiliates in relation to the audit and non-audit services rendered to the Company and the Group for the financial year ended 31 December 2025 are as follows: -

(RM '000)	Company	Group
Audit fees	30	134
Non-audit fees	28	28
Total	58	162

3. Material Contracts

There was no material contracts entered into by the Company and/or its subsidiaries involving directors and major shareholders' interest either still subsisting at the end of the financial year ended 31 December 2025 or entered into since the end of the previous financial year.

Additional Compliance Information (Cont'd)

4. Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the ACE Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia.

(a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue		120,959,598	105,513,815
Other income	Including interest income	2,423,472	3,754,598
Total		123,383,070	109,268,413
Total Assets		145,993,475	134,409,278

(b) Business Activities

Shariah	Non-Compliant Activities	Remarks	Group	
			2025 (RM)	2024 (RM)
Interest income		Conventional	130,198	84,754
Total			130,198	84,754

(c) Component of Financial Position

(1) Cash Component

Islamic Account/ Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash at bank	Excluding cash in hand	9,218,400	17,534,848
Cash in hand		167,550	129,236
Deposits with licensed banks		28,000,227	29,441,046
Total		37,386,177	47,105,130

Conventional	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash at bank	Excluding cash in hand	25,079,355	25,034,034
Deposits with licensed banks		1,218,300	-
Total		26,297,655	25,034,034

Additional Compliance Information (Cont'd)

4. Disclosure of Financial Data for Shariah Screening (Cont'd)

(c) Component of Financial Position (Cont'd)

(2) Debt Component

		Group	
Islamic Financing	Remarks	2025 (RM)	2024 (RM)
Current			
Bank borrowings		436,156	1,049,458
Non- Current			
Bank borrowings		8,939,347	-
Total		9,375,503	1,049,458

		Group	
Conventional Borrowings	Remarks	2025 (RM)	2024 (RM)
Current			
Hire purchase payables		220,656	265,658
Non- Current			
Hire purchase payables		301,697	369,154
Total		522,353	634,812

Directors' Report

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and details of its subsidiaries are set out in Note 7(a) to the financial statements.

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

RESULTS

	Group RM	Company RM
Profit for the financial year	<u>13,670,411</u>	<u>6,397,427</u>
Attributable to :-		
Owners of the Company	13,673,805	6,397,427
Non-controlling interests	<u>(3,394)</u>	<u>-</u>
	<u>13,670,411</u>	<u>6,397,427</u>

RESERVES AND PROVISIONS

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

DIVIDENDS

Dividends declared, paid or proposed since the end of the Company's previous financial year were as follows :-

In respect of the financial year ended 31 December 2025 :-

	RM
(a) Interim single-tier dividend of RM0.0100 per ordinary share declared on 2 October 2025 and paid on 26 November 2025	<u>3,720,000</u>

The Directors do not recommend the payment of any final dividend in respect of the current financial year.

SHARE CAPITAL

There were no changes in the issued and paid-up share capital during the financial year.

Directors' Report (Cont'd)

DIRECTORS

The names of the Directors of the Company who held office during the financial year and from end of the financial year to the date of this report are as follows :-

Yeoh Chee Min
Liew Meng Hooi
Dr. Khor Chai Tian
Dr. Ooi Hun Pin
Stephen Chua Chee Keong
Noor Azman Bin Nordin
Ooi Kim Kew
Oh Lean Sim (Appointed on 10 March 2026)
Wong Sim Kuan (Appointed on 10 March 2026)

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

Yeow Song You
Wang Boon Phoeey
Teoh Joo Han (Resigned on 16 April 2025)
Fan, Yanlin (First director, appointed on 18 August 2025)

DIRECTORS' INTERESTS

Particulars of directors' interests in ordinary shares in the Company and its subsidiaries, as recorded in the Register of Directors' Shareholdings in respect of directors who held office at the end of the financial year are as follows :-

Shareholdings in the Company

	Number of ordinary shares		
	Balance at 01.01.2025	During the financial year Acquired Disposed	Balance at 31.12.2025
Yeoh Chee Min - Direct interest	147,592,501	2,434,000 (1,903,450)	148,123,051
Liew Meng Hooi - Direct interest	49,230,301	- -	49,230,301
Dr. Khor Chai Tian - Direct interest	450,000	- -	450,000
Dr. Ooi Hun Pin - Direct interest	450,000	- -	450,000
Stephen Chua Chee Keong - Direct interest	413,500	5,000 (10,000)	408,500
Noor Azman Bin Nordin - Direct interest	450,000	- -	450,000
- Indirect interest *	58,000	- -	58,000

Directors'

Report (Cont'd)

DIRECTORS' INTERESTS (CONT'D)

Particulars of directors' interests in ordinary shares in the Company and its subsidiaries, as recorded in the Register of Directors' Shareholdings in respect of directors who held office at the end of the financial year are as follows :- (Cont'd)

Shareholdings in the Company (Cont'd)

	Number of ordinary shares		
	Balance at 01.01.2025	During the financial year Acquired Disposed	Balance at 31.12.2025
Ooi Kim Kew			
- Direct interest	55,760,100	- -	55,760,100

* Deemed interested through the shareholdings of his child pursuant to Section 59(11)(c) of the Companies Act 2016

Shareholdings in subsidiary, Easy Pack Machinery Sdn. Bhd.

Name	Number of ordinary shares		
	Balance at 01.01.2025	During the financial year Acquired Disposed	Balance at 31.12.2025
Yeoh Chee Min			
- Indirect interest *	2,165,000	- -	2,165,000
Ooi Kim Kew			
- Indirect interest *	2,165,000	- -	2,165,000

* Deemed interested by virtue of their interests in the Company

Shareholdings in subsidiary, Easy Pack Manufacturing (M) Sdn. Bhd.

Name	Number of ordinary shares		
	Balance at 01.01.2025	During the financial year Acquired Disposed	Balance at 31.12.2025
Yeoh Chee Min			
- Indirect interest *	1,963,000	- -	1,963,000
Ooi Kim Kew			
- Indirect interest *	1,963,000	- -	1,963,000

* Deemed interested by virtue of their interests in the Company

Shareholdings in subsidiary, Easy Pack Machinery (KL) Sdn. Bhd.

Name	Number of ordinary shares		
	Balance at 01.01.2025	During the financial year Acquired Disposed	Balance at 31.12.2025
Yeoh Chee Min			
- Indirect interest *	583,000	- -	583,000
Ooi Kim Kew			
- Indirect interest *	583,000	- -	583,000

* Deemed interested by virtue of their interests in the Company

Directors' Report (Cont'd)

DIRECTORS' INTERESTS (CONT'D)

Particulars of directors' interests in ordinary shares in the Company and its subsidiaries, as recorded in the Register of Directors' Shareholdings in respect of directors who held office at the end of the financial year are as follows :- (Cont'd)

Shareholdings in subsidiary, Bestworld Engineering Sdn. Bhd.

Name	Number of ordinary shares		
	Balance at 01.01.2025	During the financial year Acquired Disposed	Balance at 31.12.2025
Liew Meng Hooi - Indirect interest *	800,000	- -	800,000
Yeoh Chee Min - Indirect interest *	800,000	- -	800,000

* Deemed interested by virtue of their interests in the Company

Shareholdings in subsidiary, EPB Capital Limited

Name	Number of ordinary shares		
	Balance at 01.01.2025	During the financial year Acquired Disposed	Balance at 31.12.2025
Liew Meng Hooi - Indirect interest *	10,000	- -	10,000
Yeoh Chee Min - Indirect interest *	10,000	- -	10,000

* Deemed interested by virtue of their interests in the Company

Shareholdings in subsidiary, AI Medic Device Equipment Supplies Sdn. Bhd.

Name	Number of ordinary shares		
	At date of incorporation 18.08.2025	During the financial year Acquired Disposed	Balance at 31.12.2025
Yeoh Chee Min - Indirect interest *	2,400	- -	2,400
Ooi Kim Kew - Indirect interest *	2,400	- -	2,400

* Deemed interested by virtue of their interests in the Company

Other than as disclosed above, no other directors in office at the end of the financial year held any interest, direct or indirect, in shares and debentures of the Company and its subsidiaries.

Directors' Report (Cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefits (other than those disclosed as Directors' Remuneration in Note 20 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or his nominees or with a firm of which he is a member or with a company in which he has a substantial financial interest other than by virtue of transactions entered into in the ordinary course of business as disclosed in Note 26 to the financial statements.

As at the end of the financial year and during the financial year, there did not subsist any arrangement to which the Company was a party, whereby the directors or their nominees might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REMUNERATION

The remuneration received or receivable by the directors of the Company during the financial year is as follows :-

	Received or receivable from		
	The Company RM	Subsidiaries RM	Total RM
Directors' fees and other remuneration	978,400	1,115,096	2,093,496

INDEMNITY

The Directors and others officers of the Group and of the Company were insured against certain liabilities under a Directors' and Officers' Liability Insurance policy and the related insurance premium paid by the Company was RM30,215.

No indemnity was given to nor was there any insurance effected for the auditors of the Group and of the Company during the financial year.

AUDITORS' REMUNERATION

Details of the remuneration paid or payable to the auditors of the Group and of the Company for the financial year are as follows :-

	Group RM	Company RM
Annual statutory audit	133,920	30,000
Non-audit services	28,000	28,000
	161,920	58,000

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps :-
- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - to ensure that any current assets which were unlikely to realise in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

- (b) At the date of this report, the directors are not aware of any circumstances :-
- (i) which would render the amount written off for bad debts and allowance made for doubtful debt in the financial statements of the Group and of the Company inadequate to any substantial extent;
 - (ii) which would render the values of current assets in the financial statements of the Group and of the Company misleading;
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; and
 - (iv) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (c) At the date of this report, there does not exist :-
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liabilities in respect of the Group and of the Company which have arisen since the end of the financial year.
- (d) In the opinion of the directors :-
- (i) no contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Group and of the Company to meet its obligations when they fall due;
 - (ii) the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and
 - (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Directors' Report (Cont'd)

AUDITORS

The auditors, Messrs. Folks DFK & Co PLT (converted from a conventional partnership, Folks DFK & Co, on 2 January 2026), have expressed their willingness to continue in office.

On behalf of the Board of Directors,

YEOH CHEE MIN
Director

LIEW MENG HOOI
Director

This report is made pursuant to the directors' resolution passed on 20 April 2026.

Date : 20 April 2026

Statement by Directors

Persuant to Section 251(2) of the Companies Act 2016

We, YEOH CHEE MIN and LIEW MENG HOOI, being the directors of EPB GROUP BERHAD, do hereby state that, in the opinion of the directors, the accompanying financial statements together with the notes attached thereto are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of :-

- (i) the financial position of the Group and the Company as at 31 December 2025 and of the financial performance of the Group and the Company for the financial year ended on that date; and
- (ii) the cash flows of the Group and the Company for the financial year ended 31 December 2025.

On behalf of the Board of Directors,

YEOH CHEE MIN
Director

LIEW MENG HOOI
Director

Date : 20 April 2026

Statutory Declaration

Persuant to Section 251(1) of the Companies Act 2016

I, YEOH CHEE MIN, being the director primarily responsible for the financial management of EPB GROUP BERHAD, do solemnly and sincerely declare that the accompanying financial statements together with the notes attached thereto, are to the best of my knowledge and belief, correct.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed YEOH CHEE MIN)
at Perai in the state of Penang this)
)

20th day of April 2026
Before me,

PREMJIT SINGH (P107)
Commissioner for Oaths

Statement of Financial Position

As at 31 December 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	4	15,398,124	10,311,435	41,159	39,286
Intangible asset	5	845,819	549,352	288,107	191,376
Right-of-use assets	6	28,684,159	5,200,036	-	-
Investment in subsidiaries	7	-	-	52,021,969	35,431,679
Total Non-current Assets		44,928,102	16,060,823	52,351,235	35,662,341
Current Assets					
Inventories	8	13,634,115	13,835,659	-	-
Trade receivables	9	15,855,898	14,538,069	-	-
Other receivables, deposits and prepayments	10	7,340,081	16,042,836	161,000	10,319
Fixed deposits with licensed banks	11(a)	29,218,527	29,441,046	16,325,342	25,305,579
Cash and bank balances	11(b)	34,465,305	42,698,118	1,279,859	5,932,939
Tax recoverable		551,447	1,792,727	9,515	30,043
Total Current Assets		101,065,373	118,348,455	17,775,716	31,278,880
TOTAL ASSETS		145,993,475	134,409,278	70,126,951	66,941,221

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

Statement of Financial Position (Cont'd)

As at 31 December 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
Equity Attributable to Owners of the Company					
Share capital	12.1	68,877,930	68,877,930	68,877,930	68,877,930
Merger deficit	13	(24,490,640)	(24,490,640)	-	-
Exchange translation reserve		(1,660,435)	420,139	-	-
Retained profit/(Accumulated losses)		67,776,704	57,822,899	411,838	(2,265,589)
Equity attributable to owners of the Company		110,503,559	102,630,328	69,289,768	66,612,341
Non-controlling interest		(3,394)	-	-	-
Total Equity		110,500,165	102,630,328	69,289,768	66,612,341
Non-current Liabilities					
Lease liabilities	14	403,470	481,080	-	-
Bank borrowings	15	8,939,347	-	-	-
Deferred tax liabilities	16	317,068	3,735,814	-	-
Total Non-current Liabilities		9,659,885	4,216,894	-	-
Current Liabilities					
Trade payables	17	5,679,775	3,928,979	-	-
Other payables, deposits and accrued liabilities	18	19,133,028	21,383,576	837,183	328,880
Lease liabilities	14	327,562	384,992	-	-
Bank borrowings	15	436,156	1,049,458	-	-
Tax payable		256,904	815,051	-	-
Total Current Liabilities		25,833,425	27,562,056	837,183	328,880
Total Liabilities		35,493,310	31,778,950	837,183	328,880
TOTAL EQUITY AND LIABILITIES					
		145,993,475	134,409,278	70,126,951	66,941,221

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

Statement of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	19	120,959,598	105,513,815	8,174,300	2,403,956
Cost of sales		(83,280,545)	(68,996,920)	-	-
Gross profit		37,679,053	36,516,895	8,174,300	2,403,956
Other income		2,423,472	3,754,598	572,330	372,190
Selling and distribution expenses		(10,160,201)	(12,370,062)	-	-
Administration expenses		(15,274,886)	(14,208,573)	(2,213,675)	(3,571,496)
Other operating expenses		(58,254)	(19,113)	-	-
Operating profit		14,609,184	13,673,745	6,532,955	(795,350)
Finance costs		(51,897)	(172,682)	-	-
Profit/(Loss) before taxation	20	14,557,287	13,501,063	6,532,955	(795,350)
Taxation	22	(886,876)	(3,715,446)	(135,528)	(80,000)
Profit/(Loss) for the financial year		13,670,411	9,785,617	6,397,427	(875,350)
Other comprehensive income, net of tax					
<i>Item that will be reclassified subsequently to profit or loss, net of tax effects</i>					
- Exchange loss on translation of foreign operation		(2,080,574)	(701,524)	-	-
Total comprehensive income/ (loss) for the financial year		11,589,837	9,084,093	6,397,427	(875,350)
Profit/(Loss) for the financial year attributable to :					
Owners of the Company		13,673,805	9,785,617	6,397,427	(875,350)
Non-controlling interests		(3,394)	-	-	-
		13,670,411	9,785,617	6,397,427	(875,350)
Total comprehensive income/ (loss) for the financial year					
Owners of the Company		11,593,231	9,084,093	6,397,427	(875,350)
Non-controlling interests		(3,394)	-	-	-
		11,589,837	9,084,093	6,397,427	(875,350)
Earnings per share attributable to owners of the Company					
Basic (RM)	23(a)	0.037	0.026		

