



ANNUAL
REPORT
2024

JOURNEY
OF
TRANSFORMATION

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Vision

- Creating Solutions To Protect and Move What Matters

Mission

- Optimising raw materials through product innovations to reduce wastage
- Creating solutions to move what matters
- Providing an integrated packaging, storage and circular logistics to maximise product lifetime

Core Values

- Responsible
- Quality
- Innovative
- Efficiency

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	Enclosed Proxy Form

4th Annual General Meeting

Iconic 5 of Level 7, ICONIC HOTEL,
71, Jalan Icon City, Icon City,
14000 Bukit Mertajam,
Penang, Malaysia

Friday, 30 May 2025
at 10:00 a.m

Corporate Information

ABOUT US

Listed on the ACE Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) on 3 January 2023, L&P Global Berhad (“**the Company**” or “**L&P**”), together with its subsidiaries (“**the Group**”), is a Malaysia-based leading integrated industrial packaging solutions provider with operations in Malaysia and Vietnam. The listing was transferred to the Main Market of Bursa Securities on 2 February 2024.

Company Profile and Principal Activities

The Group is an integrated industrial packaging solutions provider where our solutions are integral parts of supply chain management that enable optimal use of industrial packaging products through cost-effective and efficient movement of goods throughout the supply chain, inventory management and space usage.

Our vision is creating solutions to protect and move what matters while our mission is optimising raw materials through product innovations to reduce wastage, creating solutions to move what matters and providing an integrated packaging, storage and circular logistics to maximise product lifetime. We are committed in our vision of creating a greener world through our business. Our goal is to make sustainable supply chain management a commonplace in the industry. We have started to implement circular economy practices into our operations to make that goal a reality.



Our Existing Premises	Usage	Built-up Area (Approximate sq ft)
Sungai Bakap Factory, Penang	<ul style="list-style-type: none">• Headquarters• Manufacturing of components• Assembly of pallets, boxes and crates• Recycling of pallets and storage	191,000
Perai Branch, Penang	<ul style="list-style-type: none">• Office• Storage• Assembly of boxes and crates	80,000
Kulai Branch, Johor	<ul style="list-style-type: none">• Office• Storage• Assembly of boxes and crates	12,000

Corporate Information (Cont'd)

Company Profile and Principal Activities (Cont'd)

Our Existing Premises	Usage	Built-up Area (Approximate sq ft)
Kulim Branch, Kedah	<ul style="list-style-type: none"> Storage Intended to be used as office, assembly of boxes and crates 	65,000
Bangi, Kuala Lumpur	<ul style="list-style-type: none"> Office Storage Assembly of pallets, boxes and crates 	11,000 Rented properties
Vietnam Factory	<ul style="list-style-type: none"> Office Manufacturing of components Assembly of pallets, boxes and crates Storage 	43,000 Rented properties
Total:		402,000

Our Integrated Industrial Packaging Solutions

Our solutions are integral parts of supply chain management that enable optimal use of industrial packaging through cost-effective and efficient movement of goods throughout the supply chain, inventory management, and space usage. Our integrated industrial packaging solutions comprise the following:

- Design and manufacturing of wooden industrial packaging products;
- Provision of packing services;
- Provision of circular supply services; and
- Trading as value-added services.

Design and manufacturing of wooden industrial packaging products

Industrial packaging is specialised and customisable packaging that provides protection to the products packaged during storage and transportation. We are involved in the design and manufacturing of wooden industrial packaging products comprising boxes, crates and pallets where all our boxes and crates are customised products while our pallets can be customised or sold as standard products with standard dimensions.

Provision of packing services

We provide packing services as value-added services when supplying boxes and crates to our customers, where we pack our customers' goods into our boxes and crates at our customers' premises. The goods that are packed into boxes and crates are generally high value, sensitive and large products such as machinery and equipment, which require added protection against impact due to movement.

Provision of circular supply services

We collect, repair and re-manufacture worn and broken pallets into usable recycled pallets. Repair works include replacing components or complete dismantling of the pallet to salvage any usable components.

Trading as value added services

We source and supply related products and raw materials when requested by our existing customers as value-added services. Examples of products we trade are plastic pallets, wood materials and packaging accessories.

Corporate Information (Cont'd)

Industries We Serve

Our customers are predominantly multinational corporations in renewable energy, electronics / semiconductor, and medical / pharmaceutical.



Renewable
energy (solar)



Medical /
Pharmaceutical



Logistics



Electronics /
Semiconductor



Automotive



Food

Key Milestones

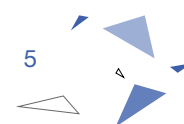
Over the span of four decades, our journey in the industry traces back to 1984, when our founders, Ooi Chang Seaw and the late Ooi Eng Leng, initiated a family partnership known as Syarikat Perusahaan Berjaya, venturing into the manufacturing of industrial packaging product. Since then, our Group has grown substantially and achieved few key milestones. These key milestones that we achieved over the years are largely contributed by the Board of Directors (“**Board**”) and the Key Senior Management (“**KSM**”) team who are supported by a team of dedicated employees.

Year	Key events and milestones
1984	<ul style="list-style-type: none"> Syarikat Perusahaan Berjaya was established to venture into the manufacturing of industrial packaging products in Bukit Tengah, Penang. During the initial years of the business, its customers mainly comprised of manufacturers in the rubber products, lift manufacturing, semiconductor and electrical and electronics industries. It also provided packing services to the customers who require their goods to be packed and secured into boxes and crates, and ready to be loaded and delivered.
1989	<ul style="list-style-type: none"> Berjayapak Sdn Bhd (“BSB”) was incorporated and remained dormant.
1992	<ul style="list-style-type: none"> BSB assumed the business in the manufacturing of industrial packaging products from Syarikat Perusahaan Berjaya, a sole proprietorship, which gradually ceased operations and was discontinued on 25 June 1992.
1997 to 2004: Corporate restructuring and adoption of modern management practices	
1998	<ul style="list-style-type: none"> The Group expanded the manufacturing facility by purchasing and relocating to a larger factory located in Sungai Bakap, Penang which has a land area of approximately 117,000 sq ft (“Sungai Bakap Factory”).
2002	<ul style="list-style-type: none"> BSB was certified compliant with ISO 9001 by SGS United Kingdom Ltd.
2003	<ul style="list-style-type: none"> The Group began providing pallet recycling and repair services under the Circular Economy Project – Pallet Recycling Programme (“PRP”), to provide the customers with an alternative choice of pallets, namely recycled pallets.

Corporate Information (Cont'd)

Key Milestones (Cont'd)

Year	Key events and milestones
2005 to 2014: Technical advancement and operations expansion	
2005	<ul style="list-style-type: none"> The Group installed a heat treatment chamber in Sungai Bakap Factory which allow us to treat the wood materials by removing moisture content, as well as repurpose the wood wastes by using them as feedstock in the boilers to power the heat treatment chamber. With this, the Group is also able to manufacture industrial packaging products that are compliant with the International Standards for Phytosanitary Measures No.15 (“ISPM 15”) in-house (applicable to natural wood).
2007	<ul style="list-style-type: none"> The Group expanded the Sungai Bakap Factory with the purchase of an adjacent factory which has a land area of approximately 117,000 sq ft to increase the storage capacity in order to support the expansion of the manufacturing capacity.
2010	<ul style="list-style-type: none"> The Group expanded the Sungai Bakap Factory with the purchase of another adjacent factory which has a land area of approximately 54,000 sq ft to increase the storage capacity in order to support the pallet recycling activities.
2015 to 2022: Transformational growth: New leadership, material and manufacturing technology upgrades, local and overseas expansion	
2015	<ul style="list-style-type: none"> Invested in design software (i.e. LoadSync software and Solidworks) for planning, visualising and designing of wooden industrial packaging products. Ooi Lay Pheng joined the Group as a Director, heading the sales and marketing, human resource, IT, quality assurance, and finance departments and was promoted to the position of Chief Executive Officer (“CEO”) in 2017.
2016	<ul style="list-style-type: none"> The Group began using engineered wood for the manufacturing of industrial packaging products. As engineered wood has consistent quality and dimension, lesser processing of wood materials is required, hence, reducing the amount of labour required in the factory. The Group purchased a radio frequency machine, an advanced drying machine to shorten the drying time of wood material.
2019	<ul style="list-style-type: none"> Berjayapak Vietnam Company Limited (“BV”) was incorporated. The Group rented a factory in Binh Duong, Vietnam which has a built-up area of approximately 27,000 sq ft, and began manufacturing boxes and crates to expand the market reach to potential customers in Vietnam (“Vietnam Factory 1”). The Group secured its first customer in Vietnam.
2020	<ul style="list-style-type: none"> The Group rented another adjacent factory in Binh Duong, Vietnam which has a built-up area of approximately 16,000 sq ft to support the expansion of the manufacturing capacity in Vietnam (“Vietnam Factory 2”) (“Vietnam Factory 1” and “Vietnam Factory 2” collectively referred as “Vietnam Factory”).
2021	<ul style="list-style-type: none"> The Group rented a premises in Kulai, Johor which has a built-up area of approximately 12,000 sq ft and is used for storage of boxes and crates to serve the customers in the southern region and in Singapore (“Kulai Branch”). L&P was incorporated in Malaysia under the Act on 30 August 2021 as a private limited company under the name of Berjayapak International Holdings Sdn Bhd.
2022	<ul style="list-style-type: none"> Berjayapak International Holdings Sdn Bhd had changed its name to L&P Global Sdn Bhd on 27 January 2022 and subsequently converted to a public limited company on 22 March 2022. The Group had acquired two adjacent premises in Perai, Penang, which has a built-up area of approximately 47,000 sq ft (“Perai Branch 1”) and 33,000 sq ft (“Perai Branch 2”), respectively (collectively, “Perai Branch”) and is used for storage of boxes and crates to serve the customers surrounding the Perai area. The Group had acquired a premise in Kulim, Kedah which has a built-up area of approximately 65,000 sq ft (“Kulim Branch”) and is currently used for storage of raw materials. L&P launched the Prospectus in conjunction with the Initial Public Offering exercise, on 13 December 2022. L&P launched the Employees' Share Option Scheme (“ESOS”) on 29 December 2022.



Corporate Information (Cont'd)

Key Milestones (Cont'd)

Year	Key events and milestones
2023 to Present: Post-Listing key events	
3 January 2023	<ul style="list-style-type: none"> L&P successfully listed its entire issued share capital of RM74,353,509 comprising 560,000,000 ordinary shares on the ACE Market of Bursa Securities. L&P offered 11,200,000 share options under ESOS to eligible persons with an exercise price of RM0.30 per share.
13 June 2023	<ul style="list-style-type: none"> The Board of Directors proposed to undertake transfer of the listing and quotation for the entire issued share capital of L&P from the ACE Market to the Main Market of Bursa Securities.
1 August 2023	<ul style="list-style-type: none"> The Group completed the relocation for boxes and crates assembly activities from Sungai Bakap Factory to Perai Branch.
25 October 2023	<ul style="list-style-type: none"> The Group completed installation of Rooftop Solar PV System (NEM) at the Sungai Bakap Factory.
18 December 2023	<ul style="list-style-type: none"> The Group completed the acquisition of the Kulai Branch, Johor which has a land area of approximately 23,000 sq ft for total purchase consideration of RM4.00 million.
2 February 2024	<ul style="list-style-type: none"> The entire issued share capital of L&P was transferred to the Main Market of Bursa Securities.
1 March 2024	<ul style="list-style-type: none"> The Group rented a premises in Bangi, Selangor which has a built-up area of approximately 11,000 sq ft and is used for office, storage and assembly of boxes and crates to serve the customers in the central region (“KV Branch”).



Corporate Information (Cont'd)

BOARD OF DIRECTORS

Dato' Seri**Lee Kah Choon***Independent Non-Executive Chairman***Ooi Lay Pheng***Executive Director / Chief Executive Officer***Ong Kah Hong***Executive Director / Chief Operating Officer***Lee Soon Swee***Executive Director / Chief Technical & Transformation Officer***Phoon Yee Min***Independent Non-Executive Director***Dato' Mohamed Amin Bin Mohd Kassim***D.S.P.N. Penang Independent Non-Executive Director***Hew Hein Hwei***Independent Non-Executive Director***Nomination Committee****Phoon Yee Min***Chairperson***Dato' Mohamed Amin Bin Mohd Kassim***Member***Hew Hein Hwei***Member***Remuneration Committee****Dato' Mohamed Amin Bin Mohd Kassim***Chairman***Phoon Yee Min***Member***Hew Hein Hwei***Member***Audit And Risk Management Committee****Phoon Yee Min***Chairperson***Dato' Mohamed Amin Bin Mohd Kassim***Member***Hew Hein Hwei***Member***Company Secretaries****Tai Yit Chan**SSM PC No. 202008001023
(MAICSA 7009143)**Ong Tze-En**SSM PC No. 202008003397
(MAICSA 7026537)**Lau Yoke Leng**SSM PC No. 202008003368
(MAICSA 7034778)**Head Office**1328, Jalan Sungai Baong
Furniture Industrial Estate
14200 Sungai Bakap
Pulau Pinang
Tel No. : (04) 582 9980
Email : info@lpglobalbhd.com
Website: www.lpglobal.com**Auditors**BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
51-21-F, Menara BHL
Jalan Sultan Ahmad Shah
10050 Pulau Pinang
Tel No. : (04) 222 0288
Fax No.: (04) 222 0299**Registered Office**170-09-01, Livingston Tower
Jalan Argyll
10050 George Town
Pulau Pinang
Tel No. : (04) 229 4390
Fax No.: (04) 226 5860
Email: boardroom-kl@boardroomlimited.com**Share Registrar**Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
Tel No. : (03) 7890 4700
Fax No.: (03) 7890 4670
Email: bsr.helpdesk@boardroomlimited.com**Principal bankers**

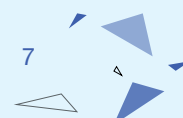
Hong Leong Islamic Bank Berhad

Alliance Islamic Bank Berhad

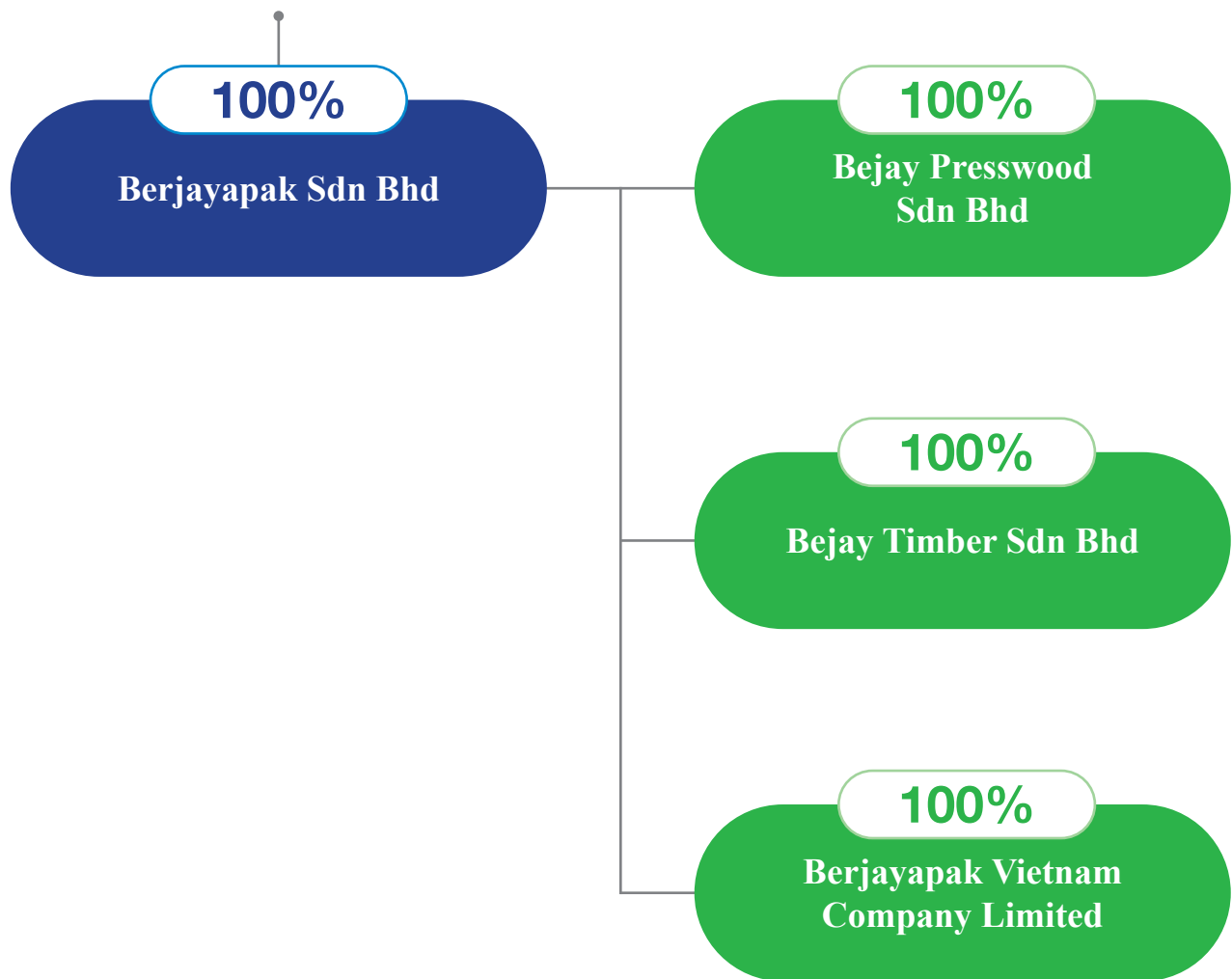
CIMB Islamic Bank Berhad

Stock Exchange ListingMain Market of Bursa Malaysia Securities
Berhad
Stock name : L&PBHD
Stock code : 0268**Website**

www.lpglobalbhd.com

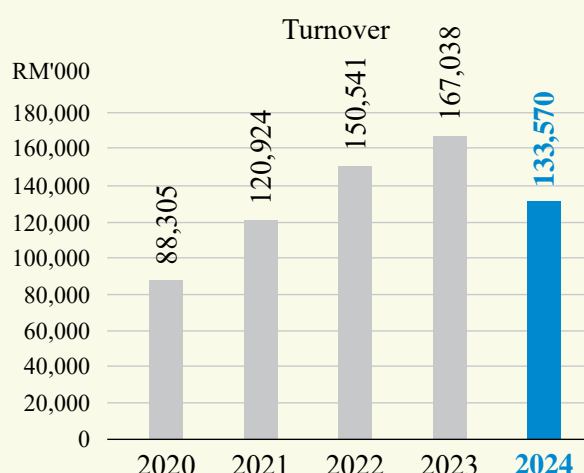
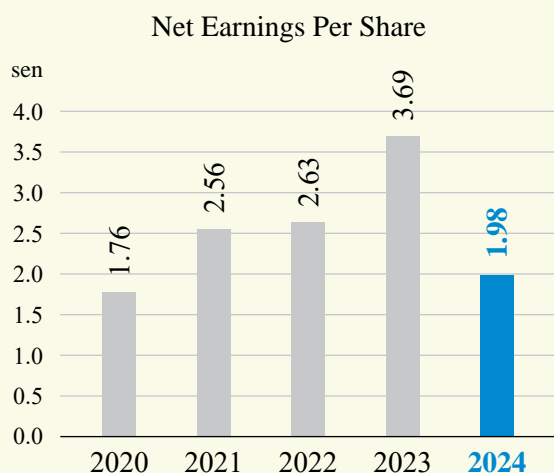
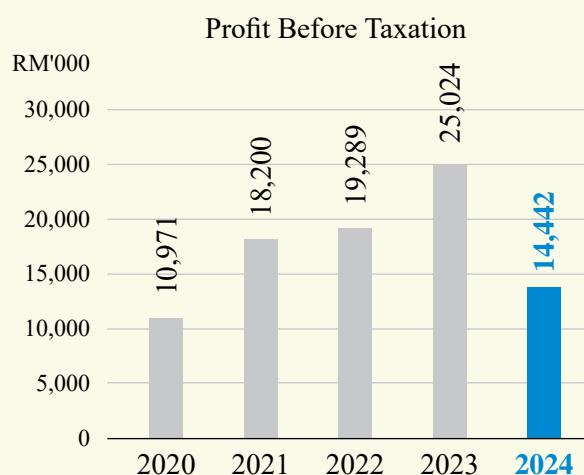
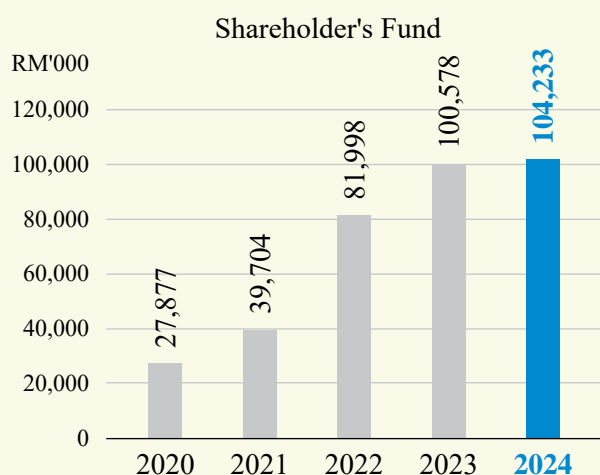


Corporate Structure



Financial Highlights

Year Ended 31 December	2020 ⁽¹⁾ RM'000	2021 ⁽¹⁾ RM'000	2022 RM'000	2023 RM'000	2024 RM'000
Turnover	88,305	120,924	150,541	167,038	133,570
Profit Before Taxation	10,971	18,200	19,289	25,024	14,442
Profit After Taxation	9,852	14,330	14,736	20,684	11,099
Profit Attributable to Shareholders	9,852	14,330	14,736	20,684	11,099
As at 31 December					
Total Assets Employed	57,309	74,104	137,389	143,627	143,394
Shareholder's Fund	27,877	39,704	81,998	100,578	104,233
Net Earnings Per Share (Sen)	1.76 ⁽²⁾	2.56 ⁽²⁾	2.63 ⁽²⁾	3.69	1.98
Net Tangible Assets Per Share	0.05 ⁽²⁾	0.07 ⁽²⁾	0.15 ⁽²⁾	0.18 ⁽²⁾	0.19 ⁽³⁾



⁽¹⁾ L&P Global completed the acquisition of Berjayapak Sdn. Bhd. in November 2022.

The Group presented the comparative financial information as if the business combination had taken place before the start of the earliest period presented in the financial statement.

The basis of preparation should be read in conjunction with the Accountant's Report as disclosed in the Prospectus of the Company dated 13 December 2022.

⁽²⁾ Calculated based on the Company's issued share capital of 560,000,000 ordinary shares upon listing on the ACE Market of Bursa Malaysia Securities Berhad.

⁽³⁾ Calculated based on the Company's issued share capital of 560,798,000 ordinary shares at the end of reporting year.

Board of Directors



Standing from left to right

Dato' Mohamed Amin Bin Mohd Kassim, Hew Hein Hwei, Phoon Yee Min

Seated from left to right

Ong Kah Hong, Dato' Seri Lee Kah Choon, Ooi Lay Pheng, Lee Soon Swee



Profile of Directors

Dato' Seri Lee Kah Choon

Independent Non-Executive Chairman

Male • Malaysian • Aged 65

Dato' Seri Lee Kah Choon was appointed to our Board on 1 January 2022 as Independent Non-Executive Director. Effective from 1 December 2024, he resigned as Chairman of the Nomination Committee and member of the Audit and Risk Management Committee and Remuneration Committee of the Company and has been redesignated as our Group's Chairman.

Dato' Seri Lee is currently the Independent Non-Executive Chairman of Aemulus Holdings Berhad, a company listed on the ACE Market of Bursa Securities, which engages in the design & assembly of automated test equipments in the electronic industry.

He is the Chairman of Federal Oats Mills Sdn Bhd, South East Asia's largest oats manufacturer producing quality oats & oats based products for the Asian, Middle East and African markets.

Dato' Seri Lee also sits on the board of Niationgate Holdings Berhad, a company listed on the Main Market of Bursa Securities as their Independent Non-Executive Director. The company is involved in the business of electronic manufacturing services.

Dato' Seri Lee is currently the Independent Non-Executive Chairman of Northeast Group Berhad, a company listed on the ACE Market of Bursa Securities. The company is involved in the manufacturing of precision engineering components used in photonics, electrical & electronics, semiconductor, telecommunication and optoelectronics industries.

Additionally, Dato' Seri Lee is a member of the Investment Committee of Areca Capital, a licensed fund manager for individuals, corporations and institutions.

Dato' Seri Lee had served as board member of various federal & state government linked companies & corporations; Parliamentary Secretary; Member of Parliament & Municipal Councillor.

He was a practicing lawyer with his own private legal practice from 1987 to 2004, after being called to the Bar of Malaya in 1987 and Bar of England & Wales in 1986.

Dato' Seri Lee holds a Bachelor of Laws from the Southampton University, United Kingdom and a Master of Arts in Law and Practise from the City University, London. He is also a Barrister at Law of Middle Temple & a Certified Financial Planner.

Ooi Lay Pheng

Chief Executive Officer / Executive Director

Female • Malaysian • Aged 54

Ooi Lay Pheng is our Executive Director / CEO. She was appointed to our Board on 30 August 2021 and has been helming the Group's strategic direction and business development since 2017.

Ms. Ooi graduated from Wichita State University, USA with a Bachelor of Business Administration degree and a Master of Arts in Economics in 1994 and 1996, respectively.

She was previously recruited by a healthcare company based in Australia to set up a company branch in Kuala Lumpur and to develop and coordinate healthcare programs between medical centres in the Klang Valley. She then joined another healthcare company as an International Patient Care Centre Manager where she was the liaison for overseas healthcare representatives while facilitating marketing activities and healthcare companies.

A woman with many passions, she has freelanced as a cake decorating instructor and even started up a baking and cake decorating curriculum at an international school in Kuala Lumpur. In addition, she has also served as an event coordinator and group facilitator at a Non-Governmental Organisation ("NGO") where she mentored young children and teenagers through value based and character building programs.

Her commitment to lifelong learning has driven her pursuit of advanced knowledge in key areas such as business analytics, circular economy and global supply chain management; equipping her to lead in today's complex business landscape.

Under her leadership, the group expanded its operations from a single location to five, spanning across Malaysia and Vietnam. Her visionary approach to integrating sustainability into the business model has driven the group's exponential growth over the last decade.

Her leadership was further recognised by Ernst & Young, where she was named Malaysian EY Women Entrepreneur of the Year 2021. In 2024, she was selected for the EY Entrepreneurial Winning Women Asia-Pacific.

A thought leader in the packaging industry, Ms. Ooi actively contributes to global forums in the USA, Europe, Canada, China, Ethiopia and locally in Malaysia.

Profile of Directors (Cont'd)

Ong Kah Hong

Chief Operating Officer / Executive Director

Male • Malaysian • Aged 64

Ong Kah Hong is our Executive Director / Chief Operating Officer. He was appointed to our Board on 30 August 2021.

Mr. Ong graduated from the University of Windsor, Canada with a Bachelor of Arts major in Mathematics in 1983.

He started his career as a Production Control Officer at Hitachi Semiconductor (M) Sdn Bhd, (“**Hitachi**”), a multinational semiconductor company and was involved in production control and material planning and scheduling of manufacturing operations. He was subsequently promoted to the position of Deputy Manager of Production Control in 1999. He was responsible for the management, direction and control of production and material planning and scheduling for all manufacturing operations. He also assisted in the development of long-term production plans as well as managed the security and utilisation of the company’s inventory.

He left Hitachi in 2000 and joined SR Technology Sdn Bhd (“**SR Technology**”) as the General Manager, where he oversaw the operations of the plant as well as coordinated different departments to ensure efficient operation.

He joined our Group since 2003. Rising up the ranks from Material Manager to General Manager and subsequently promoted to the position of Chief Operating Officer in 2021, where he leads and oversees the business operations, including logistics and warehouse, production planning, facilities and engineering. He has played a key role in contributing to the growth and development of our Group’s business operations.

He also hold directorship in a private limited company.

Lee Soon Swee

Chief Technical & Transformation Officer / Executive Director

Male • Malaysian • Aged 55

Lee Soon Swee is our Executive Director / Chief Technical & Transformation Officer. He was appointed to our Board on 13 November 2024.

Mr. Lee graduated from Wichita State University with a Masters in Science in Mechanical Engineering and Degree in Science in Aerospace Engineering.

He started his career in 1993 as a Lab Researcher at the National Institute of Aviation Research (NIAR), USA, where he advanced to Laboratory Manager by 1996, lecturing on composite manufacturability and overseeing laboratory research and development work. He then joined MEMC Electronic Materials Inc. in the USA as a Process Engineer, facilitating technology transfer between MEMC’s USA and Malaysia sites.

In 2000, he moved to Applied Materials South East Asia Pte Ltd (AMAT) as a Regional Process Engineer, applying best-known methods for integrated circuit manufacturing and overseeing process and equipment qualifications, notably at SilTerra Malaysia. By 2004, he was with Pall Corporation in Malaysia as a Technical Manager, providing technical solutions in filtration, separation, and purification for various market segments. He later held a regional role as a Senior Technical Specialist in Singapore from 2019 to 2024, focusing on micro contamination control for South East Asia semiconductor customers, including India.

Between 2005 and 2008, Mr. Lee also served as a Non-Independent Non-Executive Director for TMC Life Sciences Berhad, where he contributed to medical technology advancements by designing lab equipment to enhance fertility outcomes.

Mr. Lee will lead innovation in packaging products and drive organizational transformation, ensuring alignment of technology, processes, and culture with strategic objectives. By fostering cross-functional collaboration, he aims to deliver scalable, sustainable, and customer-centric solutions, strengthening the Group’s position as an industry leader in industrial packaging.

Profile of Directors (Cont'd)

Dato' Mohamed Amin Bin Mohd Kassim (D.S.P.N.Penang) Independent Non-Executive Director

Male • Malaysian • Aged 72

Dato' Mohamed Amin Bin Mohd Kassim is our Independent Non-Executive Director. He was appointed to our Board on 1 January 2022. He serves as Chairman of the Remuneration Committee and member of Audit and Risk Management Committee and Nomination Committee of the Company.

He completed the Degree awarded by the Chartered Institute of Logistics and Transport (“CILT”), United Kingdom in 1975. He was elected as a Chartered Member of CILT in 2008 and subsequently as a Chartered Fellow (“FCILT”) in 2018. FCILT is the highest and most prestigious status awarded to highly qualified and experienced professional in logistics and transport industry.

He is the past Chairman of CILT Malaysia, Selangor section. He is also the Deputy President of CILT Malaysia.

He has accumulated extensive experience in the shipping, air-freight and logistics industry which include the setting up of overseas branches for a logistics company in London, Tokyo, Los Angeles and Bremen; as well as coordinating and implementing contract agreements from government ministries and agencies.

He was also the General Manager of a Malaysian shipping agency and responsible for managing and expanding the business for Evergreen Group's shipping and assisted in securing the landing rights for EVA Airways Corporation in Malaysia.

Prior to retirement, he was the Deputy Managing Director for Century Logistics Holdings Berhad (now known as CJ Century Logistics Holdings Berhad) and contributed to its successful listing on the Second Board of the Kuala Lumpur Stock Exchange (now known as Bursa Securities) for 19 years.

He has been an active speaker in symposiums and seminars in the field of value-added logistics and supply chain management. He has also contributed to the writing of the Industrial Master Plan for Malaysia in 2007 and 2010.

Currently he has been appointed as Director in Advancement of Logistics & Supply Chain, for Saito University College Sdn. Bhd. (Lecturer & Advisor – Not a statutory director). He is also an Independent Non-Executive Director both in the Board of Port Klang Authority and Keretapi Tanah Melayu Berhad.

Phoon Yee Min Independent Non-Executive Director

Female • Malaysian • Aged 44

Phoon Yee Min is our Independent Non-Executive Director. She was appointed to our Board on 1 January 2022. She serves as Chairperson of the Audit and Risk Management Committee and Nomination Committee and member of Remuneration Committee of the Company.

She graduated from Universiti Sains Malaysia with a Bachelor of Accounting (Honours) in 2004. She was admitted as a Professional Member of the Institute of Internal Auditors Malaysia in 2009, a Chartered Accountant of the Malaysia Institute of Accountants in 2015 (“MIA”), a Certified Internal Auditor (“CIA”) in 2020 and member of the Association of Chartered Certified Accountants (“ACCA”) in 2022.

She has extensive experience in the areas of providing internal audit, sustainability, risk and compliance services to a wide range of companies which included public listed companies and multinationals of various industries.

She is currently an Executive Director of YNC Business Consulting Sdn Bhd (“YNC”), which is involved in the provision of consultancy services including internal audit and enterprise risk management services, sustainability reporting, business transformation, policies and procedure establishment, corporate governance and compliance services.

Presently, she is an Independent Non-Executive Director of Mi Technovation Berhad and GUH Holdings Berhad, both being companies listed on the Main Market of Bursa Securities. She is also an Independent Non-Executive Director of Coraza Integrated Technology Berhad, a company listed on the ACE Market of Bursa Securities.

Profile of Directors (Cont'd)

Hew Hein Hwei

Independent Non-Executive Director

Male • Malaysian • Aged 42

Hew Hein Hwei is our Independent Non-Executive Director. He was appointed to our Board on 1 December 2024. He serves as member of Remuneration Committee, Nomination Committee, and Audit and Risk Management Committee of the Company.

Mr. Hew started his career in 2005 until 2014 in Global Closure Systems SAS. He started as the Process Engineer and advanced through several key roles to Regional Manufacturing Manager for Asia. He managed staff across factories in Shanghai, Bangkok, and Manila for a leading European company in the plastic packaging industry, successfully leading a diverse team in a complex, multi-national environment. He then joined Top Glove Corporation Berhad as General Manager of Manufacturing and Head of Group HR, overseeing operations and leading the HR function at the group level until 2016.

In 2016, he moved to Pemara Label (M) Sdn Bhd (“**PEMARA**”), a global leader in flexible packaging and label manufacturing for fast-moving consumer goods, beverages, and pharmaceuticals, where he served as General Manager until 2018, overseeing all business functions. He left PEMARA and joined CHEP Malaysia Sdn Bhd (“**CHEP**”) in 2019. CHEP, a subsidiary of Brambles Limited, is a leading global company specialising in the pooling of unit-load equipment, pallets, crates, and containers, and is listed on the Australian Securities Exchange.

In 2024, Mr. Hew left CHEP and joined Crop Protection (M) Sdn Bhd (“**CROP**”) as Group Chief Operating Officer. CROP is one of the largest agrochemical manufacturers in Malaysia, producing mainstream herbicides and fungicides for the agriculture industry with a distribution network of over 400 outlets across Malaysia. In his current role, he manages all operations-related departments, including Production, Engineering, Quality, Procurement, Logistics, and Sales Operations.

Notes to Directors' Profiles:

1. Family Relationship

Mr. Lee Soon Swee is the spouse of Ms. Ooi Lay Pheng. Save as disclosed, none of the other Directors have any family relationship with any director and / or major shareholder of the Company.

2. Directors' Shareholdings

Details of Directors' shareholdings in the Company can be found in the “Analysis of Shareholdings as at 2 April 2025” section of the annual report.

3. Non-Conviction of Offences

None of the Directors have been convicted of any offences, other than traffic offences, if any, within the past five (5) years.

4. No Conflict of Interest

None of the Directors have any conflict of interest with the Company.

5. Public Sanction or Penalty Imposed by Relevant Regulatory Bodies

None of the Directors have been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2024.

Profile Of Key Senior Management Team

Ng So Yin

Operations Director

Female • Malaysian • Aged 57

Ng So Yin is currently our Operations Director. Her responsibilities include overseeing production, planning, engineering and facilities and to improve productivity and profitability of our Group.

She graduated with a Bachelor of Applied Science (Hons) Major in Physics from Universiti Sains Malaysia in 1993.

She then started her career as an Industrial Engineer in Sony Electronics (M) Sdn Bhd in 1993 and later Seagate (M) Sdn Bhd (“**Seagate**”) in 1996, where her roles included planning and factory layout requirement analysis, establishing standards and key performance indicators for production, determining process cycle time and lead time. She left Seagate in 1998 and joined Advanced Micro Devices Export Sdn Bhd as a Senior Industrial Engineer, mainly in charge of capacity planning. In 2001, she rejoined Seagate (now known as Benchmark (M) Sdn Bhd) as Staff Industrial Engineer, a managerial position for similar roles.

In 2010, she joined Mattel (M) Sdn Bhd (“**Mattel**”) as Manufacturing Manager where she was responsible for managing various production areas. Subsequently in 2011, she left Mattel and joined Maica Laminates Sdn Bhd (“**Maica**”) as Industrial Engineering Manager. She was in charge of setting up the industrial engineering department in Maica. Later, she was promoted to the position of Assistant General Manager in 2012 and subsequently General Manager in 2013, mainly responsible for formulating the company’s operational strategy and was in charge of the production, planning and engineering department. She left Maica in 2018 and join Jabil Circuit Sdn Bhd as Senior Workcell Manager, where she worked closely with sourcing department and was responsible for planning, production and engineering work. In 2021, she joined our Group as the Senior Operations Manager.

Lee Ai Chen

Senior Finance Manager

Female • Malaysian • Aged 38

Lee Ai Chen graduated with a Bachelor's degree in Accounting from Universiti Utara Malaysia in 2010. She was qualified as a Chartered Accountant in 2015 and was admitted as a member of the Malaysian Institute of Accountants.

After graduating, she began her career at Crowe Horwath PLT as an Audit Assistant in 2010, where she assisted with a wide range of audit work. She left Crowe Horwath PLT in 2012 with her last position as Senior Associate and joined NTPM Holdings Bhd (“**NTPM**”) as an Internal Auditor. In this role, she provided independent and objective assurance on investment decisions, as well as the effectiveness and efficiency of internal controls and processes.

In 2014, she was appointed as an Accountant at NTPM, where she was responsible for overseeing the finance department. She was then promoted to Finance Manager in 2017, assisting the CEO in managing the overall financial matters of the NTPM Group.

In 2024, she left NTPM to join Berjayapak Sdn Bhd as Senior Finance Manager.

Profile Of Key Senior Management Team (Cont'd)

Ong Bee Nghoh

Senior Business Support Manager

Female • Malaysian • Aged 53

Ong Bee Nghoh is our Senior Customer Support Manager and has been with our Group for 22 years since 2002.

Upon graduation in 1997, she joined Fujisash (M) Sdn Bhd (“**Fujisash**”) as a Management Trainee and was subsequently assigned to the position of Quality Assurance Section Head. During her time at Fujisash she assisted the Company in achieving the ISO 9001 Quality Management Systems. She was also responsible for documentation and data control to ensure only approved, current Quality Management System documentations are used throughout the organisation and oversaw calibration and testing activities. She left Fujisash in 2000 to join Teleplan Technology Services Sdn Bhd (“**Teleplan**”) as a Document Control Officer, where she was responsible for implementing document control activities plantwide via intranet to ensure accurate and timely distribution of information such as customer drawings throughout an organisation, as well as maintaining intranet systems for document storage and retrieval. She was also responsible for document security and the assigning of user access. Similar to her role at Fujisash, she played a key role in assisting Teleplan to achieve the ISO 9001 Quality Management Systems.

She subsequently left Teleplan to join our Group in 2002 as a Sales Administration Executive and was subsequently promoted to Senior Sales Administration Executive in 2004. During this period, she facilitated the setting up of the document control for our Group on Product Specification and Drawing prepared by our sales team as well as the development and improvisation of procedures and policies to facilitate customer orders. She was promoted to the position of Sales Manager in 2008 where she took on more responsibilities such as managing the sales team and operating the Pallet Design System software for our Group to meet the design requirements of the customers.

She was redesignated to act as our Sales and Operation Manager between 2014 to 2015 where she was instrumental in overseeing the purchase process in our Malaysia operations by overseeing the purchase, administration and operations. In 2018, she was promoted to the position of Sales Support Manager where she managed the sales operation of our Group and assisted in the setting up of the Vietnam Factory. In 2021, she was promoted to the position of Senior Order Fulfilment Manager where she takes charge of the order fulfilment resource planning and acts as an administrator to coordinate the operation process flow. In August 2023, she was redesignated as Senior Customer Support Manager.

She holds a Bachelor of Arts (Honours) in Mathematics from University of Malaya in 1997.

Ch'ng Chun Geet

Senior Finance Manager

Male • Malaysian • Aged 54

Ch'ng Chun Geet is our Senior Finance Manager and has been with our Group since 2001. He graduated from Bukit Mertajam High School with the Sijil Tinggi Persekolahan Malaysia (STPM) certification.

He started his career at Skelchy Su Lim & Associates as an Audit Assistant in 1995 and subsequently held the title of Senior Auditor from 1998 to 1999, where he was responsible in auditing of client's financials. In 1999 he left the firm to join Leader Video Sdn Bhd (“**Leader**”), a company that distributes, records and advertises video films, as a Finance and Administration Manager, where he directly reported to the Managing Director and the holding company. His responsibility spanned across Human Resource, Administration and Accounting matters.

He left Leader after it was dissolved and joined our Group as Finance and Administrative Manager in 2001. During this period, he was responsible for overseeing the Company's Human Resource, Administrative and Finance Departments. His responsibilities include liaising with both internal departments and external parties such as bankers, government bodies and auditors. From 2004 to 2021, he was reassigned to Finance Manager reporting to the General Manager and subsequently reporting to the CFO from 2021 onwards, with a sole focus on the finances of the Company for both Malaysia and Vietnam. Since 2021, he has been promoted to the position of Senior Finance Manager, managing the financial position of the whole group. He has been the key figure for our Group's finances and has been with our group for 23 years. He also assisted in setting up the finance department of our Vietnam operations.

Notes to Key Senior Management Team Profiles:

- 1. Directorship in Other Public / Public Listed Companies**
None of the Key Senior Management (“**KSM**”) personnel hold directorship in any public companies and public listed companies in Malaysia.
- 2. Family Relationship**
None of the KSM personnel have any family relationship with any director and / or major shareholder of the Company.
- 3. Non-Conviction of Offences**
None of the KSM personnel have been convicted of any offences, other than traffic offences, if any, within the past five (5) years.
- 4. No Conflict of Interest**
None of the KSM personnel have any conflict of interest with the Company.
- 5. Public Sanction or Penalty Imposed by Relevant Regulatory Bodies**
None of the KSM personnel have been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2024.

Management Discussion & Analysis



Dear Valued Shareholders,

On behalf of the management team, I am pleased to present to you the management discussion and analysis of L&P Global Berhad and its subsidiaries (collectively “L&P” or the “Group”) for the financial year ended 31 December 2024 (“FY2024”).

FY2024 was a year of resilience for L&P, as the Group navigated a challenging macroeconomic landscape marked by political uncertainties and subdued market conditions. Despite these headwinds, L&P remained steadfast in executing our strategic growth initiatives, laying the foundation for sustainable growth while positioning ourselves to capitalise on emerging opportunities as market conditions improve.

Supported by prudent management and a strong focus on operational efficiency, we steered through the volatile operating environment and concluded the financial year with a healthy profit after tax (“PAT”) of RM11.1 million on the back of RM133.6 million revenue.

In the year under review, L&P marked a key milestone in its corporate journey with the successful transfer of listing from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

In line with our commitment to strengthening leadership and driving long-term growth, the Group welcomed strategic appointments to our Board of Directors (“**BOD**”) in FY2024. Dato’ Seri Lee Kah Choon was appointed as Independent Non-Executive Chairman, succeeding Dato’ Ooi Hooi Kiang, while Mr. Hew Hein Hwei joined as Independent Non-Executive Director. Further reinforcing our leadership team, the Group also appointed Mr. Lee Soon Swee as Executive Director, spearheading our initiatives in innovative packaging solutions to enhance competitiveness and drive sustainable growth.

Overall, L&P remain committed to operational excellence and value creation for our customers. We will continue to adopt a measured approach, balancing cautious expansion with financial prudence to navigate industry dynamics amid external headwinds.

Management Discussion & Analysis (Cont'd)

BUSINESS AND OPERATIONAL REVIEW

As an integrated industrial packaging solutions provider, L&P is principally engaged in the design and manufacturing of boxes and crates and provision of packing services (“**boxes and crates**”), as well as the design and manufacturing of pallets (“**pallets**”). Additionally, the Group also provides renewable paper fiber packaging solutions and foldable wall panel boxes, which were introduced in FY2024. Complementing these packaging offerings, L&P also provides circular supply services and trading as a value-added service for our customers.

With operations in Malaysia and Vietnam, our industrial packaging solutions serve a diverse range of multinational corporations (“**MNCs**”) across industries such as renewable energy, electronics and semiconductors, food, automotive, packaging, life science, machinery and equipment.

Operationally, FY2024 presented challenges to our pallets and boxes and crates segments due to macroeconomic and political uncertainties. Key customer industries, particularly renewable energy, have been impacted by overcapacity in China's solar panel manufacturing sector. Consequently, customers have become increasingly focused on cost rationalisation. While the electronics and semiconductor industries are in a recovery phase, the pace remains slow.

In response, the Group is focusing on operational efficiency and cost optimisation. By streamlining operations, processes, and systems, we aim to maximise the efficiency of our existing facilities. This approach has enabled us to effectively navigate current challenges, remain adaptable to evolving market conditions, and prioritise key projects or address specific customer needs. Meanwhile, we are closely monitoring foreign exchange and interest rate movements to mitigate potential adverse impacts on performance.

Geographically, our operations in Vietnam which primarily focus on boxes and crates, have remained stable, consistently delivering a revenue contribution of approximately 19% to our Group in the year under review.

Beyond navigating challenges, FY2024 was also a year of strategic expansion and business development, as we chart a sustainable course for growth.

New Product Development

In the fourth quarter of FY2024, L&P introduced new packaging solutions, namely renewable paper fiber packaging and foldable wall panels boxes. These new products reinforce the Group's commitment to sustainable and innovative packaging solutions.



The renewable paper fiber packaging series are designed for strength, space efficiency and waste reduction, while being unit load testable to ensure durability. Made from renewable materials, it supports customers' ESG commitments by promoting sustainable packaging practices. Additionally, L&P also offers customised inserts tailored to specific packaging needs. We are pleased to receive positive market interest and have already secured customer orders for this packaging solution.

Management Discussion & Analysis (Cont'd)

BUSINESS AND OPERATIONAL REVIEW (Cont'd)

New Product Development (Cont'd)

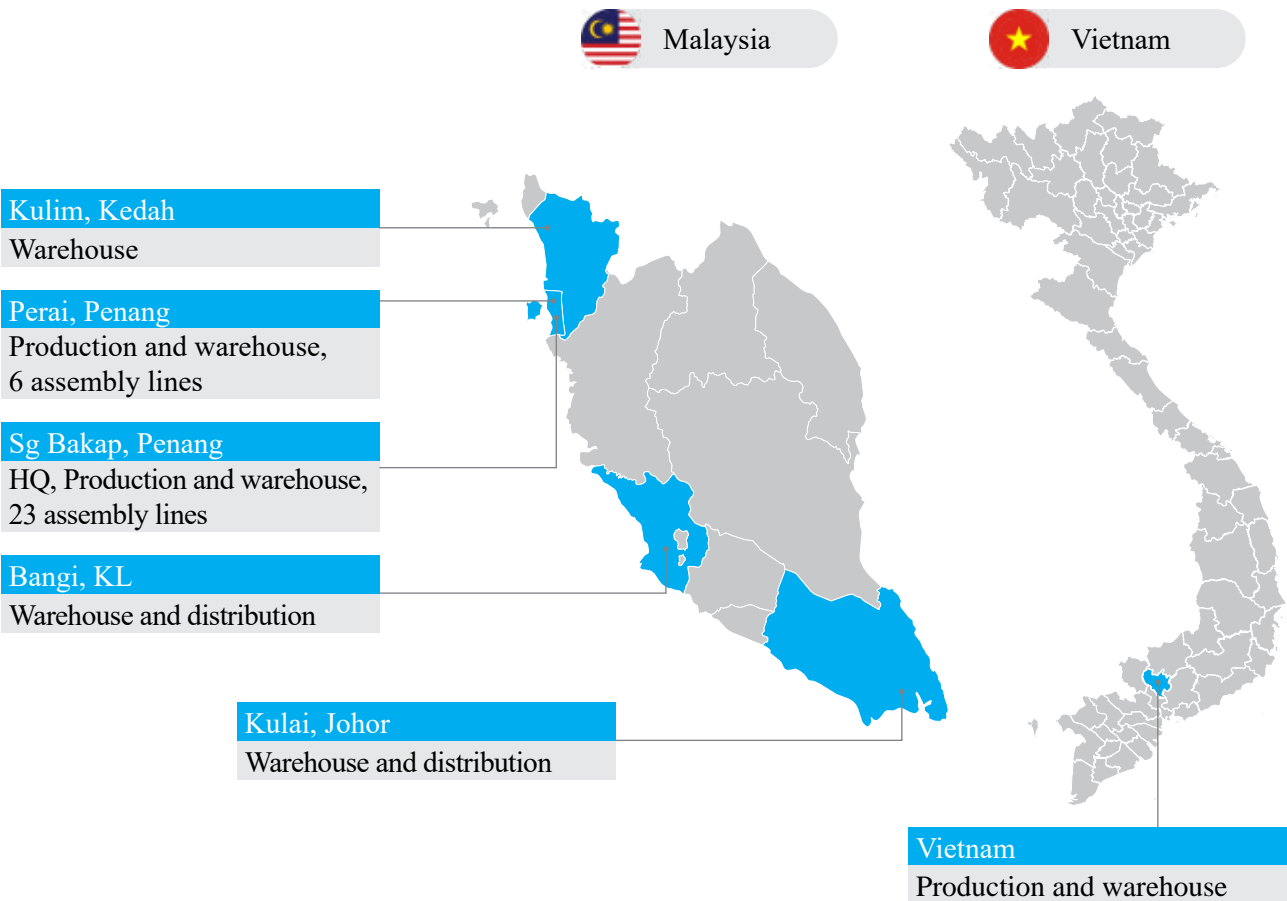
Meanwhile, the foldable wall panel box is a versatile and space-saving solution that can be stacked and folded to specifications. It is unit load testable and designed to accommodate heavy items while optimising storage and transportation efficiency.



Commencement of Operations in Bangi Plant

In September 2024, the Group successfully commenced operations at our new plant in Bangi, Selangor. With a built-up area of approximately 11,000 sq ft, the facility is utilised for office space, storage, and assembly of boxes and crates. This initiative enhances our geographical coverage, enabling us to better serve customers in the central Klang Valley region.

With the commencement of operations at the Bangi plant, we have filled the final piece of our geographical expansion puzzle in Peninsular Malaysia. We now operate strategically across North, Central, and South Malaysia, ensuring proximity to our customers, allowing consistent delivery of top-tier service and efficient supply chain management.



Management Discussion & Analysis (Cont'd)

BUSINESS AND OPERATIONAL REVIEW (Cont'd)

New Customer Acquisition

L&P is proactively engaging with prospective customers and laying the groundwork for future business relationships. This strategic approach positions the Group to capitalise on new sales opportunities as the economic climate improves.

**46 New Customers
Secured in FY2024**
Across various industries

In FY2024, we successfully secured 46 new customers across various industries, including electronics and electrical (“E&E”), logistics, food packaging, machinery and equipment sectors. This marks a significant step in diversifying our customer base, further expanding beyond our focus on the renewable energy sector.

Although order volumes from new customers are currently small, they have strong growth potential. More importantly, securing our status as an approved vendor positions us to grow with them, ensuring greater opportunities as their demand increases.

Healthy Utilisation Rate with Operational Flexibility

Following our successful relocation of boxes and crates assembly in the third quarter of FYE 2023, our current Perai Branch boast an operational capability of 64,800 pieces annually.

As of FY2024, our overall utilisation rate for the boxes and crates assembly stands at a healthy 84%, while the pallet assembly is operating at around 64%. The expansion at Perai has equipped us with ample capacity to accommodate any increase in demand, allowing us to effectively serve new customers as market conditions evolve. Additionally, this expansion provides us with the operational flexibility to prioritise key projects and adapt to changing business needs, ensuring we remain responsive to shifting economic conditions.

Strategic Board Appointments of Industry Experts to Drive Strategic Growth

L&P has appointed Mr. Lee Soon Swee as the Group’s Executive Director, effective 13 November 2024. With over 30 years of experience in engineering, specialising in applied science and laboratory research and development (“R&D”) work across aerospace, semiconductor, and life science industries, Mr. Lee brings valuable expertise in innovation and material science. His leadership will be crucial in exploring new packaging solutions and expanding into new market segments. By leveraging on Mr. Lee’s technical leadership and process engineering skills, we also aim to further improve our operational efficiencies.

Meanwhile, L&P is further strengthening our Board with the redesignation of Dato’ Seri Lee Kah Choon and the appointment of Mr. Hew Hein Hwei, effective from 1 December 2024. Their insights in business development and deep understanding in key industries will provide invaluable guidance as we navigate an evolving market landscape, opening new avenues to expand our customer base within these market segments. We recognise the importance of a Board that shares our commitment, and we believe their fresh perspectives will drive our continued growth and aspirations.



Management Discussion & Analysis (Cont'd)

BUSINESS AND OPERATIONAL REVIEW (Cont'd)

Transfer Listing to the Main Market of Bursa Securities



Listed on the ACE Market of Bursa Securities since January 2023, we achieved another significant corporate milestone by transferring our listing to the Main Market of Bursa Securities in February 2024. This move signifies more than just a market shift, it reflects our commitment to growth and positions us for expanded opportunities by enhancing our visibility and corporate image. The transfer is a strategic step to strengthen stakeholder confidence, facilitates attracting talents for business expansion, and enhances our ability to secure new customers.

FINANCIAL PERFORMANCE REVIEW

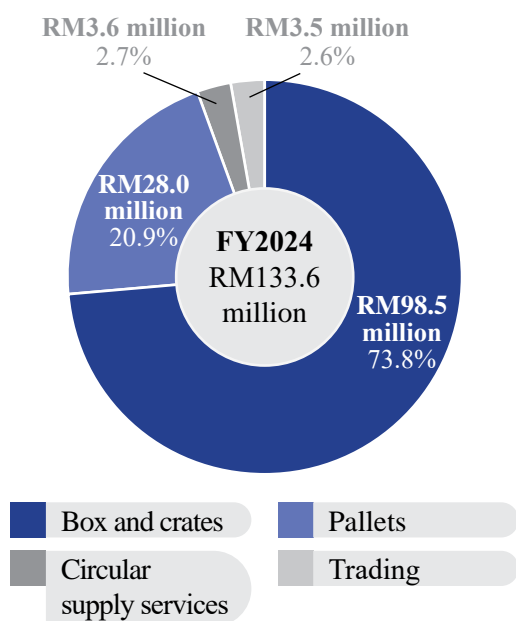
Revenue

In FY2024, L&P recorded a revenue of RM133.6 million, compared to RM167.0 million in FY2023. This was mainly attributed to the reduction in demand for pallet sales from customers in the renewable energy sector.

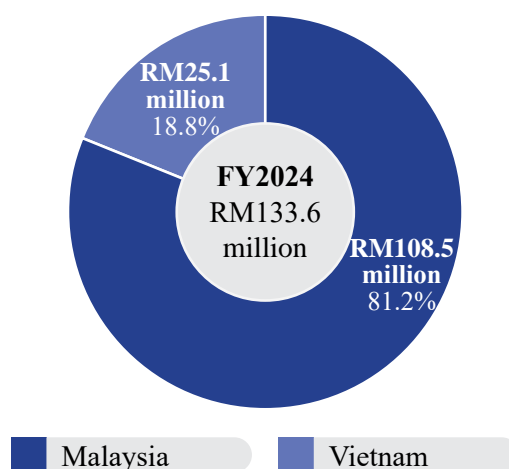
The boxes and crates segment remained as the Group's main revenue contributor, which accounted for 73.8% or RM98.5 million of total revenue, followed by pallets at 20.9% or RM28.0 million, circular supply services at 2.7% or RM3.6 million, and trading at 2.6% or RM3.5 million.

Geographically, Malaysia market accounted for 81.2% or RM108.5 million of the Group's total revenue, while Vietnam contributed 18.8% or RM25.1 million in FY2024.

Revenue Breakdown By Segments



Revenue Breakdown By Geographical Markets



Management Discussion & Analysis (Cont'd)

FINANCIAL PERFORMANCE REVIEW (Cont'd)

Profitability

The Group reported a profit before tax (“**PBT**”) of RM14.4 million in FY2024, as compared to RM25.0 million in FY2023. This decline was primarily due to the lower revenue, which affected both economies of scale and cost efficiency. Additionally, with approximately 50% of our sales are in USD, the gradual strengthening of the Malaysian Ringgit against the USD during the year led to a forex loss of RM1.0 million in FY2024, in contrast to a forex gain of RM1.1 million in FY2023.

Correspondingly, L&P’s PAT stood at RM11.1 million in FY2024, as compared to RM20.7 million in FY2023. Despite facing economic challenges, our Group remained resilient. For the year under review, the Group recorded a PBT margin of 10.8% and a PAT margin of 8.3%.

Capital structure and capital resources

As at 31 December 2024, L&P’s total assets remained broadly similar at RM143.4 million compared to RM143.6 million recorded a year ago. The Group also maintained a strong cash holding, with its cash and bank balances increased to RM50.6 million as at the end of FY2024 from RM40.2 million last year.

L&P’s shareholders’ equity has continued its upward trajectory, increasing to RM104.2 million as at 31 December 2024 from RM100.6 million last year. Meanwhile, the Group’s total liabilities declined to RM39.2 million as at the end of FY2024 from RM43.0 million a year ago, primarily due to the repayment of banking facilities, which reduced total borrowings to RM27.1 million from RM29.1 million last year.

L&P’s balance sheet position remains solid, supported by low debt levels, a strong cash position, and healthy liquidity. The Group’s gearing ratio improved to 0.30 times as at 31 December 2024 from 0.33 times last year, well within manageable levels and below 1 times. Additionally, the Group’s current ratio strengthened to 8.55 times from 7.67 times, reflecting improved liquidity.

Revenue Breakdown By Geographical Markets



Total Assets
RM143.4 million



Total Equity
RM104.2 million



Total Liabilities
RM39.2 million



Cash & Bank Balances
RM50.6 million



Gearing Ratio
0.30x



Current Ratio
8.55x

Net Operating Cash Flow (“NOCF”)

In FY2024, L&P generated a strong positive NOCF of RM24.8 million. This sustained positive cash flow generation reflects the Group’s effectiveness in managing working capital and its ongoing efforts to optimise operational efficiencies.

Management Discussion & Analysis (Cont'd)

ANTICIPATED OR KNOWN RISKS

At L&P, we maintain a prudent and hands-on approach to identifying and managing potential business risks within the dynamic business environment. By closely monitoring and mitigating potential risks, we ensure they remain within acceptable limits. Our strict adherence to rigorous risk management practices allows us to minimise disruptions and safeguard the long-term sustainability of our operations.

Dependence on Major Customers

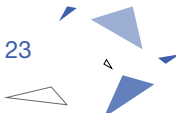
The Group's revenue is dependent on several key customers, particularly in the renewable energy sector. Any shifts in their purchasing patterns could significantly impact our financial performance.

We actively monitor our performance and maintain strong relationships with key customers. Recognising the importance of long-term engagement, we maintain stringent quality controls at every stage, from raw materials to manufacturing and final inspections, ensuring our products surpass our customers' expectations and complying to all relevant statutory and regulatory requirements. We regularly conduct customer satisfaction surveys to gather feedback, driving continuous improvement to enhance customer experience and retention. Below are the collected responses from our customer satisfaction survey, where we are pleased to receive positive feedback on our quality and services.

Customer Satisfaction Survey 2024

How would you describe Berjayapak's products, solutions & services?

Can look for Berjayapak if you are looking for recycled timber pallet	Provide good services and good quality product	Berjayapak - so far tender extraordinary support to sustain the production	Good value for money
Highly recommended	Products qualities are satisfied and best pallet provider	Good in shipment and quality	Competitive price, able to meet customer specs
Berjayapak delivers quality pallets and service satisfied	Truly can be recommended to purchase from Berjayapak	Good Quality and well organize team to manage customer order & requirement	So far all OK Good
Supportive and Professionalism	A collaborative and knowledgeable supplier	Good Service	Reliable product and service
	Quality good	Quite supportive and good quality products	



Management Discussion & Analysis (Cont'd)

ANTICIPATED OR KNOWN RISKS (Cont'd)

Dependence on Major Customers

We also actively pursue new business opportunities through referrals, networking sessions, our corporate website and digital marketing channels. Led by a dedicated sales and marketing team, we focus on serving customers, responding to inquiries, and developing new product proposals. These strategies have yielded positive results, successfully expanded our customer base in the financial year under review.

Trade fairs, exhibitions, forums, and panel discussions remain key avenues for market expansion. These platforms allow us to showcase our products, build new customer relationships, network with potential customers worldwide, and explore business opportunities. We will continue leveraging these engagements to strengthen our market presence and sustain our growth trajectory. The key trade fairs and exhibitions we participated in for FY2024 are as follows:

Key Trade Fair / Exhibition	Organiser
YYC Equity Planning 14.0 Forum - KL, May 2024	YYC Advisors
EY World Entrepreneur of The Year 2024	EY Malaysia
EY Entrepreneurial Winning Women Asia Pacific	EY Malaysia
ARiMM Risk Management Conference & C-Suite Forum 2024	The Academy of Risk Management Malaysia (ARiMM)
Vienna Sustainable Food Packaging (VSFP) 2024	Co-organised by United Nations Industrial Development Organization (UNIDO), International Atomic Energy Agency (IAEA), Packforce Austria, the World Packaging Organization, and FH Campus Wien
World Without Hunger Conference 2024	UNIDO

Dependence on Human Capital

Due to the labour-intensive nature of our industry, our Group is reliant on workers for manufacturing activities. Challenges in hiring and retaining local employees, as well as loss of foreign workers without timely replacements could disrupt our operations. Additionally, rising labour costs due to evolving government policies may impact financial performance.

To mitigate these risks, we prioritise talent recruitment, retention, and career development. We are dedicated to cultivating a collaborative and supportive workplace through health initiatives and team-building activities. Additionally, we regularly update our corporate website and social media platforms to showcase our Group's value and culture to attract talents.