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

Statement of Changes in Equity

For the Financial Year Ended 31 December 2025

	Ordinary shares (Note 12.1) RM	Non-distributable		Distributable		Non-controlling interest RM	Total RM	Total RM
		Merger deficit (Note 13) RM	Exchange translation reserve RM	Retained profits RM	Total RM			
Group - 2025								
Balance at 1 January 2025	68,877,930	(24,490,640)	420,139	57,822,899	102,630,328	-	102,630,328	
Profit for the financial year	-	-	-	13,673,805	13,673,805	(3,394)	13,670,411	
Exchange gain on translation of foreign operation	-	-	(2,080,574)	-	(2,080,574)	-	(2,080,574)	
Total comprehensive income for the financial year	-	-	(2,080,574)	13,673,805	11,593,231	(3,394)	11,589,837	
Transactions with owners of the Company								
- Dividends paid (Note 24)	-	-	-	(3,720,000)	(3,720,000)	-	(3,720,000)	
Balance at 31 December 2025	68,877,930	(24,490,640)	(1,660,435)	67,776,704	110,503,559	(3,394)	110,500,165	

Statement of Changes in Equity (Cont'd)

For the Financial Year Ended 31 December 2025

	Ordinary shares (Note 12.1) RM	Invested equity (Note 12.2) RM	Non-distributable		Distributable		Total RM
			Merger deficit (Note 13) RM	Exchange translation reserve RM	Retained profits RM		
Group - 2024							
Balance at 1 January 2024	2	5,552,360	-	1,121,663	48,037,282	54,711,307	
Profit for the financial year	-	-	-	-	9,785,617	9,785,617	
Exchange gain on translation of foreign operation	-	-	-	(701,524)	-	(701,524)	
Total comprehensive income for the financial year	-	-	-	(701,524)	9,785,617	9,084,093	
Issuance of new ordinary shares	70,122,200	(5,552,360)	(24,490,640)	-	-	40,079,200	
Share issuance expenses	(1,244,272)	-	-	-	-	(1,244,272)	
	68,877,928	(5,552,360)	(24,490,640)	-	-	38,834,928	
Balance at 31 December 2024	68,877,930	-	(24,490,640)	420,139	57,822,899	102,630,328	

Statement of Changes in Equity (Cont'd)

For the Financial Year Ended 31 December 2025

Company	Share capital (Note 12.1) RM	Distributable	
		Accumulated losses RM	Total RM
Balance at 1 January 2025	68,877,930	(2,265,589)	66,612,341
Profit for the financial year, representing total comprehensive profit for the financial year	-	6,397,427	6,397,427
Dividend paid (Note 24)	-	(3,720,000)	(3,720,000)
Balance at 31 December 2025	68,877,930	411,838	69,289,768
Balance at 1 January 2024	2	(1,390,239)	(1,390,237)
Loss for the financial year, representing total comprehensive loss for the financial year	-	(875,350)	(875,350)
Issuance of new ordinary shares	70,122,200	-	70,122,200
Share issue expenses	(1,244,272)	-	(1,244,272)
	68,877,928	-	68,877,928
Balance at 31 December 2024	68,877,930	(2,265,589)	66,612,341

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

Statement of Cash Flows

For the Financial Year Ended 31 December 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities				
Profit/(Loss) before taxation	14,557,287	13,501,063	6,532,955	(795,350)
Adjustments for :-				
Amortisation of intangible assets	72,372	9,891	-	-
Bad debts recovered	-	(66,000)	-	-
Depreciation of property, plant and equipment	1,039,944	1,087,894	5,767	4,748
Depreciation of rights-of-use assets	720,107	528,280	-	-
Deposit paid forfeited	-	4,200	-	-
Deposits received forfeited	(50,306)	(20,000)	-	-
Dividend income	-	-	(7,276,300)	(2,403,956)
Gain on disposal of property, plant and equipment	(88,499)	(516)	-	-
Net additional/(reversal) allowance for impairment loss on trade receivables	1,164,182	(1,718,786)	-	-
Property, plant and equipment written off	54	671	-	-
Interest expenses	51,897	172,682	-	-
Interest income	(1,037,835)	(752,694)	(572,330)	(372,191)
Unrealised loss on foreign exchange	586,499	382,873	-	-
Bad debts written off	-	192,267	-	-
Write-down in value of inventories - net	182,236	211,700	-	-
Operating profit/(loss) before working capital changes	17,197,938	13,533,525	(1,309,908)	(3,566,749)
Increase in inventories	(335,446)	(837,714)	-	-
Decrease/(Increase) in trade and other receivables	2,481,706	(9,462,374)	(151,281)	102,350
Increase/(Decrease) in trade and other payables	2,441,294	7,755,526	441,801	(2,775,811)
Cash generated from/(used in) operations	21,785,492	10,988,963	(1,019,388)	(6,240,210)
Interest paid	(51,897)	(172,682)	-	-
Tax paid	(4,110,347)	(3,836,049)	(115,000)	(110,654)
Tax refunded	557,876	-	-	-
Net cash from/(used in) operating activities	18,181,124	6,980,232	(1,134,388)	(6,350,864)

Statement of Cash Flows (Cont'd)

For the Financial Year Ended 31 December 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from investing activities				
Dividend received	-	-	7,276,300	2,403,956
Deposit paid for property, plant and equipment	-	(4,498,986)	-	-
Acquisition of property, plant and equipment	(4,779,946)	(234,765)	(7,640)	-
Acquisition of intangible assets	(259,254)	-	(30,229)	-
Acquisition of right-of-use assets	(13,516,826)	(230,200)	-	-
Proceeds received from disposal of property, plant and equipment	97,500	3,032	-	-
Interest received	1,037,835	752,694	572,330	372,191
Investment in subsidiaries	-	-	(2,400)	-
Withdrawal/(Placement) of fixed deposits with maturity periods exceeding 3 months	24,755,579	(25,305,579)	25,305,579	(25,305,579)
Net cash from/(used in) investing activities	7,334,888	(29,513,804)	33,113,940	(22,529,432)
Cash flows from financing activities				
Capital contributions for subsidiaries	-	-	(16,587,290)	(5,388,679)
Net repayment of term loans	(2,068,886)	(2,178,881)	-	-
Net repayment of lease liabilities	(427,518)	(409,689)	-	-
Proceeds from issuance of ordinary shares, net of share issue expenses	-	38,834,928	-	38,834,928
Proceeds from issuance of ordinary shares from a subsidiary	600	-	-	-
Dividend paid (Note 24)	(3,720,000)	-	(3,720,000)	-
Net cash (used in)/from financing activities	(6,215,804)	36,246,358	(20,307,290)	33,446,249
Net increase in cash and cash equivalents	19,300,208	13,712,786	11,672,262	4,565,953
Exchange difference on cash and cash equivalents	(2,999,961)	(1,191,371)	-	-
Cash and cash equivalents at beginning of the financial year	46,833,585	34,312,170	5,932,939	1,366,986
Cash and cash equivalents at end of the financial year (Note 11(c))	63,133,832	46,833,585	17,605,201	5,932,939

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

Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

1. GENERAL INFORMATION

EPB Group Berhad is a public company limited by shares, incorporated and domiciled in Malaysia. The Company is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at 35, 1st Floor, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Pulau Pinang, Malaysia and its principal place of business is located at PMT 1186, Jalan Perindustrian Bukit Minyak 18, Taman Perindustrian Bukit Minyak, Penang Science Park, 14100 Simpang Ampat, Pulau Pinang, Malaysia.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in Note 7.

These financial statements comprise the financial statements of the Group and the financial statements of the Company and they are presented in Ringgit Malaysia ("RM").

The financial statements were approved and authorised for issue by the Board of Directors on 20 April 2026.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the provisions of the Companies Act 2016 in Malaysia.

The financial statements of the Company are prepared under the historical cost convention unless otherwise indicated in the material accounting policy information.

The accounting policies applied by the Company are consistent with those applied in the previous financial period other than the application of the new MFRS and amendments to MFRSs as disclosed in Note 2.2 below.

2.2 Application of New MFRS and Amendments to MFRSs

During the financial year, the Group and the Company have applied the amendments to MFRS 121 - Lack of Exchangeability issued by the Malaysian Accounting Standards Board ("MASB") which became effective for accounting period on or after 1 January 2025.

Initial application of the amendments did not have any significant impact on the Group's and the Company's financial statements for the current and prior financial periods.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Amendments to MFRSs That Are In Issue But Not Yet Effective

The Group and the Company have not early adopted the following amendments to MFRSs that have been issued by the MASB but are not yet effective :-

Effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7 :

- Amendments to the Classification and Measurement of Financial Instruments
- Contracts Referencing Nature-dependent Electricity

Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 contained in the document entitled "Annual Improvements to MFRS Accounting Standards - Volume 11"

Effective for annual periods beginning on or after 1 January 2027

MFRS 18 - Presentation and Disclosure in Financial Statements

MFRS 19 - Subsidiaries without Public Accountability : Disclosures

Amendments to MFRS 121 - Translation to a Hyperinflationary Presentation Currency

Effective for annual periods beginning on or after a date to be determined by the MASB

Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company will apply the above new MFRSs and amendments to MFRSs that are applicable once they become effective and the adoption is not expected to have any material impact on the Group's and the Company's financial statements in the period of initial application, other than disclosed below.

MFRS 18 Presentation and Disclosure in Financial Statements

The new MFRS 18 will replace MFRS 101 *Presentation of Financial Statements* while retaining many of the requirements in MFRS 101 with limited changes. The key changes introduced by MFRS 18 are as follows :-

- (a) Classification of income and expenses into three defined categories namely operating, investing and financing.
- (b) Two new required subtotals namely operating profit and profit before financing and income taxes.
- (c) Disclosures of management-defined performance measures ("MPMs") in a single note, including :
 - a statement that the MPMs reflect management's view; and
 - an explanation of why the MPMs are reported and how they are calculated.
- (d) Enhanced requirements for aggregation and disaggregation of information in the financial statements.

The new standard is to be applied retrospectively and it will affect the presentation and disclosure of information but it will not impact the recognition and measurement of items in the financial statements of an entity.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of Consolidation

The financial statements of the Group ("the consolidated financial statements") include the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting date as the Company. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group :-

- has power over the entity;
- is exposed, or has rights, to variable returns from its involvement with the entity; and
- has the ability to affect those returns through its power over the entity.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls listed above.

Subsidiaries are consolidated using the acquisition method except for subsidiaries arising from common control combination as explained in Note 2.5. Consolidation of a subsidiary begins from the date the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

In preparing consolidated financial statements, intra-group balances and transactions and the resulting unrealised profits are eliminated on consolidation. Unrealised losses are eliminated on consolidation and the relevant assets are assessed for impairment. The consolidated financial statements reflect external transactions and balances only. When necessary, adjustments are made to the financial statements of subsidiaries to ensure conformity with the Group's accounting policies. The total comprehensive income of a subsidiary is attributed to the Group and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received by the Group is recognised directly in equity and attributed to owners of the Company. If the Group loses control of a subsidiary, the assets (including any goodwill) and liabilities of the subsidiary and non-controlling interests will be derecognised at their carrying amounts at the date when control is lost. Any investment retained in the former subsidiary is recognised at its fair value at the date when control is lost. The resulting difference between the amounts derecognised and the aggregate of the fair value of consideration received and investment retained is recognised as gain or loss in profit or loss attributable to the Group.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method except for combinations of entities or businesses under common control. The consideration transferred for the acquisition of an acquiree is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, equity interests issued and contingent consideration given. Acquisition-related costs are recognised as an expense in the periods in which the costs are incurred.

The acquisitions of Easy Pack Machinery Sdn. Bhd., Easy Pack Manufacturing (M) Sdn. Bhd., Easy Pack Machinery (KL) Sdn. Bhd, Bestworld Engineering Sdn. Bhd. and EPB Capital Limited (formerly known as Bestworld Perkasa Ltd/Labuan) have been accounted for as common control combination.

These subsidiaries are consolidated using the principles of merger accounting. The common control combinations are business combinations in which all the combining entities have common ultimate controlling parties prior to and immediately after such combinations, and that control is not transitory. Under the principles of merger accounting, the assets and liabilities of the combining entities are consolidated using the existing book values from the controlling parties' perspective and the results of each of the combining entity are presented as if the combination had been effected throughout the current and previous comparative periods presented. On consolidation, the cost of investment is matched against the nominal value of ordinary shares acquired and any difference is taken to equity as merger reserve (for resulting credit difference) or merger deficit (for resulting debit difference).

On the application of acquisition method, identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values, except for non-current assets (or disposal group) that are classified as held for sale which shall be measured at fair value less costs to sell.

Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interests and the acquisition-date fair value of any previously held equity interest over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed. The excess of the Group's interest in the net amounts of the identifiable assets, liabilities and contingent liabilities over the aggregate of the consideration transferred, the amount of any non-controlling interests and the acquisition-date fair value of any previously held equity interest is recognised immediately in profit or loss.

Non-controlling interests represent that portion of profit or loss and net assets of a subsidiary not attributable, directly or indirectly, to the Group. For each business combination, non-controlling interests are measured either at their fair value at the acquisition date or at the non-controlling interests' proportionate share of the subsidiary's identifiable net assets. Non-controlling interests in the net assets of consolidated subsidiaries comprised the amount of non-controlling interests at the date of original combination and their share of changes in equity since the date of combination.

In a business combination achieved in stages, any previously held equity interest is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Foreign Currencies

2.6.1 Functional and presentation currency

The individual financial statements of each entity within the Group are presented in the currency of the primary economic environment in which the entity operates i.e. the entity's functional currency. The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

2.6.2 Foreign currency transactions and balances

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising on the translation of foreign currency non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised in other comprehensive income. Exchange differences arising from such non monetary items are recognised to other comprehensive income.

2.6.3 Foreign operations

The results and financial position of the foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows :-

- Assets and liabilities are translated at the closing rate prevailing at each reporting date;
- Income and expenses for each statement presenting profit or loss and other comprehensive income are translated at average exchange rates for the financial year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are recognised in other comprehensive income and are accumulated in foreign currency translation reserve within equity.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Foreign Currencies (Cont'd)

2.6.3 Foreign operations (Cont'd)

Exchange differences arising from monetary items that form part of the Company's net investment in a foreign operation and that are denominated in the functional currency of the Company or the foreign operation are recognised in profit or loss of the Company or of the foreign operation, as appropriate. In the Group's financial statements, such exchange differences are recognised initially in other comprehensive income and accumulated in equity under foreign currency translation reserve. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and taken to equity under foreign currency translation reserve will be reclassified to profit or loss.

2.7 Investments in Subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less any accumulated impairment losses. The investments are reviewed for impairment in accordance with the Group's accounting policy for impairment of non-financial assets. On disposal of such investments, the difference between the net disposal proceeds and the net carrying value of the investments is recognised as a gain or loss on disposal in the Company's profit or loss.

2.8 Property, Plant and Equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Property, plant and equipment are depreciated on the straight-line basis so as to write off the cost of the assets to their residual values over their estimated useful lives. Depreciation on capital work-in-progress commences when the assets are ready for their intended use. The annual depreciation rates are as follows :-

Buildings	2%
Plant and machinery	10%
Office equipment	10% - 20%
Furniture and fittings	10% - 20%
Tools and equipment	20%
Motor vehicles	14% - 20%
Computer	20% - 25%
Renovation	10%

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 Property, Plant and Equipment (Cont'd)

The residual values and useful lives of assets are reviewed at each financial year end and adjusted prospectively, if appropriate, where expectations differ from previous estimates. Property, plant and equipment are reviewed for impairment in accordance with the Group's accounting policy for impairment of non-financial assets as disclosed in Note 2.13.2.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss.

2.9 Intangible Assets

Computer software

Costs associated with developing computer software programs that will generate probable future economic benefits from the use thereof are recognised as intangible assets. Costs comprised all directly attributable development costs including an appropriate portion of relevant overheads. Computer software development cost is amortised when the asset is available for use over the period the asset is expected to generate economic benefits.