We conduct annual performance appraisals to recognise and reward employees for their contributions, fostering motivation and excellence across the organization. Tailored training programs, such as Training Needs Analysis, are conducted to nurture professional development and a skilled workforce that drives L&P's continued growth and success.

We also constantly invest in new machinery to enhance productivity, quality, and safety standards. In FY2024, we have strategically acquired new machineries at both Sungai Bakap Factory and Perai Branch, enabling the adoption of mechanisation, conveyor systems, and computer-controlled processes in pallet production. This has significantly improved precision and quality, which enabled us to optimise operations and ensure that our production processes remain agile and responsive to market demands.

Management Discussion & Analysis (Cont'd)

ANTICIPATED OR KNOWN RISKS (Cont'd)

Global Economic Risk

The global economy faces challenges driven by inflation, price volatility, and fluctuating interest rates, stemming from factors such as geopolitical tensions, trade disputes between the US and China, and policy changes. These conditions may negatively affect our operations and prospects in the countries where we operate, as well as those where our customers operate. A prolonged economic slowdown in our markets could lead to reduced trade activities and a subsequent decline in demand for our products, affecting our business.

To mitigate these risks, we remain vigilant and proactive in our operations through closely monitoring interest rate trends and currency fluctuations. By staying informed, we can make well-informed decisions, implement effective risk management strategies, and develop contingency plans to minimize exposure to these risks, ensuring business continuity during uncertain and challenging times.

Interruptions in Our Operations

Our business is exposed to interruptions or delays caused by factors such as equipment failures, fires, natural disasters, and other unforeseen incidents. We rely on key machinery and equipment, including heat treatment chambers, radio frequency machines, boilers, and multi-ripping machines, to carry out our manufacturing activities. These machines may occasionally break down or suffer damage during operations. Additionally, our factories are at risk from natural disasters like floods and storms. As our production involves wood, a flammable material, we are particularly vulnerable to fire hazards. Moreover, disruptions to the electricity supply could also cause operational delays.

Such interruptions can affect our ability to meet customer orders, potentially damaging our reputation and financial performance. Prolonged disruptions could also halt or delay manufacturing processes, harming relationships with customers and our standing in the industry.

To mitigate these risks, we conduct regular machinery inspections to detect issues before they lead to breakdowns. We also maintain backup machinery for critical equipment to ensure continuity. In case of fire or natural disasters, we have established an Emergency Response Team (“ERT”) and conduct regular drills to ensure preparedness. Our fire-fighting equipment is regularly inspected, and we maintain comprehensive fire, public liability, and consequential loss insurance to minimise financial risks. Additionally, we have strategically placed backup sites to quickly respond to disruptions, ensuring that we can continue operations with minimal impact.



Management Discussion & Analysis (Cont'd)

DIVIDEND

The Group aims to strike a balance between rewarding our shareholders and ensuring sufficient capital for future growth initiatives. L&P has adopted a dividend policy where the Board intends to recommend and distribute a dividend of 20% to 50% of our annual audited consolidated PAT to our shareholders. Our ability to declare and pay dividends are subject to the discretion of our Board.

25.3%
FY2024 Dividend Payout

The Board has declared and paid a first interim single-tier dividend of 0.50 sen per ordinary share amounting to RM2.8 million for FY2024, equivalent to 25.3% of the basic earnings per share of 1.98 sen.

INDUSTRY OUTLOOK AND PROSPECTS

Global economic conditions remain challenging, with the ongoing US-China trade conflict disrupting supply chains and policy shifts in major economies adding to market volatility. Headwinds persists in the renewable energy sector, as Chinese solar customers navigate rising cost pressures. Similarly, the E&E and semiconductor industries face uncertainties, with potential policy changes in the US market influencing our customers' investment and expansion decisions.

Nonetheless, Malaysia remains resilient and well-positioned to capture new opportunities. The ongoing trade tensions between the US and China have led many MNCs to reevaluate their supply chain strategies, leading to an increasing trend of relocation of manufacturing operations to Southeast Asia. As a result, Malaysia and neighbouring countries such as Vietnam have become key beneficiaries of the "China Plus One" strategy, which aims to reduce reliance on China's market and supply chain.

As a result, investment activity in Malaysia has remained strong. According to the Malaysian Investment Development Authority ("MIDA"), Malaysia secured RM378.5 billion in approved investments in 2024, the highest in the nation's history marking a 14.9% year-on-year increase from the previous record of RM329.5 billion in 2023.

While certain customer segments face near-term headwinds, the broader manufacturing expansion in the region presents opportunities for L&P to expand the Group's customer base. As more companies establish or expand their operations in Malaysia, the demand for high-quality packaging solutions is expected to grow, creating new avenues for L&P to strengthen its market presence.

Importantly, L&P is well-positioned to capitalise on these emerging opportunities. As an established integrated industrial packaging solutions provider with a strong track record of serving MNCs, the Group benefits from an extensive industry network. With a strategic presence across northern, central, and southern Malaysia, the Group is positioned to tap into key industrial hubs like Penang and Johor, which are preferred investment destinations and home to many MNCs. In FY2024, the Group has also been laying the groundwork for long-term growth through targeted initiatives.

Management Discussion & Analysis (Cont'd)

INDUSTRY OUTLOOK AND PROSPECTS (Cont'd)



Building Business Relationships with Prospective Customers

We continue to cultivate relationships with new customers, expanding our customer base across various industries like E&E, logistics, food packaging, and machinery sectors. These new relationships are expected to develop into long-term partnerships, driving sales growth and contributing to sustainable expansion.

Additionally, L&P has the capacity to support new customers, backed by our previous expansion of the Perai Branch and investments in mechanisation. These enhancements have improved production capabilities, increased operational efficiency, and reduced costs, ensuring the Group remains competitive while meeting growing customer demands.



Exploring New Markets and Innovative Packaging Solutions

Innovation and sustainability have always been at the core of our Group's commitments. With the appointment of our new Executive Director, Mr. Lee, who brings a strong track record in R&D and material science, we aim to explore new packaging solutions or materials that cater to evolving customer needs while unlocking opportunities in new market segments. This forward-thinking approach is reflected in our previous diversification into engineered wood for our packaging products, which has enhanced product quality and throughput.

We have also been actively exploring business collaborations in sustainable packaging, particularly in supporting non core sectors like food supply chains. These initiatives align with our commitment to sustainability and present opportunities for strategic partnerships. By engaging with potential collaborators, we are paving the way for future business opportunities in the non core sectors.

Exploring Synergistic M&A Opportunities

To strengthen our position as an integrated industrial packaging solutions provider, we are exploring M&A opportunities that offer synergies and enhance our vertical integration. Through strategic acquisitions, we aim to reinforce our market presence by expanding operational capabilities and extending our market reach, further positioning L&P as a leading player in the industrial packaging industry.

We are focused on acquiring companies that complement our existing capabilities, enabling us to leverage shared industry expertise and established business relationships. This strategic investment aligns with our long-term growth ambitions, supporting the expansion of our packaging business while enhancing our competitive edge.

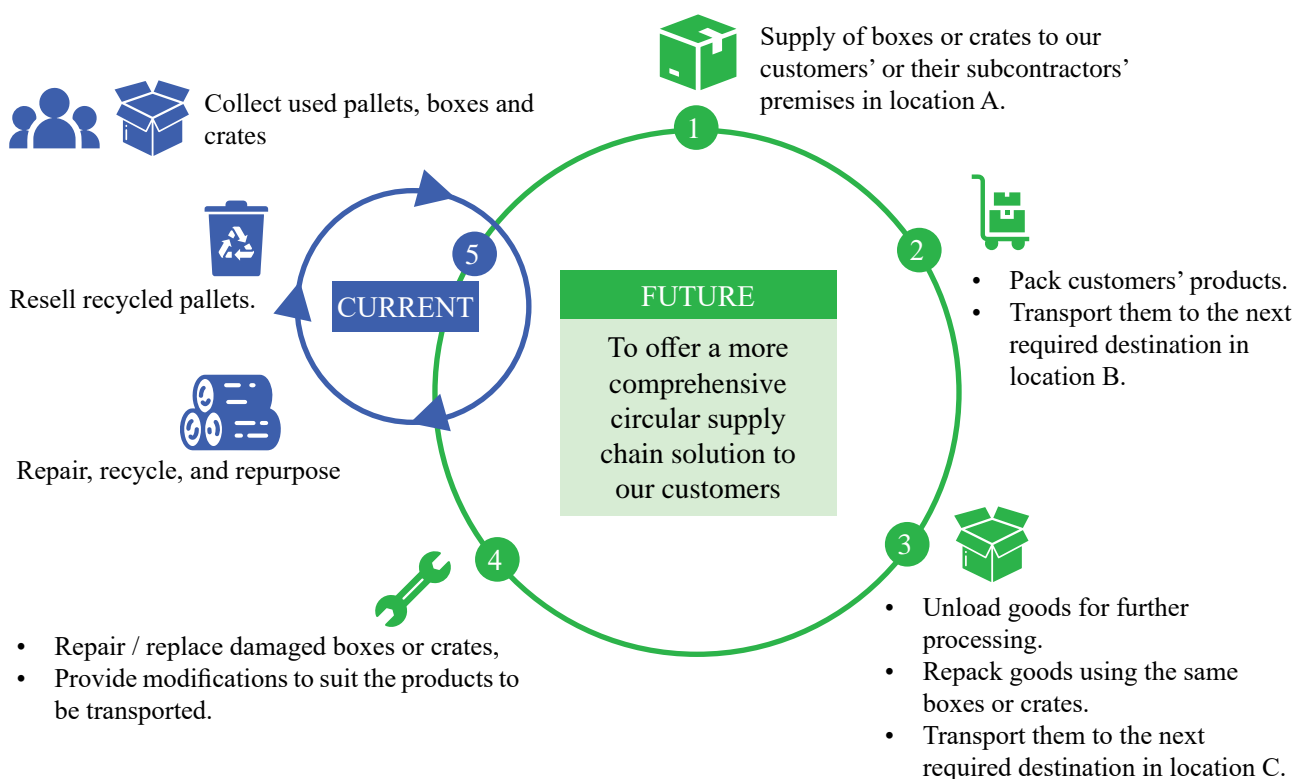
Management Discussion & Analysis (Cont'd)

INDUSTRY OUTLOOK AND PROSPECTS (Cont'd)

Capitalising On the Growing Importance of ESG

As sustainability becomes a critical focus for businesses, we are committed to expanding our circular supply services to provide a more comprehensive circular supply chain solution to our customers. By collecting, repairing, and re-manufacturing worn and broken pallets and crates into reusable, recycled pallets and crates, we aim to make sustainable supply chain management a standard practice within the industry. This approach not only reduces our need for new raw materials but also serves as a commendable initiative towards reducing our environmental footprint.

Looking ahead, we plan to expand our logistics services to customers who purchase industrial packaging products from us. This expanded service offering will include transporting products to customers' premises, collecting used industrial packaging products, and returning them to the nearest branch. From there, we will deliver the used products to our Sungai Bakap Factory for reuse or recycling. This solution is designed to enable the seamless adoption of circular supply chain practices for our customers, with the scope of our offerings tailored to meet their specific supply chain needs. Service fees will be based on the type of services required, such as pallet recycling and repair, logistics, and unloading and uncarting. By introducing these additional services, we can create new revenue streams while playing a more significant role in supporting and enhancing our customers' supply chain management.



Management Discussion & Analysis (Cont'd)

INDUSTRY OUTLOOK AND PROSPECTS (Cont'd)

Capitalising On the Growing Importance of ESG (Cont'd)



Fundamentally, wooden packaging is a sustainable solution that aligns with the growing demand for eco-friendly packaging solutions. As businesses place greater emphasis on environmental responsibility, we are well-positioned to support our clients in meeting their sustainability goals. Compared to plastic alternatives, wooden packaging offers significant environmental advantages, including recyclability, reusability, and biodegradability. Additionally, its manufacturing process generates lower carbon emissions, making it a more sustainable choice. By providing eco-friendly packaging solutions, we reinforce our commitment to responsible business practices while enabling our customers to achieve their ESG objectives.

Closing remark and Appreciation

As an integrated industrial packaging solutions provider, we are committed to upholding sustainable supply chain processes. Our goal is to offer comprehensive solutions that enhance our customers' supply chain efficiency through the optimal use of industrial packaging products, cost-effective and efficient movement of goods, and streamlined inventory management. While acknowledging potential external challenges, we remain prudent in our approach and confident in the guidance of our Board and the expertise of our management team.

We would like to extend our deepest appreciation to Dato' Ooi Hooi Kiang, who stepped down as Chairperson of L&P, for her leadership and contributions. Her guidance has supported the company's listing exercise on Bursa Securities, and we wish her the best in her future endeavours.

We are also grateful to our customers, shareholders, financiers, business partners, suppliers, consultants, relevant authorities and all other stakeholders for their ongoing trust and support. Additionally, we sincerely appreciate our dedicated employees whose commitment and hard work have helped navigate the challenges of FY2024.

Looking ahead, we acknowledge the uncertainties surrounding the global economy and policy landscape, which may weigh on market conditions. Given this backdrop, the Group will maintain a cautious approach, prioritising financial prudence and operational efficiency while selectively pursuing growth opportunities. While the near-term outlook remains challenging, we are focused on strengthening our fundamentals to sustain long-term resilience for FY2025 and beyond.

Sustainability Statement



Introduction

L&P Global Berhad (“L&P” or “the Company”) and its subsidiaries (“the Group”) are pleased to present our Sustainability Statement (“Statement”) for the financial reporting period from 1 January 2024 to 31 December 2024 (“FYE 2024”), providing an overview of our Group’s performance of sustainability indicators covering the practices and our efforts to accomplish economic, environmental, and social impacts initiatives.

This Statement should be read in conjunction with other sections in our Annual Report namely Management Discussion & Analysis, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control as well as Corporate Governance Report, as sustainability efforts may be better contextualised and narrated in the respective sections.

REPORTING PERIOD, SCOPE AND BOUNDARY

This Statement provides information on our Group’s annual sustainability performance and key achievements for the FYE 2024, unless stated otherwise. Where relevant, we will also include data from previous years to track year-on-year progress and provide comparative data.

The scope of this Statement covers all of L&P’s businesses in Malaysia and Vietnam.

REPORTING FRAMEWORK

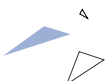
This Statement is prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) with reference to Bursa Securities’s Sustainability Reporting Guide and Toolkits released by Bursa Securities.

In addition, we strongly support the United Nations Sustainability Development Goals (“**UNSDGs**”) and have aligned our efforts since our participation in the Sustainability Business Award (“**SBA**”) of Malaysia assessment in 2021. Therefore, this Statement contains a significant amount of our efforts focused on the 3Ps – Profit, Planet and People, which are related and relevant to the UNSDGs and SBA.

AVAILABILITY AND POINT OF CONTACT

This Statement is available on our Company’s website at www.lpglobalbhd.com.

We are fully committed to listening to our stakeholders and we welcome feedback for our continuous improvement in sustainability initiatives and reporting approach. Please email us at ir@lpglobalbhd.com.



Sustainability Statement (Cont'd)

ASSURANCE

This Statement has not been externally assured. Notwithstanding, the performance data published in this Statement have been assessed, validated and reviewed by the internal operations and the Management.

OUR COMMITMENT TO SUSTAINABILITY

Corporate sustainability starts with a company’s value system and a principles-based approach to doing business. This means operating in ways that meet fundamental responsibilities in the areas of the 3Ps – Planet (Environment), People (Social) and Profit (Economic & Governance). Responsible businesses establish the same values and principles wherever they have a presence and know that good practices in one area can only add to the value of another.

The terms of the 3Ps can be explained as below:

Planet (Environment)	People (Social)	Profit (Economic & Governance)
<ul style="list-style-type: none">• Businesses should support a precautionary approach to environmental challenges• Undertake initiatives to promote greater environmental responsibility• Encourage the development and diffusion of environmentally friendly technologies• Reduce waste, pollution and protect future resources	<ul style="list-style-type: none">• Businesses should support and respect the protection of internationally proclaimed human rights• The elimination of all forms of forced and compulsory labour• The effective abolition of child labour• The elimination of discrimination in respect of employment and occupation• Retain talent and provide career growth opportunities	<ul style="list-style-type: none">• Businesses should work against corruption in all its forms, including extortion and bribery• Improve efficiency, productivity and promote circular economy

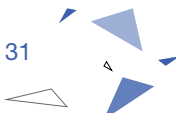
OUR SUSTAINABILITY GOVERNANCE

Our sustainability governance is led by our Board of Directors where the Group’s sustainability governance structure is integrated into our corporate governance framework. Our Board is committed to sustainability practices in our organisation and is supported by the Sustainability Steering Committee and Sustainability Working Group in overseeing the sustainability matters of the Group.

Mr. Lee Soon Swee, Chief Technical and Transformation Officer ("CTTO") led the Sustainability Steering Committee that is supported by Chief Executive Officer ("CEO"), Chief Operating Officer ("COO"), Chief Financial Officer ("CFO"), Key Senior Management ("KSM") and respective Head of Departments.

The Sustainability Working Group is led by COO and is responsible to undertake the process of materiality assessment, execute the sustainability initiatives and monitoring its progress.

The sustainability governance organisation chart has been re-structured along with respective roles and responsibilities as illustrated below.



Sustainability Statement (Cont'd)

OUR SUSTAINABILITY GOVERNANCE (Cont'd)

Governance	Roles and Responsibilities
Board Of Directors Chairman: Dato' Seri Lee Kah Choon (Group Chairman)	<ul style="list-style-type: none"> Review and adopt a strategic plan for the Group to ensure the sustainability of its business and Group operations supports long-term value creation; and Oversee the governance on sustainability with the Management, including setting strategies, priorities and targets on economic, environmental and social consideration underpinning sustainability and communication on the same (including performance against targets) to internal and external stakeholders.
Sustainability Steering Committee Chairman: Lee Soon Swee (CTTO) Members: Ooi Lay Pheng (CEO) Ong Kah Hong (COO) Ow Chooi Khim (CFO) Ch'ng Chun Geet (Senior Finance Manager) - Coordinator Tan Soo Pheng (Human Resource Manager) Ng So Yin (Operations Director)	<ul style="list-style-type: none"> Guide the Sustainability Steering Committee to meet its oversight responsibilities in relation to the Group's sustainability initiatives and performance; Drive the Group's sustainability initiatives (engaging with stakeholders both internal and external in developing strategies, priorities and targets and subsequently, monitoring and reporting performance against targets) and the integration of sustainability considerations in the Group's operations; Review sustainability matters with the Sustainability Steering Committee; and Report to the Board of Directors on sustainability matters.
Sustainability Working Group Chairman: Ong Kah Hong (COO) Departments: - Business Account Management - Quality Assurance - Logistics - Manufacturing Planning - Production - Engineering - Finance - Information Technology - Human Resources & Administration - Berjayapak Vietnam Company Limited	<ul style="list-style-type: none"> Identify material sustainability matters that are relevant to our Group's business operations; Responsible for materiality assessment, identification and monitoring of initiatives / actions, execution of initiatives / actions and reporting; Propose sustainability initiatives and measures to be implemented across our Group; Implement sustainability initiatives that have been approved by the Board; Conduct data collection and analysis for sustainability reporting; and Report to the Sustainability Steering Committee on sustainability matters.



Sustainability Statement (Cont'd)

CORPORATE MEMBERSHIP AND ASSOCIATION

We are corporate members of the following associations and organisations and we continued to contribute to the development of economic, environmental and social sustainability matters individually and collectively via business associations.

Association	Year First Joined	Current Validity Period
Penang Furniture and Timber Industry Association	1995	Lifetime membership
National Wooden Pallet & Container Association, United States	1996	January 2025 – December 2025
Malaysia Wood Industries Association	2006	Lifetime membership
Federation of Malaysia Manufacturers	2019	July 2024 – June 2025
Institute of Corporate Directors Malaysia	2022	December 2024 – November 2025

STAKEHOLDER ENGAGEMENT

Stakeholders are essentially individuals or group that has an effect on, or is affected by our Group and our activities.

Our key stakeholder groups include shareholders, financiers and investors, government agencies and regulators, customers, employees, community, suppliers and contractors as well as media.

We continually engage with our stakeholders through different methods and channels to understand and respond to their concerns in order to align their key priorities with our Group business strategies. The outcome of the stakeholder engagement enables us to identify upcoming market trends, anticipate challenges and align our sustainability strategy and business activities with broader interests of the economy, society and environment.

The table below summarises our key stakeholders' engagement methods, the frequency of each engagement method and stakeholder's areas of interest.

Stakeholder Groups	Areas of Interest	Engagement Methods	Engagement Frequency
Investor / Shareholders	<ul style="list-style-type: none"> Return on investment Business prospects Future roadmap Corporate governance 	<ul style="list-style-type: none"> Annual general meeting / Extraordinary general meeting Quarterly and annual reporting Company's website and social media platform Roadshow / investor briefing Whistleblowing policy 	<ul style="list-style-type: none"> As needed Quarterly Annually
Directors	<ul style="list-style-type: none"> Return on investment Business prospects Future roadmap Corporate governance 	<ul style="list-style-type: none"> Board of Directors meetings Corporate events 	<ul style="list-style-type: none"> As needed Quarterly Annually



Sustainability Statement (Cont'd)

STAKEHOLDER ENGAGEMENT (Cont'd)

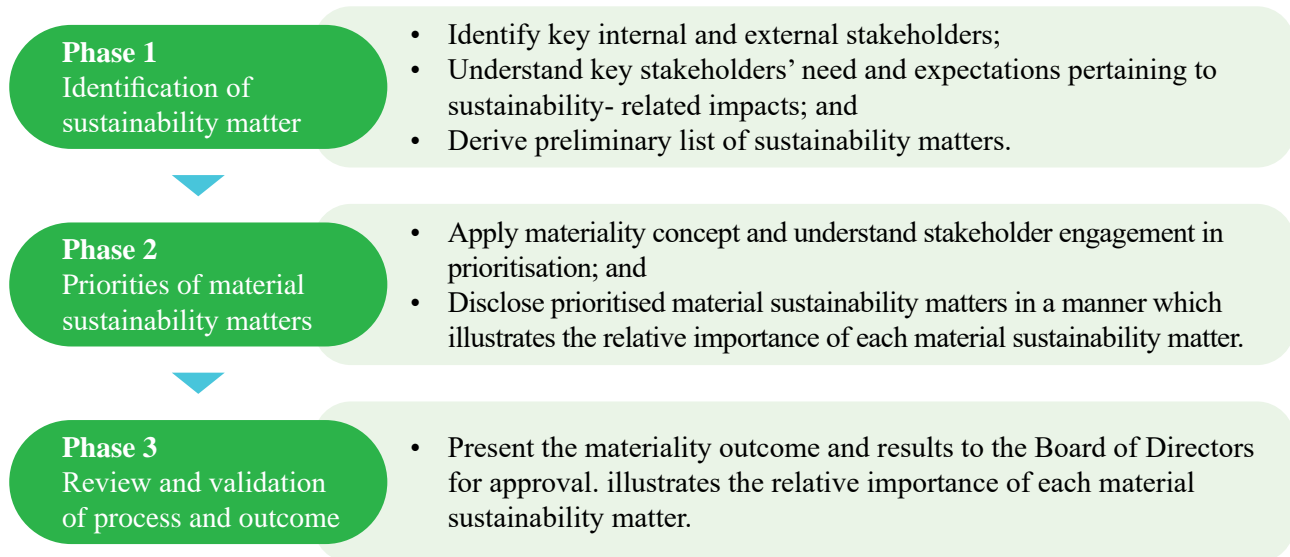
Stakeholder Groups	Areas of Interest	Engagement Methods	Engagement Frequency
Management	<ul style="list-style-type: none"> Financial performance Production performance Business strategy 	<ul style="list-style-type: none"> Management meeting and reporting Corporate events 	<ul style="list-style-type: none"> As needed Monthly Quarterly Annually
Employees	<ul style="list-style-type: none"> Competitive salary and benefits package Work-life balance Occupational safety and health Diversity and equal opportunities Employee development and talent retention 	<ul style="list-style-type: none"> Employee handbook Performance appraisal Training and development Recreational activities Corporate events 	<ul style="list-style-type: none"> As needed Annually
Customers	<ul style="list-style-type: none"> Long term relationship Product quality Reliable delivery Competitive prices Customer service and responsiveness 	<ul style="list-style-type: none"> Meetings Customer feedback / survey Audits and site visits 	<ul style="list-style-type: none"> As needed Annually
Suppliers / vendors / business partners	<ul style="list-style-type: none"> Strategic partnership Fair procurement practices Ethics, integrity and regulatory compliance Prompt payments within credit period Business prospects and financial stability 	<ul style="list-style-type: none"> Meetings Supplier evaluation and assessment on suitability of vendors Reinforcement of Code of Conduct & Ethics for ethical practices Audits and site visits 	<ul style="list-style-type: none"> As needed Annually
Local communities / societies	<ul style="list-style-type: none"> Impact of operations on surrounding environment Corporate social responsibility Corporate governance 	<ul style="list-style-type: none"> Engagement with local communities in community support programmes and corporate social responsibility events 	<ul style="list-style-type: none"> As needed
Governments / Regulatory authorities	<ul style="list-style-type: none"> Compliance with laws and regulations Corporate governance 	<ul style="list-style-type: none"> Formal meetings Audits and site visits Consultation with authorities Participation in industry and government interest groups 	<ul style="list-style-type: none"> As needed



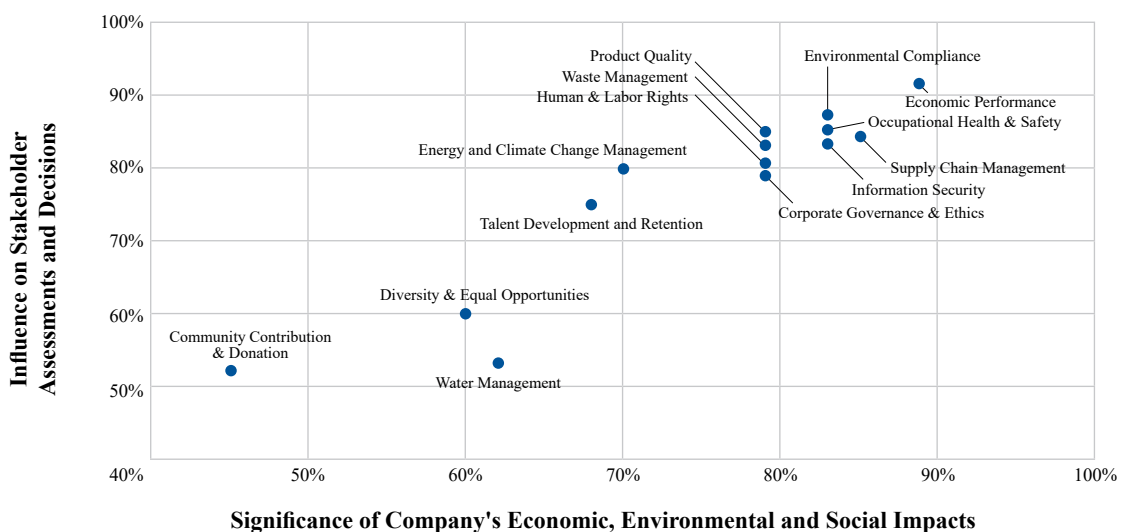
Sustainability Statement (Cont'd)

MATERIALITY ASSESSMENT

Through our materiality assessment process, we able to identify and prioritise the key risks and opportunities related to sustainability matters. Our materiality assessment process is typically made up of three (3) distinctive phases as reflected in the chart below:



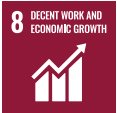




Our first materiality assessment was conducted in FYE 2022. In FYE 2023, we have performed limited scale of review. For FYE 2024, we undertook a full scale of materiality assessment to evaluate our key sustainability risks and opportunities, ensuring that our strategies align with the most pressing sustainability matters. We gathered inputs from both our internal and external stakeholders, including investors, employees, customers, suppliers, local communities and regulating authorities. The input was collected through a detailed survey, which provided insights into the concerns and priorities of those who impact and are impacted by our operations. The results were analysed and plotted on a materiality matrix, highlighting the relative importance of each material sustainability matter based on the importance to the Group and importance to the stakeholders. This assessment helps guide our decision making and ensures that we remained focused on the sustainability matters that truly matter. The materiality matrix was reviewed and approved by the Board.



Sustainability Statement (Cont'd)













OUR SUSTAINABILITY GOALS

We continue to monitor our performance across our sustainability pillars – People, Planet and Profit (“3Ps”). We embedded governance across the 3Ps to ensure business operates ethically, transparently and responsibly while considering social, environmental and economic impacts. In addition, we align our sustainability goals and efforts with UNSDGs which are relevant to our operations. The table below presents the overview of the sustainability goals, target and our performance for the FYE 2024.

Sustainability Matters	Sustainability Goals	FYE 2024 Performance
Profit (Economic)		
<ul style="list-style-type: none"> Corporate Governance and Ethics 	<ul style="list-style-type: none"> Zero confirmed incidents of corruption. Train employees annually on anti-corruption to ensure they uphold the high standard of corporate governance and ethics. 100% of operations assessed for corruption-related risks. 	<ul style="list-style-type: none"> Zero confirmed incidents of corruption. All Executive, Non-Executive / Technical Staff and Management received training on anti-corruption. 100% of operations assessed for corruption-related risks.
<ul style="list-style-type: none"> Product Quality 	<ul style="list-style-type: none"> Deliver quality products and services which meet customers' requirements and expectation. 	<ul style="list-style-type: none"> Achieved a customer satisfaction rating of 85%.
<ul style="list-style-type: none"> Supply Chain Management 	<ul style="list-style-type: none"> Promote local procurement by having at least 50% of procurement is sourced from local suppliers. 	<ul style="list-style-type: none"> Prioritised procurement from local suppliers, accounting for 60% of our total procurement.
<ul style="list-style-type: none"> Economic Performance 	<ul style="list-style-type: none"> Deliver financial values to shareholders such as growth in revenue and earnings and dividend payout. 	<ul style="list-style-type: none"> Revenue decreased for the year. Nonetheless, management remains confident and steadfast in its commitment to future growth.
<ul style="list-style-type: none"> Information Security <div>      </div>	<ul style="list-style-type: none"> Zero substantiated complaints concerning breaches in customer privacy or data loss. 	<ul style="list-style-type: none"> Zero substantiated complaints concerning breaches in customer privacy or data loss.
Planet (Environmental)		
<ul style="list-style-type: none"> Environmental Compliance 	<ul style="list-style-type: none"> 100% compliance with local regulatory requirements related to environment. 	<ul style="list-style-type: none"> Zero case reported for non-compliance and breach of environmental regulations.