The estimated useful life and amortisation method are reviewed at the end of each reporting period with the effect of any changes in estimates being accounted for on a prospective basis.

2.10 Inventories

Inventories are valued at the lower of cost (determined on the first-in, first-out basis) and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs and all other estimated costs to completion.

Costs of raw materials and distribution goods comprise purchase price and other costs directly attributable to the acquisition of inventories.

Cost of finished goods consists of direct materials, direct labour, direct expenses and attributable production overheads.

2.11 Financial Assets

The Group recognises all financial assets in its statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instruments.

All regular way purchases or sales of financial assets are recognised and derecognised using trade date accounting. A regular way purchase or sale is a purchase or sale of a financial asset that requires delivery of asset within the time frame established generally by regulation or convention in the marketplace concerned. Trade date accounting refers to :-

- the recognition of an asset to be received and the liability to pay for it on the trade date i.e. the date the Group commits itself to purchase or sell an asset; and
- derecognition of an asset that is sold, the recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Financial Assets (Cont'd)

2.11.1 Classification

The Group classifies its financial assets into the following measurement categories depending on the business models used for managing the financial assets and the contractual cash flow characteristics of the financial assets :-

- (a) at amortised cost;
- (b) fair value through other comprehensive income; and
- (c) fair value through profit or loss.

Financial assets are reclassified when and only when the Group changes its business model for managing the financial assets and the reclassification of all affected financial assets is applied prospectively from the reclassification date i.e. on the first day of the first reporting period following the change in business model.

2.11.2 Measurement

At initial recognition, trade receivables without a significant financing component are measured at their transaction price when they are originated.

Other financial assets are initially measured at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets at fair value through profit or loss are expensed to profit or loss when incurred.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business models for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Group's debt instruments are categorised into the following measurement categories :-

(i) Amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met and it is not designated as at fair value through profit or loss at initial recognition :-

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These financial assets are measured at amortised cost using the effective interest method less any impairment losses. Interest income, gains or losses on derecognition, foreign exchange gains or losses and impairment are recognised in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Financial Assets (Cont'd)

2.11.2 Measurement (Cont'd)

Debt instruments (Cont'd)

Subsequent measurement of debt instruments depends on the Group's business models for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Group's debt instruments are categorised into the following measurement categories :- (Cont'd)

(ii) Fair value through other comprehensive income ("FVOCI")

A financial asset is measured at FVOCI if both of the following conditions are met and it is not designated as FVTPL at initial recognition :-

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Changes in fair value of these financial assets are recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gains or losses previously recognised in other comprehensive income is reclassified from equity to profit or loss. Interest income calculated using the effective interest method, foreign exchange gains or losses and impairment are recognised in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss and other comprehensive income.

(iii) Fair value through profit or loss ("FVTPL")

A financial asset is measured at FVTPL if it does not meet the criteria for amortised cost or FVOCI. This includes all derivative financial assets.

The Group may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL that otherwise meets the criteria for amortised cost or FVOCI if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Changes in fair value of financial assets at FVTPL and interest or dividend income are recognised in profit or loss.

2.11.3 Derecognition of financial assets

The Group derecognises a financial asset when, and only when, the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset without retaining control or transfers substantially all the risks and rewards of ownership of the financial asset to another party.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, bank balances, deposits with licensed banks with original maturities of 3 months or less and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, reduced by bank overdrafts. The statements of cash flows are prepared using the indirect method.

2.13 Impairment

2.13.1 Financial assets

The Group recognises loss allowance for expected credit losses ("ECLs") on financial assets measured at amortised cost.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months i.e. a 12-month ECL. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default i.e. a lifetime ECL.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are eleven months past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow in its entirety or a portion thereof.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 Impairment (Cont'd)

2.13.2 Non-financial assets

The carrying amounts of non-financial assets (other than inventories and deferred tax assets) are reviewed for impairment at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. For intangible assets that are not yet available for use, the recoverable amount is estimated annually or more frequently when indicators of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset or a cash generating unit ("CGU") exceeds its recoverable amount. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The recoverable amount of an asset or CGU is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised in profit or loss in the period in which it arises.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.14 Share Capital

Ordinary shares are classified as equity. Distributions to holders of ordinary shares are debited directly to equity and dividends declared on or before the end of the reporting period are recognised as liabilities. Costs directly attributable to equity transactions are accounted for as a deduction, net of tax, from equity.

2.15 Provisions

Provisions are recognised when the Group has a present legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the amount of a provision due to passage of time is recognised as finance cost.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 Financial Liabilities

The Group recognises all financial liabilities in its statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instruments.

2.16.1 Classification and measurement

Financial liabilities are initially measured at fair value minus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial liabilities at fair value through profit or loss are expensed to profit or loss when incurred.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost.

Amortised cost

All financial liabilities of the Group and of the Company as at the end of reporting period are subsequently measured at amortised cost using the effective interest method.

A gain or loss on financial liabilities at amortised cost is recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

2.16.2 Derecognition of a financial liability

A financial liability is derecognised when, and only when, the obligation specified in the contract is extinguished. When an existing financial liability is exchanged with the same lender on substantially different terms or the terms of an existing liability are substantially modified, they are accounted for as an extinguishment of the original financial liability and a new financial liability is recognised. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.17 Offsetting Financial Instruments

Financial assets and financial liabilities are offset when the Group has a legally enforceable right to offset and intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.18 Employee Benefits

(a) Short-term employee benefits

Wages, salaries and social security contributions, paid annual and sick leave, bonuses and non-monetary benefits are recognised as an expense in profit or loss or included in the costs of assets, where applicable, in the period in which the associated services are rendered by employees of the Group.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 Employee Benefits (Cont'd)

(b) Post-employment benefits

Defined contribution plans

The Group provides post-employment benefits by way of contribution to defined contribution plans operated by the relevant authorities at the prescribed rates.

Defined contribution plans are post-employment benefits plans under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Group's contributions to defined contribution plans are recognised as an expense in profit or loss in the period to which the contributions relate or included in the costs of assets, where applicable.

2.19 Leases

The Group as a Lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

Subsequent to the initial recognition, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Depreciation rates for right-of-use assets are as follows :-

Long term leasehold land	60 years
Buildings	2 - 3 years
Plant and machinery	10%
Motor vehicles	14% - 20%

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, at the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise :-

- fixed lease payments (including in-substance fixed payments), less lease incentives;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date;

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.19 Leases (Cont'd)

The Group as a Lessee (Cont'd)

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, at the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise :- (Cont'd)

- amount expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Variable lease payments that are not included in the measurement of the lease liability are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

The lease liability is subsequently measured at amortised cost using the effective interest method and is remeasured when (a) there is a change in future lease payments arising from a change in an index or rate; (b) there is a change in the estimate of the amount expected to be payable under a residual value guarantee; (c) the Group changes its assessment of whether it will exercise a purchase, extension or termination option; or (d) there is change in lease payments. When the lease liability is remeasured, the corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise the right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.20 Income Taxes

Tax expense is the aggregate amount of current and deferred taxes. Current and deferred taxes are recognised as income or expense in profit or loss except to the extent that the taxes relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity or a business combination.

Current tax is the expected tax payable on the taxable profit for the year and is calculated using tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognised, using the liability method, on temporary differences at end of the reporting period between the carrying amounts of assets and liabilities in the financial statements and the amounts attributed to those assets and liabilities for taxation purposes.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.20 Income Taxes (Cont'd)

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and unabsorbed tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the assets can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction (other than a business combination) that affects neither accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which the temporary differences can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Tax rates enacted or substantively enacted at the end of the reporting period are used to determine deferred tax.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.21 Revenue recognition

2.21.1 Revenue from Contracts with Customers

The Group recognises revenue from a contract with customer when it satisfies a performance obligation by transferring control of a promised good or service to the customer. Performance obligations may be satisfied over time or at a point in time. Revenue is measured based on the consideration specified in the contract which the Group expects to be entitled in exchange for transferring the good or service, excluding the amounts collected on behalf of third parties.

Control of a good or service is transferred over time when one of the following criteria is met :-

- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

Where one of the above conditions is met, the Group recognises revenue over time. Otherwise, revenue is recognised at a point in time.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Revenue recognition (Cont'd)

2.21.1 Revenue from Contracts with Customers (Cont'd)

The following described the performance obligation of contracts with customers :-

(a) Provision of food processing and packaging machinery solutions

Depending on the terms of the contract with customers, control of goods and services may transfer over time or at a point in time.

Revenue recognised is based on the amount that the Group has the right to invoice the customers under the contracts, which correspond directly with the value of goods and services transferred to the customers for the Company's performance to-date.

Revenue from sales of machinery and equipment is recognised at a point in time when control of the goods is transferred to the customer, generally on acceptance by customers.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the performance obligations, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(b) Sale of casings, packaging films and packaging bags

Revenue from sales of casings, packaging films and packaging bags are recognised at a point in time when control of the goods are transferred to the customer, generally on acceptance by customers.

In respect of the Company, management fees from subsidiaries are recognised as revenue upon rendering of services for which the Company has the right to specified consideration, and is recognised over time.

2.21.2 Revenue from Other Sources and Other Income

(a) Interest

Interest income is recognised on an accrual basis using the effective interest method.

(b) Rental income

Rental income is recognised on an accrual basis over the period of tenancy.

(c) Dividend income

Dividend income is recognised when the right to receive payment has been established.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss for the financial year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year, net of treasury shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, net of treasury shares held, for the effects of all dilutive potential ordinary shares.

2.23 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker, which in this case is the Board of Directors that makes strategic decisions, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with the Malaysian Financial Reporting Standards requires management to exercise their judgements in the process of applying the Groups accounting policies and which may have significant effects on the amounts recognised in the financial statements. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the results reported for the reporting period and that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Although these estimates and assumptions are based on the management's best knowledge of current events and actions, actual results may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Significant judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, the management are of the opinion that any instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations which are dealt with below.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(i) Impairment losses of receivables

The Group apply the MFRS 9 simplified approach to measure expected credit losses (ECLs) which uses a lifetime loss allowance for all trade receivables. The Group uses a provisional matrix to calculate the ECLs. The provision matrix is initially based on historically observed rates and adjusted with forward looking information.

The assessment of the correlation between historical observed default rates, forward looking information and ECLs is a significant estimate. The Group's historical credit loss experience and forward looking information may not be representative of customers' actual default in the future.

(ii) Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the estimation of the provision for income taxes is made and which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions, where applicable, in the period in which such determination is made.

(iii) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and the availability of future taxable profits.

(iv) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over its estimated useful lives. The management estimates the useful lives of these property, plant and equipment to be between 4 to 10 years. These are common life expectancies applied in the industry. The carrying amounts of the Group's property, plant and equipment as at 31 December 2025 are stated in Note 4 to the financial statements. Changes in the expected level of usage and technological developments could impact the economic useful lives and residual values of these assets, therefore future depreciation charges could be revised.

(v) Net realisable value of inventories

Review are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuations of inventories.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

4. PROPERTY, PLANT AND EQUIPMENT

GROUP - 2025

Cost	Buildings RM	Plant and Machinery RM	Office equipment RM	Furniture and Fittings RM	Motor Vehicles RM	Tools and Equipments RM	Computers RM	Renovation RM	Capital Work-in- Progress RM	Total RM
Balance at 1 January	9,173,390	3,525,190	1,266,590	765,629	2,573,329	154,281	225,319	1,473,714	63,543	19,220,985
Additions	-	279,510	90,068	-	-	-	31,361	-	5,732,323	6,133,262
Disposal/Write off	-	-	(101,094)	-	(511,182)	-	(1,990)	-	-	(614,266)
Reclassification	-	-	12,772	-	-	-	21,396	-	(34,168)	-
Transfer from Right-of-use assets	-	-	-	-	175,817	-	-	-	-	175,817
Exchange translation	-	-	-	-	-	-	(118)	-	(515)	(633)
Balance at 31 December	9,173,390	3,804,700	1,268,336	765,629	2,237,964	154,281	275,968	1,473,714	5,761,183	24,915,165
Accumulated Depreciation										
Balance at 1 January	1,738,370	2,326,353	835,207	577,748	2,220,533	98,565	150,519	962,255	-	8,909,550
Charge for the financial year	183,468	353,396	157,255	55,208	107,303	15,818	34,880	132,616	-	1,039,944
Disposal/Write off	-	-	(77,266)	(26,748)	(502,180)	-	(1,990)	-	-	(608,184)
Transfer from Right-of-use assets	-	-	-	-	175,817	-	-	-	-	175,817
Exchange translation	-	-	-	-	-	-	(86)	-	-	(86)
Balance at 31 December	1,921,838	2,679,749	915,196	606,208	2,001,473	114,383	183,323	1,094,871	-	9,517,041
Net book value as at 31 December	7,251,552	1,124,951	353,140	159,421	236,491	39,898	92,645	378,843	5,761,183	15,398,124

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

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

GROUP - 2024

	Buildings RM	Plant and Machinery RM	Office equipment RM	Furniture and Fittings RM	Motor Vehicles RM	Tools and Equipments RM	Computers RM	Renovation RM	Capital Work-in- Progress RM	Total RM
Cost										
Balance at 1 January	9,173,390	3,448,646	1,229,642	749,627	2,404,139	119,539	194,475	1,473,714	63,862	18,857,034
Additions	-	76,544	71,156	18,180	-	34,742	34,143	-	-	234,765
Disposal/Write off	-	-	(34,208)	(2,178)	-	-	(3,299)	-	-	(39,685)
Transfer from Right-of-use assets	-	-	-	-	169,190	-	-	-	-	169,190
Exchange translation	-	-	-	-	-	-	-	-	(319)	(319)
Balance at 31 December	9,173,390	3,525,190	1,266,590	765,629	2,573,329	154,281	225,319	1,473,714	63,543	19,220,985
Accumulated Depreciation										
Balance at 1 January	1,554,902	1,978,843	707,874	524,565	1,886,617	87,509	121,520	827,139	-	7,688,969
Charge for the financial year	183,468	347,510	158,826	54,889	164,731	11,056	32,298	135,116	-	1,087,894
Disposal/Write off	-	-	(31,493)	(1,706)	-	-	(3,299)	-	-	(36,498)
Transfer from Right-of-use assets	-	-	-	-	169,185	-	-	-	-	169,185
Balance at 31 December	1,738,370	2,326,353	835,207	577,748	2,220,533	98,565	150,519	962,255	-	8,909,550
Net book value as at 31 December	7,435,020	1,198,837	431,383	187,881	352,796	55,716	74,800	511,459	63,543	10,311,435

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

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

COMPANY - 2025

	Computer RM	Capital Work-in- Progress RM	Total RM
Cost			
Balance at 1 January	23,740	22,351	46,091
Additions	7,640	-	7,640
Balance at 31 December	<u>31,380</u>	<u>22,351</u>	<u>53,731</u>
Accumulated Depreciation			
Balance at 1 January	6,805	-	6,805
Charge for the financial year	5,767	-	5,767
Balance at 31 December	<u>12,572</u>	<u>-</u>	<u>12,572</u>
Net book value as at 31 December	<u>18,808</u>	<u>22,351</u>	<u>41,159</u>

COMPANY - 2024

Cost			
Balance at 1 January/31 December	<u>23,740</u>	<u>22,351</u>	<u>46,091</u>
Accumulated Depreciation			
Balance at 1 January	2,057	-	2,057
Charge for the financial year	4,748	-	4,748
Balance at 31 December	<u>6,805</u>	<u>-</u>	<u>6,805</u>
Net book value as at 31 December	<u>16,935</u>	<u>22,351</u>	<u>39,286</u>

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

5. INTANGIBLE ASSET

	Computer Software RM	Work-in- Progress - Software License RM	Total RM
Group - 2025			
Cost			
Balance at 1 January	190,277	544,077	734,354
Additions	270,105	110,831	380,936
Reclassification	288,146	(288,146)	-
Disposal	(3,500)	-	(3,500)
Exchange translation	(9,877)	-	(9,877)
Balance at 31 December	735,151	366,762	1,101,913
Accumulated Amortisation			
Balance at 1 January	185,002	-	185,002
Amortisation for the financial year	72,372	-	72,372
Disposal	(3,500)	-	(3,500)
Exchange translation	2,220	-	2,220
Balance at 31 December	256,094	-	256,094
Net carrying amount as at 31 December	479,057	366,762	845,819
	Computer Software RM	Work-in- Progress - Software License RM	Total RM
Group - 2024			
Cost			
Balance at 1 January	190,277	546,805	737,082
Exchange translation	-	(2,728)	(2,728)
Balance at 31 December	190,277	544,077	734,354
Accumulated Amortisation			
Balance at 1 January	175,111	-	175,111
Amortisation for the financial year	9,891	-	9,891
Balance at 31 December	185,002	-	185,002
Net carrying amount as at 31 December	5,275	544,077	549,352

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

5. INTANGIBLE ASSET (CONT'D)

Company - 2025	Work-in-Progress - Software License RM	Total RM
Cost		
Balance at 1 January	191,376	191,376
Additions	96,731	96,731
Balance at 31 December	<u>288,107</u>	<u>288,107</u>
Accumulated Amortisation		
Balance at 1 January/31 December	<u>-</u>	<u>-</u>
Net carrying amount as at 31 December	<u>288,107</u>	<u>288,107</u>

Company - 2024	Work-in-Progress - Software License RM	Total RM
Cost		
Balance at 1 January/31 December	191,376	191,376
Accumulated Amortisation		
Balance at 1 January/31 December	<u>-</u>	<u>-</u>
Net carrying amount as at 31 December	<u>191,376</u>	<u>191,376</u>

The software included under work-in-progress as at 31 December 2025 has yet to be fully implemented and put into use and accordingly the amortisation of the cost of the asset will commence when it is available for use.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

6. RIGHT-OF-USE ASSETS

Group - 2025	Long-term Leasehold Land RM	Buildings RM	Motor Vehicles RM	Total RM
Cost				
Balance at 1 January	5,050,283	348,752	1,634,008	7,033,043
Additions	23,887,729	119,578	196,928	24,204,235
Derecognition	-	(128,662)	-	(128,662)
Transfers	-	-	(175,817)	(175,817)
Balance at 31 December	28,938,012	339,668	1,655,119	30,932,799
Accumulated Depreciation				
Balance at 1 January	999,826	126,822	706,359	1,833,007
Charge for the financial year	289,702	140,169	290,236	720,107
Derecognition	-	(128,657)	-	(128,657)
Transfers	-	-	(175,817)	(175,817)
Balance at 31 December	1,289,528	138,334	820,778	2,248,640
Net book value as at 31 December	27,648,484	201,334	834,341	28,684,159

Group - 2024	Long-term Leasehold Land RM	Buildings RM	Motor Vehicles RM	Total RM
Cost				
Balance at 1 January	5,050,283	422,494	1,184,998	6,657,775
Additions	-	143,493	618,200	761,693
Derecognition	-	(217,235)	-	(217,235)
Transfers	-	-	(169,190)	(169,190)
Balance at 31 December	5,050,283	348,752	1,634,008	7,033,043
Accumulated Depreciation				
Balance at 1 January	909,184	176,986	604,977	1,691,147
Charge for the financial year	90,642	167,071	270,567	528,280
Derecognition	-	(217,235)	-	(217,235)
Transfers	-	-	(169,185)	(169,185)
Balance at 31 December	999,826	126,822	706,359	1,833,007
Net book value as at 31 December	4,050,457	221,930	927,649	5,200,036

Company - NIL

As at 31 December 2025, the net book value of long term leasehold land which have been charged to the licensed banks for credit facilities granted to the Group as disclosed in Note 15 amounted to RM25,922,989 (2024 : RM2,281,829).

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

7. INVESTMENT IN SUBSIDIARIES

	Company	
	2025 RM	2024 RM
Unquoted shares, at cost	30,045,400	30,043,000
Capital contribution	21,976,569	5,388,679
	<u>52,021,969</u>	<u>35,431,679</u>

- (a) Details of the subsidiaries, all of which are incorporated and domiciled in Malaysia, are as follows :-

Name of companies	Principal activities	Effective interest in equity	
		2025	2024
Easy Pack Machinery Sdn. Bhd.	Provision of food processing and packaging machinery solution 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.	100%	100%
Easy Pack Manufacturing (M) Sdn. Bhd.	Manufacturing and trading of packaging materials	100%	100%
Easy Pack Machinery (KL) Sdn. Bhd.	Dealing in all kinds of packaging machinery and trading in absorbent agents and packing materials	100%	100%
AI Medic Device Equipment Supplies Sdn. Bhd. (Note 7(b))	Sales, distribution and integration of robotic technology and integration other machinery and equipment	80%	N/A
Bestworld Engineering Sdn. Bhd.	Manufacturing, assembly and trading of machinery and equipment	100%	100%
EPB Capital Limited	Investment holding	100%	100%
Subsidiary of EPB Capital Limited			
Bestworld Perkasa Ltd *#	Installation of industrial machinery and equipment and wholesale trade	100%	-

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (a) Details of the subsidiaries, all of which are incorporated and domiciled in Malaysia, are as follows :- (Cont'd)

Name of companies	Principal activities	Effective interest in equity	
		2025	2024
Subsidiary of Bestworld Engineering Sdn. Bhd.			
Bestworld Perkasa Ltd *#	Installation of industrial machinery and equipment and wholesale trade	-	100%

* Domiciled in United Arab Emirates

Not audited by Folks DFK & Co PLT

- (b) On 18 August 2025, the Company subscribed for 2,400 ordinary shares or representing 80% equity interest in a newly incorporated subsidiary namely AI Medic Device Equipment Supplies Sdn. Bhd., a company incorporated in Malaysia for a total cash consideration of RM2,400.

8. INVENTORIES

	Group	
	2025 RM	2024 RM
Raw materials	8,180,099	9,416,931
Work-in-progress	2,100,697	2,870,919
Finished goods	2,369,210	839,079
Trading goods	984,109	708,730
	<u>13,634,115</u>	<u>13,835,659</u>
	Group	
	2025 RM	2024 RM
Recognised in profit or loss		
Inventories recognised as an expense	<u>57,540,223</u>	<u>55,437,309</u>

Inventories which are stated at their net realisable values as at 31 December 2025 amounted to RM607,014 (2024 : RM663,758).

9. TRADE RECEIVABLES

	Group	
	2025 RM	2024 RM
Trade receivables	18,075,570	15,632,694
Less: Allowance for impairment loss	<u>(2,219,672)</u>	<u>(1,094,625)</u>
	<u>15,855,898</u>	<u>14,538,069</u>

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

9. TRADE RECEIVABLES (CONT'D)

(a) The Group's normal credit periods for trade receivables during the financial year range from 0 to 180 days (2024 : 0 to 180 days). Other credit periods are assessed and approved on a case by case basis.

(b) The Group's trade receivables are denominated in the following currencies :-

	Group	
	2025 RM	2024 RM
Ringgit Malaysia (RM)	4,884,967	5,691,458
United States Dollar (USD)	9,127,017	5,598,492
Chinese Renminbi (RMB)	1,281,678	2,863,001
Singapore Dollar (SGD)	-	195,161
Euro (EUR)	562,236	189,957
	<u>15,855,898</u>	<u>14,538,069</u>

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables	77,977	441,694	-	-
Amount due from subsidiaries	-	-	161,000	-
Deposit paid for acquisition of land	-	4,498,986	-	-
Deposits paid to suppliers	5,850,908	10,776,921	-	-
Other deposits	1,019,438	1,788	-	-
Less: Allowance for impairment losses	-	(91,900)	-	-
	6,870,346	15,185,795	-	-
Prepayments	391,758	415,347	-	10,319
	<u>7,340,081</u>	<u>16,042,836</u>	<u>161,000</u>	<u>10,319</u>

(a) The amount due from subsidiaries is unsecured, interest free and repayable on demand and is expected to be settled in cash.

(b) The Group's and the Company's other receivables, deposits and prepayments are denominated in the following currencies :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Ringgit Malaysia (RM)	1,428,239	7,694,952	149,897	10,319
United States Dollar (USD)	4,444,680	6,778,742	11,103	-
Chinese Renminbi (RMB)	26,243	573,003	-	-
Euro (EUR)	279,460	621,497	-	-
Philippine Peso (PHP)	1,153,568	32,023	-	-
Others	7,891	342,619	-	-
	<u>7,340,081</u>	<u>16,042,836</u>	<u>161,000</u>	<u>10,319</u>

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

11. FIXED DEPOSITS WITH A LICENSED BANKS, CASH AND BANK BALANCES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks (Note 11(a))	29,218,527	29,441,046	16,325,342	25,305,579
Cash and bank balances (Note 11(b))	34,465,305	42,698,118	1,279,859	5,932,939
	<u>63,683,832</u>	<u>72,139,164</u>	<u>17,605,201</u>	<u>31,238,518</u>

(a) Fixed deposits places with licensed banks

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Original maturities :-				
- not exceeding 3 months	28,668,527	4,135,467	16,325,342	-
- exceeding 3 months	550,000	25,305,579	-	25,305,579
	<u>29,218,527</u>	<u>29,441,046</u>	<u>16,325,342</u>	<u>25,305,579</u>

The effective interest rates of the Group's and of the Company's fixed deposit as at end of the reporting period, which is placed with a licensed bank ranged from 2.15% to 4.35% (2024 : 2.00% to 4.55%) per annum.

(b) Cash and bank balances

The cash and bank balances are denominated in the following currencies :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Ringgit Malaysia (RM)	7,709,828	13,734,357	1,279,859	5,932,939
United States Dollar (USD)	14,727,905	17,404,826	-	-
Chinese Renminbi (RMB)	11,568,599	10,382,096	-	-
Euro (EUR)	338,938	1,074,092	-	-
Others	120,035	102,747	-	-
	<u>34,465,305</u>	<u>42,698,118</u>	<u>1,279,859</u>	<u>5,932,939</u>

Cash at banks restricted for general use include the following :-

	Group	
	2025 RM	2024 RM
Cash held under current account *	-	93,000

* Held as security for the banking facilities granted to the subsidiary as disclosed in Note 15(b).

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

11. FIXED DEPOSITS WITH A LICENSED BANKS, CASH AND BANK BALANCES (CONT'D)

- (c) For the purpose of the statements of cash flows, cash and cash equivalents at end of the financial year comprise of the following :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposit with original maturities not exceeding 3 months	28,668,527	4,135,467	16,325,342	-
Cash and bank balances	34,465,305	42,698,118	1,279,859	5,932,939
	<u>63,133,832</u>	<u>46,833,585</u>	<u>17,605,201</u>	<u>5,932,939</u>

12. SHARE CAPITAL AND INVESTED EQUITY

12.1 Share Capital

	Group and Company			
	2025		2024	
	Number of shares	Amount RM	Number of shares	Amount RM
Issued and fully paid-up (no par value) :				
Ordinary shares				
At 1 January	372,000,002	68,877,930	2	2
New ordinary shares issued for acquisition of subsidiaries	-	-	300,430,000	30,043,000
New ordinary shares issued pursuant to the Initial Public Offering	-	-	71,570,000	40,079,200
Share issue expenses	-	-	-	(1,244,272)
At 31 December	<u>372,000,002</u>	<u>68,877,930</u>	<u>372,000,002</u>	<u>68,877,930</u>

Ordinary shares issued in previous financial year

- (i) On 18 April 2024, the Company issued 300,430,000 new ordinary shares at an issue price of RM0.10 per share for the satisfaction of consideration payable for the acquisition of subsidiaries amounting to RM30,043,000.
- (ii) In conjunction with the Company's Initial Public Offering and the listing of and quotation for its entire enlarged issued shares on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 19 August 2024, the Company issued 71,570,000 ordinary shares at an issue price of of RM0.56 per share and for cash consideration.

All the ordinary shares issued rank pari passu in all material respects with the existing ordinary shares of the Company.

The entire issued and paid-up share capital of the Company of 372,000,002 ordinary shares were listed and quoted on the ACE Market of Bursa Securities on 23 August 2024.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

12. SHARE CAPITAL AND INVESTED EQUITY (CONT'D)

12.2 Invested Equity

The invested equity represents the aggregate of the share capital of EPB Group Berhad, Easy Pack Machinery Sdn. Bhd., Easy Pack Manufacturing (M) Sdn. Bhd., Easy Pack Machinery (KL) Sdn. Bhd., Bestworld Engineering Sdn. Bhd., and EPB Capital Limited (formerly known as Bestworld Perkasa Ltd). On the application of merger accounting, the invested equity has been reversed against the Company's purchase consideration for the acquisitions of subsidiaries which gave rise to a merger deficit of RM24,490,640.

13. MERGER DEFICIT

The merger deficit arose from the difference between the purchase consideration and the issued share capital of the subsidiaries acquired upon consolidation using the principles of merger accounting in respect of business combinations under common control.

14. LEASE LIABILITIES

	Group	
	2025 RM	2024 RM
Lease liabilities (non-current)	403,470	481,080
Lease liabilities (current)	327,562	384,992
	<u>731,032</u>	<u>866,072</u>

The changes in lease obligations (fixed lease payments) are presented in accordance with MFRS 16 as follows :-

	Group	
	2025 RM	2024 RM
Balance as at 1 January	866,072	744,268
Lease payment :-		
- Principal	(383,624)	(409,689)
- Interest	(46,084)	(52,899)
Additions	248,584	531,493
Finance cost	46,084	52,899
	<u>731,032</u>	<u>866,072</u>
Balance as at 31 December		

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

15. BANK BORROWINGS

	Group	
	2025 RM	2024 RM
<u>Secured</u>		
Term loan 1	8,507,275	-
Term loan 2	868,228	-
Tawarruq financing	-	1,049,458
Balance as at 31 December	<u>9,375,503</u>	<u>1,049,458</u>
Payable within 1 year	436,156	1,049,458
Payable within 2 to 5 years	1,923,632	-
Payable more than 5 years	7,015,715	-
	<u>9,375,503</u>	<u>1,049,458</u>

(a) The repayment terms of the bank borrowings are as follows :-

- (i) Term loan 1 of RM9,494,931 is repayable by 240 monthly instalments commencing from May 2025.
- (ii) Term loan 2 of RM900,000 is repayable by 120 monthly instalments commencing from August 2025.
- (iii) Tawarruq financing was repayable by 60 monthly instalments of RM36,330 each commencing from June 2022.

(b) The bank borrowings are secured or guaranteed as follows :-

- (i) Term loan 1 and Term loan 2 were secured by :-
 - Legal charge over a piece of long term leasehold industrial land; and
 - Corporate guarantee by the Company.
- (ii) Tawarruq financing was secured by :-
 - Legal charge over long term leasehold land and building; and
 - Joint and several guarantee by directors of the Group.