Sustainability Statement (Cont'd)

OUR SUSTAINABILITY GOALS (Cont'd)

Sustainability Matters	Sustainability Goals	FYE 2024 Performance
Planet (Environmental) (Cont'd)		
<ul style="list-style-type: none"> Energy and Climate Change Management Water Management Waste Management      	<ul style="list-style-type: none"> Efficient in energy, water and waste management. 	<ul style="list-style-type: none"> Energy intensity for electricity consumption amounted to 1.30%. Water intensity remained low at 0.016%. Overall, a total of 2,629.49 metric tonnes of waste was generated in the year, in which 2,628.49 was waste diverted from disposal.
People (Social)		
<ul style="list-style-type: none"> Diversity and Equal Opportunities 	<ul style="list-style-type: none"> At least 30% of the Board are represented by women. Provide equal employment and career growth opportunities for all irrespective of gender, race, religion and disabilities. 	<ul style="list-style-type: none"> 29% of the Board are represented by women. 64.10% of Executive roles are held by female.
<ul style="list-style-type: none"> Talent Development and Retention 	<ul style="list-style-type: none"> Provide employment with development and talent retention. Minimum employee turnover. 	<ul style="list-style-type: none"> Achieved a total of 5,862 training hours with an average of 15 hours per employee per annum. Employee turnover at 52 pax.
<ul style="list-style-type: none"> Human and Labour Rights 	<ul style="list-style-type: none"> Zero substantiated complaints concerning human rights violations. 	<ul style="list-style-type: none"> Zero substantiated complaints concerning human rights violations.
<ul style="list-style-type: none"> Occupational Health and Safety 	<ul style="list-style-type: none"> Zero work-related fatalities annually. Lost Time Incident Rate ("LTIR") equal or below 3.50. Train employees annually on health and safety standards. 	<ul style="list-style-type: none"> No work-related fatalities reported. LTIR at 2.08. 343 employees trained on health and safety standards.
<ul style="list-style-type: none"> Community Contribution and Donation        	<ul style="list-style-type: none"> Support local communities through Corporate Social Responsibility programs. 	<ul style="list-style-type: none"> Contributed a total of RM27,895.00 to events, charities, non-profit organisations, schools and etc.

PROFIT (ECONOMIC & GOVERNANCE)

CORPORATE GOVERNANCE AND ETHICS

Code of Conduct & Ethics

Our Code of Conduct & Ethics (“**Code**”) sets out the principles and standards of business conduct and ethics of the Group in relation to integrity, responsibility and corporate social responsibility.

For the FYE 2024, there were no non-compliance cases and breach of the Code where the objectives of this Code are to:

- Define ethical standards in the marketplace;
- Establish integrity and ethical behaviours among all employees based on trustworthiness and values that can be accepted by general; and
- Ensure compliance with the applicable legislation, regulations and rules for administering the Group.

Anti-Bribery and Anti-Corruption Policy

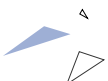
We are committed to conduct business with honesty, integrity and ethics in all business dealings and all jurisdictions in which our Group operates in. This commitment is embodied in our Code.

Anti-bribery laws exist in most countries around the world. With the implementation of the new Section 17A of the Malaysian Anti-Corruption Commission (“**MACC**”) Act 2009 which introduces corporate liability provision for bribery and corruption offences that came into effect on 1 June 2020, we have established Anti-Bribery and Anti-Corruption (“**ABAC**”) Policy, with the following purposes:

- Comply with the laws design to combat bribery and corruption in which the Group is based and operates in;
- Outline the principles and behaviours required to support this commitment; and
- Outline responsibilities of directors, management, employees, consultants, vendors, suppliers, contractors and any other parties acting as representatives or agents of the Group in observing and upholding the Group’s position on anti-bribery and corruption.

The ABAC Policy is applicable to directors, management, employees including trainee, intern, temporary, probation or contract staff (“**Employees**”) and agents, consultants, contractors, vendors, suppliers, intermediaries, third party service providers or any other person associated with or acting on behalf of the Group (“**Business Partners**”).

To ensure the effective implementation of the ABAC Policy, we provide training and communication to all new employees pertaining to this policy during the time of induction. Head of Department is also tasked to ensure this policy and its subsequent applicable amendments is duly communicated and implemented, and that employees working for him / her and Business Partners within his / her responsibility are familiar with and observed the requirements included in the ABAC Policy. For the FYE 2024, we have conducted ABAC training for our staff. A copy of the ABAC Policy is made available to all employees through our intranet. As stated in our Employee Handbook, bribery and corruption or any non-compliance or breach of ABAC Policy is deemed as major misconduct where employee shall be served with a show cause letter and in the event such employee fails to show cause satisfactorily, such employee may be served a charge sheet requiring him / her to face an Inquiry Panel.



Sustainability Statement (Cont'd)

CORPORATE GOVERNANCE AND ETHICS (Cont'd)

Anti-Bribery and Anti-Corruption Policy (Cont'd)

The percentage of employees who have received training on anti-corruption by employee category is summarised as below:

Employees Trained	FYE 2022	FYE 2023	FYE 2024
Management (%)	91%	100%	100%
Executive (%)	77%	100%	100%
Non-Executive / Technical Staff (%)	33%	100%	100%

In addition, we have made this policy available in our Company's website so our Business Partners are able to view our policy from time to time. This Policy will be communicated to the associated Business Partners at the beginning of business relationship with them and as appropriate thereafter. Business Partners are required to adhere to L&P's associated Code and ABAC Policy at the outset of business relationship.

We have undertaken a corruption risk assessments in the FYE 2024 that covers all of our operations. Through this assessment, we identify potential corruption risks, evaluate the likelihood and potential impact of these risks if they were to materialise, and establish robust controls to effectively mitigate and manage these risks.

	FYE 2022	FYE 2023	FYE 2024
Percentage of operations that underwent corruption risk assessments (%)	NA	100%	100%

* NA: Not available as the Corruption Risk Assessment report was only established in the FYE 2023.

In the FYE 2024, there were no reported incidents of corruption or breaches against ABAC Policy.

	FYE 2022	FYE 2023	FYE 2024
Number of confirmed incidents of corruption (No.)	0	0	0

Whistleblowing Policy

We are committed to observe high business standards and strong personal ethics when discharging their duties and responsibility. It is our policy that integrity must be observed at all time and emphasis must be placed on compliance with all applicable laws and regulations. Our Board has defined the Whistleblowing Policy for our Group, which provides guidance for stakeholders (shareholders, customers and suppliers) and employees to report or provide any information that is evidence of illegal or immoral conduct or malpractices in the Group.

The Whistleblowing Policy aims to instil confidence on and assure our whistle-blowers that they will not be at risk of any form of retaliation, including but not limited to, losing their job or suffering any form of victimisation, provided they raise a genuine concern.

In the FYE 2024, there were no whistleblowing reports being reported.

Our policies and procedures namely Code of Conduct & Ethics, Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy are made available on our Company's website at www.lpglobalbhd.com.

Sustainability Statement (Cont'd)

PRODUCT QUALITY

Our quality policy is aligned with the current practices and standards of our products and services. Our quality policy of Lean Management ensures plant-wide application for all levels of employees whilst emphasising our commitment for continual improvement within our Quality Management System. Our quality policy includes the following objectives:

- Deliver quality products and services to meet customers' requirements at competitive cost,
- Acquire innovative technology to enhance product and service solutions,
- Compliance to applicable statutory and regulatory requirements, and
- Continuous improvement through Lean Management.

Even though we have shifted our focus to Lean Management, we remain flexible and ready to employ Lean Sigma methodologies for any breakthrough solutions necessitated by project-specific requirements.

To support our customers and our daily production need, we have established our in-house testing capability for pallets based on the methods and steps outlined in ISO 8611-1:2011, ASTM 1185-98a and GB/T 4996:2019. We tested our pallets and boxes according to the customers' requirements and proposed methods for the above standards to ensure the reliability and safety of products during material handling and transportation.

Our industrial packaging products continued to meet international standards, giving our customers the confidence and assurance to use our industrial packaging products in their global supply chain needs.



Our industrial packaging products are manufactured in-house according to the International Standards for Phytosanitary Measures No.15 ("ISPM 15") which is an international standard for regulating the movement of timber packaging and dunnage through international trade to prevent the global spread of timber pests (including fungal growth). Thus, ensuring that our industrial packaging products do not contain any timber pests or fungus that may potentially damage the ecosystem of importing countries or contaminate goods that are packaged in our products.

To be compliant with the ISPM 15 standard, the natural wood used in the manufacturing of our industrial packaging products must undergo the heat treatment process which we carry out in-house. We are a registered and accredited heat treatment provider by the Department of Agriculture Malaysia under the Malaysian Heat Treatment Accreditation Scheme where our heat treatment facility meets the ISPM 15 standard. Pallets made from natural wood are stored in a dedicated enclosed storage under humidity and temperature-controlled environment. All our industrial packaging products that contain natural wood which have been heat treated to ensure that timber pests are destroyed will be applied with ISPM 15 marks.

Industrial packaging products made from engineered wood are not required to undergo heat treatment process as engineered wood has undergone heat treatment process during their manufacturing process, hence, industrial packaging products made from engineered wood are exempted from the ISPM 15 certification. However, if required by our customers, which is optional, industrial packaging products made from engineered wood can also undergo additional heat treatment and be applied with ISPM 15 marks. This indicates that our industrial packaging products are compliant with the ISPM 15 standard and can be shipped globally, allowing us to capture demand for industrial packaging products in the global supply chain based on our customers' respective supply chain needs and requirements.

Sustainability Statement (Cont'd)

PRODUCT QUALITY (Cont'd)

An overview of the key internal controls for ensuring product quality is illustrated as follows:

Internal Controls	Description
Incoming supplies inspection	<ul style="list-style-type: none">• Perform incoming quality inspection to monitor incoming material quality against the specifications.• Collaborate with suppliers to create sustainable supply chain and optimise efficiency and profitability.
Manufacturing process inspection	<ul style="list-style-type: none">• Conduct quality control inspection to monitor manufacturing process and product quality against the specifications.• Repair rejected industrial packaging products or completely dismantle them to salvage usable components which are to be used as components for recycled pallets.• Conduct moisture content tests after heat treatment process to reduce the moisture content of the finished products.• Conduct nominal load testing, maximum working load testing and durability comparison testing according to the terms of ISO 8611-1:2011, ASTM 1185-98a and GB/T 4996.• Ensure that the ISPM 15 mark is marked, if required, and visually clear on the industrial packaging products.
Finished products and outgoing inspection	<ul style="list-style-type: none">• Perform sampling inspection to verify finished goods conformance to specifications before shipment.• Issue certificate of conformance and heat treatment certificate to customers, upon request.

Customer Satisfaction

Customer satisfaction is vital to spur the establishment of loyal customers and build brand reputation. With strong brand reputation, we able to gain trust from existing and new potential new customers. Our longstanding relationships with our existing major customers allow us to develop our reputation in the industrial packaging industry providing solutions that meet customers' requirements, and simultaneously attract new customers through referrals from existing customers.

We see customer satisfaction survey as a tool for us to obtain direct feedback from customers, giving us insights to serve them better. For the FYE 2024, we have distributed our customer satisfaction survey to our major customers who contributed over 80% of our revenue. Based on the feedback received, our customer satisfaction rating was 85%. The questionnaire primarily focused on aspects such as quality, delivery, cost and services.

	FYE 2022	FYE 2023	FYE 2024
Customer satisfaction (%)	85%	86%	85%

Sustainability Statement (Cont'd)

PRODUCT QUALITY (Cont'd)

Customer Satisfaction (Cont'd)

The awards we received over the years serve as an acknowledgement of our efforts and commitment in delivering quality products and services which meet our customers' expectations. The table below sets out various awards that we have received over the past 5 years.

Year	Award	Awarding Body
2020	Asia Corporate Excellence & Sustainability Awards – Asia's Leading SMEs	MORS Group
2021	Sustainable Business Awards – Supply Chain Management	Global Initiatives
2024	Golden Bull Award 2024 – Super Golden Bull	Business Media International



SUPPLY CHAIN MANAGEMENT

We actively continue to promote fair procurement where we design our procurement processes to select and retain suppliers through a non-discriminatory bidding and tendering process. To contribute a direct positive economic impact on the communities where we operate, we also prioritised our procurement of goods and services with local suppliers who meet the standards that we require.

The proportion of our spending with local and foreign suppliers are illustrated as below:

	Proportion of Spending (%)		
	FYE 2022	FYE 2023	FYE 2024
Local Suppliers	51.00	53.00	60.00
Foreign Suppliers	49.00	47.00	40.00

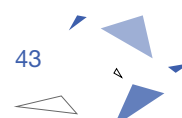
We actively engage with our suppliers to minimise any risks of non-compliance related to human rights, labour standards and environmental management across all our business value chain. We have established the Supplier Code of Conduct (the "Code") and we expect our suppliers to abide by the principles outlined at all time. We reserve the rights to terminate the relationship with the supplier if they are unable to demonstrate commitment to the Code.

Sustainability Statement (Cont'd)

SUPPLY CHAIN MANAGEMENT (Cont'd)

The principles are summarised as below:

Principles	Description
Legal compliance	<ul style="list-style-type: none"> Comply with all applicable laws in the provision of products and services to our Group. We expect our suppliers to implement systems and controls to promote compliance with applicable laws and the principles set out in the Code.
Bribery and corruption	<ul style="list-style-type: none"> Comply with all the anti-bribery and anti-corruption principles as aligned with our zero-tolerance policy towards any form of bribery, corruption, extortion and embezzlement. Perform all business dealings transparently and these dealings shall be recorded accurately. Ensure the subsidiaries, affiliates and all other parties appointed by the business partner to conduct work for us also comply with the Requirements. Report any actual or suspected breach to us as soon as reasonably practicable and to the extent permitted by law.
Human rights	<ul style="list-style-type: none"> Conduct business in a way that respects the human rights of all people and treat them fairly, in accordance with all applicable laws. Business partners must conduct the activities with reasonable steps to identify, prevent and manage human rights impacts in the operations, controlled entities and any incidents must be reported.
No discrimination	<ul style="list-style-type: none"> Commit to equal employment opportunity and not to discriminate on the ground of race, colour, gender, national origin, sex orientation, religion, age, disability status or any other personal characteristic unrelated to job performance and will comply with all applicable employment discrimination laws.
Harassment	<ul style="list-style-type: none"> Prohibit any form of harassment, including sexual harassment and bullying of any employee on the basis of any status protected by law.
Security	<ul style="list-style-type: none"> Ensure that all necessary security arrangements are in place to protect their employees. Business partners are expected to have a management policy in place to be able to respond to emergencies timely and efficiently.
Conflicts of interest	<ul style="list-style-type: none"> Avoid any activity or association that creates or appears to create conflicts that may arise in the performance of work and in any related business decisions.
Environment	<ul style="list-style-type: none"> Comply with sustainability and all applicable environmental laws includes efficient use of resources and respect for the environment.
Health and safety	<ul style="list-style-type: none"> Comply with all applicable workplace health and safety laws including appropriate controls, training, work procedures and personal protective equipment. Ensure non-hazardous substance being used in the material supply source in compliance with regulatory requirements.



Sustainability Statement (Cont'd)

ECONOMIC PERFORMANCE

The Group's strategy is based on profitable and sustainable growth, which is important to our long-term success as a public listed company. We are mindful that our economic performance contributes to financial stability which in turn, has an impact on our ability to meet our financial obligations to the stakeholders, such as payment of salaries to our employees, to government through taxes, to shareholders through attractive returns, to suppliers through purchases, and to communities through donations, sponsorships and internship opportunities.

Thanks to effective management and a strong emphasis on operational efficiency, we navigated the challenging operating environment and ended the financial year with a solid profit after tax ("PAT") of RM11.1 million, supported by RM133.6 million in revenue.

We maximise our process efficiency by implementing innovative approaches in our production, continually improving to enhance our capacity through breakthrough solution to overcome the labour shortages. We are aggressively pursuing process development, particularly ergonomics for key processes to improve economic performance.

INFORMATION SECURITY

Information security is vital for data protection and privacy. We are committed to protecting the private information and personal data of our customers, suppliers and employees. We secure information assets and personal data of our customers, suppliers and employees through the use of integrated data protection and information security strategies.

Below are examples of our measures, protocols and practices that we have implemented to protect data privacy:

- Use of firewall, anti-virus and anti-malware protection;
- Use of physical security measures;
- Password Policy for accessing to PCs, notebooks and servers, which requires users to periodically change the passwords;
- Control over access to data information to prevent unauthorised access;
- Employees sign Non-Disclosure Agreement;
- Disaster Recovery Plan to ensure continuity of operations in the event of major systems failure or catastrophe; and
- Scheduled backup on an external drive which is placed outside of the Company's premises.

In the FYE 2024, there were zero substantiated complaints concerning breaches in customer privacy or data loss.

	FYE 2022	FYE 2023	FYE 2024
Number of substantiated complaints concerning breaches in customer privacy or data loss (No.)	0	0	0

Sustainability Statement (Cont'd)

PLANET (ENVIRONMENT)

ENVIRONMENTAL COMPLIANCE

We recognise that environmental responsibility is integral to producing world-class standard of pallets, boxes and crates that allowed transportation and handling of goods by our customers globally.

We are committed to comply with all applicable environmental laws and regulations, which includes the Clean Air Act 2014. Silo, the dust collector is built with filter bag to handle dust count control to prevent air pollution. We have passed Department of Environment (“DOE”) routine audit for clean air emission requirements making us in compliance with Environment Quality (Clean Air) Regulation 2014.

We kept monitoring the environmental impacts to minimise any potential adverse effects on the community, environment, and natural resources, while safeguarding the health and safety of all stakeholders.

In the FYE 2024, there were no non-compliance cases and breach of environmental regulations.

ENERGY AND CLIMATE CHANGE MANAGEMENT

Climate change is recognised as one of the top global challenges, bringing both transition risks and physical risks to the organisations and ecosystems worldwide. Therefore, it is vital to implement strategies to effectively manage these challenges and risks. In response to the growing concerns about climate change, we have started renewable energy projects aimed at improving economic and environmental aspects. The full implementation of our solar energy project was successfully completed in October 2023.

In celebration of Earth Day, we launched our Chili Planting Program, from 9 May 2024 to 8 August 2024. With 12 teams and 36 enthusiastic participants, this initiative is designed to foster creativity, teamwork and sustainability. Each group has been given the freedom to explore innovative planting methods – ranging from using egg crates to growing in the dark – showcasing the limitless possibilities nature offers. Through this hands-on experience, we aim to inspire environmental awareness and encourage sustainable practices in an engaging and enjoyable way.



Winning Group for Chilli Planting Competition

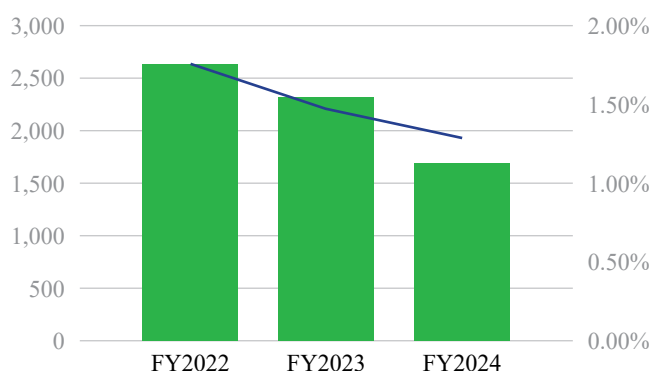


Chilli Plants Grown by Participants

Sustainability Statement (Cont'd)

ENERGY AND CLIMATE CHANGE MANAGEMENT (Cont'd)

The table and trend chart below illustrate the energy savings achieved through the use of solar energy from solar panels.



	FYE 2022	FYE 2023	FYE 2024
■ Total electricity consumption (MW)	2,667.36	2,361.72	1,695.43
— Percentage of electricity consumption over revenue (%)	1.77%	1.42%	1.30%

Note: Consumption of electricity is measured based on the quantities consumed according to the electricity bill.

Scope 1

Direct CO₂ emissions

Emissions come from the consumption of petrol and diesel for vehicles, calculated based on the reported fuel quantities.

Scope 2

Indirect CO₂ emissions

Emissions come from the consumption of electricity, calculated based on the energy quantities.

Scope 3

Indirect CO₂ emissions

Emissions come from all other indirect emissions that occur in a company's value chain. Currently, we have tracked only the categories of business travel and employee commuting.

Emissions Type	FYE 2022	FYE 2023	FYE 2024
Direct Emissions – Scope 1 ^(a) (tCO ₂) (metric tonnes)	611	719	669
Indirect Emissions – Scope 2 ^(b) (tCO ₂) (metric tonnes)	1,597	1,416	1,024
Business Travel & Employee Commuting – Scope 3 ^(c) (tCO ₂) (metric tonnes)	NA	NA	272
Total (tCO ₂) (metric tonnes)	2,208	2,135	1,965

Note:

- The GHG emission for Scope 1 is calculated using the emission factor obtained from IPCC Fifth Assessment Report, while the default emissions factors were based on IPCC Guidelines for National Greenhouse Gas Inventories (2006).
- The GHG emission for Scope 2 is calculated using the emission factor obtained from 2017 Clean Development Mechanism (“CDM”) Electricity Baseline for Malaysia and Final Report on the Study and Development of Emission Factor for Vietnamese Electrical Grid in 2018.
- The GHG emission for Scope 3 was only compiled for FYE 2024, therefore no comparative figures for FYE 2022 and FYE 2023.

Sustainability Statement (Cont'd)

WATER MANAGEMENT

All our operations are not located in water stressed areas and our production activities do not cause water pollution. Nevertheless, our Group is committed to contribute to better water management and protect clean water.

Our water consumption primarily stems from boiler activities such as generating steam energy for the heat treatment for wooden pallets. As commitment to implementing water conservation initiatives, we installed condensation converter that perform auto recycle of hot steam that provide efficiency of steam utilisation which as a result actual amount of water required for the steam generation is reduced.

Water Consumption	FYE 2022	FYE 2023	FYE 2024
Total water consumption (Megalitre)	21.72	5.87	20.65
Percentage of water consumption over revenue (%)	0.014%	0.004%	0.016%

Note: Consumption of water is measured based on the quantities consumed according to the water bill.

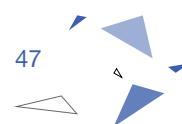
WASTE MANAGEMENT

Waste management came in with our philosophy to waste prevention with safe degradation after life of our products and processes. With the rise of the eco-conscious consumers which require companies to use more sustainable packaging, we put strong emphasis on environmental sustainability in our business where our industrial packaging products are made of wood which is a recyclable material.

During the year, we continuously engage more customers for pallet recycling and repair services under our Circular Economy Programme – Pallet Recycling Programme (“**PRP**”) as part of our circular supply services. Under our PRP, we collect, repair and re-manufacture worn and broken pallets into usable recycled pallets. We participated in many ESG programmes to advertise our offer of PRP to multi-national companies (“**MNC**”) while taking opportunities to learn recycling activities from other Malaysia established companies.

We have pursued continuous improvement from global initiatives for waste reduction following the year 2021 when we received the “Sustainable Business Awards”. The following table discloses the total waste directed and diverted to disposal:

Waste Management	FYE 2022	FYE 2023	FYE 2024
Total waste generated (metric tonnes)	1,976.76	1,937.70	2,629.49
Total waste diverted from disposal (metric tonnes)	1,975.53	1,936.23	2,628.49
Total waste directed to disposal (metric tonnes)	1.23	1.47	1.00



Sustainability Statement (Cont'd)

PEOPLE (SOCIAL)

DIVERSITY AND EQUAL OPPORTUNITIES

We are committed to the prevention and elimination of discrimination and any kind of harassment in the workplace. This is translated in our Code of Conduct & Ethics where we do not tolerate discrimination against or harassment or slurs or jokes of any employee in regard to race, colour, creed, ethnic background, gender, disability, religion, age, sexual orientation, maternity as well as other individual attributes or statuses that may be protected by law.

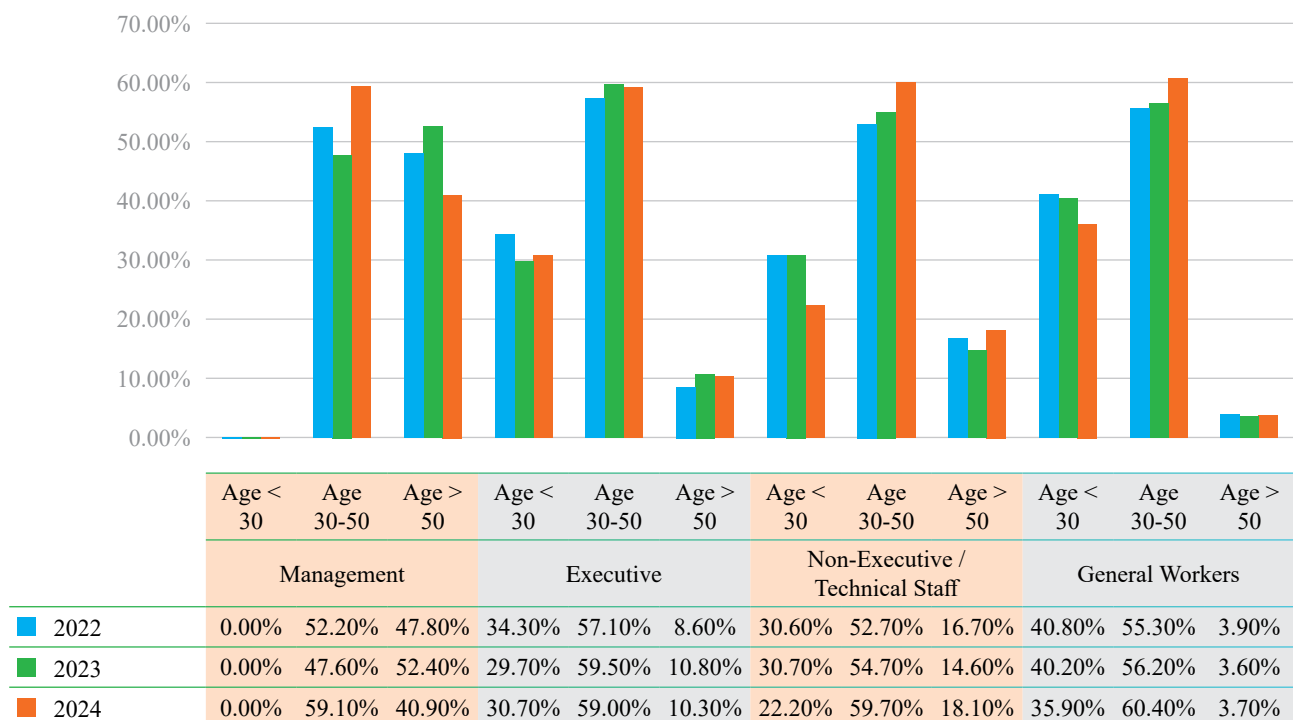
Our recruitment, employment, remuneration and advancement are justified through objective criteria such as qualifications, work performance, skills and experience. This is to ensure equal opportunity and eliminate discrimination in the workplace.

Workforce Diversity

Despite our industry being known for its male dominated nature, which is evident from the fact that the majority of our operators are male, we have taken proactive measures to promote gender diversity within our organisation. We understand that gender diversity is an important aspect of promoting overall diversity and we are committed to fostering an inclusive work environment where all our employees feel valued and respected. As part of our commitment, we celebrated International Women's Day in both Malaysia and Vietnam offices during the FYE 2024. Through these events, we aimed to educate and raise awareness about the critical importance of women's equality in the workplace, as we believe that a diverse workforce is key to our continued success.

In the FYE 2024, we recorded a total headcount of 374 pax. The details of our employee profile are presented as below:

Percentage of employees by age group, for each employee category for FYE 2022 to FYE 2024

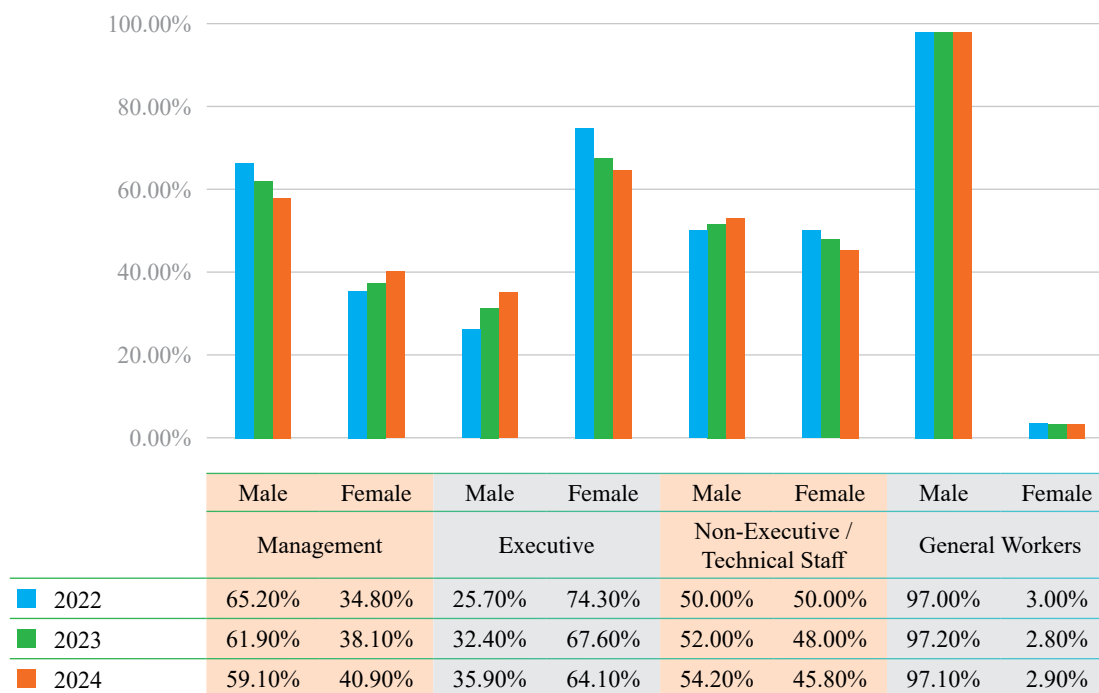


Sustainability Statement (Cont'd)

DIVERSITY AND EQUAL OPPORTUNITIES (Cont'd)

Workforce Diversity (Cont'd)

- Percentage of employees by gender, for each employee category for FYE 2022 to FYE 2024



- Percentage of employees that are contractors or temporary staff

	FYE 2022	FYE 2023	FYE 2024
Contracts / temporary staff *	52.00%	54.00%	52.00%

* Employees with fixed term contract

The details of our Board of Director profile are presented as below:

- Percentage of directors by gender and age group

	FYE 2022		FYE 2023		FYE 2024	
By gender	Male	Female	Male	Female	Male	Female
Director	50.00%	50.00%	50.00%	50.00%	71.00%	29.00%

	FYE 2022			FYE 2023			FYE 2024		
By age	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Director	0.00%	16.70%	83.30%	0.00%	16.70%	83.30%	0.00%	29.00%	71.00%

Sustainability Statement (Cont'd)

TALENT DEVELOPMENT AND RETENTION

Learning and development are a lifelong process. We are committed to nurturing our employees through diverse learning experiences to help them to achieve excellence in their respective fields, which in return, will improve in work productivity and efficiency.

In the FYE 2024, we have conducted a total of 5,862 hours of training with average 15 training hours per employee. We will continue to provide learning and development opportunities for all our employees for continual improvement.

Training Hours	FYE 2022	FYE 2023	FYE 2024
Management	36	896	991
Executive	261	1,089	1,610
Non-Executive / Technical Staff	496	1,656	1,671
General Worker	3,990	1,754	1,590
Total Training Hours	4,783	5,395	5,862



The training and development programmes are established by the Employees Training Needs and Analysis while each employee will need to attend the training as outlined below.