(c) The effective interest rates for the bank borrowings at the end of each reporting periods are as follows :-

	2025 % per annum	2024 % per annum
Effective interest rates	<u>3.65 to 3.95</u>	<u>4.69</u>

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

16. DEFERRED TAX LIABILITIES

	Group	
	2025 RM	2024 RM
Balance at 1 January	3,735,814	2,498,661
Recognised in profit or loss (Note 22)	(3,418,746)	1,237,153
Balance at 31 December	317,068	3,735,814

16.1 The components and movements of the Group's deferred tax assets and liabilities, prior to offsetting, during the financial years presented in this report are as follows :-

Group - 2025	Balance at 01.01.2025 RM	Recognised in profit or loss RM	Balance at 31.12.2025 RM
Deferred tax liabilities			
Excess of capital allowances over depreciation	1,028,498	(496,881)	531,617
Undistributed profits of foreign subsidiary	3,196,520	(3,196,520)	-
Other taxable temporary differences	(7,334)	411,217	403,883
	4,217,684	(3,282,184)	935,500
Deferred tax assets			
Other deductible temporary differences	(481,870)	(136,562)	(618,432)
	3,735,814	(3,418,746)	317,068
Group - 2024	Balance at 01.01.2024 RM	Recognised in profit or loss RM	Balance at 31.12.2024 RM
Deferred tax liabilities			
Excess of capital allowances over depreciation	1,008,839	19,659	1,028,498
Undistributed profits of foreign subsidiary	2,133,348	1,063,172	3,196,520
Other taxable temporary differences	81,044	(88,378)	(7,334)
	3,223,231	994,453	4,217,684
Deferred tax assets			
Other deductible temporary differences	(724,570)	242,700	(481,870)
	2,498,661	1,237,153	3,735,814

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

16. DEFERRED TAX LIABILITIES (CONT'D)

16.2 As at the end of the financial year, the amounts of other deductible temporary differences (stated at gross amounts) for which deferred tax assets have not been recognised in the financial statements presented are as follows :-

	Group	
	2025 RM	2024 RM
Other deductible temporary differences	1,480,625	291,506

17. TRADE PAYABLES

The Group's trade payables are denominated in the following currencies :-

	Group	
	2025 RM	2024 RM
Ringgit Malaysia (RM)	736,577	1,254,935
Chinese Renminbi (RMB)	1,479,810	1,354,078
United States Dollar (USD)	3,122,690	974,166
New Taiwan Dollar (TWD)	193,776	209,626
Philippine Peso (PHP)	14,955	134,019
Euro (EUR)	131,967	2,155
	5,679,775	3,928,979

The normal credit periods for the Group's trade payables range from 0 to 120 days (2024 : 0 to 120 days).

18. OTHER PAYABLES, DEPOSITS AND ACCRUED LIABILITIES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables	2,272,180	821,165	4,359	4,359
Accrued liabilities	6,900,230	6,292,207	832,824	301,747
Amount due to subsidiary (Note 18(a))	-	-	-	22,774
Customer deposits (Note 18(b))	9,960,618	14,270,204	-	-
	19,133,028	21,383,576	837,183	328,880

(a) The amount due to subsidiary is unsecured, interest free and repayable on demand and is expected to be settled in cash.

(b) Customer deposits comprised deposits received from customers for the purchases of machineries and related parts which were partially delivered or have yet to be delivered by the Group at the reporting date.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

18. OTHER PAYABLES, DEPOSITS AND ACCRUED LIABILITIES (CONT'D)

(c) The Group's other payables are denominated in the following currencies :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Ringgit Malaysia (RM)	8,941,807	7,042,328	837,183	328,880
United States Dollar (USD)	8,338,737	13,867,956	-	-
Chinese Renminbi (RMB)	-	360,132	-	-
Euro (EUR)	68,900	104,752	-	-
Indonesia Rupiah (IDR)	1,783,584	8,408	-	-
	<u>19,133,028</u>	<u>21,383,576</u>	<u>837,183</u>	<u>328,880</u>

19. REVENUE

The Group's revenue is derived from the following business activities :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers :-				
- Provision of food processing and packaging machinery solutions	97,700,692	76,783,866	-	-
- Trading of cellulose casings	11,050,329	13,075,103	-	-
- Manufacturing and trading of flexible packaging materials	12,208,577	15,654,846	-	-
- Management fees	-	-	898,000	-
Revenue from other sources :-				
- Dividend income from subsidiaries	-	-	7,276,300	2,403,956
	<u>120,959,598</u>	<u>105,513,815</u>	<u>8,174,300</u>	<u>2,403,956</u>
Timing of recognition of revenue from contracts with customers :-				
At a point in time	120,959,598	105,513,815	7,276,300	2,403,956
Over time	-	-	898,000	-
	<u>120,959,598</u>	<u>105,513,815</u>	<u>8,174,300</u>	<u>2,403,956</u>

Disaggregation of revenue by geographical locations is disclosed in Note 27(b).

The Group applies the practical expedient of not providing an estimate of the aggregate amount of revenue attributable to unsatisfied performance obligations as at the end of the reporting period on the basis that the performance obligations are part of contracts that have an expected duration of less than a year or that the revenue recognised corresponds directly with the value to the customers of the Group's performance completed to-date and for which the Group has the right to invoice.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

20. PROFIT/(LOSS) BEFORE TAXATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
This is arrived after charging/ (crediting) :-				
Auditors' remuneration				
- Audit fee	133,920	118,559	30,000	30,000
- Non-audit fee	28,000	27,000	28,000	22,000
- Overprovision in prior financial year	(101)	(25,978)	-	(1,000)
Write-down in value of inventories - net	182,236	211,700	-	-
Net additional/(reversal) allowances for impairment of trade receivables	1,164,182	(1,718,786)	-	-
Amortisation of intangible assets	72,372	9,891	-	-
Depreciation of :-				
- Plant, property & equipment	1,039,944	1,087,894	5,767	4,748
- Rights-of-use assets	720,107	528,280	-	-
Directors' salaries and allowances	2,558,984	2,208,762	978,400	212,000
Expenses relating to short-term leases and low value leases				
- Rental of premises	212,289	138,393	14,400	14,400
- Hire of plant and machinery	53,007	55,158	-	-
- Rental of equipment	31	3,200	-	-
- Rental of motor vehicle	29,729	550	-	-
Interest expenses	51,897	172,682	-	-
Loss on foreign exchange :-				
- Realised	627,080	413,029	-	-
- Unrealised	586,499	382,873	-	-
Property, plant and equipment written off	54	671	-	-
Gain on disposal of property, plant and equipment	(88,499)	(516)	-	-
Interest income	(1,037,835)	(752,694)	(572,330)	(372,191)
Rental income	(5,100)	(5,100)	-	-
Bad debts written off	-	192,267	-	-
Bad debts recovered	-	(66,000)	-	-
Deposit paid forfeited	-	4,200	-	-
Deposit received forfeited	(50,306)	(20,000)	-	-

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

21. STAFF COSTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Staff costs comprise :-				
Salaries, allowances and bonuses	9,280,214	8,957,606	360,733	253,626
Contribution to defined contribution plan :-				
- Employees Provident Fund (EPF)	895,930	878,762	74,652	28,956
Others	445,853	1,573,110	5,925	3,968
	<u>10,621,997</u>	<u>11,409,478</u>	<u>441,310</u>	<u>286,550</u>

22. TAXATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense :-				
- Malaysian income tax	4,246,781	1,760,324	134,751	80,000
- Foreign income tax	99,519	708,165	-	-
Deferred tax expense resulting from origination and reversal of temporary differences	<u>(3,408,501)</u>	<u>1,223,956</u>	<u>-</u>	<u>-</u>
	937,799	3,692,445	134,751	80,000
(Over)/Under provided in prior financial year :-				
- Income tax	(40,678)	9,804	777	-
- Deferred tax	<u>(10,245)</u>	<u>13,197</u>	<u>-</u>	<u>-</u>
	<u>886,876</u>	<u>3,715,446</u>	<u>135,528</u>	<u>80,000</u>

(a) The general income tax rate in Malaysia for the period under review is 24% of taxable income.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

22. TAXATION (CONT'D)

- (b) A reconciliation of tax expense applicable to the profit/(loss) before taxation at the applicable statutory tax rate to the tax expense at the effective tax rate of the Group and of the Company is as follows :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(loss) before taxation	<u>14,557,287</u>	<u>13,501,063</u>	<u>6,532,955</u>	<u>(795,350)</u>
Taxation at the statutory tax rate of 24%	3,493,750	3,240,255	1,567,909	(190,884)
Tax savings on profit taxable at reduced rate	-	(336,975)	-	-
Effect of tax rates differential in foreign jurisdiction	<u>(270,429)</u>	<u>(41,911)</u>	<u>-</u>	<u>-</u>
	3,223,321	2,861,369	1,567,909	(190,884)
Tax effects in respect of :-				
Expenses not deductible for tax purposes	739,504	1,053,908	313,154	270,884
Deferred tax assets not recognised	171,494	(16,645)	-	-
Utilisation of deferred tax assets previously not recognised	-	(206,187)	-	-
Income not subject to tax	-	-	(1,746,312)	-
Reversal of deferred tax liability on undistributed earnings of foreign subsidiary	(3,196,520)	-	-	-
Taxation (over)/under provided in prior financial year :-				
- Income tax	(40,678)	9,804	777	-
- Deferred tax	<u>(10,245)</u>	<u>13,197</u>	<u>-</u>	<u>-</u>
Total tax expense	<u>886,876</u>	<u>3,715,446</u>	<u>135,528</u>	<u>80,000</u>

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

23. EARNINGS PER SHARE

- (a) The basic earnings per share is calculated based on the Group's profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year as show below :-

	Group	
	2025 RM	2024 RM
Profit for the financial year attributable to ordinary equity holders of the parent entity (RM)	13,673,805	9,785,617
Weighted average number of ordinary shares outstanding during the financial year (units)	372,000,002	372,000,002
Earnings per share (RM)	0.037	0.026

- (b) The diluted earnings per share is equal to the basic earnings per share as there are no dilutive potential ordinary shares outstanding as at 31 December 2025.

24. DIVIDENDS

Dividends declared and paid during the financial year are as follows :-

	Group	
	2025 RM	2024 RM
For the financial year ended 31 December 2025		
- Interim single-tier dividend of RM0.0100 per ordinary share, declared on 2 October 2025 and paid on 26 November 2025	3,720,000	-

25. NOTES TO STATEMENT OF CASH FLOWS

25.1 Liabilities arising from financing activities

Changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes, during the financial years presented in the statements of cash flows are analysed in the tables below.

Group - 2025	Bank borrowings RM	Lease liabilities RM	Total RM
Balance at 1 January 2025	1,049,458	866,072	1,915,530
Acquisition of right-of-use assets	10,394,931	292,478	10,687,409
Net cash flow	(2,068,886)	(427,518)	(2,496,404)
Balance at 31 December 2025	9,375,503	731,032	10,106,535

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

25. NOTES TO STATEMENT OF CASH FLOWS (CONT'D)

25.1 Liabilities arising from financing activities (Cont'd)

Changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes, during the financial years presented in the statements of cash flows are analysed in the tables below. (Cont'd)

Group - 2024	Bank borrowings RM	Lease liabilities RM	Total RM
Balance at 1 January	3,228,339	744,268	3,972,607
Acquisition of right-of-use assets	-	531,493	531,493
Net cash flow	(2,178,881)	(409,689)	(2,588,570)
Balance at 31 December	1,049,458	866,072	1,915,530

25.2 Total cash outflows for leases for the financial years are as follows :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Payments of lease liabilities	383,624	409,689	-	-
Interest paid in relation to lease liabilities	46,084	52,899	-	-
Payments relating to short-term and low value leases	295,056	197,301	14,400	14,400
Total cash outflows for leases	724,764	659,889	14,400	14,400

25.3 Addition of property, plant and equipment

Property, plant and equipment of the Group are acquired by the following means :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash payments	4,779,946	234,765	7,640	-
Other payable	1,353,316	-	-	-
	6,133,262	234,765	7,640	-

25.4 Addition of intangible asset

Intangible asset of the Group are acquired by the following means :-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash payments	259,254	-	30,229	-
Other payable	121,682	-	66,502	-
	380,936	-	96,731	-

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

25. NOTES TO STATEMENT OF CASH FLOWS (CONT'D)

25.5 Addition of right-of-use assets

Right-of-use assets of the Group are acquired by the following means :-

	Group	
	2025 RM	2024 RM
Cash payments	13,516,826	230,200
Lease financing	292,478	531,493
Bank borrowing	10,394,931	-
	<u>24,204,235</u>	<u>761,693</u>

26. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Other than those already disclosed elsewhere in these financial statements, the transactions carried out with related parties during the financial year presented in this report and balances at end of the respective financial year are disclosed below.

(a) Transactions with related companies

	Company	
	2025 RM	2024 RM
Rental charged by related companies	(14,400)	(14,400)
Other expenses charged by related companies	(506)	(55,362)
Management fee charged to subsidiaries	898,000	-
Dividend received from subsidiaries	<u>7,276,300</u>	<u>2,403,956</u>

(b) Year-end outstanding balances with related companies

	Company	
	2025 RM	2024 RM
Included in other receivables	161,000	-
Included in other payables	<u>-</u>	<u>(22,774)</u>

Trade indebtedness with related company are subject to normal trade terms entered into with external parties. Other indebtedness are unsecured, interest free and has no fixed terms of repayment. Settlement of all the above indebtedness is expected to be made in cash.

No bad debts or impairment losses have been recognised on amounts receivable from related parties.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

26. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES (CONT'D)

(c) Transactions with corporations in which certain directors of the Company have substantial financial interests

	Group	
	2025 RM	2024 RM
<u>Income/(Expenses)</u>		
Sales to related parties	5,911	146,120
Other expenses charged by related parties	<u>(1,001,750)</u>	<u>(866,405)</u>

(d) Transactions with a Director of the Company

	Group	
	2025 RM	2024 RM
Rental expenses paid	<u>(90,000)</u>	<u>(90,000)</u>

(e) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel of the Company are the directors of the Group and their remuneration for the financial years are disclosed in Note 20.

27. SEGMENTAL INFORMATION

(a) Reportable segment

The Group's operations comprise mainly of provision of food processing and packaging machinery solutions, trading of cellulose casing as well as manufacturing and trading of flexible packaging materials, collectively considered as one business segment. Accordingly, the operating revenue and results of this segment are reflected in the Group's consolidated statements of profit or loss and other comprehensive income. The segment assets and liabilities are as presented in the Group's consolidated statements of financial position.

(b) Geographical information

In determining geographical segments of the Group, "Revenue" is based on the geographical location of customers and "Non-current Assets" are based on the geographical location of the assets. The non-current assets do not include financial instruments and deferred tax assets.

	Group	
	2025 RM	2024 RM
Revenue from :-		
- Malaysian customers	33,515,520	25,139,354
- Overseas customers	<u>87,444,078</u>	<u>80,374,461</u>
	<u>120,959,598</u>	<u>105,513,815</u>

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

27. SEGMENTAL INFORMATION (CONT'D)

(b) Geographical information (Cont'd)

In determining geographical segments of the Group, "Revenue" is based on the geographical location of customers and "Non-current Assets" are based on the geographical location of the assets. The non-current assets do not include financial instruments and deferred tax assets. (Cont'd)

	Group	
	2025 RM	2024 RM
Non-current assets located in Malaysia	44,834,366	15,971,496
Non-current assets located outside Malaysia	93,736	89,327
	<u>44,928,102</u>	<u>16,060,823</u>

(c) Major customers

The following are major customers with revenue equal or more than ten (10) percent of the Group's revenue :-

	Group	
	2025 RM	2024 RM
Customer A	21,271,463	*
Customer B	*	20,202,081
Customer C	*	11,994,905

* Less than 10%

28. CORPORATE GUARANTEES (UNSECURED)

	Company	
	2025 RM	2024 RM
Corporate guarantees favouring a licensed banks for credit facilities granted to a subsidiary :-		
- Amount utilised	<u>9,571,334</u>	<u>326,061</u>

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

Financial assets of the Group include trade and other receivables, refundable deposits, placements in money market funds, short-term deposits with licensed banks, cash and bank balances.

Financial liabilities of the Group include trade and other payables and bank borrowing.