Training Types	Description
Orientation	<ul style="list-style-type: none"> One time programme to welcome new employees. The topics cover company overview, key corporate policies, overview of benefits and attendance, health and safety procedures. Facility tour helps new employees to get acquainted with new workplace.
On-the-Job (OJT) Training	<ul style="list-style-type: none"> Focus on departmental goals by delivering the necessary skills, knowledge, and core competencies to new employees to perform the task efficiently. Mentoring programme drives rich learning and development for both mentees and mentors.
Technical Skills Training	<ul style="list-style-type: none"> Job-specific training which focus on building employee's prerequisite technical skills and competencies relevant to his role. Regular training is conducted to keep abreast of latest development.

Sustainability Statement (Cont'd)

TALENT DEVELOPMENT AND RETENTION (Cont'd)

Training Types	Description
Soft Skills Training	<ul style="list-style-type: none"> To enable our employees to work together as a team for the benefit of their own and the organisation's success. The training module covers the topics such as leadership, communication, teamwork, collaboration, time management, problem-solving and etc.
Mandatory Training	<ul style="list-style-type: none"> All employees are required to undergo Safety and Health Training. All employees are expected to discharge their respective duties in line with our standards and policies.

Employee Benefits and Welfare

We recognise that our success is driven by a committed workforce and therefore we aim to provide a conducive working environment for our employees, supporting them in pursuing reasonable standard of lifestyle and work life balance. We adhere to the local regulations on labour matters, which includes but not limited to Employment Act 1955, minimum wage law and etc.

To promote a healthy working life, we believe in providing a balanced work-life environment to all our employees to enable them to have more time for their family and / or to pursue and advance their areas of interest. In this respect we do not encourage overtime work unless it is absolutely necessary such as to meet customer's order or regulatory deadlines. All our employees are entitled to national and state public holidays. In addition, our employees are entitled to annual leave, medical leave, marriage leave, maternity leave, paternity leave and etc. The details of employee benefits and welfare are outlined as follows:

Statutory Benefits	Leave Provision	Employment Benefits & Welfare	Facilities
<ul style="list-style-type: none"> Adhere to minimum wages Statutory contributions (EPF, SOCSO, EIS and Income Tax) Annual salary increment Overtime payments National and state public holidays 	<ul style="list-style-type: none"> Annual leave Medical leave Hospitalisation leave Marriage leave Maternity leave Paternity leave Compassionate leave Replacement leave 	<ul style="list-style-type: none"> Meal allowance Shift allowance Attendance allowance Outstation allowance Phone allowance Penang bridge toll subsidy Performance bonus Service awards Marriage gift New birth gift Bereavement gift GP clinic visit Hospitalisation and surgical coverage Recreational activities 	<ul style="list-style-type: none"> Car park Cafeteria Pantry Personal lockers Prayer rooms

We value the dedication and commitment of our long-serving employees. In 2024, our CEO awarded gold pendants to each long-serving employee, underscoring our appreciation for their years of service and dedication.



Appreciation to Long Serving Employees

Sustainability Statement (Cont'd)

TALENT DEVELOPMENT AND RETENTION (Cont'd)

Employee Benefits and Welfare (Cont'd)

To further promote a healthy work-life balance for our employees, we regularly organise sports and outdoor events that encourage active participation and enhance overall well-being. Beyond these activities, we also celebrate festive seasons, bringing our team together to share joyful moments and strengthen our sense of community.

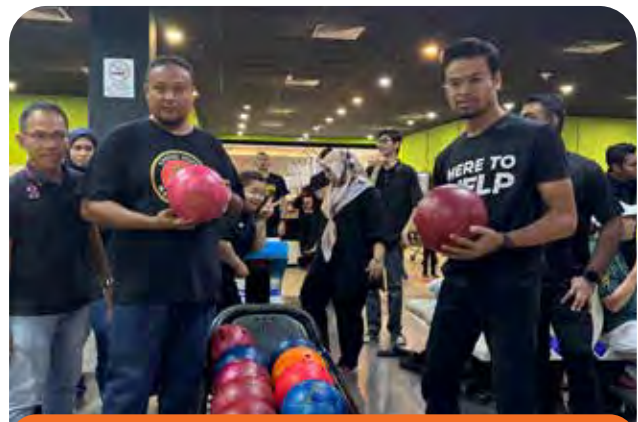
In 2024, as part of our 40th Anniversary celebrations, we organised a 3km fun run with the theme "Embracing The Future - A new decade of growth and transformation", fostering both team spirit and physical wellness.

Additionally, we launched a Weight Loss Challenge from May 31 to August 30, 2024, with 35 motivated participants embarking on a transformative journey towards better health and fitness. Over the course of three months, we conducted weigh-ins on July 1, July 31, and August 30, 2024, with over 21 participants successfully achieving weight loss. This challenge went beyond just the numbers on the scale—it was an opportunity to cultivate healthier habits, gain valuable knowledge, and stay motivated towards leading a more balanced and sustainable lifestyle. Participants experienced a variety of benefits, including improved physical health, better sleep quality, and an overall boost in well-being.

Through these initiatives, we not only supported individual growth but also nurtured a vibrant and supportive community committed to long-term wellness.



Badminton Tournament



Bowling Tournament



Futsal Tournament



Weight Loss Competition

Sustainability Statement (Cont'd)

TALENT DEVELOPMENT AND RETENTION (Cont'd)

Employee Benefits and Welfare (Cont'd)



Fun Run

Employee Turnover	Number of Headcount		
	FYE 2022	FYE 2023	FYE 2024
Management	6	5	4
Executive	6	7	4
Non-Executive / Technical Staff	33	9	15
General Worker	71	47	29
Total	116	68	52

HUMAN AND LABOUR RIGHTS

We are committed to complying with international standards, local laws and regulations applicable to the protection of human and labour rights. This is translated in our Code of Conduct & Ethics which clearly states that any form of forced or child labour is strictly prohibited.

Our Human Resource Department oversees all issues regarding human rights, forced and child labour and ensure protection of our employees' rights. They are tasked to make sure that our operations comply with regulations mandated by the Department of Labour and international standards. Our Human Resource staffs were also being briefed on the minimum age for hiring and they will perform age verification to avoid hiring of underage labours.

We have established whistleblowing mechanism to allow employees to report genuine cases of child labour, forced labour, discrimination, bullying and harassment. In the FYE 2024, there were zero substantiated complaints regarding human rights violations (child labour, forced labour, discrimination or harassment).

	FYE 2022	FYE 2023	FYE 2024
Number of substantiated complaints concerning human rights violations (No.)	0	0	0

Sustainability Statement (Cont'd)

HUMAN AND LABOUR RIGHTS (Cont'd)

As part of our broader commitment to protecting human and labour rights, we are committed to complying with the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSA"), as amended by the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019. We are aware of the minimum housing, nurseries and accommodation criteria for employees as well as health, hospital, medical and social amenities to be provided by us to our employees. We recognise that compliance with the EMSA involves ensuring that the employee accommodation we provide is fit for human habitation in accordance with the standards set out in the Act. We understand that we shall comply with the enhanced minimum standards on accommodation for employees which include obtaining a Certificate for Accommodation ("CFA") from the Director General of Labour. We have complied with these standards in the past and obtained CFA for all our employee accommodation.

As part of our ongoing commitment to advancing human rights and addressing global challenges, our CEO also participated actively in international initiatives. In 2024, she participated in the World Without Hunger Conference. This three-day event focused on addressing some of the most pressing challenges of our time, featuring solution-oriented technical sessions, an investment forum, and a high-level political forum. The conference brought together over 1,500 influential stakeholders, including Heads of State and Government, Ministers, UN agencies, the private sector, financial institutions, the donor community, Development Finance Institutions ("DFI"), International Financial Institutions ("IFI"), civil society, non-governmental organizations, academia, and media. Co-organised by the United Nations Industrial Development Organization ("UNIDO"), the African Union Commission ("AUC"), and the Government of Ethiopia, with technical support from the Food and Agriculture Organization ("FAO"), the conference served as a key platform for collaboration and commitment towards global food security solutions. By engaging in such activities, we reaffirm our commitment to upholding human rights and contributing to global efforts that ensure equitable access to resources, dignified livelihoods, and the protection of fundamental rights for all.



Sustainability Statement (Cont'd)

OCCUPATIONAL HEALTH AND SAFETY

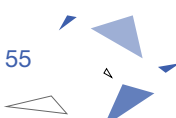
We take foremost account of protecting the health and safety of all persons. We are committed to provide a healthy and safe workplace for all our employees. The Group ensures that all business activities are conducted in a manner that protects the health and safety of our employees, visitors, Business Partners and communities. We have complied to the best of our ability the existing laws and regulations relevant to our operations such as Occupational / Safety and Health Act 1994, Occupational Safety and Health (Amendment) Act 2022, Factories and Machinery Act 1967, Fire Services Act 1988 and Prevention and Control of Infectious Diseases Act 1988, etc.

Our Code of Conduct & Ethics has outlined the principles in relation to safety and health manners. Our employees are taught to:

- Understand the Safety and Health Manual;
- Attend required environmental, safety and health training;
- Learn and promote safety awareness and protect environment mindset;
- Use all required safety device and protective clothing and equipment;
- Understand how to properly handle any hazardous materials in our workplace;
- Follow safe work practices and procedures; and
- Report concerns relating to environment, health and safety even if it is outside the individual area of responsibility.

Apart from Code of Conduct & Ethics, we have also established Safety, Health and Environment Rules as below:

- Wear the appropriate personal protective equipment such as safety shoes, gloves, goggles, aprons, earplugs, filter respirator when required;
- Safety shoes must be worn at the production floor;
- Observe all safety signs, instructions and follow correct work procedures;
- Do not attempt to operate any machinery or equipment unless authorised or specifically instructed to do so;
- Keep all emergency exits, fire-fighting equipment, and electrical panels clear and free of obstruction at all times;
- All chemical containers must be properly labelled and container caps must be in place at all times;
- Report safety hazards and unsafe acts or conditions to Managers / Supervisors or Safety Executive immediately for corrective action to be taken; and
- Report all accidents and injuries, no matter how minor to the Supervisor immediately.



Sustainability Statement (Cont'd)

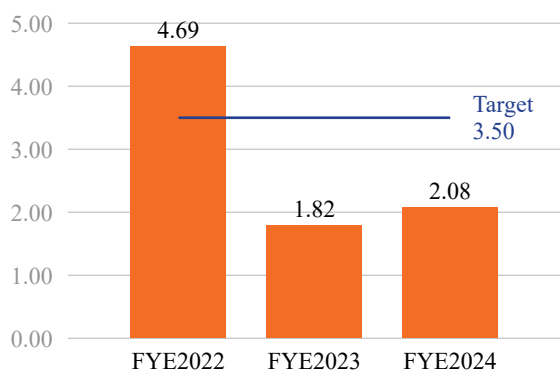
OCCUPATIONAL HEALTH AND SAFETY (Cont'd)

In the FYE 2024, there were no fatalities reported. Our monitoring for accident frequency rate (“**AFR**”) shows an average Lost Time Incident Rate (“**LTIR**”) of 2.08, meeting our target of equalling or being below 3.50.

- Work-related fatalities

	FYE 2022	FYE 2023	FYE 2024
Work-related fatalities (No.)	0	0	0

- Lost Time Incident Rate



During the year 2024, our First Aider and Emergency Response Team (“**ERT**”) continues to emphasize on the environmental health and safety (“**EHS**”) of all employees.

We therefore ensure our employees attended various training sessions on safety procedures. These training events were conducted by our safety officer, who ensures that participants were equipped with necessary skills to carry out their work safely and stay updated on all required safety regulations and practices.

From 21 May 2024 to 31 May 2024, we hosted our Safety Week campaign, reaffirming our dedication to maintaining a safe and secure work environment for all employees. This week-long initiative featured a variety of comprehensive and engaging activities designed to strengthen our safety culture and equip our team with essential skills and knowledge to handle workplace challenges effectively. The key activities included safety quiz, basic occupational first aid training, CPR and AED, EHS refresher training and etc.



Sustainability Statement (Cont'd)

OCCUPATIONAL HEALTH AND SAFETY (Cont'd)



Below summarises the number of staffs trained on health and safety standards:

	FYE 2022	FYE 2023	FYE 2024
Number of staffs trained on health and safety standards (No.)	182	387	343

We conducted an annual fire drill on 31 May 2024, with the participation of Bomba Sungai Bakap to ensure strict adherence to safety protocols. The briefing on fire safety and demonstration led by the Bomba Commander and Team fostered active engagement among our employees. Additionally, our COO personally contributed to the briefing session by demonstrating critical firefighting process, further reinforcing our commitment to safety excellence.

We have also conducted fire drill at our Vietnam plant on 3 October 2024. Our Vietnam firefighting team won the competition under “Firefighting and Rescue skills of BW Industrial Development JSC” on the same day.



COO demonstrated the use of fire extinguisher during the fire drill



Our Vietnam fire fighting team members winners

Sustainability Statement (Cont'd)

COMMUNITY CONTRIBUTION AND DONATION

We recognise the importance of giving back to the communities we operate in. The table below outlines an overview of our Group's community contribution for the past three (3) years.

	FYE 2022	FYE 2023	FYE 2024
Total amount invested in the community (RM)	8,200	35,660	27,895
Total number of beneficiaries of the investment (No.)	3,600	10,200	12,400

In the FYE 2024, our contribution of RM27,895 was allocated to the various events, charities, non-profit organisations, schools and etc., as outlined below:

- **Sponsorship to Kesatuan Bomba Dan Penyelamat (“KBPP”) and Police Administrative and Civilian Staff Union (“PACSU”)**

We provided sponsorship to Kesatuan Bomba Dan Penyelamat (“KBPP”) on 28 March 2024, in support of the publication of Special Berita Bomba KBPP. This publication is aimed at disseminating information on firefighting, fire prevention programs, rescue operations and fire drill, building a fire-conscious society which some of the organisations may have often overlooked.

In addition, we also sponsored to Police Administrative and Civilian Staff Union (“PACSU”) on 4 April 2024, in support of the publication for Police Day Issue. This publication is issued in conjunction of the Police Day, aimed at enhancing better understanding with the general public, disseminating crime prevention information and highlighting relevant issues, particularly crime prevention education to inculcate the younger generation with a sense of responsibility.

Our contribution to these activities highlights our dedication to safety and health.

- **Tree Planting**

Our company participated in Penang's project of planting 1 million trees in April 2024 in conjunction with the Earth Day. It is also very much in line with the Penang 2030 vision of 'A Family-Focused Green and Smart State that Inspires the Nation'.

This initiative is crucial in addressing the pressing issue of climate change, safeguarding environmental biodiversity, and leaving a lasting impact on our planet's ecosystems.

We are proud to be one of the contributors in achieving more than 1 million trees successfully planted across the state and made it to the Malaysia Book of Records (MBOR).



Sustainability Statement (Cont'd)

COMMUNITY CONTRIBUTION AND DONATION (Cont'd)

- Cancer Research Malaysia**

We supported Terry Fox foundation by participating in their 2024 annual non-competitive charity event in raising money for cancer research.

In total, 43 of our employees participated in their Terry Fox Run in June 2024 for this meaningful cause which will help the needful ones.



- Beach Cleaning at Batu Musang, Batu Kawan**

On 18th August 2024, Berjayapak joined hands with Majlis Bandaraya Seberang Perai (MBSP) for a meaningful beach cleaning activity at Batu Musang beach, Batu Kawan as part of our ongoing CSR efforts.

A huge thank you to our 80 dedicated employees who rolled up their sleeves and made this event possible. Together, we worked to make a positive impact on our environment and give back to the community. Every piece of waste we remove makes a difference.

This CSR activity benefits the surrounding communities by preservation of the environment. While the task can be demanding, collective action and awareness can make a significant impact on preserving our natural coastal resources. By staying committed to cleaning efforts and adopting sustainable practices, we can ensure that beaches remain pristine, safe, and enjoyable for generations to come.

It was heart-warming to see the spirit of unity as we worked hand in hand to preserve the beauty of our coastline. We will continue to inspire change and keep our beaches clean for generations to come.



Employees of Berjayapak in collaboration with local municipals stays united to keep beaches clean.

Sustainability Statement (Cont'd)

COMMUNITY CONTRIBUTION AND DONATION (Cont'd)

- **Contribution of wood for school project**

These wood were intended for their craft work, upgrading classroom and overall school facilities such as playgrounds and school surroundings. This will help provide a better environment for the students and teachers.

- **Investing in Tomorrow's Tech Leaders**

We are proud to contribute 2 units of smart board to support the launch of the AI TOUCH initiative at SMK Valdor.

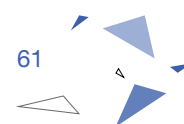
This meaningful initiative reflects our commitment to nurturing young minds and preparing them for a future driven by technology and innovation. Together we aim to empower students with the skills and tools they need to excel in an ever-evolving world.



Sustainability Statement (Cont'd)

SUMMARY OF SUSTAINABILITY PERFORMANCE

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	91.00	100.00	100.00
Executive	Percentage	77.00	100.00	100.00
Non-executive/Technical Staff	Percentage	33.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	8,200.00	35,660.00	27,895.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3,600	10,200	12,400
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	0.00	0.00	0.00
Management Between 30-50	Percentage	52.20	47.60	59.10
Management Above 50	Percentage	47.80	52.40	40.90
Executive Under 30	Percentage	34.30	29.70	30.70
Executive Between 30-50	Percentage	57.10	59.50	59.00
Executive Above 50	Percentage	8.60	10.80	10.30
Non-executive/Technical Staff Under 30	Percentage	30.60	30.70	22.20
Non-executive/Technical Staff Between 30-50	Percentage	52.70	54.70	59.70
Non-executive/Technical Staff Above 50	Percentage	16.70	14.60	18.10
General Workers Under 30	Percentage	40.80	40.20	35.90
General Workers Between 30-50	Percentage	55.30	56.20	60.40
General Workers Above 50	Percentage	3.90	3.60	3.70
Gender Group by Employee Category				
Management Male	Percentage	65.20	61.90	59.10
Management Female	Percentage	34.80	38.10	40.90
Executive Male	Percentage	25.70	32.40	35.90
Executive Female	Percentage	74.30	67.60	64.10
Non-executive/Technical Staff Male	Percentage	50.00	52.00	54.20
Non-executive/Technical Staff Female	Percentage	50.00	48.00	45.80
General Workers Male	Percentage	97.00	97.20	97.10
General Workers Female	Percentage	3.00	2.80	2.90
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	50.00	50.00	71.00
Female	Percentage	50.00	50.00	29.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	16.70	16.70	29.00
Above 50	Percentage	83.30	83.30	71.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	2,667.36	2,361.72	1,695.43
Bursa (Health and safety)				
Internal assurance External assurance No assurance				



Sustainability Statement (Cont'd)

SUMMARY OF SUSTAINABILITY PERFORMANCE (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	4.69	1.82	2.08
Bursa C5(c) Number of employees trained on health and safety standards	Number	182	387	343
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	36	896	991
Executive	Hours	261	1,089	1,610
Non-executive/Technical Staff	Hours	496	1,656	1,671
General Workers	Hours	3,990	1,754	1,590
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	52.00	54.00	52.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	6	5	4
Executive	Number	6	7	4
Non-executive/Technical Staff	Number	33	9	15
General Workers	Number	71	47	29
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	51.00	53.00	60.00
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	21.719000	5.873000	20.646000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	1,976.76	1,937.70	2,629.49
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	1,975.53	1,936.23	2,628.49
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	1.23	1.47	1.00
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	611.00	719.00	669.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	1,597.00	1,416.00	1,024.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	272.00

Internal assurance External assurance No assurance



Corporate Governance Overview Statement

The Board of Directors (“**Board**”) of L&P Global Berhad (“**L&P**” or “the **Company**”) is committed to ensure that the highest standards of corporate governance are observed throughout L&P and its subsidiaries (“**the Group**”) so that the affairs of the Group are conducted with integrity, transparency and professionalism with the objective of safeguarding shareholders’ investment, enhancing shareholders value as well as the interests of other stakeholders.

The Board is pleased to present the Corporate Governance Overview Statement (“**CG Statement**”) to provide shareholders and investors with an overview of the application of the principles of the Malaysian Code on Corporate Governance (“**MCCG**”) during the financial year ended 31 December 2024 (“**FYE 2024**”):

The CG Statement is prepared in compliance with Paragraph 15.25 of Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and shall be read together with the Corporate Governance Report (“**CG Report**”) of the Company, which provides details on how the Company has applied each practice as set out in MCCG for FYE 2024. The CG Report is available on the Company’s website at www.lpglobalbhd.com and the website of Bursa Securities.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Board Charter

The Board approved and adopted the Board Charter on 10 June 2022. 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 (as defined) and the requirements of Directors in carrying out their roles and responsibilities and in discharging their fiduciary duties towards the Group as well as the Board’s operating practices.

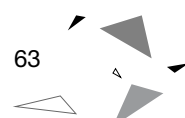
The Board Charter is subject to review and update by the Board from time to time to ensure it remain consistent with the Board’s objectives and kept up-to-date with changes in regulations and governance practices.

The Board Charter is available on the Company’s website at www.lpglobalbhd.com in line with Practice 2.1 of the MCCG.

The Responsibilities of the Board and the Management

The Board explicitly assumes the following principal duties and responsibilities:

- To review and adopt a strategic plan for the Group, and ensure that the Group’s strategic plan supports long term value creation;
- Together with the Management, establish policies to promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- To identify principal risks, set the risk appetite within which the Board expects the Management to operate and ensure the implementation of appropriate risk management system to manage the significant financial and non-financial risks and to ensure there is a sound framework for internal controls and risk management;



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I. BOARD RESPONSIBILITIES (Cont'd)

The Responsibilities of the Board and the Management (Cont'd)

- To review the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- To ensure that all members of the Board and the Management team are of sufficient calibre and oversee succession planning, including appointing, training, fixing the compensation and where appropriate, replacing Board members and Key Senior Management ("KSM");
- To oversee the conduct of the Group's business and evaluate whether the businesses are being properly managed; and
- To ensure that the Group has in place procedures to enable effective communication with the stakeholders.

Whilst, the Management is responsible to:

- Recommend the Group's corporate strategies to the Board for approval and upon approval, implement the corporate strategies;
- Assume day-to-day responsibility for the Group's compliance with relevant laws and regulations and its compliance framework;
- Achieve the performance targets set by the Board;
- Develop, implement and manage the Group's risk management and internal controls framework;
- Develop, implement and update the Group's policies, procedures and systems;
- Be alert to relevant trends in the industry and the Group's operating environment;
- Provide sufficient and relevant information to the Board to enable the Board to effectively discharge their responsibilities;
- Act as a conduit between the Board and the Group; and
- Manage the Group's human, physical and financial resources to achieve the Group's objectives.

In general, all decisions that would materially impact on the strategy, direction, values and financial standing of the Group, or decisions that may potentially create material conflict of interest with related parties, decisions that may be prone to fraud risk, and decisions in high value transactions are reserved exclusively for the Board. None of the members of the Board has unfettered powers of decision.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I. BOARD RESPONSIBILITIES (Cont'd)

The Responsibilities of the Board and the Management (Cont'd)

To assist in the execution of Board's duties, powers and authority and, facilitates effective decision making, the Board has established the following Board Committees on 10 June 2022, each with delegated responsibilities and duties:

- Audit and Risk Management Committee ("ARMC");
- Remuneration Committee ("RC"); and
- Nomination Committee ("NC").

These Committees oversee the broad strategic areas within the Group such as audit and finance, risk, remuneration, sustainability and ethics, Board renewals and related matters. Each of these Committees has its own written Terms of Reference ("TOR"), which are reviewed on a regular basis by each Committee and the Board, to ensure its effectiveness. The Committees report to, and their actions are reviewed by, the Board. The Chairman / Chairperson and members of each Committee are nominated by the Board with each Committee comprising at least three (3) Independent Non-Executive Directors.

Separation of Position of the Chairman of the Board and Chief Executive Officer ("CEO")

There is clear division of responsibilities between the Chairman and the CEO. The position of Chairman and CEO are held by separate individuals who are not related to each other. Each's responsibilities is formally documented in the Board Charter of the Company to ensure a good balance of power and authority between the Chairman and the CEO.

The Chairman, Dato' Seri Lee Kah Choon, an Independent Non-Executive Director, is responsible for effective functioning of the Board while the CEO, Ms. Ooi Lay Pheng assumes executive responsibility for the Group's business and executing corporate strategies and policies, as approved by the Board.

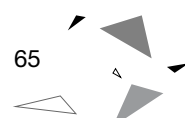
The role of individual Board member is stipulated in the Board Charter. The role of the Independent Non-Executive Directors is particularly important as they provide robust and independent view, advice and true and fair judgement which take into account the long-term interest, not only of the Group but also of shareholders, employees and other stakeholders.

Qualified and Competent Company Secretaries

The Board obtains corporate secretarial services from a professional secretarial firm to assist the Board in discharging its duties and responsibilities.

The Company Secretaries play an advisory role to the Board in relation to the Company's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations and corporate governance matters. The Company Secretaries also ensure that the meetings of the Board and Board Committees are properly convened and all deliberations and decisions are properly recorded and kept, and subsequently communicated to the relevant Management for necessary action. They are also responsible in ensuring that Board's policies and procedures are followed, and the applicable statutory and regulatory requirements are observed.

The Board has separate and independent access to the advice and services of the Company Secretaries.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I. BOARD RESPONSIBILITIES (Cont'd)

Board Meetings

The Board met seven (7) times in the FYE 2024. A formal time schedule was pre-determined in advance. The agenda and board papers for each meeting were circulated at least one week in advance before each meeting to the Board members to enable the Directors to review the papers in preparation for the meeting and to obtain further explanations, where necessary, in order to be briefed properly before the meeting. In addition to the Group performance discussed in the meeting, the Board also review and deliberate on the key activities and strategy of the Group, including annual budget, capital assets investments, key policies and procedures, financial performance and to endorse the release of the quarterly financial results.

At each quarterly Board meeting, CEO, Chief Operating Officer and Chief Financial Officer will provide the quarterly reports on the Group's performance and financial results and address queries from the Directors. Other Management personnel may be invited to attend Board meetings to provide the Board detailed explanations and clarifications on certain matters that are tabled to the Board. To keep the Board members abreast of the Group's business, Directors are also updated by the CEO of any significant developments or events relating to the Company. The Board also has unrestricted access to Management and employees of the Group to acquire timely and accurate information, if necessary in the furtherance of their duties.

All decisions of the Board were duly recorded in the Board's minutes and circulated. All Directors fulfilled the requirement of Bursa Securities in relation to their attendance at the Board meetings.

Number of Board meetings and record of attendance for each Director for the FYE 2024 are as follows:

No.	Directors	Attendance
1.	Dato' Ooi Hooi Kiang (resigned effective 1 December 2024)	6/6
2.	Dato' Seri Lee Kah Choon	7/7
3.	Dato' Mohamed Amin Bin Mohd Kassim	7/7
4.	Phoon Yee Min	7/7
5.	Ooi Lay Pheng	7/7
6.	Ong Kah Hong	7/7
7.	Lee Soon Swee (appointed effective 13 November 2024)	2/2
8.	Hew Hein Hwei (appointed effective 1 December 2024)	1/1

Access to Information and Meeting Materials

The Board has unrestricted access to the Management and employees of the Group to acquire timely and accurate information, if necessary in the furtherance of their duties, which is not only quantitative but also other information deemed necessary such as information on customer satisfaction, products and services qualities, market share, market reaction and environmental performance.

All Directors have access to the advice and services of the Company Secretaries and where necessary, seek independent professional advice at the Group's expense through an agreed procedure.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I. BOARD RESPONSIBILITIES (Cont'd)

Code of Conduct & Ethics

The Board has approved and adopted the Code of Conduct & Ethics (“**Code**”) on 20 December 2022 and the Board is committed to the highest standards of ethical business conduct. The Directors, Management and employees continue to adhere to the Code of the Company. The Code of the Company is available on the Company’s website at www.lpglobalbhd.com in line with Practice 3.1 of the MCCG and will be reviewed by the Board as and when the need arises.

The Code is formulated to enhance the standard of corporate governance and behaviour with a view to achieve the following objectives:

- To establish standard of ethical conduct for Directors, Management and employees based on acceptable belief and values that one upholds; and
- To uphold the spirit of social responsibility and accountability of the Group in line with the legislation, regulations and guidelines governing it.

Whistleblowing Policy

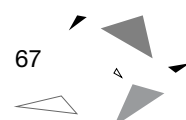
The Board has approved and adopted Whistleblowing Policy on 27 April 2022. The Whistleblowing Policy provides a mechanism for employees of the Group and external parties to raise genuine concerns through secure and confidential disclosure channel about possible improprieties and any malpractices such as fraud, breach of legal obligations at the earliest opportunity to the Identified Senior Manager as specified in the Whistleblowing Policy of the Company. The HR Manager or his designate is responsible for the administration, revision, interpretation and application of this policy. Employees making the report in good faith are protected from reprisals.

There was no incident of whistle blowing received in FYE 2024. The Whistleblowing Policy is available on the Company’s website at www.lpglobalbhd.com in line with Practice 3.2 of the MCCG and will be reviewed by the Board as and when need arises.

Anti-Bribery and Anti-Corruption Policy

The Company has established an Anti-Bribery and Anti-Corruption Policy that outlines L&P’s commitment toward its ethical business practices complying with the Malaysian Anti-Corruption Commission Act 2009 and any of its amendments or re-enactments that may be made by the relevant authority from time to time. L&P takes zero-tolerance to corruption and bribery, and L&P is committed to carry out all of its business practices with transparency, accountability and integrity.

The Group communicates the Anti-Bribery and Anti-Corruption Policy to all 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.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. BOARD COMPOSITION

Composition of the Board

As of the date of reporting, the Board is made up of seven (7) Directors, of which four (4) are Independent Non-Executive Directors and three (3) are Executive Directors. The present composition complies with Paragraph 15.02 of the MMLR and Practice 5.2 of the MCCG as more than half of its Directors are Independent Directors.

The Board has examined its size and is of the view that the current Board size is appropriate and facilitates effective decision-making, taking into consideration the scope and nature of the Company's operation.

Tenure of Independent Non-Executive Director

Under Part 5.6 (2) of the Board Charter, the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years' term, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director or the Board to seek annual shareholders' approval with justification if the Board intends to retain an Independent Director who is beyond nine (9) years' term.

Presently, none of the Independent Directors has exceeded a cumulative term of more than nine (9) years in the Company as at 31 December 2024.

The Board through the NC has carried out an annual assessment of independence of all the Independent Directors. The Board is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interests of the Company. The Independent Directors remain objective and independent in expressing their views and in participating in deliberations and decision makings of the Board and Board Committees.

Effectiveness of the Board, Board Committee and Individual Directors

Chairman / Chairperson	Dato' Seri Lee Kah Choon (resigned as NC Chairman on 1 December 2024) <i>Independent Non-Executive Director</i>
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	Phoon Yee Min (appointed as NC Chairperson on 1 December 2024) <i>Independent Non-Executive Director</i>
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Member	Dato' Mohamed Amin Bin Mohd Kassim <i>Independent Non-Executive Director</i>
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	Hew Hein Hwei (appointed as NC member on 1 December 2024) <i>Independent Non-Executive Director</i>
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Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. BOARD COMPOSITION (Cont'd)

Effectiveness of the Board, Board Committee and Individual Directors (Cont'd)

The NC has adopted a formal set of TOR approved by the Board as published on the Company's website at www.lpglobalbhd.com.

The NC meets as and when necessary, but at least once a year. Its duties comprise of, amongst others, to review the composition of the Board and its succession planning. It leads the process for identifying and nominating, for approval by the Board, candidates to fill the Board and Board Committees vacancies, the Board evaluation process, Director performance and recommendations for re-elections at the Annual General Meeting ("AGM"), and consideration of Director's independence in accordance with the MCCG.

For the FYE 2024, three (3) NC meetings was held. A summary of key activities undertaken by the NC during the FYE 2024 are as follows:

- Reviewed the current structure, size and composition of the Board;
- Assessed the effectiveness of the Board as a whole, the various Board Committees as well as the contribution of each individual Director;
- Discussed the character, experience, integrity and competence of the Directors and KSM and to ensure they have devoted ample time to discharge their respective roles;
- Reviewed the required mix of skills and experience and other qualities including core competences of the member of the Board;
- Reviewed the level of independence of Independent Directors;
- Reviewed the term of office and performance of the ARMC and its members;
- Reviewed and recommended the re-election of the Directors who were subject for retiring at the AGM of the Company; and
- Reviewed and recommend to the Board suitable candidates for directorship on the Board.

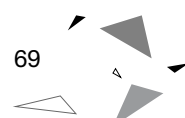
For FYE 2024, an annual assessment of the Board, its Committees and contribution of each individual Director is carried out by the NC, with the assistance of Company Secretaries, taking the form of comprehensive evaluation questionnaires which provide all Directors with an opportunity to score their opinion on a series of questions in relation to inter alia the execution and performance of the Board as a whole and the three (3) Board Committees, and to comment on procedures or any relevant matters.

The evaluation of the Board covers factors such as mix and composition of the Board, quality of decision making, timeliness of Board papers, internal controls, conduct of Board meetings, interactions with the Management and stakeholders and effectiveness of the Chairperson.

The Board Committees are assessed based on efficiency and effectiveness of each Committee and its member's continuous contribution to the Board and commitment to their roles and responsibilities in discharging their duties. Likewise, the NC is able to assess the contribution of each individual Director to the effectiveness of the Board.

The completed evaluation forms were submitted to Company Secretaries for collation. Subsequently, consolidated responses were presented to the NC for review before being shared with the Board for discussion and are taken into accounts when the NC assesses the Board effectiveness.

The Board is satisfied with the existing Board structure, effectiveness and the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. BOARD COMPOSITION (Cont'd)

Appointment to the Board

The appointment of any additional Director is made as and when it is deemed necessary by the Board with due consideration given to the mix of skills, expertise, experience, professionalism, integrity and the ability required for discharging its duties and responsibilities effectively. The Board is assisted in this regard by the NC, who is authorised to assess and propose new nominees for the Board and further empowered to assess the existing Director on an on-going basis. The decision as to who shall be nominated shall be the responsibility of the full Board after considering the recommendations of the NC. The Board has expectation toward its Board members in the Board Charter, amongst others, the Directors are required to commit sufficient time and energy to satisfy the requirements of the Board and Board Committees membership particularly in terms of:

- Attendance and participation in Board meetings and AGM;
- Preparation prior to each meeting;
- Availability to Management upon request to provide advice and counsel; and
- Attending continuing education programmes to update knowledge and enhances their skills.

The Board acknowledges the importance of not solely relying on recommendations from existing Board members, Management or major shareholders in identifying candidates for appointment of Directors, but trust that the nomination has its merits.

Diversity of Board and Senior Management

The Board recognises that diversity is an essential element in contributing the sustainable development of the Group and is committed to promoting diversity across the Group which encompasses a wide range of factors, including perspectives, skills, knowledge, experience, education, gender, social backgrounds, cognitive and personal strengths and other relevant attributes. The Board believes that diversity in the workforce facilitates multi perspectives which resulted in productivity, sustainability and competencies to deliver the business performance of the Group for the benefits of the stakeholders over the medium and long term.

As such, the evaluation of the suitability of Board composition is based on the candidate's competency, character, time commitment, integrity, performance and experience to bring value and expertise to the Board. While the overarching policy focuses on selecting the most qualified individuals based on merit and objective criteria, the Board recognises the value of diversity in skills, experiences, age, cultural background and gender and takes these into account in evaluation of potential candidates. However, the primary objective in new appointments remains to ensure the strength and effectiveness of the Board's composition.

The current Board comprises of two (2) female Directors out of seven (7) Board members, which represents 29% of women representation on the Board and the Board is satisfied that its members have the appropriate balance and mix of skill sets, knowledge and experience which is vital to the success of the Group.

In line with the Company's commitment to diversity, more woman representation on the Board will be taken into consideration if and when vacancies arise and also when suitable candidates are identified in selecting the best candidate to support the achievement of the Group's strategic objectives.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. BOARD COMPOSITION (Cont'd)

Diversity of Board and Senior Management (Cont'd)

As of the time of writing, the Company comprises of three (3) female KSM members out of four (4), which represents 75% of the KSM members are females. This is in compliance with the prevailing requirement of Practice 5.10 of the MCCG that encourage the participation of women in decision making position to be broadened to members of senior management.

Re-election

In accordance with the Company's Constitution, 1/3 of the Board will retire by rotation at every AGM of the Company. Each Director shall retire at least once in every 3 years and shall be eligible for re-election. Any Director appointed within the year shall hold office only until the next AGM and shall then be eligible for re-election. None of the Directors has been appointed for a fixed term.

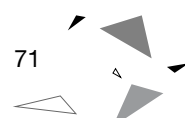
The retiring Directors at the upcoming AGM pursuant to Clause 18.2 and 18.9 of the Constitution are Ms. Ooi Lay Pheng, Dato' Mohamed Amin Bin Mohd Kassim, Mr. Lee Soon Swee and Mr. Hew Hein Hwei.

After assessing the contributions of Ms. Ooi Lay Pheng, Dato' Mohamed Amin Bin Mohd Kassim, Mr. Lee Soon Swee and Mr. Hew Hein Hwei in terms of guidance and time devoted to the Board affairs and in virtue of her and his skills and experience, the NC has recommended the re-election of Ms. Ooi Lay Pheng, Dato' Mohamed Amin Bin Mohd Kassim, Mr. Lee Soon Swee and Mr. Hew Hein Hwei at the forthcoming AGM.

Directors' Training

The Directors are conscious of the importance of keeping abreast with the latest changes and developments in legal and regulatory governance, so as to update and refresh themselves on matters that may affect their performance as Directors.

All Board members have completed the Mandatory Accreditation Programme and MAP Part II: Leading for Impact, ("MAP II") conducted by the Institute of Corporate Directors Malaysia ("ICDM") except the newly appointed Directors Mr. Lee Soon Swee and Mr Hew Hein Hwei who was scheduled to complete the MAP II in the quarter 3 of 2025. Board members are also encouraged to attend training programmes which are relevant to the Group's operations and business. The Company Secretaries would also inform the Directors of the upcoming conferences and seminars relevant to their roles as Directors of the Company.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. BOARD COMPOSITION (Cont'd)

Directors' Training (Cont'd)

The trainings programmes attended by the Directors during the FYE 2024 are as follows:

Director	Trainings
Dato' Seri Lee Kah Choon	<ul style="list-style-type: none"> • Finance Essentials for Non-Finance Directors • Protected : Being Sued As An Independent Non-Executive Director <ul style="list-style-type: none"> - A Personal Journey by ICDM • When Do Investors Sell A Stock ? • Anti Money Laundering and Anti Bribery & Corruption by Nature of Life • Financial Health Check : Mastering The Art of Analyzing Company Statements
Dato' Mohamed Amin Bin Mohd Kassim	<ul style="list-style-type: none"> • Finance Essentials for Non-Finance Directors • Kursus Corporate Directors' Leadership And Integrity (CDLI) Siri 2/2024 • Sijil Kecekapan Profesional (CPC) <ul style="list-style-type: none"> - Latihan Pemandu Lori Bersepadu Barangan Berbahaya (DG) • Industry Excellence Award 2024 • Speaker for Better Collaboration With Industries under Malaysian Investment Development Authority • World Ports Conference in Bremen • Breakbulk Conference in Rotterdam
Phoon Yee Min	<ul style="list-style-type: none"> • Get to Know the New Global Internal Audit Standards • ESG Matters @ ACCA: Double Materiality Assessment for Sustainability Reporting • Ethics For Internal Auditors Workshop 2024 • Conflict of Interest and Anti-Bribery and Anti-Corruption • ESG Matters @ ACCA: Applying IFRS Sustainability Disclosures Standards (ISSB S1 & S2) • Climate Reporting Pitfalls • ACCA Half Day Conference • MIA Townhall 2023/2024 <ul style="list-style-type: none"> - Surveillance and Enforcement and updates from MACC • Fraud Risk Management, Understanding the Various Schemes of Fraud and Directors Responsibility in Embedding Pertinent Measures To Prevent or Mitigate Such Risks • ESG Matters @ ACCA - Green Gold: <ul style="list-style-type: none"> - Dive into Climate Finance Certification • ACCA Technical Symposium 2024 • ICDM PowerTalk : <ul style="list-style-type: none"> - Strategic Data and Frameworks in Board Governance



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. BOARD COMPOSITION (Cont'd)

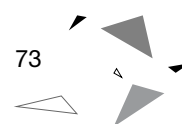
Directors' Training (Cont'd)

The trainings programmes attended by the Directors during the FYE 2024 are as follows: (Cont'd)

Director	Trainings
Ooi Lay Pheng	<ul style="list-style-type: none">• YYC Equity Planning 14.0 Forum• Ernst & Young World Entrepreneur of the Year in Monaco• Ernst & Young 2024 Entrepreneurial Winning Women Asia Pacific Program• ARiMM (The Academy of Risk Management Malaysia)<ul style="list-style-type: none">- Risk Management Conference & C Suite Forum• Vienna Sustainable Food Packaging Confex (VSFP)• World Without Hunger Conference<ul style="list-style-type: none">- High Impact Solutions to Tackle Food Security by United Nations Industrial Development Organisation in Ethiopia (UNIDO)
Ong Kah Hong	<ul style="list-style-type: none">• Finance Essentials for Non-Finance Directors• Corporate Finance for Non-Finance Directors• Select USA Malaysia Event 2024• Promise of Integrity (POI)• Penang International Green Conference and Exhibition• Wepack 2024 at Shenzhen/China<ul style="list-style-type: none">- Global Packaging Industries Exhibition
Lee Soon Swee	<ul style="list-style-type: none">• Bursa Malaysia Mandatory Accreditation Programme

In addition, the Company Secretaries and external auditors also update the Directors on the latest changes to the regulations, laws and accounting standards to discharge their duties as Directors of the Company.

All Directors will continue to attend such further training as may be required from time to time to keep abreast with developments in the industry as well as the current changes in law and regulations.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

III REMUNERATION

Remuneration Policy

The Board approved and adopted Remuneration Policy for Directors and KSM on 20 December 2022. The Policy is designed to align the interest of the Directors and KSM with those of shareholders, by linking reward to the Group's and individual's performance, therefore promoting long-term sustainability of the Group. The Group seeks to attract, motivate and retain key employees with competitive remuneration packages based on respective individual's responsibilities, expertise, prevailing market conditions and relevant market benchmarks.

The Remuneration Policy is subject to review and update by the Board from time to time and is available on the Group's website at www.lpglobalbhd.com in line with Practice 7.1 of the MCCG.

The remuneration package of Executive Directors and KSM comprises fixed cash component of salary, fringe benefits, variable performance incentives and statutory contributions. Variable performance incentives are tied to the performance of the Group and the individual's ability to achieve their respective performance targets.

The Board Chairman and Independent Non-Executive Directors are paid fixed annual directors' fees as members of the Board and Board Committees. A meeting allowance is paid for attendance of Board meetings as well as general meetings. Apart from the above, no other benefits or bonus is paid. 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 directors' 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 of the Independent Non-Executive Directors has abstained from deliberating and voting on decision in respect of his or her own remuneration.

Remuneration Committee ("RC")

The Board has established the RC that's responsible to review and makes recommendations on matters relating to performance and remuneration for the Executive Directors and KSM. The RC comprises exclusively of Independent Non-Executive Directors of the Company, namely:

Chairman Dato' Mohamed Amin Bin Mohd Kassim
Independent Non-Executive Director

Member Dato' Seri Lee Kah Choon (resigned as RC member on 1 December 2024)
Independent Non-Executive Director

Phoon Yee Min
Independent Non-Executive Director

Hew Hein Hwei (appointed as RC member on 1 December 2024)
Independent Non-Executive Director



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

III REMUNERATION (Cont'd)

Remuneration Committee (“RC”) (Cont'd)

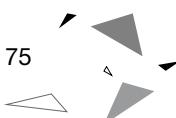
The RC has adopted a formal set of TOR approved by the Board and published on the Company’s website at www.lpglobalbhd.com.

The RC meets as and when necessary, but at least once a year. There is a formal and transparent procedure for developing and setting remuneration packages of Executive Directors and KSM. None of the Executive Directors are involved in deciding their own remuneration.

The RC has full authority to engage any external professional advisors, as and when the need arises, on matters relating to remuneration at the cost of the Company through an agreed procedure. No external professional advisors were engaged in the FYE 2024.

For the FYE 2024, two (2) RC meetings were held. A summary of key activities undertaken by the RC during the FYE 2024 are as follows:

- Reviewed and discussed the Key Performance Indicator (“**KPI**”) for Executive Directors and KSM for the FYE 2024;
- Reviewed, assessed and recommended to the Board the remuneration packages for the Executive Directors and KSM; and
- Recommended to the Board the directors’ fees and benefits payable to the Board for shareholders’ approval at the forthcoming AGM of the Company.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

III REMUNERATION (Cont'd)

Directors' Remuneration

The Directors' remuneration received from the Company and the Group for the FYE 2024 is presented in the table below:

Category	Fee RM'000	Meeting Allowance RM'000	Salary, Bonus & Incentive RM'000	Other Emoluments RM'000	Total RM'000
Company					
Executive Director					
Ooi Lay Pheng	60	-	-	81	141
Ong Kah Hong	60	-	-	61	121
Lee Soon Swee (appointed effective 13 November 2024)	8	-	-	-	8
Non-Executive Director					
Dato' Ooi Hooi Kiang (resigned effective 1 December 2024)	110	11	-	-	121
Dato' Seri Lee Kah Choon	63	12	-	12	87
Dato' Mohamed Amin Bin Mohd Kassim	60	12	-	12	84
Phoon Yee Min	62	12	-	12	86
Hew Hein Hwei (appointed effective 1 December 2024)	5	1	-	-	6
Group					
Executive Director					
Ooi Lay Pheng	60	-	371	132	563
Ong Kah Hong	60	-	306	75	441
Lee Soon Swee (appointed effective 13 November 2024)	8	-	31	4	43
Non-Executive Director					
Dato' Ooi Hooi Kiang (resigned effective 1 December 2024)	110	11	-	-	121
Dato' Seri Lee Kah Choon	63	12	-	12	87
Dato' Mohamed Amin Bin Mohd Kassim	60	12	-	12	84
Phoon Yee Min	62	12	-	12	86
Hew Hein Hwei (appointed effective 1 December 2024)	5	1	-	-	6



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

III REMUNERATION (Cont'd)

KSM's Remuneration

Although the MCCG recommends full disclosure by the Company of the remuneration of its KSM on named basis, the Company is of the view that it is not in its best interest to disclose details of remuneration due to the confidential and sensitive nature of such information.

As an alternative, the remuneration of KSM of the Group for the FYE 2024 is disclosed in aggregate basis in band width of RM50,000 as follows:

Range of Aggregate Remuneration	No. of KSM
RM100,001 to RM150,000	1
RM150,001 to RM200,000	2
RM200,001 to RM250,000	0
RM250,001 to RM300,000	0
RM300,001 to RM350,000	1
RM350,001 to RM400,000	1

The performance of KSM is evaluated on an annual basis and measured against the KPI sets for the year. The remuneration packages are reviewed annually and adjustments to their remuneration are made based on not only their individual performance and contributions in the preceding year, but also the Group's performance.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC")

The Board has established an ARMC, which reports to the Board on all matters requiring audit of the Group. The ARMC comprises wholly of three (3) Independent Non-Executive Directors and chaired by Ms. Phoon Yee Min, who is a member of the Malaysian Institute of Accountants.

The composition of the ARMC has exceeded the required Paragraph 15.10 of the MMLR and Practice 9 of the MCCG.

The ARMC has adopted a formal set of TOR approved by the Board. The TOR of the ARMC can be found on the Company's website at www.lpglobalbhd.com.

The ARMC composition and a summary of activities during the FYE 2024 are set out in the ARMC Report contained in this annual report.

Deriving from the annual performance evaluation carried out by the NC, the Board is satisfied that the ARMC is adequately represented by a wide range of expertise from diverse backgrounds with core competencies in corporate, business acumen and analytical, internal audit, risk management, legal and financial, government policies and regulatory and is able to discharge their duties and responsibilities in an adequate and proper manner.

Former Key Audit Partner

None of the ARMC members were former key audit partners of the Group's existing auditing firm within the three (3) years before being appointed as a member of ARMC. This policy has been formalised in the TOR of the ARMC.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

I AUDIT AND RISK MANAGEMENT COMMITTEE (Cont'd)

Suitability, Objectivity and Independence of the External Auditors

For the financial year under review, the ARMC members met with the external auditors, BDO PLT (“**BDO**”) once in the absence of the Management.

The ARMC had obtained a written assurance from BDO confirming that they were, and had been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The ARMC has conducted an annual review of all the non-audit services provided by the affiliated firm of the external auditors for the FYE 2024, as disclosed in this annual report, before recommending their re-appointment to the Board. The ARMC is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The ARMC has also assessed and was satisfied with the competence and independence of the external auditors and had recommended the re-appointment of the external auditors for shareholders’ consideration at the AGM.

II RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board is responsible for managing risks in order to limit potential adverse effects on the implementation of its strategy, financial performance and the interests of shareholders. The Board delegates oversight of the Group’s risk management processes and control environment to the ARMC.

The Group has in place an Enterprise Risk Management (“**ERM**”) 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 are discussed at the ARMC meeting while all other risks are managed by respective department heads and reported to the ARMC on an exceptional basis.

The ARMC Report and the Statement on Risk Management & Internal Control incorporating report on risk management review, internal audit function and conclusion of the review are set out in this annual report.



Corporate Governance Overview Statement (Cont'd)

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

I ENGAGEMENT WITH STAKEHOLDERS

The Board considers that effective communication with shareholders is integral to long-term growth and success of the Group. It is committed to providing timely, transparent, accurate and credible material information about the Group to its shareholders, stakeholders and investors.

The information is disseminated to stakeholders through:

- Annual report prepared and issued to shareholders;
- Quarterly announcements containing a summary of the financial information and affairs of the Group disclosed on Bursa Securities' website;
- Public announcements on price sensitive information released via Bursa Securities' website;
- Press releases and / or periodical analyst briefings on major developments of the Group; and
- Company's website.

The Company maintains a corporate website at www.lpglobalbhd.com which provides all relevant information about Group and is accessible by the public. L&P has in place Investor Relations 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.

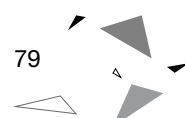
During the FYE 2024, the Company conducted dialogue sessions and meetings with investors, investment analysts, fund managers and media to ensure the Group's management strategies, corporate direction and operational developments are clear and understood. This includes analyst briefings, investor non-deal roadshows, conference calls, ad-hoc meeting and site tours in both large and small groups as well as 1-to-1 meetings with broking houses and analysts. Our Executive Directors and KSM presented and answered the key issues of which investors were mainly concerned.

II CONDUCT OF GENERAL MEETINGS

In compliance with Practice 13.1 of the MCCG, the notice of the Third Annual General Meeting ("AGM") held on 30 May 2024 was dispatched to the shareholders on 30 April 2024, which is more than 28 days before the AGM, so as to ensure the shareholders are given sufficient notice and time to go through the annual report and make the necessary attendance and voting arrangement.

The Company used electronic communications to transmit annual report and other documents such as Notice of AGM to shareholders by uploading such documents via Bursa Securities's website at www.bursamalaysia.com and publish on the Company's website at www.lpglobalbhd.com.

The Notice of AGM was 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.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (Cont'd)

II CONDUCT OF GENERAL MEETINGS (Cont'd)

Shareholders' Participation at General Meetings

The Board regards its AGM and / or other general meetings as an opportunity to communicate directly with shareholders and endeavour to encourage shareholders to participate in these meetings.

The AGM represents the principal forum for dialogue and interaction with shareholders. The CEO and CFO gave a detailed presentation of the Group's business overview and financial performance for the financial year ended 31 December 2023.

All Directors including Chairperson of the Board and the respective Chairman / Chairperson of the Board Committees, the CEO and other KSM attended the AGM to answer any questions put to them and address concerns from shareholders. The external auditors were also present to address any shareholders' queries about the conduct of audit and the preparation and content of the auditors' reports.

The Chairperson provided appropriate and sufficient time to shareholders and encouraged shareholders to raise questions, express opinions and give suggestions about the issues throughout the entire meeting.

The Board members and KSM responded to relevant questions addressed to them during the AGM.

To have greater transparency, accuracy and efficiency in the voting process, the Company adopted the system of e-voting by poll at the AGM. An independent scrutineer was appointed to validate the votes cast and results of each resolution put to vote were announced at the meeting. The poll results were instantaneously displayed on-screen which could be seen by shareholders who joined the meeting.

An announcement detailing the results, including the total number of votes cast for and against each resolution and the respective percentages were announced via Bursa Securities' website after the conclusion of the AGM.

Minutes of meeting which incorporate substantial comments and queries from shareholders and responses from the Company was available on the Company's website after the conclusion of the AGM.

Compliance Statement

The Board is satisfied that the Company complies substantially the principles and practices set out in the MCCG as well as the MMLR for the FYE 2024.

This CG statement was reviewed and approved by the Board on 14 April 2025.



Audit and Risk Management Committee Report

The Board of Directors (“**Board**”) of L&P Group Berhad (“**L&P**” or “**the Company**”) is pleased to present the Audit and Risk Management Committee (“**ARMC**”) Report for the financial year ended 31 December 2024 (“**FYE 2024**”) in compliance with paragraph 15.15 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

COMPOSITION

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors. This meets the requirements of paragraph 15.09(1)(a) and (b) of the MMLR. The current composition of ARMC members are as follows: -

Chairperson: Phoon Yee Min
Independent Non-Executive Director

Members: Dato’ Seri Lee Kah Choon (resigned as ARMC member on 1 December 2024)
Independent Non-Executive Director

Dato’ Mohamed Amin Bin Mohd Kassim
Independent Non-Executive Director

Hew Hein Hwei (appointed as ARMC member on 1 December 2024)
Independent Non-Executive Director

The Chairperson of ARMC, Ms. Phoon Yee Min, is a member of the Malaysian Institution of Accountants which is in accordance with the requirement of Paragraph 15.09(1)(c) of the MMLR where at least one (1) member of the ARMC must be a qualified accountant. The Chairperson of ARMC is not a Chairman of the Board.

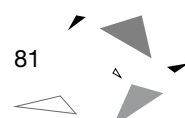
ROLES AND RESPONSIBILITIES

The ARMC had been entrusted by the Board to execute its governance and oversight responsibilities in internal control and risk management systems and ensuring integrity of the financial reporting by the Company and its subsidiaries (“the Group”). The ARMC also oversee the Group’s internal audit function, oversee the relationship with the Group’s external auditors and to report to shareholders on its activities.

The ARMC deliberates on the summary of internal audit reports and the external auditors’ reports relating to financial, operational, governance, risk management and internal control matters during ARMC meeting. The status of preventive and corrective actions for issues discussed are updated to the ARMC to ensure that the actions are being monitored.

The system of internal control therefore provides only reasonable, not absolute, assurance against material misstatement or loss. The system of internal control does, however, provide reasonable assurance that potential issues can be identified promptly and appropriate remedial action taken.

The ARMC is guided by the terms of reference (“**TOR**”) in performing their duties and discharging their responsibilities. The TOR of ARMC is available for reference at the Company’s website at www.lpglobalbhd.com.



Audit and Risk Management Committee Report (Cont'd)

MEETINGS

During the FYE 2024, the ARMC held six (6) meetings and the details of attendance of each member at the ARMC meetings held during the financial year are as follows:

Name	Number of Meetings	
	Attended	Held
Phoon Yee Min	6	6
Dato' Seri Lee Kah Choon	5	5
Dato' Mohamed Amin Bin Mohd Kassim	6	6
Hew Hein Hwei (appointed effective 1 December 2024)	1	1

A formal time schedule for ARMC's meeting was established in advance. The ARMC's agenda and meeting papers were distributed to the ARMC members at least one week in advance of each meeting. This allowed Directors sufficient time to review the materials, seek clarifications if needed, and be adequately prepared for the meeting.

The proceedings of each ARMC meeting were documented with the minutes and presented for confirmation at the next ARMC meeting. Following confirmation, the minutes were presented to the Board for notation.

SUMMARY OF ACTIVITIES FOR THE FINANCIAL YEAR

Summary of work undertaken by the ARMC during the FYE 2024 were as follows:

1. Financial Reporting

- reviewed and recommended to the Board for approval and subsequent release of the Group's unaudited quarterly financial results to Bursa Securities;
- reviewed the annual audited financial statements of the Company and the Group together with the Directors' Statement and Auditor's Statement to ensure they presented a true and fair view of the Company and the Group's financial performance in accordance with regulatory requirements and recommended the same to the Board for approval; and
- For the purposes of the above, the ARMC focused particularly on:
 - Changes in accounting policies and practices and the implementation of such changes;
 - Compliance with accounting standards and other legal regulatory requirements;
 - Significant and unusual events;
 - Significant adjustments arising from the audit;
 - Going concern assumption, where applicable; and
 - Management judgement and estimation made on the recognition, measurement and presentation.



Audit and Risk Management Committee Report (Cont'd)

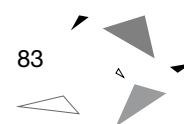
SUMMARY OF ACTIVITIES FOR THE FINANCIAL YEAR (Cont'd)

2. External Audit

- Discussed and reviewed the external auditors, BDO PLT (“**BDO**”) audit planning memorandum for the FYE 2024 outlining the engagement and reporting responsibilities, audit approach, materiality and performance materiality, areas of significant auditors’ attention, engagement team, as well as reporting, deliverables and audit fees;
- Prior to the issuance of the Group’s audited financial statements, the ARMC reviewed the audit completion updates presented by BDO which covered the auditors’ responsibilities, audit status and significant changes to audit plans, findings on areas of significant auditor attention, summary of misstatements, key audit matters, going concern assumption and impairment arising from the audit during the year under review;
- Discussed and reviewed with BDO the audit findings and opinions, the Auditors’ Report and confirmed that full co-operation and unrestricted access to the Group’s records had been granted by the Management in the course of audit. During the FYE 2024, the ARMC met with BDO once, without the presence of the Executive Directors and Management of the Group;
- Following the input from the Management and BDO’s comments, the ARMC was satisfied that the accounting treatments applied under the financial reporting standards, the significant judgements, key assumptions and conclusions reached were appropriate;
- Reviewed and discussed with BDO the effectiveness of the Group’s internal controls and their recommendations for improvement on deficiencies noted in the course of audit. There were no significant findings highlighted by BDO;
- The ARMC was satisfied that the level of fees paid / payable in respect of the services provided by BDO was appropriate. The amount of external audit fees and non-audit fees incurred for the FYE 2024 are set out under the Additional Compliance Information in this annual report; and
- Assessed and evaluated the integrity, capability, professionalism, independence and work ethics of the external auditors and determined whether to re-appoint the current External Auditors. With due consideration, the ARMC was satisfied with BDO’s performance and therefore, would recommend to the Board for seeking shareholders’ approval at the forthcoming AGM, on the re-appointment of BDO as the external auditors.

3. Internal Audit (“**IA**”)

- Reviewed and approved the IA plan for FYE 2024 following discussions and challenge as to the scope and areas of focus as tabled by the outsourced internal auditors. The plan takes account of the Group’s strategic objectives and risks and provide the degree of coverage deemed appropriate by the ARMC;
- Makes enquiries as to the internal auditors’ resources, expertise, professionalism and independence to meet planned audit activities across the Group;
- Reviewed IA reports issued by the Internal Auditors and took note of their observations, recommendations and the Management’s responses thereto;
- Discussed significant reported matters with the Management together with the internal auditors to reaffirm a common understanding of the issues and the Management’s commitment to improve the current system of internal control to address the issues. The ARMC subsequently reported significant internal control matters to the Board; and
- Evaluated and reviewed the adequacy of the resources, scope, functions, competency and performance of IA function and its comprehensiveness of the coverage of activities within the Group.



Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF ACTIVITIES FOR THE FINANCIAL YEAR (Cont'd)

4. Risk Management and Internal Control

- Reviewed the adequacy and effectiveness of risk management and internal control systems instituted within the Group; and
- Reviewed and received updates on the Enterprise Risk Management and Corruption Risk Management including principal and emerging risks finding as well as adoption of relevant mitigation corrective measures for the identified risks.

5. Oversight of Compliance and Corporate Governance Matters

- Reviewed and confirmed the minutes of the ARMC Meetings;
- Reviewed and monitored compliance with the MCCG;
- Reviewed the impact of the relevant regulatory changes and ensured compliance by the Company and the Group; and
- Reviewed and recommended the ARMC Report and Statement on Risk Management and Internal Control (“**SORMIC**”) to the Board for approval and inclusion in the annual report.

6. Related Party Transactions

- Reviewed and confirmed with the Management on a quarterly basis if any related party transaction or recurrent related party transaction entered by the Group which are required to be transacted at an arm's length basis and no detrimental interest to the minority of the shareholders.

7. Conflict of Interest (“**COI**”) and Potential COI

- Reviewed and reported to the Board that there was no COI and potential COI situation involving Directors and Key Senior Management that arose, persist or may arise during the FYE 2024.

8. Incidents of Anti-Bribery and Corruption and/or Whistleblowing

- Reviewed and confirmed with the Management that the Company did not receive any incidents related to anti-bribery and corruption and/or whistleblowing.

The ARMC have sufficient resources available to discharge their responsibilities. The ARMC not only has access to any information that it needs, but also have the right to seek independent advice and the power to investigate any matter within the ambit of its authority.

INTERNAL AUDIT FUNCTION

The Group had outsourced its internal audit function for the FYE 2024 to an independent professional consulting firm Tricor Axelasia Sdn Bhd (“**Tricor**”) to review the effectiveness of the Group's internal control and processes and ensure that there is an appropriate balance of risk and control in achieving its business objectives.

Details of the internal audit function are set out in the SORMIC included in this annual report.

This ARMC report was reviewed and approved by the Board on 14 April 2025.



Statement On Risk Management and Internal Control

The Board of Directors (“**Board**”) of L&P Global Berhad (“**L&P**” or “**the Company**”) is pleased to provide the following Statement on Risk Management and Internal Control (“**SORMIC**”) for the financial year ended 31 December 2024 (“**FYE 2024**”) pursuant to paragraph 15.26(b) of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and Practice 10.2 of the Malaysian Code on Corporate Governance (“**MCCG**”).