In respect of the Company, financial assets include the amount due from subsidiaries.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

29.1 Categories of financial instruments

The Group's and the Company's financial instruments as at the end of the financial year are categorised as follows :-

	Carrying amount RM	Amortised cost RM
Group - 2025		
Financial assets		
Trade receivables	15,855,898	15,855,898
Other receivables and deposits *	1,097,415	1,097,415
Fixed deposits with a licensed banks	29,218,527	29,218,527
Cash and bank balances	34,465,305	34,465,305
Financial liabilities		
Lease liabilities	731,032	731,032
Bank borrowing (secured)	9,375,503	9,375,503
Trade payables	5,679,775	5,679,775
Other payables, deposits and accrued liabilities **	9,172,410	9,172,410
Group - 2024		
Financial assets		
Trade receivables	14,538,069	14,538,069
Other receivables and deposits *	4,850,568	4,850,568
Fixed deposits with a licensed banks	29,441,046	29,441,046
Cash and bank balances	42,698,118	42,698,118
Financial liabilities		
Lease liabilities	866,072	866,072
Bank borrowing (secured)	1,049,458	1,049,458
Trade payables	3,928,979	3,928,979
Other payables, deposits and accrued liabilities **	7,113,372	7,113,372
Company - 2025		
Financial assets		
Other receivables and deposits *	161,000	161,000
Fixed deposits with a licensed banks	16,325,342	16,325,342
Cash and bank balances	1,279,859	1,279,859
Financial liabilities		
Other payables and accruals	837,183	837,183

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

29.1 Categories of financial instruments (Cont'd)

The Group's and the Company's financial instruments as at the end of the financial year are categorised as follows :- (Cont'd)

	Carrying amount RM	Amortised cost RM
Company - 2024		
Financial assets		
Fixed deposits with a licensed banks	25,305,579	25,305,579
Cash and bank balances	<u>5,932,939</u>	<u>5,932,939</u>
Financial liabilities		
Other payables and accruals	<u>328,880</u>	<u>328,880</u>

* Exclude prepayments and non-refundable deposits

** Exclude non-refundable customers deposit

29.2 Financial Risk Management

The Group's financial instruments are subject to a variety of financial risks including credit risk, liquidity and cash flow risks and market risk.

The Group's overall financial risk management objective is to seek to address and control the risks to which the Group is exposed and to minimise or avoid the incidence of loss that may result from its exposure to such risks and to enhance returns where appropriate.

The Board is primarily responsible for the management of these risks and to formulate policies and procedures for the management thereof. The risks are managed by regular risk reviews, internal control systems, on-going formulation and adherence to financial risk policies and mitigated by insurance coverage where appropriate.

(a) Credit risk

Risk management

Credit risk is the risk of financial loss attributable to default on obligations by parties contracting with the Group. The Group's main exposure to credit risk is in respect of its trade and other receivables, refundable deposits, cash and bank balances.

Credit risk is addressed by the application of credit evaluation and close monitoring procedures by the management. New customers are subject to a credit evaluation process and existing customers' risk profiles are reviewed regularly with a view to setting appropriate terms of trade and credit limits. Where appropriate, further sales are suspended and legal actions are taken to attempt recoveries and mitigate losses.

It is inherent in the Group's business to make individually large sales to its customers that may lead to a significant concentration of credit risks. Such risks are managed by ensuring that transactions are only carried out with customers with a reliable financial profile.

The Group's maximum exposure to credit risk as at the end of each reporting period is represented by the carrying amount of each class of financial assets recognised in the combined statements of financial position.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

29.2 Financial Risk Management (Cont'd)

(a) Credit risk (Cont'd)

Risk management (Cont'd)

The Company provides unsecured corporate guarantees to banks for facilities granted to a subsidiary. The Company's maximum exposure to credit risk arising from the corporate guarantees provided is disclosed in Note 28. As at the end of reporting period, there was no indication that the subsidiary would default on repayment.

As at the end of the reporting period, the Group has significant concentration of credit risk arising from exposure to debts owing by 1 (2024 : 1) major customer representing approximately 13% (2024 : 16%) of the total trade receivables. The amount due and repayment from these customers are closely monitored by the management to ensure that the credit limits and terms agreed with the customers are complied with.

The Group's short-term deposits and bank balances are only placed with licensed banks and the management consider the risk of material loss in the event of non-performance by the financial counterparty to be unlikely.

Recognition and measurement of impairment loss

(i) Trade receivables

The Group uses an allowance matrix to measure Expected Credit Losses (ECL) or trade receivables. Loss rates are calculated using "roll rate" method based on probability of a receivables progressing through successive stages of delinquency to 11 months past due.

Loss rate are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to 11 months past due. Loss rate are based on actual credit loss experience over the past three years. The Company also considers forward looking macroeconomic factors that is affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off when there is no reasonable expectation of recovery.

The following contain analyses of the credit risk exposure of trade receivables for which an ECL allowance is recognised.

	Group		
	Gross carrying amount	Allowance for impairment loss	Net carrying amount
2025	RM	RM	RM
Not past due	9,388,675	174,139	9,214,536
1 - 30 days past due	2,021,752	44,899	1,976,853
31 - 60 days past due	1,473,580	15,032	1,458,548
More than 60 days past due	5,191,563	1,985,602	3,205,961
	<u>18,075,570</u>	<u>2,219,672</u>	<u>15,855,898</u>

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

29.2 Financial Risk Management (Cont'd)

(a) Credit risk (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

(i) Trade receivables (Cont'd)

The following contain analyses of the credit risk exposure of trade receivables for which an ECL allowance is recognised. (Cont'd)

	Group		
	Gross carrying amount	Allowance for impairment loss	Net carrying amount
2024	RM	RM	RM
Not past due	10,330,195	168,270	10,161,925
1 - 30 days past due	2,482,212	43,798	2,438,414
31 - 60 days past due	708,268	31,457	676,811
More than 60 days past due	2,112,019	851,100	1,260,919
	<u>15,632,694</u>	<u>1,094,625</u>	<u>14,538,069</u>

Movements in allowance for impairment loss on trade receivables during the financial years under review :-

	Group	
	2025 RM	2024 RM
At beginning of financial year	1,094,625	2,817,415
Additional allowance for impairment loss	1,164,182	4,845
Reversal of allowance for impairment loss	-	(1,714,869)
Exchange differences	(39,135)	(12,766)
	<u>2,219,672</u>	<u>1,094,625</u>

(ii) Other receivables

Impairment of other receivables is recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. The methodology used to determine the amount of impairment is based on whether has been a significant increase in credit risk since initial recognition of the financial assets.

For those in which the credit risk has not increase significantly since initial recognition of the financial asset, 12 month expected credit losses are recognised. For those in which the credit risk has increase significantly, lifetime expected credit losses are recognised.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

29.2 Financial Risk Management (Cont'd)

(a) Credit risk (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

(ii) Other receivables (Cont'd)

Movements in allowance for impairment loss on other receivables during the financial years under review :-

	Group	
	2025 RM	2024 RM
At beginning of financial year	91,900	91,900
Write off	(91,900)	-
	<u>-</u>	<u>91,900</u>

(iii) Cash and bank balances

Cash and bank balances have low credit risk as they are placed with reputable financial institutions with strong credit rating and has no history of default. Consequently, the Directors are of the opinion that loss allowance is insignificant.

(b) Liquidity and cash flow risks

Liquidity or funding risk is the risk of the inability to meet commitments associated with financial instruments while cash flow risk is the risk of uncertainty of future cash flow amount associated with a monetary financial instrument.

Liquidity and cash flow risks are addressed by annual and continuous review and forward planning of cash flow in relation to business plans to ensure a balanced and prudent portfolio of cash and other liquid assets and credit facilities is maintained. The proper management of currency, interest rate and credit risks have the effect of further minimising the incidence and effects of liquidity and cash flow risks.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONT'D)

29.2 Financial Risk Management (Cont'd)

(b) Liquidity and cash flow risks (Cont'd)

Maturity analysis

The maturity profile of the Group's and of the Company's financial liabilities as at the end of each reporting period based on contractual undiscounted cash flows is as follows :-

	Maturity Profile				Effective interest rate %
	Less than 1 year RM	More than 1 year and less than 5 years RM	More than 5 years RM	Total RM	
Group - 2025					
Trade payables	5,679,775	-	-	5,679,775	-
Other payables, deposits and accrued liabilities	9,172,410	-	-	9,172,410	-
Lease liabilities	381,836	402,743	-	784,579	4.14 to 6.85
Bank borrowings	796,548	3,186,192	8,780,558	12,763,298	3.65 to 3.95
	<u>16,030,569</u>	<u>3,588,935</u>	<u>8,780,558</u>	<u>28,400,062</u>	
Group - 2024					
Trade payables	3,928,979	-	-	3,928,979	-
Other payables, deposits and accrued liabilities	7,113,372	-	-	7,113,372	-
Lease liabilities	412,414	480,293	-	892,707	4.14 to 6.85
Bank borrowings	1,115,293	-	-	1,115,293	4.69
	<u>12,570,058</u>	<u>480,293</u>	<u>-</u>	<u>13,050,351</u>	
Company - 2025					
Other payables, deposits and accrued liabilities	<u>837,183</u>	<u>-</u>	<u>-</u>	<u>837,183</u>	-
Company - 2024					
Other payables, deposits and accrued liabilities	<u>328,880</u>	<u>-</u>	<u>-</u>	<u>328,880</u>	-

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONT'D)

29.2 Financial Risk Management (Cont'd)

(c) Market risk

Market risk is the risk that the value of the financial instruments will fluctuate due to changes in market prices.

The Group's main market risk exposures are currency and interest rate fluctuations which are discussed under the respective risk headings.

(d) Currency risk

The Group is exposed to foreign currency risk arising from transactions denominated in currencies other than the functional currency of the Group, i.e. Ringgit Malaysia. The foreign currencies giving rise to this risk are primarily United States Dollar ("USD"), European Union Euro ("EUR"), Chinese Renminbi ("RMB"), New Taiwan Dollar ("TWD") and Philippine Peso ("PHP"). Foreign currency risk is monitored closely on an on going basis to ensure that the net exposure is maintained at an acceptable level.

The Group does not speculate in foreign currency derivatives.

Exposure to currency risk

The foreign currency exposure profile of the Group's financial instruments as at the end of the reporting period are disclosed in Notes 9, 10, 11, 17 and 18.

Currency risk sensitivity analysis

A ten (10) percent strengthening of the foreign currencies against Ringgit Malaysia at the end of each reporting period would have increased or decreased the Group's profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	2025 RM	2024 RM
(Functional currency : RM)		
USD	1,721,531	775,892
EUR	97,501	177,398
RMB	(145,357)	(103,017)
TWD	(19,378)	(20,963)
PHP	116,830	(6,844)
IDR	3,297	(841)
	<u>1,774,424</u>	<u>821,625</u>
(Functional currency : USD)		
EUR	476	466
RMB	1,285,028	1,313,406
PHP	3,492	(348)
IDR	(177,450)	7,693
	<u>1,111,546</u>	<u>1,321,217</u>
	<u>2,885,970</u>	<u>2,142,842</u>

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONT'D)

29.2 Financial Risk Management (Cont'd)

(e) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes of total borrowings - term loans, Tawarruq financing, revolving credit, bank guarantee and lease liabilities.

The Group's total borrowings are subject to interest based on fixed rates or floating rates.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments at the end of the financial year are as follows :-

	2025 RM	2024 RM
<u>Fixed rate instruments</u>		
Lease liabilities	731,032	866,072
<u>Floating rate instruments</u>		
Term loan	9,375,503	-
Tawarruq financing	-	1,049,458
	9,375,503	1,049,458

Interest rate risk sensitivity analysis

In respect of borrowings subject to fixed rates, a change in interest rates at the end of the reporting periods presented would not affect profit or loss or equity.

In respect of borrowings subject to floating rates, a change in interest rate by +/- 10 basis points ("bps") at the end of the respective financial years presented would have the following impact on the Group's profit or loss :-

	2025 RM	2024 RM
+10 bps	(9,376)	(1,049)
-10 bps	9,376	1,049

29.3 Fair Value of Financial Instruments

The carrying amounts of the Group's financial assets and financial liabilities are reasonable approximation of their fair values due to their short-term nature or insignificant impact of discounting or that they are floating rate instruments that are priced to market interest rates.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

30. SIGNIFICANT EVENT AFTER REPORTING PERIOD

Acquisition of new subsidiaries by EPB Capital Limited ("EPBCL")

(a) Best Solution Services Inc. ("BSSI")

On 12 January 2026, EPBCL subscribed for 9,599,998 ordinary shares or representing 80% equity interest in a newly incorporated subsidiary namely Bestworld Services Solution Inc., a company incorporated in Philippines for a total cash consideration of 9,599,998 Peso.

(b) Bestworld Services Solution Limited ("BSSL")

On 20 January 2026, EPBCL subscribed for 6,000 ordinary shares or representing 60% equity interest in a newly incorporated subsidiary namely Bestworld Services Solution Limited, a company incorporated in Hong Kong for a total cash consideration of HKD6,000.

31. CAPITAL COMMITMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Authorised and contracted for :-				
- Acquisition of Enterprise Resource Planning (ERP) software license	-	193,644	-	67,773
- Acquisition of property, plant and equipment	-	17,995,945	-	-
- Construction of building	8,541,232	-	-	-
	<u>8,541,232</u>	<u>18,189,589</u>	<u>-</u>	<u>67,773</u>

32. CAPITAL MANAGEMENT

The Group's objectives in managing capital are to maintain and safeguard the Group's ability to continue as a going concern so as to provide for returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital. In order to maintain optimal capital structure, the Group may, from time to time, adjust dividend payment to shareholder, return capital to shareholders, issue new shares, obtain new financing facilities or dispose assets to reduce borrowings.

There were no changes in the Group's approach to capital management throughout the financial years under review.

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2025

32. CAPITAL MANAGEMENT (CONT'D)

In the management of capital risk, management takes into consideration the net debt equity ratio as well as the Group's working requirements as follows :-

	2025 RM	2024 RM
Trade payables	5,679,775	3,928,979
Other payables, deposits and accrued liabilities	19,133,028	21,383,576
Bank borrowings	9,375,503	1,049,458
Lease liabilities	731,032	866,072
	<u>34,919,338</u>	<u>27,228,085</u>
Less: Fixed deposits with a licensed bank and cash and bank balances	<u>(63,683,832)</u>	<u>(72,139,164)</u>
Net cash	<u>(28,764,494)</u>	<u>(44,911,079)</u>
Total equity	<u>110,500,165</u>	<u>102,630,328</u>
Net debt against equity ratio	<u>NA</u>	<u>NA</u>

NA - Not applicable as the Group has excess cash and cash equivalents over its debts.

Independent Auditors' Report

To the Members of EPB Group Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of EPB GROUP BERHAD, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 10 to 69.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report (Cont'd)

To the Members of EPB Group Berhad

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters
Revenue recognition from contract with customers As disclosed in Note 27(b) to the financial statements, the Group's revenue from contract with customers derived from sales to Malaysian and overseas customers. Revenue from contract with customers was recognised when control of the goods was transferred to the customers, being when the Group has fulfilled its performance obligation based on the delivery terms contracted with the customers. The Group's note on revenue and the Group's accounting policy on revenue from contract with customers are disclosed in Note 2.21 and 19 to the financial statements. We considered the risk of revenue being recognised in an incorrect accounting period as key audit matter due to its financial significance.	Our audit procedures included the followings : • Discussed with management to obtain understanding about the processes and controls over revenue recognition especially on cut-off procedures and recording of sales. • To ascertain whether the basis of revenue recognition used for selected contracts conforms with the requirements of MFRS 15 by reference to the terms and conditions stated in each contract. • Tested the occurrence of sales transactions as recorded in the accounting records by verifying the selected revenue transaction to underlying documentations including records of claims, contract and correspondences. • Evaluated any over / under statement of revenue or premature revenue recognition. • Tested supporting evidence for any material unusual journal entries posted to revenue accounts.