The Board is guided by the SORMIC: Guidelines for Directors of Listed Issuers (“**Guidelines**”) in making disclosures concerning main features of the Risk Management Framework and Internal Control System of the Company and its subsidiaries (“**the Group**”) and is committed to fulfilling its responsibility of maintaining a sound system of risk management and internal control in the Group. The SORMIC outlines the nature and scope of risk management and internal control of the Group during the financial year.

Board Responsibilities

The Board recognises the importance of maintaining a sound system of internal control and the proper identification and management of risks affecting the operations of the Group to safeguard shareholders’ investments and other stakeholders’ interests. Accordingly, the Board affirms its overall responsibilities for the Group’s system of risk management and internal control 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.

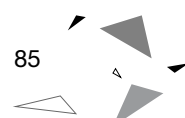
Given that there are inherent limitations in any system of risk management and internal control, the said system is designed to manage risks within tolerable and knowledgeable limits in an efficient manner, rather than eliminating the risk of failure to achieve business objectives of the Group. The system 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.

Risk Management Framework

Risk management is embodied in the Groups’ key business processes through the Enterprise Risk Management (“**ERM**”) 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 such as strategic, organisation structure, operational, processes, regulatory, people culture, technologies and reputation risks.

The individual risks identified are scored for their likelihood of occurrence and the impact 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 and / or quantified in terms of likelihood of their occurrence and the impact thereof. The use of such metrics essentially articulates the Board’s risk appetite, i.e. the extent of risk the Group is prepared to take or seek to achieve its business objectives.

Details of specific risks are documented in risk registers, covering the risk description, root causes, risk consequences, internal controls implemented to address the root causes, the Management’s assessment of the effectiveness of internal controls and the residual risk rating after considering the effects of internal controls deployed to manage the exposure.



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

Risk Management Framework (Cont'd)

During the financial year under review, the Executive Directors, assisted by the Management, has identified fourteen key risks in relation to strategic, operational, compliance and financial risk and the Group has evaluated the potential impact of these risks. The Management comprised the Chief Financial Officer, Key Senior Management (“KSM”), department heads and managers of subsidiaries. Risk register was updated and meetings were held to communicate and deliberate the issues or risks and 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 Group’s ERM framework remain sound, the risk register is monitored to include emerging risk as and when necessary. This serves to ensure controls are in place and continue to operate adequately and effectively.

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 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;
- Delegation and separation of responsibilities between the Board and the Management and the establishment of various Board Committees and the presence of Independent Directors to overseeing the financial, compliance and operational performance of the Management;
- Standard operating procedures (“SOP”) guiding staff members in carrying out their function effectively. This SOP covers the monitoring of nonconformity controls and risk-based action. Berjayapak Sdn Bhd and Berjayapak Vietnam Co. Ltd are ISO9001: 2015 certified. With these certifications, annual surveillance audits are conducted by independent external ISO auditors particularly to ensure compliance with ISO procedures or manual;
- Regular management review meetings to review operational and financial performance as well as formulate action plans to address any areas of concern. There is regular reporting by the Executive Directors and KSM of the Group to the Board on significant changes in business and the external environment in which the Group operates;
- Structured whistle-blowing policies and procedures are formalised in writing to enable employees of the Group to raise genuine concerns about suspected improprieties on matters of financial reporting, non-compliance with law and regulations, malpractices or unethical business conduct within the Group at the earliest opportunity and in an appropriate way without fear of reprisal and to have such concerns properly investigated. All disclosures made under the Policy will be handled with strict confidence. The Policy promotes a culture of honesty, openness and transparency within the Group;
- Code of Ethics which underlines the Group’s core values in conducting business fairly, impartially and ethically; and
- Anti-Bribery and Anti-Corruption Policy which sets out the policies and procedures on the Group’s commitment to uphold the highest legal, moral and ethical business practices. All forms of bribery and corruption are not acceptable and will not be tolerated.



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

Internal Audit Function

During the FYE 2024, the Group had outsourced the internal audit function to an independent professional consulting firm, Tricor Axelasia Sdn Bhd “**Tricor**”, which assists the Audit and Risk Management Committee (“**ARMC**”) by independently evaluating and improving the effectiveness of the system of internal control and make recommendations for improvement. Mr. Chang Ming Chew, an Executive Director of Tricor, was responsible for the outsourced internal audit function of the Group. Mr. Chang holds the certifications of Certified Internal Auditor and member with the Malaysian Institute of Accountants. All Internal Audit personnel assigned by Tricor are free from any relationships or conflicts of interest which could impair their objectivity and independence.

The performance of the internal audit work is guided by, in all respects, the International Professional Practices Framework issued by the Institute of Internal Auditors. This involved assessing key risk area, walkthrough or high-level reviews of the major operations, discussion held with top management and key staff as well as limited tests of transactions on a sample basis covering various related records and documents supplemented with an observation of its current practices.

The activities of the internal audit are carried out based on their risk assessment and in accordance with the annual internal audit plan approved by the ARMC on a yearly basis. The internal audit plan for the FYE 2024 was tabled for ARMC’s reviewed and approved. During the financial year under review, two cycles of internal audit were conducted, as below:-

Internal Audit	Audited Area	Reporting Month	Audited Entity
Cycle 1, FYE 2024	Supply Chain Management	November 2024	• Berjayapak Sdn Bhd
Cycle 2, FYE 2024	Inventory Management	November 2024	• Berjayapak Sdn Bhd

In carrying out its activities, Tricor has unrestricted access to the relevant records, personnel and physical properties. The results of internal audits including the audit recommendations made by Tricor and the Management’s replies to those recommendations are directly reported to ARMC. Besides, follow-up reviews are carried out in the subsequent internal audit review assignment to determine the status of implementation of improvements.

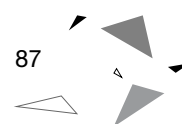
The total cost incurred for the Group’s internal audit function during the FYE 2024 was approximately RM38,000.

Assurance by the Group Chief Executive Officer, Chief Operation Officer and Group Chief Financial Officer on the Adequacy and Operating Effectiveness of the Risk Management and Internal Control System

The Board has received written assurance from the Chief Executive Officer, Chief Operation Officer and Chief Financial Officer stating that the Group’s risk management and internal control system are operating adequately and effectively, in all material aspects, based on the ERM framework adopted by the Group.

For the financial year under review, there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

In line with the Guidelines, the Board is satisfied that there is an ongoing and effective process for identifying, evaluating and managing the risk and internal control of the Group to safeguard the Group’s assets and stakeholders’ interest.



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

Review of Statement by the External Auditors

In accordance to paragraph 15.23 of the MMLR of Bursa Securities and in accordance with the Audit and Assurance Practice Guide 3 (“AAPG 3”), Guidance for Auditors on Engagements to Report on the SORMIC included in the annual report issued by the Malaysian Institute of Accountants (“MIA”), the external auditors, BDO PLT has reviewed the SORMIC for inclusion in this annual report for the FYE 2024, and has reported to the Board that based on their review procedures performed and evidence obtained, nothing has come to their attention that caused them to believe that the SORMIC intended to be included in the annual report of the Company was not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines, nor is the SORMIC factually inaccurate.

The AAPG 3 does not require the external auditors to consider whether the SORMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group’s risk management and internal control system including the assessment and opinion by the Board and Management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Conclusion

The Board is of the view that the system of risk management and internal control, in place for the financial year under review is sound and sufficient to safeguard the interest of shareholders, customers, employees and the Group’s assets. Whilst the Board is of the view that there were no material losses incurred during the financial year as a result of weaknesses in the risk management and internal control system, 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 business objectives.

The SORMIC was reviewed and approved by the Board on 14 April 2025.



Additional Compliance Information

1. Status of utilisation of Proceeds from IPO

L&P Global Berhad (“**L&P**” or “**the Company**”) completed its Initial Public Offering (“**IPO**”) exercise on 3 January 2023, which raised gross proceeds of RM33,900,000.

On 28 July 2023, the Board of Directors (“**Board**”) of L&P announced that the Board had resolved to approve the variation to the utilisation of RM8.00 million of the proceeds raised from its IPO exercise, which had been earmarked for part payment of the construction cost for a new factory in Johor (“**Proposed New Johor Factory**”) (“**Capex Variation**”).

As of 31 March 2025, the status of utilisation of proceeds raised from the IPO are as follows:

Purpose	Original proposed utilisation		Revised proposed utilisation		Actual utilisation	Balance to utilise	Estimated timeframe for utilisation from the date of Listing
	RM'000	%	RM'000	%	RM'000	RM'000	
Capital expenditure							
- Proposed New Johor Factory	10,000	29.50	2,000	5.90	1,310	690	Within 36 months
- Capex Variation	-	-	8,000	23.60	7,725	275	Within 36 months
Business expansion	2,000	5.90	2,000	5.90	916	1,084	Within 36 months
Repayment of borrowings	5,000	14.75	5,000	14.75	5,000	-	Within 6 months
Working Capital	13,000	38.35	13,000	38.35	13,000	-	Within 12 months
Estimated listing expenses	3,900	11.50	3,900	11.50	3,900	-	Within 3 months
Total	33,900	100.00	33,900	100.00	31,851	2,049	

The utilisation of proceeds as disclosed above should be read in conjunction with the Company’s Prospectus dated 13 December 2022 and the announcement on variation of utilisation dated 28 July 2023.

2. Audit and Non-Audit Fees

The fees paid or payable to the external auditors, BDO PLT and its affiliates in relation to the audit and non-audit services rendered to the Company and its subsidiaries (“**the Group**”) for the financial year ended 31 December 2024 (“**FYE 2024**”) were as follows:

	Company RM'000	Group RM'000
Audit Fee	34	130
Non-Audit Fee	11	46
Total	45	176

Additional Compliance Information (Cont'd)

3. The Employees' Share Option Scheme ("ESOS" or "Scheme")

The ESOS of the Company came into effect on 29 December 2022. The objectives of the ESOS are primarily to serve as a long-term incentive plan to reward eligible persons and to align their interest with the corporate goals and objectives of the Group. The maximum number of shares which may be made available under the Scheme shall not in aggregate exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time during the duration of the Scheme ("**Maximum ESOS Shares**").

The ESOS Committee was established on 19 December 2022 and is empowered to act, execute, enter into any transactions pertaining thereto for and on behalf of the Company in such manner deemed fit by it and in accordance with the By-laws of ESOS, regulations and guidelines in force from time to time.

On 3 January 2023, the Company offered 11,200,000 ESOS options under the Scheme to eligible persons with an exercise price of RM0.30 per share, representing two percent (2%) of the enlarged share capital of 560,000,000 ordinary shares.

Information in relation to the ESOS during the financial year are as follows:

Category of Participants	Description	Balance as of 1/1/24	Exercise	Forfeited	Balance as of 31/12/24
Director	No. of Options	5,200,000	180,000	800,000	4,220,000
	No. of Participants	6	3	1	5
KSM	No. of Options	2,600,000	340,000	700,000	1,560,000
	No. of Participants	5	3	27	4
Management	No. of Options	2,190,000	176,000	730,000	1,284,000
	No. of Participants	20	3	28	8
Executive	No. of Options	1,030,000	90,000	310,000	630,000
	No. of Participants	9	10	12	17
Non-Executive/ Technical Staff	No. of Options	180,000	12,000	30,000	138,000
	No. of Participants	2	2	1	4
Total	No. of Options	11,200,000	798,000	2,570,000	7,832,000
	No. of Participants	56	21	18	38

A total of 6,300,000 ESOS options were granted to Directors and KSM, which in aggregate represents 11.23% of the Maximum ESOS Shares as at 31 December 2024.

Details of the Directors' ESOS options are disclosed in the Directors' Report in this annual report.

The Scheme shall continue to be in force for a period of five (5) years and may be extended or renewed for a period of five (5) years or such shorter period, at the sole and absolute discretion of the Board upon the recommendation of the ESOS Committee.

4. Material Contracts

There were no material contracts entered into by the Company and the Group involving directors and major shareholders' interest either still subsisting at the end of the FYE 2024 or entered into since the end of the previous financial year.

Statement Of Directors' Responsibility

The Directors are required to prepare the audited financial statements for each financial year in accordance with the provisions of the Companies Act 2016 (“**Act**”), the applicable approved accounting standards and the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) to give a true and fair view of the state of affairs of L&P Global Berhad (“**L&P**” or “**the Company**”) and its subsidiaries (“**the Group**”) for the financial year ended 31 December 2024 (“**FYE 2024**”) and of the financial performance and cash flows of the Company and the Group for the financial year.

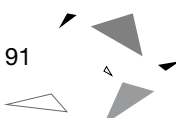
The Directors consider that in the preparation of the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024, the Company and the Group have:

- applied the appropriate accounting policies consistently;
- applied reasonable and prudent judgements and estimates;
- ensured that the audited financial statements are in compliance with all applicable Malaysia Financial Reporting Standards, IFRS Accounting Standards (“**IFRS**”); and
- prepared the audited financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Company and the Group have adequate resources to continue operations for the foreseeable future.

The Directors are responsible for ensuring that the Company and the Group maintain proper accounting and other records that disclose with reasonable accuracy the financial position of the Company and the Group, and that the financial statements comply with all the relevant regulatory requirements.

The Directors are also responsible for taking steps as are reasonably available to them to ensure that adequate risk management and internal controls are in place to safeguard the assets of the Company and the Group and to prevent and detect any fraud and other irregularities.

The above statement was reviewed and approved by the Board on 14 April 2025.





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Directors' Report

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are provision of integrated industrial packaging solutions. Further details of the subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

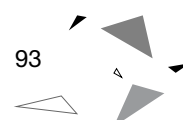
	Group RM	Company RM
Profit for the financial year	<u>11,099,171</u>	<u>6,367,361</u>
Attributable to:		
Owners of the parent	<u>11,099,171</u>	<u>6,367,361</u>

DIVIDENDS

Dividends declared and paid by the Group since the end of the previous financial year were as follows:

	RM
In respect of financial year ended 31 December 2023:	
Final single tier dividend of RM0.008 per ordinary share, paid on 18 April 2024	4,480,000
In respect of financial year ended 31 December 2024:	
Interim single tier dividend of RM0.005 per ordinary share, paid on 18 October 2024	<u>2,803,990</u>
	<u>7,283,990</u>

The Director do not recommend any payment of final dividend for the current financial year.



Directors' Report (Cont'd)

RESERVES AND PROVISIONS

Material transfers to or from reserves or provisions during the financial year include the following:

	Group and Company RM
Share options vested under Employees' Share Option Scheme ("ESOS")	221,702
Issuance of ordinary shares pursuant to ESOS exercised	<u>(97,755)</u>

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 560,000,000 to 560,798,000 by way of issuance of 798,000 new ordinary shares pursuant to 798,000 options exercised under ESOS at an exercise price of RM0.30 per ordinary share for cash.

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

The Company did not issue any debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

The Employees' Share Option Scheme ("ESOS") of the Company came into effect on 29 December 2022, which is in force for a period of five (5) years until 28 December 2027.

Salient features and other terms of ESOS as follows:

- (a) The maximum number of shares which may be made available under the ESOS shall not in aggregate exceed ten percent (10%) of the total number of issued and fully paid up shares of the Company (excluding treasury shares, if any) at any point in time during the ESOS period.
- (b) The aggregate maximum number of shares that may be allocated to any eligible persons shall be determined by the ESOS Committee provided that the number of new shares allocated to any eligible persons who, either singly or collectively through persons connected with the eligible persons, holds twenty percent (20%) or more of the total number of issued shares of the Company (excluding treasury shares, if any), shall not exceed ten percent (10%) of the maximum ESOS shares.

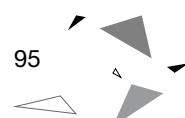


Directors' Report (Cont'd)

OPTIONS GRANTED OVER UNISSUED SHARES (Cont'd)

Salient features and other terms of ESOS as follows (Cont'd):

- (c) Any Directors and employees may be considered as eligible from time to time and at any time by the ESOS Committee. Any Directors and employees who fulfill the following criteria shall be eligible for consideration by the ESOS Committee to participate in the ESOS:
- (i) has attained the age of eighteen (18) years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - has been employed by the Group as a full-time employee or serving in a specific designation under an employment contract with the Group for a fixed duration (or any other contract as may be determined by the ESOS Committee) and is on the payroll of any subsidiaries within the Group for a continuous period of at least twelve (12) months in the Group and has not served a notice of resignation or received a notice of termination; or
 - is employed by a corporation which is acquired by the Group during the ESOS period and becomes a subsidiary of the Group upon such acquisition, he/she must have completed a continuous employment service for a period of at least twelve (12) months with the Group and/or for such period as may be determined by the ESOS Committee in the Group as at the date that such company becomes or is deemed to be a subsidiary of the Group and has not served a notice to resign or received a notice of termination;
 - (ii) has been confirmed in writing and is not under any probation;
 - (iii) if he/she is a Director, Chief Executive or major shareholder of the Company, the ESOS Offer awarded by the Company to him/her in his/her capacity as a Director or Chief Executive of the Company or his/her persons connected under the ESOS has been approved by the shareholders of the Company at a general meeting; and
 - (iv) is under such categories and/or fulfills any other criteria as may be set by the ESOS Committee from time to time at its absolute discretion.
- (d) The aggregate maximum number of options to be offered to an eligible person will be determined entirely at the absolute discretion of the ESOS Committee, which shall take into account such criteria as it considers fit including but not limited to the eligible persons' position, job performance, seniority, duration of service, potential for future development and contribution to the success and development of the Group and such other criteria as the ESOS Committee may deem relevant from time to time.



Directors' Report (Cont'd)

OPTIONS GRANTED OVER UNISSUED SHARES (Cont'd)

Salient features and other terms of ESOS as follows (Cont'd):

- (e) Subject to any adjustments made under the By-Laws of the ESOS and pursuant to the listing requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the exercise price shall be:
- (i) In respect of any offer which is made in conjunction with the listing of the Company, the final price paid by investors for the ordinary shares issued by the Company pursuant to its initial public offering; and
 - (ii) In respect of any offer which is made subsequent to the listing of the Company, the price to be determined by ESOS Committee based on the five (5)-day volume weighted average market share of the ordinary shares immediately preceding the offer date with a discount of not more than 10%.
- (f) The options shall be vested to an eligible person on the vesting dates after fulfilling the vesting conditions in accordance with ESOS By-Laws. The vesting of each options may be staggered in several tranches at such times and on such terms as determined by the ESOS Committee.

The number of unissued ordinary shares under options was as follows:

Number of options over ordinary shares						
Date of offer	Exercise price	Balance as at 1.1.2024	Exercised	Forfeited*	Balance as at 31.12.2024^	Exercisable as at 31.12.2024
3.1.2023	RM0.30	11,200,000	(798,000)	(2,570,000)	7,832,000	928,000

* Due to resignation.

^ Exercisable by the grantee upon achieving the vesting conditions set by the ESOS committee.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Ooi Lay Pheng *

Ong Kah Hong *

Dato' Ooi Hooi Kiang

(Resigned on 30 November 2024)

Dato' Mohamed Amin Bin Mohd Kassim

Dato' Seri Lee Kah Choon

Phoon Yee Min

Lee Soon Swee

(Appointed on 13 November 2024)

Hew Hein Hwei

(Appointed on 1 December 2024)

* These Directors of the Company are also the Directors in certain subsidiaries of the Company.

Directors' Report (Cont'd)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares and options over ordinary shares in the Company and of its related corporations during the financial year ended 31 December 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

<u>Shares in the Company</u>	Number of ordinary shares			
	Balance as at date of appointment ^/ <u>1.1.2024</u>	<u>Bought</u>	<u>Sold</u>	Balance as at <u>31.12.2024</u>
Direct interests:				
Ooi Lay Pheng	2,000,000	18,420,300	0	20,420,300
Ong Kah Hong	1,000,000	1,090,000	0	2,090,000
Dato' Mohamed Amin Bin Mohd Kassim	250,000	60,000	0	310,000
Dato' Seri Lee Kah Choon	500,000	60,000	0	560,000
Phoon Yee Min	100,000	60,000	(100,000)	60,000
Indirect interests:				
Ooi Lay Pheng *	368,500,000	0	0	368,500,000
Ong Kah Hong #	24,670,000	0	(24,670,000)	0
Lee Soon Swee *	368,500,000	0	0	368,500,000

<u>Share options in the Company</u>	Number of options over ordinary shares		
	Balance as at <u>1.1.2024</u>	<u>Exercised</u>	Balance as at <u>31.12.2024</u>
Direct interests:			
Ooi Lay Pheng	2,000,000	0	2,000,000
Ong Kah Hong	1,500,000	0	1,500,000
Dato' Mohamed Amin Bin Mohd Kassim	300,000	(60,000)	240,000
Dato' Seri Lee Kah Choon	300,000	(60,000)	240,000
Phoon Yee Min	300,000	(60,000)	240,000

^ Lee Soon Swee was appointed on 13 November 2024.

* Deemed interested by virtue of shareholding in B Pack Holdings Sdn. Bhd.

Deemed interested by virtue of shareholding in Moviente Sdn. Bhd.

By virtue of Ooi Lay Pheng's substantial interest of the Company, she is also deemed to have interest in the shares of all the subsidiaries to the extent the Company has an interest.

None of the other Director holding office at the end of the financial year held any interest in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year.

Directors' Report (Cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received and receivable by the Directors) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Directors is a member, or with a company in which the Director has a substantial financial interest, other than certain Directors who received remuneration from a subsidiary as Directors of the subsidiary.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 were as follows:

	Group 2024 RM	Company 2024 RM
Fees	428,000	428,000
Salaries, allowances and bonuses	707,583	0
Contributions to defined contribution plans	68,065	0
Socso contributions	1,872	0
Share options vested under ESOS	177,613	177,613
Others	48,357	48,000
	<u>1,431,490</u>	<u>653,613</u>

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Group and the Company effected liability insurance of the Directors and officers during the financial year to protect the Directors and the officers of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors and officers. The total amount of insurance premium effected for any Director and officer of the Group and of the Company was RM14,000.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.



Directors' Report (Cont'd)

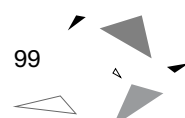
OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, 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.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts in the financial statements of the company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (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.



Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (Cont'd)

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT (Cont'd)

(d) In the opinion of the Directors:

- (i) there has not arisen any item, transaction or event of a material and unusual nature 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; and
- (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

HOLDING COMPANY

The Directors regard B Pack Holding Sdn. Bhd., a company incorporated in Malaysia as the ultimate holding company.



Directors' Report (Cont'd)

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

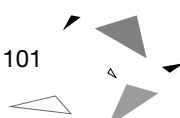
Auditors' remuneration of the Company and its subsidiaries for the financial year ended 31 December 2024 amounted to RM34,000 and RM95,540 respectively.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Ooi Lay Pheng
Director

Ong Kah Hong
Director

Penang
14 April 2025



Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 109 to 169 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Ooi Lay Pheng
Director

Ong Kah Hong
Director

Penang
14 April 2025

Statutory Declaration

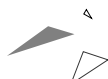
I, Ow Chooi Khim (CA 12616), being the officer primarily responsible for the financial management of L&P Global Berhad, do solemnly and sincerely declare that the financial statements set out on pages 109 to 169 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously 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 at
Georgetown in the State of
Penang this 14 April 2025.

Ow Chooi Khim
Chief Financial Officer

Before me,

Commissioner for Oaths



Independent Auditors' Report

To The Members of L&P Global Berhad

Report on the Financial Statements

We have audited the financial statements of L&P Global Berhad, which comprise the statements of financial position as at 31 December 2024 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 109 to 169.

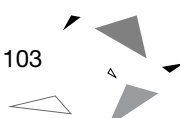
In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ('MFRSs'), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ('ISAs'). 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'), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.



Independent Auditors' Report

To The Members of L&P Global Berhad (Cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of trade receivables

The net carrying amount of trade receivables of RM23,669,266 has been disclosed in Note 10 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

Audit response

Our audit procedures included the following:

- a. Recomputed the probability of default using historical data and forward-looking information adjustment applied by the Group;
- b. Recomputed the correlation coefficient between the macroeconomic indicators used by the Group and historical losses to determine the appropriateness of the forward-looking information used by the Group; and
- c. Inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses.

We have determined that there are no key audit matters to communicate in our report of the audit of the financial statements of the Company.



Independent Auditors' Report

To The Members of L&P Global Berhad (Cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

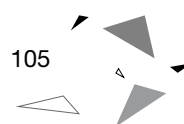
In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge 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 this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards, and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.



Independent Auditors' Report

To The Members of L&P Global Berhad (Cont'd)

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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) 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.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.



Independent Auditors' Report

To The Members of L&P Global Berhad (Cont'd)

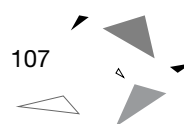
Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (Cont'd):

- (d) 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.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



Independent Auditors' Report

To The Members of L&P Global Berhad (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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 subsidiary of which we have not acted as auditor, is disclosed in Note 7 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.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Lee Beng Tuan
03271/07/2026 J
Chartered Accountant

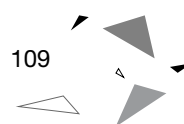
Penang
14 April 2025



Statements of Financial Position

As At 31 December 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	25,094,128	25,037,971	6,316	0
Right-of-use assets	6	27,492,329	28,987,278	0	0
Investments in subsidiaries	7	0	0	43,364,796	43,281,881
Deferred tax assets	8	27,961	5,215	0	0
		<u>52,614,418</u>	<u>54,030,464</u>	<u>43,371,112</u>	<u>43,281,881</u>
Current assets					
Inventories	9	10,541,054	11,895,175	0	0
Trade and other receivables	10	27,536,781	36,742,275	28,796,597	25,010,421
Derivative assets	11	0	81,044	0	0
Current tax assets		2,057,594	666,015	187,508	11,800
Cash and bank balances	12	50,644,468	40,211,850	9,542,976	14,637,811
		<u>90,779,897</u>	<u>89,596,359</u>	<u>38,527,081</u>	<u>39,660,032</u>
TOTAL ASSETS		<u>143,394,315</u>	<u>143,626,823</u>	<u>81,898,193</u>	<u>82,941,913</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	13	73,802,154	73,464,999	73,802,154	73,464,999
Reserves	14	30,431,259	27,113,429	5,849,644	6,642,326
TOTAL EQUITY		<u>104,233,413</u>	<u>100,578,428</u>	<u>79,651,798</u>	<u>80,107,325</u>



Statements of Financial Position

As At 31 December 2024 (Cont'd)

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
LIABILITIES					
Non-current liabilities					
Borrowings	15	25,146,171	27,123,273	0	0
Lease liabilities	6	1,715,736	2,607,321	0	0
Deferred tax liabilities	8	1,678,300	1,636,700	0	0
		<u>28,540,207</u>	<u>31,367,294</u>	<u>0</u>	<u>0</u>
Current liabilities					
Trade and other payables	16	7,036,191	7,731,783	165,751	494,783
Derivative liabilities	11	95,495	0	0	0
Borrowings	15	1,984,685	1,945,026	2,080,644	2,339,805
Lease liabilities	6	1,416,567	1,057,989	0	0
Current tax liabilities		87,757	946,303	0	0
		<u>10,620,695</u>	<u>11,681,101</u>	<u>2,246,395</u>	<u>2,834,588</u>
TOTAL LIABILITIES		<u>39,160,902</u>	<u>43,048,395</u>	<u>2,246,395</u>	<u>2,834,588</u>
TOTAL EQUITY AND LIABILITIES					
		<u>143,394,315</u>	<u>143,626,823</u>	<u>81,898,193</u>	<u>82,941,913</u>

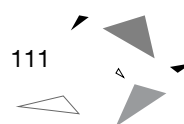
The accompanying notes form an integral part of the financial statements.



Statements of Profit or Loss And Other Comprehensive Income

For The Financial Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Revenue	17	133,569,988	167,037,922	6,800,000	13,600,000
Other operating income		2,112,467	2,453,241	787,254	950,273
Changes in inventories of finished goods and work-in-progress		(14,235,432)	(15,067,431)	0	0
Raw materials and consumables used		(69,993,702)	(91,401,526)	0	0
Employee benefits	19	(20,515,836)	(21,246,045)	(614,787)	(714,373)
Depreciation		(4,230,841)	(3,697,011)	(574)	0
Net (losses)/gains on impairment of trade and other receivables	10(g)	(50,000)	39,805	0	0
Other operating expenses		<u>(10,559,833)</u>	<u>(11,348,535)</u>	<u>(488,577)</u>	<u>(1,538,970)</u>
Profit from operations		16,096,811	26,770,420	6,483,316	12,296,930
Finance costs	18	<u>(1,654,849)</u>	<u>(1,746,581)</u>	<u>0</u>	<u>0</u>
Profit before tax		14,441,962	25,023,839	6,483,316	12,296,930
Tax expense	20	<u>(3,342,791)</u>	<u>(4,339,612)</u>	<u>(115,955)</u>	<u>(175,700)</u>
Profit for the financial year		11,099,171	20,684,227	6,367,361	12,121,230



Statements of Profit or Loss And Other Comprehensive Income

For The Financial Year Ended 31 December 2024 (Cont'd)

		Group		Company	
	Note	2024	2023	2024	2023
		RM	RM	RM	RM
Other comprehensive income					
Item that may be reclassified subsequently to profit or loss					
Foreign currency translation		(621,298)	152,829	0	0
Total comprehensive income for the financial year		<u>10,477,873</u>	<u>20,837,056</u>	<u>6,367,361</u>	<u>12,121,230</u>
Profit attributable to owners of the parent		<u>11,099,171</u>	<u>20,684,227</u>	<u>6,367,361</u>	<u>12,121,230</u>
Total comprehensive income attributable to owners of the parent		<u>10,477,873</u>	<u>20,837,056</u>	<u>6,367,361</u>	<u>12,121,230</u>
Earnings per ordinary share attributable to owners of the parent:					
Basic (sen)	21	<u>1.98</u>	<u>3.69</u>		
Diluted (sen)	21	<u>1.97</u>	<u>3.67</u>		

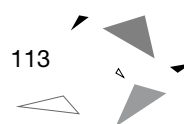
The accompanying notes form an integral part of the financial statements.