Information Other than the Financial Statements and Auditors' Report Thereon

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

Our opinion on the financial statements of the Group and of the Company does not cover the Director's Report and we do not express any form of assurance conclusion thereon.

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

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

Independent Auditors' Report (Cont'd)

To the Members of EPB Group Berhad

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditors' Report (Cont'd)

To the Members of EPB Group Berhad

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

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7(a) to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

FOLKS DFK & CO PLT
202606000002 (LLP0045209-LCA) & AF 0502
CHARTERED ACCOUNTANTS

Kuala Lumpur,

Date : 20 April 2026

LEONG KOK TONG
NO. : 02973/11/2027 J
CHARTERED ACCOUNTANT

List of Properties

No.	Title/ Address Details	Description/ Existing Use	Approximately Land Area/ Build-up Area (sqft)	Tenure	Age of properties ⁽¹⁾	Date of acquisitions	Audited NBV as at 31.12.2025 (RM'000)
1.	<u>Title</u> PN11089 (previously known as HSD 61425), Mukim 13, Lot 20457, Seberang Perai Tengah, Pulau Pinang, Malaysia <u>Address</u> PMT 1186, Jalan Perindustrian Bukit Minyak 18, Taman Perindustrian Bukit Minyak, Penang Science Park, 14100 Simpang Ampat, Pulau Pinang, Malaysia	Single-storey factory with three-storey office/ Industrial use and office	85,401 / 61,250	A lease of sixty (60) years expiring on 7 July 2074	Approximately 10 years	28 June 2013	6,937
2.	<u>Title</u> PN7228 (previously known as HSD 55919), Mukim 13, Lot.6616, Seberang Perai Tengah, Pulau Pinang, Malaysia <u>Address</u> No. 964 Jalan Perindustrian Bukit Minyak 6, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia	Single-storey factory with two (2)-storey office/ Industrial use and office	43,562 / 24,038	A lease of sixty (60) years expiring on 15 May 2068	Approximately 19 years	22 August 2005	4,274
3.	<u>Title</u> PT1540 (previously known as HSD 64280), Mukim 13, Seberang Perai Tengah, Pulau Pinang, Malaysia ⁽²⁾		341,616 / -	A lease of sixty (60) years expiring on 5 July 2085	-	10 April 2025	23,689

Notes: -

(1) Based on the issuance date of initial CCC/CF.

(2) Being vacant land currently in the progress of construction for our new factory.

Analysis of Shareholdings

As at 24 March 2026

Class of Equity Securities	: Ordinary shares
Number of holders of Ordinary Shares	: 1,048
Total number of issued shares	: 372,000,002
Voting Rights	: 1 vote per share

DISTRIBUTION OF SHAREHOLDINGS

(Based on the Record of Depositors)

Size of Shareholdings	No. of shareholders	% of shareholders	No. of issued shares	% of issued shares
Less than 100	4	0.382	180	0.000
100 – 1,000	159	15.172	72,320	0.019
1,001 – 10,000	557	53.149	2,722,400	0.732
10,001 – 100,000	218	20.801	7,137,900	1.919
100,001 – 18,600,000(*)	107	10.210	112,069,300	30.126
18,600,001 and above issued(**)	3	0.286	249,997,902	67.204
TOTAL	1,048	100.000	372,000,002	100.000

Remark : * Less than 5% of issued shares

** 5% and above of issued shares

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS AS AT 24 MARCH 2026

(Based on the Record of Depositors)

Name	No. of shares held	% of total issued shares
1. YEOH CHEE MIN	145,007,501	38.981
2. OOI KIM KEW	55,760,100	14.989
3. LIEW MENG HOOI	49,230,301	13.234
4. UNIVERSAL TRUSTEE (MALAYSIA) BERHAD - KAF CORE INCOME FUND	16,665,400	4.480
5. CITIGROUP NOMINEES (ASING) SDN BHD - EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	10,000,000	2.688
6. MAYBANK NOMINEES (TEMPATAN) SDN BHD - NATIONAL TRUST FUND (IFM KAF)	9,199,200	2.473
7. GOH TOH SIN	5,392,000	1.449
8. TEOH JOO HAN	4,311,700	1.159
9. DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD - DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTS SMALL-CAP FUND	3,895,900	1.047
10. YEOH CHEE MIN	3,115,550	0.838
11. YEOW SONG YOU	2,812,500	0.756

Analysis of Shareholdings (Cont'd)

As at 24 March 2026

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS AS AT 24 MARCH 2026 (CONT'D)

(Based on the Record of Depositors)

Name	No. of shares held	% of total issued shares
12. HSBC NOMINEES (TEMPATAN) SDN BHD - HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT PROGRESS FUND	2,686,800	0.722
13. MAYBANK NOMINEES (TEMPATAN) SDN BHD - MAYBANK TRUSTEES BERHAD FOR KAF ISLAMIC DIVIDEND INCOME FUND	2,300,000	0.618
14. ELWEIN NG CHO LEONG	2,130,200	0.573
15. HSBC NOMINEES (TEMPATAN) SDN BHD - HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT GROWTH FUND	2,009,100	0.540
16. TAN CHENG CHENG	1,935,000	0.520
17. HSBC NOMINEES (TEMPATAN) SDN BHD - HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT AL-FAUZAN	1,866,900	0.502
18. HSBC NOMINEES (TEMPATAN) SDN BHD - HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS PLUS FUND	1,828,400	0.492
19. WANG BOON PHOEY	1,690,250	0.454
20. YEOW JIA YEN	1,478,100	0.397
21. LEE PHEK EIM	1,350,000	0.363
22. CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD - PMB INVESTMENT BERHAD FOR MAJLIS AMANAH RAKYAT	1,290,000	0.347
23. LIM EWE KEAT	1,200,000	0.323
24. YUMI LOH MUN SUEN	1,099,900	0.296
25. MOOMOO NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR LEE CHOOI SIAN	1,086,000	0.292
26. KAF TRUSTEE BERHAD - KIFB FOR ALTIMA, INC	1,062,500	0.286
27. PELABURAN MARA BERHAD	1,045,400	0.281
28. OOI CHUN YONG	996,000	0.268
29. AMANAHRAYA TRUSTEES BERHAD - AMANAH SAHAM MARA	940,000	0.253
30. YEOH CHOI GOEH @ YEOH CHOI HWANG	893,000	0.240

Analysis of Shareholdings (Cont'd)

As at 24 March 2026

SUBSTANTIAL SHAREHOLDERS AS AT 24 MARCH 2026

Name	Direct Interest		Deemed interest	
	No. of shares held	% of total issued shares	No. of shares held	% of total issued shares
1. Yeoh Chee Min	148,123,051	39.818	55,760,100 ⁽¹⁾	14.989
2. Ooi Kim Kew	55,760,100	14.989	148,123,051 ⁽²⁾	39.818
3. Liew Meng Hooi	49,230,301	13.234	-	-

Notes: -

⁽¹⁾ Deemed interested by virtue of the interest of his spouse, Ooi Kim Kew.

⁽²⁾ Deemed interested by virtue of the interests of her spouse, Yeoh Chee Min.

INTEREST OF DIRECTORS AS AT 24 MARCH 2026

a) Interest in shares of the Company

Name	Direct Interest		Deemed interest	
	No. of shares held	% of total issued shares	No. of shares held	% of total issued shares
Yeoh Chee Min	148,123,051	39.818	55,760,100 ⁽¹⁾	14.989
Ooi Kim Kew	55,760,100	14.989	148,123,051 ⁽²⁾	39.818
Liew Meng Hooi	49,230,301	13.234	-	-
Noor Azman Bin Nordin	450,000	0.121	-	-
Khor Chai Tian	450,000	0.121	-	-
Ooi Hun Pin	450,000	0.121	-	-
Stephen Chua Chee Keong	408,500	0.110	-	-
Oh Lean Sim	-	-	-	-
Wong Sim Kuan	-	-	-	-

Notes: -

⁽¹⁾ Deemed interested by virtue of the interest of his spouse, Ooi Kim Kew.

⁽²⁾ Deemed interested by virtue of the interests of her spouse, Yeoh Chee Min.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fourth Annual General Meeting ("**4th AGM**") of EPB Group Berhad (the "**Company**") will be carried out in a hybrid format, whereby Main Venue will be at Mertajam Hall, Holiday Inn & Suites Penang Prai, 1919, Menara Sentral, Jalan Juru Sentral, 14000 Bukit Mertajam, Pulau Pinang and the meeting will be equipped with live streaming and online remote voting on Friday, 19 June 2026 at 10.00 a.m. for the following purposes:-

AS ORDINARY BUSINESSES

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 (Please refer to Note 3) together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors' fees of RM196,800 to Directors of the Company for the financial year ended 31 December 2025. Ordinary Resolution 1
3. To approve the payment of Directors' fees of up to RM272,800 to Directors of the Company for the financial year ending 31 December 2026. Ordinary Resolution 2
4. To approve the payment of benefits other than Directors' fees to Independent Non-Executive Directors of the Company amounting to RM48,000 from 19 June 2026 until the next AGM of the Company. Ordinary Resolution 3
5. To re-elect Mr. Noor Azman bin Nordin, who retires by rotation in accordance with Clause 165 of the Company's Constitution and who being eligible offers himself for re-election. Ordinary Resolution 4
6. To re-elect Madam Ooi Kim Kew, who retires by rotation in accordance with Clause 165 of the Company's Constitution and who being eligible offers herself for re-election. Ordinary Resolution 5
7. To re-elect Dr. Ooi Hun Pin, who retires by rotation in accordance with Clause 165 of the Company's Constitution and who being eligible offers himself for re-election. Ordinary Resolution 6
8. To re-elect Ms Wong Sim Kuan, who retires in accordance with Clause 156 of the Company's Constitution and who being eligible offers herself for re-election. Ordinary Resolution 7
9. To re-elect Ms Oh Lean Sim, who retires in accordance with Clause 156 of the Company's Constitution and who being eligible offers herself for re-election. Ordinary Resolution 8
10. To re-appoint Messrs Folks DFK & Co PLT, as Auditors of the Company for the ensuing year and to authorise the Directors to fix the Auditors' remuneration. Ordinary Resolution 9

AS SPECIAL BUSINESSES

11. To consider and, if thought fit, to pass with or without modifications the following resolution as Ordinary Resolutions :-

Proposed power to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 Ordinary Resolution 10

- a) "THAT subject always to the Companies Act 2016 ("Act"), Constitution of the Company and approvals of the relevant regulatory authorities, where such approval is necessary, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company from time to time at such price, upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next annual general meeting ("AGM") of the Company or the expiration of the period within which the next annual general meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier."

AND THAT pursuant to Section 85 of the Act read together with Clause 31 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to Sections 75 and 76 of the Act."

Notice of Annual General Meeting (Cont'd)

AS SPECIAL BUSINESSES (CONT'D)

11. To consider and, if thought fit, to pass with or without modifications the following resolution as Ordinary Resolutions :- (Cont'd)

Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs") and Proposed New Shareholders' Mandate for RRPTs Ordinary Resolution 11

- b) "THAT approval be and is hereby given to the Company and its subsidiary(ies) ("Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the specified classes of related parties as specified in Section 2.5 and Section 2.6 of the Circular to Shareholders dated 30 April 2026, provided that:
- (a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;
 - (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
 - (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
 - (d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:
 - (i) the related transacting parties and their respective relationship with the Company; and
 - (ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:-

- (a) the conclusion of the next annual general meeting ("AGM") of the Company, unless the authority is renewed by a resolution passed at the next AGM; or
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things as they may consider necessary or expedient to give effect to transactions contemplated and/or authorised by this Ordinary Resolution."

12. To transact any other business for which due notice shall have been given.

Notice of Annual General Meeting (Cont'd)

By order of the Board

Kong Sown Kaey
(MAICSA 7047655)
(SSM PC No: 202008001434)

Nur Asmida binti Rosli
(MAICSA 7069974)
(SSM PC No. 202308000678)
Secretaries

Penang
Date : 30 April 2026

Notes:

The 4th AGM will be conducted in a hybrid format, physically held at Mertajam Hall, Holiday Inn & Suites Penang Prai, 1919, Menara Sentral, Jalan Juru Sentral, 14000 Bukit Mertajam, Pulau Pinang ("Main Venue") and will be equipped with live streaming and online remote voting via Remote Participation and Electronic Voting ("RPEV") facilities which are available on the meeting platform at <https://meeting.boardroomlimited.my>. With RPEV facilities, members may exercise their rights to participate and vote at the 4th AGM through the following modes of communication: i) Typed text in the Meeting Platform ii) You may submit questions in advance on the AGM resolutions and Integrated Annual Report 2025 not later than 10.00 a.m. on Wednesday, 17 June 2026 via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>, and select "SUBMIT QUESTION" to pose questions ("Pre-AGM Meeting Questions"). The Company has appointed Boardroom Share Registrars Sdn. Bhd. ("Boardroom") as the Poll Administrator for the 4th AGM to facilitate the Hybrid Meeting. Please follow the procedures set out in the Administrative Guide for the 4th AGM below to register, participate and vote remotely via RPEV facilities.

1. Appointment of Proxy

- (a) Subject to Paragraph (c) below, a member entitled to attend and vote is entitled to appoint more than one (1) proxy to attend and vote instead of him. Where a member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
- (b) A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without restriction as to the qualification of the proxy.
- (c) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (d) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
- (e) The instrument appointing a proxy may be made in hardcopy form or by electronic means in the following manner not less than 48 hours before the time for holding the meeting or any adjournment thereof:
 - (i) In hardcopy form:
The proxy form shall be deposited at the office of the Company's Share Registrar at 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.
 - (ii) By electronic means:
The proxy form shall also be submitted using the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not later than 48 hours before the time set for holding the Meeting or any adjournment thereof. Please refer to Administrative Guide below.

Notice of Annual General Meeting (Cont'd)

Notes: (Cont'd)

1. Appointment of Proxy (Cont'd)

- (f) Pursuant to Paragraph 8.31A of the ACE Market Listing Requirements of Bursa Securities, the resolutions set out above will be put to vote by way of poll.

2. Members entitled to attend 4th AGM

For the purpose of determining a member who shall be entitled to attend the 4th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Clause 129 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 12 June 2026. Only a depositor whose name appears in the Record of Depositors as at 12 June 2026 shall be entitled to attend the said meeting or appoint proxies to attend, speak and/or vote on his/her behalf.

3. Audited Financial Statements for the financial year ended 31 December 2025

The audited financial statements are laid in accordance with Section 340(1)(a) of the Act for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

4. Ordinary Resolutions No. 1 and 2 – Proposed payment of Directors' fees

Pursuant to Section 230(1) of the Act, the Company shall at every AGM approve the fees of the Directors of the Company and its subsidiaries. The Directors' fees payable to the Directors have been reviewed by the Remuneration Committee and the Board of Directors of the Company. The Directors' fees are in accordance with the remuneration framework of the Group.

The proposed Ordinary Resolution 1 and 2 are seek shareholders' approval on Directors' fees payable to Directors for financial year ended 31 December 2025 and for financial year ending 31 December 2026 ("FYE 2026"). The payment of the proposed Directors' fees for FYE 2026 shall be payable quarterly in arrears. In the event, the Directors' fees proposed is insufficient, the Board will seek the approval from the shareholders at the next AGM for additional fees to meet the shortfall.

5. Ordinary Resolution No. 3 – Proposed payment of Directors' benefits

The Directors' benefits (excluding Directors' fees) comprises the allowances and other benefits payable to the Non-Executive Directors of the Company. The total estimated amount of Directors' benefits payable is calculated based on the number of actual Board and scheduled Board and Board Committee meetings for the period from 19 June 2026 until the next AGM. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next AGM of the Company.

6. Ordinary Resolutions No. 4, 5 and 6 – Re-election of Directors who retire in accordance with Clause 165 of the Company's Constitution

Clause 165 of the Company's Constitution provides that an election of directors shall take place each year. 1/3 of the directors for the time being shall retire from office at each AGM but shall be eligible for re-election at the said meeting. If the total number of the directors is not 3 or a multiple of 3, the number nearest to 1/3 will retire. The Directors to retire in every year shall be those who have been longest in office since their last election.

Mr. Noor Azman bin Nordin, Madam Ooi Kim Kew and Dr. Ooi Hun Pin who will be retiring and offering themselves for re-election at the 4th AGM were evaluated by the Nomination Committee and the Board. Based on the evaluation outcome, the Nomination Committee and the Board were of the view that their performance were satisfactory and recommended their re-election for shareholders' approval.

Notice of Annual General Meeting (Cont'd)

Notes: (Cont'd)

7. Ordinary Resolutions 7 and 8 – Re-election of Directors who retire in accordance with Clause 156 of the Company's Constitution

Clause 156 of the Company's Constitution provides that the Board has the power to appoint a person as a director, either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next Annual General Meeting and shall be eligible for re-election at such meeting.

Ms. Wong Sim Kuan and Ms. Oh Lean Sim both were newly appointed to the Board on 10 March 2026 and will be retiring and offering themselves for re-election at the 4th AGM.

8. Ordinary Resolution No. 10 - Proposed power to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 10 is a general mandate and if passed will empower the Directors of the Company to issue and allot shares up to 10% of the total number of issued shares of the Company from time to time (other than bonus or right issue). This authority will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next AGM of the Company or the period within which the next AGM of the Company is required by law to be held whichever is earlier.

This authority will provide flexibility to the Company for possible raising of funds, including but not limited to placing of shares, for purpose of additional working capital, capital expenditure, funding of investments, acquisitions or reduction of borrowings.

9. Ordinary Resolution No. 11 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs") and Proposed New Shareholders' Mandate for RRPTs

The proposed Ordinary Resolution 11, if passed, will allow the Company and its subsidiaries to enter into the existing and new RRPTs in accordance with Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad without the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPTs occur. This would reduce substantial administrative time, inconvenience and resources associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. The shareholders' mandate is subject to renewal on an annual basis.

STATEMENT ACCOMPANYING NOTICE OF AGM

(Pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Securities)

As at date of this notice, there are no individuals who are standing for election as Directors (excluding Directors who are standing for re-election as stated above) at this forthcoming 4th AGM.

PERSONAL DATA POLICY

By registering for the remote participation and electronic voting meeting and/or submitting an instrument appointing a proxy(ies) and/or representative(s) to participate, speak and vote at the Meeting and/or any adjournment thereof; By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM, and any adjournment thereof.

Administrative Guide For The Fourth Annual General Meeting ("4th AGM")

Meeting Platform	: https://meeting.boardroomlimited.my
Day and Date	: Friday, 19 June 2026
Time	: 10.00 a.m.
Main Venue & Broadcast Venue	: Mertajam Hall, Holiday Inn & Suites Penang Prai, 1919, Menara Sentral, Jalan Juru Sentral, 14000 Bukit Mertajam, Pulau Pinang
Mode of Communication	: 1) Typed text in the Meeting Platform. 2) Submit question via Boardroom Smart Investor Portal at https://investor.boardroomlimited.com prior to the Meeting.

Annual Report 2025

- Members are encouraged to download a digital copy of the Annual Report 2025 from the Company's website in the interest of preserving the environment. The Annual Report 2025 can be downloaded from the Company's website <https://epb.group>.
- If you need a copy of the printed Annual Report 2025, kindly complete the enclosed Request Slip and send the same to the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd.
- Any request for the Annual Report 2025 would be forwarded to the requestor within four (4) market days from the date of receipt of the written request.

Proxy

- Shareholders who are unable to remote participate in EPB Group Berhad's 4th AGM are encouraged to appoint the Chairman of the Meeting to vote on their behalf.
- You may deposit the Proxy Form electronically with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd using Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not later than 48 hours before the time set for holding the Meeting or any adjournment thereof. Kindly follow the link at <https://investor.boardroomlimited.com> to login and select "E-PROXY LODGEMENT" to deposit your Proxy Form electronically.
- If you wish to participate in the Hybrid Meeting yourself, please do not submit any Proxy Form. You will not be allowed to participate in the Hybrid Meeting together with a proxy appointed by you.
- If you have submitted the Proxy Form prior to the Hybrid Meeting and subsequently decide to appoint another person or wish to participate in the Hybrid Meeting yourself, please write in to bsr.proxy@boardroomlimited.com to revoke the earlier appointed proxy forty-eight (48) hours before the Meeting.

Poll Voting (For Hybrid Meeting)

- The voting will be conducted by poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Boardroom Share Registrars Sdn. Bhd. as Poll Administrator to conduct the poll by way of electronic voting (e-Voting).
- For the purposes of this AGM, the remote participation and e-voting will be carried out via the following voting devices:-
 - Personal smart mobile phones ,
 - tablets  or
 - Laptops .
- There are 2 methods for members and proxies who wish to use their personal voting device to vote as follows:-
 - Using QR Scanner Code given in the email to you **OR**
 - Using website URL <https://meeting.boardroomlimited.my>
- The polling will only commence after the announcement of poll voting session open by the Chairman and until such time when the Chairman announces the closure of poll.
- The Scrutineers will verify the poll result reports upon closing of the poll session by the Chairman. Scrutineers will announce the results thereafter and the Chairman will declare whether the resolutions put to vote were successfully carried or not.

Administrative Guide For The Fourth Annual General Meeting ("4th AGM") (Cont'd)

Remote Participation and Electronic Voting

6. Please note that this option is available to **(i) individual member; (ii) corporate shareholder; (iii) Authorised Nominee; and (iv) Exempt Authorised Nominee.**
7. If you choose to participate in the meeting online, you will be able to view a live webcast of the Meeting, post questions to the Board and submit your votes in real time whilst the meeting is in progress.
8. Kindly follow the steps below on how to request for login ID and password.

Step 1 – Register Online with Boardroom Smart Investor Portal (for first time registration only)

[Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2. Submit request for Remote Participation user ID and password.]

- a. Access website <https://investor.boardroomlimited.com>
- b. Click <<Login>> and click <<Register>> to sign up as a user.
- c. Please select the correct account type i.e. sign up as "Shareholder" or "Corporate Shareholder".
- d. Complete registration and upload softcopy of MyKAD (front and back) or Passport in JPEG, PNG or PDF format. Upload the authorisation letter if for Corporate Shareholder.
- e. Please enter a valid email address and wait for Boardroom's email verification.
- f. Once your email address is verified, you will be re-directed to Boardroom Smart Investor Portal for verification of mobile number. Click on <<Request OTP Code>> and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code and click <<Enter>> to complete the process.
- g. Your registration will be verified and approved within one (1) business day and an email notification will be provided.

Step 2 – Submit Request for Remote Participation User ID and Password

[Note: The registration for remote access will be opened on 30 April 2026]

Individual Members

- Login to <https://investor.boardroomlimited.com> using your user ID and password above.
- Select "Meeting Event(s)" from main menu and select the correct Corporate Event "EPB Group Berhad 4th Annual General Meeting".
- Read and agree to the terms and conditions.
- Enter your CDS account and thereafter submit your request.

Corporate Shareholders, Authorised Nominee and Exempt Authorised Nominee

1) Via email

- Write in to bsr.proxy@boardroomlimited.com by providing the name of Member, CDS Account Number accompanied with the Certificate of Appointment of Corporate Representative or Form of Proxy to submit the request.
- Please also provide a copy of Corporate Representative's MyKad (Front and Back) in JPEG, PNG or PDF format or Passport as well as his/her email address.

2) Via Boardroom Smart Investor Portal

- Login to <https://investor.boardroomlimited.com> using your user ID and password from Step 1 above.
- Select "EPB Group Berhad 4th Annual General Meeting" from the list of Meeting Event and click "**Enter**".
- Click on "**Submit eProxy Form**".
- Select the company you would like to represent.
- Proceed to download the file format for "Submission of Proxy Form" from the investor portal.
- Prepare the file for the appointment of proxies by inserting the required data.
- Proceed to upload the duly completed proxy appointment file.
- Review and confirm your proxy appointment and click "**Submit**".
- Download or print the eProxy form as acknowledgement.

Administrative Guide For The Fourth Annual General Meeting ("4th AGM") (Cont'd)

Remote Participation and Electronic Voting (Cont'd)

8. Kindly follow the steps below on how to request for login ID and password. (Cont'd)

Step 3 – Login to Meeting Portal

[Please note that the quality of the connectivity to the Meeting Portal for live web cast as well as for remote online voting is highly dependent on the bandwidth and the stability of the internet connectivity available at the location of the remote users.]

- a. The Meeting portal will be open for login starting one (1) hour before the commencement of Hybrid Meeting at 10:00 a.m. on 19 June 2026.
- b. Follow the steps given to you in the email along with your remote access user ID and password to login to the Meeting portal. (Refer to Step 2 above)
- c. The steps will also guide you how to view live web cast, ask questions and vote.
- d. The live web cast will end and the Messaging window will be disabled the moment The Chairman announces the closure of the Hybrid Meeting.
- e. You can now logout from Meeting Portal.

Live Webcast, Question and Voting at the Hybrid Meeting

The Login User Guide for participation, posing questions and voting at the 4th AGM, will be emailed to the shareholders together with the remote access user ID and password once their registration have been approved.

Shareholders who participate in the Hybrid Meeting are able to view the Company's presentation or slides via the live web-streaming.

The Chairman and the Board of Directors will endeavour their best to respond to the questions submitted by shareholders which are related to the resolutions to be tabled at the 4th AGM, as well as financial performance/prospect of the Company.

Shareholders may proceed to cast votes on each of the proposed resolutions, to be tabled at the 4th AGM, after the Chairman has opened the poll voting session on the resolutions. Shareholders are reminded to cast their votes before the poll is closed.

No recording or photography of the hybrid AGM proceedings is allowed without the prior written permission of the Company.

Shareholders/Proxies must ensure that you are connected to the internet at all times in order to participate and vote when the hybrid AGM has commenced. Therefore, it is your responsibility to ensure that connectivity for the duration of the meeting is maintained. Kindly note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at the location of the remote participants.

Enquiry

Please email to the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at bsr.proxy@boardroomlimited.com if you have queries pertaining to the remote participation and electronic voting, prior to the Hybrid Meeting.



Registration No.: 202201007128 (1452825-U)
(Incorporated in Malaysia)



PROXY FORM

For the Fourth Annual General Meeting ("4th AGM")

CDS Account No.	
No. of shares held	

I/We _____ [Full name in block letters and NRIC/Passport/Company No.]
of _____ [Address and Contact No.]

being a member/members of EPB Group Berhad (the "**Company**"), hereby appoint :-

Full Name (in block letters)	NRIC/Passport/Company No.	Proportion of Shareholdings	
		No. of Shares	%
Email Address:			
and/or (delete as appropriate)			
Email Address:			

or failing him/her, the Chairman of the Meeting as my/our Proxy to vote in my/our name(s) on my/our behalf at the 4th AGM of the Company to be held at Mertajam Hall, Holiday Inn & Suites Penang Prai, 1919, Menara Sentral, Jalan Juru Sentral, 14000 Bukit Mertajam, Pulau Pinang on Friday, 19 June 2026 at 10.00 a.m. and the meeting will be equipped with live streaming and online remote voting at any adjournment thereof in the manner indicated below:-

Resolution		For	Against
To approve the payment of Directors' fees of RM196,800 to Directors of the Company for the financial year ended 31 December 2025.	Ordinary Resolution 1		
To approve the payment of Directors' fees of up to RM272,800 to Directors of the Company for the financial year ending 31 December 2026.	Ordinary Resolution 2		
To approve the payment of benefits other than Directors' fees to Independent Non-Executive Directors of the Company amounting to RM48,000 from 19 June 2026 until the next AGM of the Company.	Ordinary Resolution 3		
To re-elect Mr. Noor Azman bin Nordin, who retires by rotation in accordance with Clause 165 of the Company's Constitution and who being eligible offers himself for re-election.	Ordinary Resolution 4		
To re-elect Madam Ooi Kim Kew, who retires by rotation in accordance with Clause 165 of the Company's Constitution and who being eligible offers herself for re-election.	Ordinary Resolution 5		
To re-elect Dr. Ooi Hun Pin, who retires by rotation in accordance with Clause 165 of the Company's Constitution and who being eligible offers himself for re-election.	Ordinary Resolution 6		
To re-elect Ms Wong Sim Kuan, who retires in accordance with Clause 156 of the Company's Constitution and who being eligible offers herself for re-election.	Ordinary Resolution 7		
To re-elect Ms Oh Lean Sim, who retires in accordance with Clause 156 of the Company's Constitution and who being eligible offers herself for re-election.	Ordinary Resolution 8		
To re-appoint Messrs Folks DFK & Co PLT, as Auditors of the Company for the ensuing year and to authorise the Directors to fix the Auditors' remuneration.	Ordinary Resolution 9		
To empower the Directors to issue and allot shares up to 10% of the total number of issued shares of the Company.	Ordinary Resolution 10		
To approve the proposed renewal of shareholders' mandate for Recurrent Related Party Transactions of a revenue or trading nature ("RRPTs") and proposed new shareholders' mandate for RRPTs.	Ordinary Resolution 11		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your proxy to vote. If no instruction is given, this form will be taken to authorise the proxy to vote or abstain from voting at his/her discretion.)

Signature of Shareholder(s) or Common Seal

Dated this day of....., 2026.

Notes:-

- (a) The 4th AGM will be conducted in a hybrid format, physically held at Mertajam Hall, Holiday Inn & Suites Penang Prai, 1919, Menara Sentral, Jalan Juru Sentral, 14000 Bukit Mertajam, Pulau Pinang ("Main Venue") and will be equipped with live streaming and online remote voting via Remote Participation and Electronic Voting ("RPEV") facilities which are available on the meeting platform at <https://meeting.boardroomlimited.my>. With RPEV facilities, members may exercise their rights to participate and vote at the 4th AGM through the following modes of communication: i) Typed text in the Meeting Platform ii) You may submit questions in advance on the AGM resolutions and Integrated Annual Report 2025 not later than 10.00 a.m. on Wednesday, 17 June 2026 via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>, and select "SUBMIT QUESTION" to pose questions ("Pre-AGM Meeting Questions"). The Company has appointed Boardroom Share Registrars Sdn. Bhd. ("Boardroom") as the Poll Administrator for the 4th AGM to facilitate the Hybrid Meeting. Please follow the procedures set out in the Administrative Guide for the 4th AGM below to register, participate and vote remotely via RPEV facilities.
- (b) Only a Depositor whose name appears in the Record of Depositors as at 12 June 2026 shall be entitled to attend the 4th AGM or appoint proxies to attend, speak and/or vote on his/her behalf.
- (c) Subject to Paragraph (e) below, a member entitled to attend and vote is entitled to appoint more than one (1) proxy to attend and vote instead of him. Where a member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
- (d) A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without restriction as to the qualification of the proxy.
- (e) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (f) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
- (g) The instrument appointing a proxy must be deposited at the Share Registrar of the Company at 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, not less than 48 hours before the time appointed for holding the AGM or adjourned meeting at which the person named in the instrument, proposes to vote; or by electronic means using the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not later than 48 hours before the time set for holding the Meeting or any adjournment thereof. Please refer to Administrative Guide.
- (h) Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out above will be put to vote by way of poll.

Please fold across the lines and close

**Affix
Stamp**

**The Share Registrar
EPB GROUP BERHAD**

Company No. 202201007128 (1452825-U)

11th Floor, Menara Symphony
No. 5 Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

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www.epb.group

EPB GROUP BERHAD

Registration No.: 202201007128 (1452825-U)

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