Consolidated Statement of Changes In Equity

For The Financial Year Ended 31 December 2024

Group	Note	Share capital RM	Merger reserve RM	Share option reserve RM	Exchange translation reserve RM	Retained earnings RM	Total equity RM
Balance as at 1 January 2024		73,464,999	(33,653,499)	543,573	459,742	59,763,613	100,578,428
Profit for the financial year		0	0	0	0	11,099,171	11,099,171
Other comprehensive income, net of tax		0	0	0	(621,298)	0	(621,298)
Total comprehensive income		0	0	0	(621,298)	11,099,171	10,477,873
Transactions with owners:							
Dividends	22	0	0	0	0	(7,283,990)	(7,283,990)
Share options vested under Employees' Share Option Scheme ("ESOS")		0	0	221,702	0	0	221,702
Ordinary shares issued pursuant to ESOS exercised		337,155	0	(97,755)	0	0	239,400
Total transactions with owners		337,155	0	123,947	0	(7,283,990)	(6,822,888)
Balance as at 31 December 2024		73,802,154	(33,653,499)	667,520	(161,556)	63,578,794	104,233,413



Consolidated Statement of Changes In Equity

For The Financial Year Ended 31 December 2024 (Cont'd)

Group	Note	Share capital RM	Merger reserve RM	Share option reserve RM	Exchange translation reserve RM	Retained earnings RM	Total equity RM
Balance as at 1 January 2023		73,464,999	(33,653,499)	0	306,913	41,879,386	81,997,799
Profit for the financial year		0	0	0	0	20,684,227	20,684,227
Other comprehensive income, net of tax		0	0	0	152,829	0	152,829
Total comprehensive income		0	0	0	152,829	20,684,227	20,837,056
Transactions with owners:							
Dividend	22	0	0	0	0	(2,800,000)	(2,800,000)
Share options granted under ESOS		0	0	543,573	0	0	543,573
Total transactions with owners		0	0	543,573	0	(2,800,000)	(2,256,427)
Balance as at 31 December 2023		73,464,999	(33,653,499)	543,573	459,742	59,763,613	100,578,428

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

Statement of Changes In Equity

For The Financial Year Ended 31 December 2024

			(Accumulated losses)/ Retained earnings	Total equity
Note	Share capital RM	Share option reserve RM	RM	RM
Company				
Balance as at 1 January 2024	73,464,999	543,573	6,098,753	80,107,325
Profit for the financial year	0	0	6,367,361	6,367,361
Other comprehensive income, net of tax	0	0	0	0
Total comprehensive income	0	0	6,367,361	6,367,361
Transactions with owners:				
Dividends	0	0	(7,283,990)	(7,283,990)
Share options vested under ESOS	0	221,702	0	221,702
Ordinary shares issued pursuant to ESOS exercised	337,155	(97,755)	0	239,400
Total transactions with owners	337,155	123,947	(7,283,990)	(6,822,888)
Balance as at 31 December 2024	73,802,154	667,520	5,182,124	79,651,798
Balance as at 1 January 2023	73,464,999	0	(3,222,477)	70,242,522
Profit for the financial year	0	0	12,121,230	12,121,230
Other comprehensive income, net of tax	0	0	0	0
Total comprehensive income	0	0	12,121,230	12,121,230
Transactions with owners:				
Dividend	0	0	(2,800,000)	(2,800,000)
Share options granted under ESOS	0	543,573	0	543,573
Total transactions with owners	0	543,573	(2,800,000)	(2,256,427)
Balance as at 31 December 2023	73,464,999	543,573	6,098,753	80,107,325

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

Statements of Cash Flows

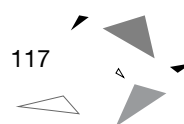
For The Financial Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		14,441,962	25,023,839	6,483,316	12,296,930
Adjustments for:					
Bad debt written off		0	3,913	0	0
Depreciation of:					
- property, plant and equipment	5	2,228,840	1,663,440	574	0
- right-of-use assets	6	2,002,001	2,033,571	0	0
Fair value changes on financial guarantee contracts	15(b)	0	0	(259,161)	(197,377)
Gain on lease termination	6(d)	0	(5,656)	0	0
(Gain)/Loss on disposals of property, plant and equipment		(3,836)	21,619	0	0
Interest expenses	18	1,654,849	1,746,581	0	0
Interest income		(1,697,592)	(1,230,823)	(528,093)	(752,896)
Impairment losses on trade and other receivables	10(g)	50,000	0	0	0
Inventories written down	9(c)	840,859	0	0	0
Net fair value loss/(gain) on derivatives financial instruments	11(e)	95,495	(81,044)	0	0
Property, plant and equipment written off		80,739	0	0	0
Reversal of impairment losses on trade and other receivables	10(g)	0	(39,805)	0	0
Share option expenses	19	221,702	543,573	138,787	252,373
Unrealised (gain)/loss on foreign exchange		(346,586)	523,658	0	0
Operating profit before changes in working capital		19,568,433	30,202,866	5,835,423	11,599,030
Decrease in inventories		415,162	7,255,397	0	0
Decrease/(Increase) in trade and other receivables		9,721,942	(6,379,396)	(3,634,460)	(24,492,104)
Decrease in trade and other payables		(526,443)	(62,049)	(329,032)	(2,703,466)
Cash generated from/(used in) operations		29,179,094	31,016,818	1,871,931	(15,596,540)

Statements of Cash Flows

For The Financial Year Ended 31 December 2024 (Cont'd)

		Group		Company	
	Note	2024	2023	2024	2023
		RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES (Cont'd)					
Cash generated from/(used in) operations		29,179,094	31,016,818	1,871,931	(15,596,540)
Interest received		1,161,191	1,230,823	376,377	249,579
Tax refunded		8,730	640,436	0	0
Tax paid		(5,584,484)	(3,855,494)	(291,663)	(187,500)
Net cash from/(used in) operating activities		<u>24,764,531</u>	<u>29,032,583</u>	<u>1,956,645</u>	<u>(15,534,461)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Net (placement)/withdrawals of fixed deposits with maturity more than 3 months		(22,280,511)	(15,087,500)	4,482,759	(14,000,000)
Proceeds from disposals of property, plant and equipment		63,500	133,000	0	0
Purchase of property, plant and equipment	5	(2,212,628)	(9,245,184)	(6,890)	0
Net cash (used in)/from investing activities		<u>(24,429,639)</u>	<u>(24,199,684)</u>	<u>4,475,869</u>	<u>(14,000,000)</u>



Statements of Cash Flows

For The Financial Year Ended 31 December 2024 (Cont'd)

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid	22	(7,283,990)	(2,800,000)	(7,283,990)	(2,800,000)
Interest paid		(1,391,378)	(1,514,348)	0	0
Net changes in deposits pledged to licensed banks		0	117,607	0	0
Proceeds from issuance of ordinary shares pursuant to:					
- ESOS		239,400	0	239,400	0
- Initial public offering		0	32,971,279	0	32,971,279
Repayments of:					
- bankers' acceptances		0	(5,961,464)	0	0
- term loans		(1,937,443)	(3,139,840)	0	0
- revolving credit		0	(4,000,000)	0	0
- lease liabilities		(1,529,996)	(1,827,486)	0	0
Net cash (used in)/from financing activities		<u>(11,903,407)</u>	<u>13,845,748</u>	<u>(7,044,590)</u>	<u>30,171,279</u>
Net (decrease)/increase in cash and cash equivalents		(11,568,515)	18,678,647	(612,076)	636,818
Effects of exchange rate changes on cash and cash equivalents		(279,378)	(101,656)	0	0
Cash and cash equivalents at beginning of financial year		<u>22,148,350</u>	<u>3,571,359</u>	<u>637,811</u>	<u>993</u>
Cash and cash equivalents at end of financial year	12(c)	<u><u>10,300,457</u></u>	<u><u>22,148,350</u></u>	<u><u>25,735</u></u>	<u><u>637,811</u></u>



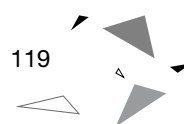
Statements of Cash Flows

For The Financial Year Ended 31 December 2024 (Cont'd)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities (Note 6) RM	Bankers' acceptances (Note 15) RM	Revolving credit (Note 15) RM	Term loans (Note 15) RM
Group				
Balance as at 1 January 2024	3,665,310	0	0	29,068,299
Cash flows	(1,529,996)	0	0	(1,937,443)
Non-cash flows:				
- Additions	880,889	0	0	0
- Unwinding of interest	263,471	0	0	0
- Currency translation differences	(147,371)	0	0	0
Balance as at 31 December 2024	<u>3,132,303</u>	<u>0</u>	<u>0</u>	<u>27,130,856</u>
Balance as at 1 January 2023	3,177,965	5,961,464	4,000,000	32,208,139
Cash flows	(1,827,486)	(5,961,464)	(4,000,000)	(3,139,840)
Non-cash flows:				
- Additions	2,151,761	0	0	0
- Lease termination	(67,104)	0	0	0
- Unwinding of interest	232,233	0	0	0
- Currency translation differences	(2,059)	0	0	0
Balance as at 31 December 2023	<u>3,665,310</u>	<u>0</u>	<u>0</u>	<u>29,068,299</u>

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



Notes To The Financial Statements

31 December 2024

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia.

The principal place of business of the Company is located at 2619, Lorong Perusahaan 8D Kawasan Perusahaan Prai, 13600 Prai, Pulau Pinang, Malaysia.

The consolidated financial statements for the financial year ended 31 December 2024 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 14 April 2025.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are provision of integrated industrial packaging solutions. Further details of the subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (‘MFRSs’), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.



Notes To The Financial Statements

31 December 2024 (Cont'd)

3. BASIS OF PREPARATION (Cont'd)

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 27.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

4. OPERATING SEGMENTS

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely provision of integrated industrial packaging solutions.

No separate segment information is presented as the Directors view the Group as a single reportable segment.

(a) Geographical information

Non-current assets are based on the geographical location of the assets of the Group. The non-current assets do not include deferred tax assets.

	Group	
	2024	2023
	RM	RM
Malaysia	50,761,236	51,285,408
Vietnam	1,825,221	2,739,841
	<u>52,586,457</u>	<u>54,025,249</u>

Revenue information based on geographical location of customers is disclosed in Note 17 to the financial statements.

(b) Major Customer

Major customers with revenue equal to or more than ten percent (10%) of total revenue of the Group consists of two (2) customers amounted to RM82,987,697 (2023: three (3) customers amounted to RM118,889,335).

Notes To The Financial Statements

31 December 2024 (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Buildings RM	Plant and machinery RM	Motor vehicles RM	Furniture and fittings RM	Office equipment RM	Renovation RM	Capital work-in-progress RM	Total RM
At cost									
Balance as at 1 January 2024	4,375,683	10,030,743	12,508,132	3,330,128	746,500	2,174,599	6,551,786	204,023	39,921,594
Additions	0	0	239,125	938,766	36,437	35,197	33,695	929,408	2,212,628
Disposals	0	0	0	(271,465)	0	0	0	0	(271,465)
Written off	0	0	(1,930,928)	(12,200)	(396,798)	(827,827)	0	0	(3,167,753)
Transfer from right-of-use assets (Note 6)	0	0	0	502,764	0	0	0	0	502,764
Reclassification	0	0	5,016	0	286,839	22,893	810,603	(1,125,351)	0
Currency translation differences	0	0	(21,730)	(27,233)	0	(18,973)	0	0	(67,936)
Balance as at 31 December 2024	4,375,683	10,030,743	10,799,615	4,460,760	672,978	1,385,889	7,396,084	8,080	39,129,832
Accumulated depreciation									
Balance as at 1 January 2024	0	2,004,985	6,339,476	2,680,794	472,640	1,695,727	1,690,001	0	14,883,623
Current charge	0	201,610	832,734	264,812	64,720	179,902	685,062	0	2,228,840
Disposals	0	0	0	(211,801)	0	0	0	0	(211,801)
Written off	0	0	(1,871,656)	(12,199)	(385,329)	(817,830)	0	0	(3,087,014)
Transfer from right-of-use assets (Note 6)	0	0	0	266,832	0	0	0	0	266,832
Currency translation differences	0	0	(11,830)	(15,857)	0	(17,089)	0	0	(44,776)
Balance as at 31 December 2024	0	2,206,595	5,288,724	2,972,581	152,031	1,040,710	2,375,063	0	14,035,704
Carrying amount									
Balance as at 31 December 2024	4,375,683	7,824,148	5,510,891	1,488,179	520,947	345,179	5,021,021	8,080	25,094,128

Notes To The Financial Statements

31 December 2024 (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Group	Freehold land RM	Buildings RM	Plant and machinery RM	Motor vehicles RM	Furniture and fittings RM	Office equipment RM	Renovation RM	Capital work-in- progress RM	Total RM
At cost									
Balance as at 1 January 2023	2,817,355	7,433,530	8,909,276	2,989,563	741,820	2,051,326	4,816,752	567,477	30,327,099
Additions	1,558,328	2,597,213	64,764	0	4,680	86,522	82,395	4,851,282	9,245,184
Disposals	0	0	0	(339,686)	0	0	0	0	(339,686)
Transfer from right-of-use assets (Note 6)	0	0	0	673,967	0	0	0	0	673,967
Reclassification	0	0	3,529,077	0	0	33,020	1,652,639	(5,214,736)	0
Currency translation differences	0	0	5,015	6,284	0	3,731	0	0	15,030
Balance as at 31 December 2023	4,375,683	10,030,743	12,508,132	3,330,128	746,500	2,174,599	6,551,786	204,023	39,921,594
Accumulated depreciation									
Balance as at 1 January 2023	0	1,842,335	5,798,690	2,361,165	434,174	1,479,448	1,167,377	0	13,083,189
Current charge	0	162,650	539,145	186,878	38,466	213,677	522,624	0	1,663,440
Disposals	0	0	0	(185,067)	0	0	0	0	(185,067)
Transfer from right-of-use assets (Note 6)	0	0	0	315,328	0	0	0	0	315,328
Currency translation differences	0	0	1,641	2,490	0	2,602	0	0	6,733
Balance as at 31 December 2023	0	2,004,985	6,339,476	2,680,794	472,640	1,695,727	1,690,001	0	14,883,623
Carrying amount									
Balance as at 31 December 2023	4,375,683	8,025,758	6,168,656	649,334	273,860	478,872	4,861,785	204,023	25,037,971

Notes To The Financial Statements

31 December 2024 (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Furniture and fittings RM
Company	
At cost	
Balance as at 1 January 2024	0
Additions	6,890
Balance as at 31 December 2024	<u>6,890</u>
Accumulated depreciation	
Balance as at 1 January 2024	0
Current charge	574
Balance as at 31 December 2024	<u>574</u>
Carrying amount	
Balance as at 31 December 2024	<u><u>6,316</u></u>

- (a) All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. After initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and impairment losses.

Freehold land has unlimited useful life and is not depreciated.

Depreciation on other property, plant and equipment is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Buildings	2%
Plant and machinery	10% - 33%
Motor vehicles	10% - 33%
Furniture and fittings	10%
Office equipment	10% - 33%
Renovation	10%

Capital work-in-progress represents renovation under construction and was stated at cost. Capital work-in-progress was not depreciated until such time when the asset was available for use.



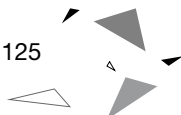
Notes To The Financial Statements

31 December 2024 (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

- (b) The Group have pledged the following property, plant and equipment to licensed banks to secure banking facilities granted as disclosed in Note 15 to financial statements:

	Group	
	2024	2023
	RM	RM
Carrying amount		
Freehold land	2,430,211	2,430,211
Buildings	4,100,031	4,215,378
	<u>6,530,242</u>	<u>6,645,589</u>



Notes To The Financial Statements

31 December 2024 (Cont'd)

6. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES

Right-of-use assets

The Group as lessee

	Balance as at 1.1.2024 RM	Additions RM	Transfer to property, plant and equipment (Note 5) RM	Depreciation RM	Currency translation differences RM	Balance as at 31.12.2024 RM
Carrying amount						
Leasehold land	9,839,931	0	0	(343,444)	0	9,496,487
Buildings	14,555,961	0	0	(474,243)	0	14,081,718
Motor vehicles	2,128,182	0	(235,932)	(239,846)	0	1,652,404
Factory building	2,369,337	880,889	0	(931,668)	(137,905)	2,180,653
Plant and machinery	93,867	0	0	(12,800)	0	81,067
	28,987,278	880,889	(235,932)	(2,002,001)	(137,905)	27,492,329

	Balance as at 1.1.2023 RM	Additions RM	Transfer to property, plant and equipment (Note 5) RM	Lease termination RM	Depreciation RM	Currency translation differences RM	Balance as at 31.12.2023 RM
Carrying amount							
Leasehold land	10,183,374	0	0	0	(343,443)	0	9,839,931
Buildings	15,030,204	0	0	0	(474,243)	0	14,555,961
Motor vehicles	2,803,986	0	(358,639)	0	(317,165)	0	2,128,182
Factory building	1,167,802	2,151,761	0	(61,448)	(885,920)	(2,858)	2,369,337
Plant and machinery	106,667	0	0	0	(12,800)	0	93,867
	29,292,033	2,151,761	(358,639)	(61,448)	(2,033,571)	(2,858)	28,987,278

Notes To The Financial Statements

31 December 2024 (Cont'd)

6. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES (Cont'd)

Lease liabilities

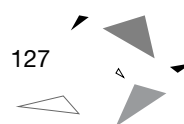
The Group as lessee

Carrying amount

	Balance as at 1.1.2024 RM	Additions RM	Lease payments RM	Interest expense (Note 18) RM	Currency translation differences RM	Balance as at 31.12.2024 RM
Motor vehicles	1,178,882	0	(485,750)	66,312	0	759,444
Factory building	2,421,493	880,889	(1,014,378)	194,015	(147,371)	2,334,648
Plant and machinery	64,935	0	(29,868)	3,144	0	38,211
	3,665,310	880,889	(1,529,996)	263,471	(147,371)	3,132,303

Carrying amount

	Balance as at 1.1.2023 RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense (Note 18) RM	Currency translation differences RM	Balance as at 31.12.2023 RM
Motor vehicles	1,856,018	0	0	(778,853)	101,717	0	1,178,882
Factory building	1,231,965	2,151,761	(67,104)	(1,018,765)	125,695	(2,059)	2,421,493
Plant and machinery	89,982	0	0	(29,868)	4,821	0	64,935
	3,177,965	2,151,761	(67,104)	(1,827,486)	232,233	(2,059)	3,665,310



Notes To The Financial Statements

31 December 2024 (Cont'd)

6. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES (Cont'd)

	Group	
	2024	2023
	RM	RM
Represented by:		
Current liabilities	1,416,567	1,057,989
Non-current liabilities	1,715,736	2,607,321
	<u>3,132,303</u>	<u>3,665,310</u>
Lease liabilities owing to financial institutions	797,655	1,243,817
Lease liabilities owing to non-financial institutions	2,334,648	2,421,493
	<u>3,132,303</u>	<u>3,665,310</u>

- (a) Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

Right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold land	27 - 42 years
Buildings	27 - 42 years
Motor vehicles	4 - 5 years
Factory building	2 - 5 years
Plant and machinery	5 years

- (b) As at 31 December 2024, leasehold land and buildings with carrying amount of RM23,578,205 (2023: RM24,395,892) have pledged to licensed banks to secure banking facilities granted as disclosed in Note 15 of the financial statements.



Notes To The Financial Statements

31 December 2024 (Cont'd)

6. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES (Cont'd)

- (c) During the financial year, the Group made the following cash payments to purchase right-of-use assets:

	Group	
	2024	2023
	RM	RM
Additions of right-of-use assets	880,889	2,151,761
Financed by lease liabilities	(880,889)	(2,151,761)
Cash payments on purchase of right-of-use assets	<u>0</u>	<u>0</u>

- (d) The following are the amounts recognised in profit or loss:

	Group	
	2024	2023
	RM	RM
Depreciation of right-of-use assets		
- included in cost of sales	1,806,461	1,776,591
- included in administrative expenses	195,540	256,980
Expense relating to short-term leases		
- included in cost of sales	205,976	112,431
Gain on lease termination	0	(5,656)
Interest expense on lease liabilities (included in finance costs)	263,471	232,233
	<u>2,471,448</u>	<u>2,372,579</u>

- (e) The following are total cash outflow for leases as lessee:

	Group	
	2024	2023
	RM	RM
Included in net cash from/(used in) operating activities:		
Payment relating to short-term leases	205,976	112,431
Included in net cash from/(used in) financing activities:		
Payment of lease liabilities	1,529,996	1,827,486
Total cash outflow for leases	<u>1,735,972</u>	<u>1,939,917</u>

Notes To The Financial Statements

31 December 2024 (Cont'd)

6. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES (Cont'd)

- (f) The Group has certain leases of equipment with lease term of twelve (12) months or less. The Group applies the “short-term lease” exemptions for these leases.
- (g) The Group leases several lease contracts that include extension and termination options. These are used to maximise operational flexibility in terms of managing that assets used in the Group’s operations. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

There are no potential future rental payment that are not included in the lease term.

- (h) Information on financial risks of lease liabilities is disclosed in Note 25 to the financial statements.

7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	RM	RM
At cost		
Unquoted shares	40,453,499	40,453,499
Equity contribution in subsidiaries in respect of ESOS	374,115	291,200
At fair value		
Financial guarantee contracts	2,537,182	2,537,182
	<u>43,364,796</u>	<u>43,281,881</u>

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in separate financial statements of the Company at cost less impairment losses, if any.

Notes To The Financial Statements

31 December 2024 (Cont'd)

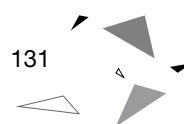
7. INVESTMENTS IN SUBSIDIARIES (Cont'd)

(b) Details of the subsidiaries are as follows:

Name of Company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2024	2023	
Berjayapak Sdn. Bhd.*	Malaysia	100%	100%	Design and manufacture of integrated wooden based industrial packaging solutions
<i><u>Subsidiaries of Berjayapak Sdn. Bhd.</u></i>				
Bejay Timber Sdn. Bhd.*	Malaysia	100%	100%	Manufacture of wooden based industrial packaging solutions, provide packaging services, buying and storing of scraps, and letting of premises
Bejay Presswood Sdn. Bhd.*	Malaysia	100%	100%	Manufacture of various kinds of wooden pallets, wooden box and crates and letting of properties
Berjayapak Vietnam Company Limited #	Vietnam	100%	100%	Design and manufacture of integrated wooden based industrial packaging solutions

* subsidiaries audited by BDO PLT

subsidiary audited by BDO member firm



Notes To The Financial Statements

31 December 2024 (Cont'd)

8. DEFERRED TAX

(a) The deferred tax assets and liabilities are made of the following:

	Group	
	2024	2023
	RM	RM
Balance as at 1 January	1,631,485	1,257,091
Recognised in profit or loss (Note 20):		
- relating to origination and reversal of temporary differences	(121,636)	379,588
- under/(over)provision in prior years	140,200	(3,900)
Exchange difference	290	(1,294)
Balance as at 31 December	<u>1,650,339</u>	<u>1,631,485</u>
Presented after appropriate offsetting:		
Deferred tax assets	(27,961)	(5,215)
Deferred tax liabilities	1,678,300	1,636,700
	<u>1,650,339</u>	<u>1,631,485</u>

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax assets

	Group	
	Others	
	2024	2023
	RM	RM
Balance as at 1 January	5,215	47,309
Recognised in profit or loss	23,036	(43,388)
Exchange difference	(290)	1,294
Balance as at 31 December	<u>27,961</u>	<u>5,215</u>



Notes To The Financial Statements

31 December 2024 (Cont'd)

8. DEFERRED TAX (Cont'd)

- (b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows (Cont'd):

Deferred tax liabilities

	Group	
	Property, plant and equipment	
	2024	2023
	RM	RM
Balance as at 1 January	1,636,700	1,304,400
Recognised in profit or loss	41,600	332,300
Balance as at 31 December	<u>1,678,300</u>	<u>1,636,700</u>

- (c) The estimated amount of net deferred tax assets calculated at the applicable tax rate which have not been recognised in the financial statements, are as follows:

	Group	
	2024	2023
	RM	RM
Unabsorbed capital allowances	611,500	616,300
Unutilised tax losses		
- Expires by 31 December 2028	762,800	762,800
	<u>1,374,300</u>	<u>1,379,100</u>

Deferred tax assets of the Group have not been recognised in respect of these items.

The amount and availability of these items to be carried forward up to the period as disclosed above are subject to the agreement of the respective local tax authorities.

Unutilised tax losses can be carried forward up to ten consecutive years of assessment immediately following that year of assessment under the tax legislation of Inland Revenue Board.

Notes To The Financial Statements

31 December 2024 (Cont'd)

9. INVENTORIES

	Group	
	2024	2023
	RM	RM
At cost		
Raw materials	7,504,363	7,829,968
Work-in-progress	769,545	820,292
Finished goods	916,613	1,780,828
Indirect materials	1,041,219	1,239,415
Goods-in-transit	306,247	221,378
Merchandise	3,067	3,294
	<u>10,541,054</u>	<u>11,895,175</u>

- (a) Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Cost comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition. The cost of work-in-progress and finished goods includes the cost of raw materials and other direct costs.
- (b) During the financial year, inventories of the Group recognised as cost of sales amounted to RM84,229,134 (2023: RM106,468,957).
- (c) A written down of inventories amounted to RM840,859 were made during the year.



Notes To The Financial Statements

31 December 2024 (Cont'd)

10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Current				
Trade receivables				
Third parties	23,857,225	32,078,959	0	0
Less: Impairment losses	(187,959)	(137,959)	0	0
	23,669,266	31,941,000	0	0
Other receivables				
Third parties	1,885,224	3,474,554	151,716	503,317
Amount owing by a subsidiary	0	0	28,638,522	24,502,948
Deposits	1,496,929	837,008	1,000	1,000
	3,382,153	4,311,562	28,791,238	25,007,265
Total receivables	27,051,419	36,252,562	28,791,238	25,007,265
Prepayments				
Prepayments	485,362	489,713	5,359	3,156
	<u>27,536,781</u>	<u>36,742,275</u>	<u>28,796,597</u>	<u>25,010,421</u>

- (a) Total receivables (excluding prepayments) are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from cash terms to 90 days (2023: cash terms to 90 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (c) Amount owing by a subsidiary is unsecured, interest-free and payable within next twelve (12) months or upon demand in cash and cash equivalents.

Notes To The Financial Statements

31 December 2024 (Cont'd)

10. TRADE AND OTHER RECEIVABLES (Cont'd)

(d) The currency exposure profile of total receivables (excluding prepayments) is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Ringgit Malaysia	8,806,400	14,897,548	28,791,238	25,007,265
United States Dollar	13,412,011	15,470,636	0	0
Vietnamese Dong	4,833,008	5,251,120	0	0
European Dollar	0	632,723	0	0
Canadian Dollar	0	535	0	0
	<u>27,051,419</u>	<u>36,252,562</u>	<u>28,791,238</u>	<u>25,007,265</u>

(e) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses ('ECL').

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group uses an allowance matrix to measure the ECL of trade receivables from past due ageing. Expected loss rates are determined by the probability of the non-collection from the trade receivables multiplied by the amount of the expected loss arising from default. Trade receivables have been grouped based on shared credit risk characteristics - the days past due.

During the process, the probability of non-payment by the trade receivables is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

Significant judgement is required in determining the probability of default by trade receivables, and the appropriate forward looking information.



Notes To The Financial Statements

31 December 2024 (Cont'd)

10. TRADE AND OTHER RECEIVABLES (Cont'd)

(f) Lifetime expected loss provision for trade receivables are as follows:

Group	Gross carrying amount RM	Impairment losses RM	Total RM
31 December 2024			
Not past due	19,461,648	35,806	19,425,842
Past due:			
1 to 30 days	3,878,588	53,004	3,825,584
31 to 60 days	452,888	37,723	415,165
More than 60 days	64,101	61,426	2,675
	<u>23,857,225</u>	<u>187,959</u>	<u>23,669,266</u>
31 December 2023			
Not past due	26,728,387	40,429	26,687,958
Past due:			
1 to 30 days	5,196,521	51,420	5,145,101
31 to 60 days	122,244	14,303	107,941
More than 60 days	31,807	31,807	0
	<u>32,078,959</u>	<u>137,959</u>	<u>31,941,000</u>

(g) Movements in the impairment allowance for trade receivables based on simplified approach are as follows:

	Group	
	2024 RM	2023 RM
Lifetime ECL allowance		
Balance as at 1 January	137,959	177,764
Charge for the financial year	50,000	0
Reversal of impairment losses	0	(39,805)
Balance as at 31 December	<u>187,959</u>	<u>137,959</u>

Notes To The Financial Statements

31 December 2024 (Cont'd)

10. TRADE AND OTHER RECEIVABLES (Cont'd)

- (h) Impairment for other receivables and financial guarantee contracts are recognised based on the general approach within MFRS 9 *Financial Instruments* using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial assets. For those in which the credit risk has not increased significantly since initial recognition of the financial assets, twelve (12) months expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Group and the Company assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

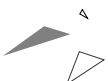
The probability of non-payment by other receivables and financial guarantee contracts are adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve (12) months or lifetime expected credit loss for other receivables and financial guarantee contracts.

The Group defined significant increase in credit risk based on payment trends and operational performance of other receivables.

It requires management to exercise significant judgement in determining the probability of default by other receivables and financial guarantee contracts, appropriate forward-looking information and significant increase in credit risk.

No expected credit loss is recognised arising from other receivables as it is negligible.

- (i) Information on financial risks of trade and other receivables is disclosed in Note 25 to the financial statements.



Notes To The Financial Statements

31 December 2024 (Cont'd)

11. DERIVATIVE (LIABILITIES)/ASSETS

Group	Contract amount USD	Notional amount RM	Financial (liabilities) /assets RM
2024			
Foreign currency forward contracts	<u>950,000</u>	<u>4,143,735</u>	<u>(95,495)</u>
2023			
Foreign currency forward contracts	<u>750,000</u>	<u>3,507,175</u>	<u>81,044</u>

- (a) Derivative assets/(liabilities) are classified as financial assets/(liabilities) measured at fair value through profit or loss.
- (b) The Group uses foreign currency forward contracts entered into to minimise its exposure to foreign currency risks with respect to the Company's foreign currencies denominated financial assets and financial liabilities.
- (c) Derivative assets/(liabilities) of the Company are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.
- (d) Fair value of a foreign currency forward contracts is the amount that would be payable or receivable upon termination of the outstanding position arising and is determined by reference to the difference between contracted rate and the forward exchange rate as at the end of each reporting period applied to a contract of similar amount and maturity profile.
- (e) The fair value adjustments on derivative financial instruments are as follows:

	Group	
	2024	2023
	RM	RM
(Loss)/Gain on derivative financial instruments	<u>(95,495)</u>	<u>81,044</u>

Notes To The Financial Statements

31 December 2024 (Cont'd)

12. CASH AND BANK BALANCES

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash and bank balances	5,255,580	10,148,350	25,735	637,811
Deposits with licensed banks	45,388,888	30,063,500	9,517,241	14,000,000
	<u>50,644,468</u>	<u>40,211,850</u>	<u>9,542,976</u>	<u>14,637,811</u>

(a) Cash and bank balances are classified as financial assets measured at amortised cost.

(b) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Ringgit Malaysia	47,815,270	30,468,720	9,542,976	14,637,811
United States Dollar	347,136	5,193,334	0	0
Vietnamese Dong	2,458,086	4,509,433	0	0
Chinese Renminbi	11,276	11,976	0	0
Others	12,700	28,387	0	0
	<u>50,644,468</u>	<u>40,211,850</u>	<u>9,542,976</u>	<u>14,637,811</u>

(c) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash and bank balances	5,255,580	10,148,350	25,735	637,811
Deposits with licensed banks	45,388,888	30,063,500	9,517,241	14,000,000
As per statements of financial position	50,644,468	40,211,850	9,542,976	14,637,811
Less:				
Deposits with maturity period more than three (3) months	(40,344,011)	(18,063,500)	(9,517,241)	(14,000,000)
As reported in statements of cash flows	<u>10,300,457</u>	<u>22,148,350</u>	<u>25,735</u>	<u>637,811</u>

Notes To The Financial Statements

31 December 2024 (Cont'd)

12. CASH AND BANK BALANCES (Cont'd)

- (d) No expected credit loss is recognised arising from cash and bank balances because the probability of default of these financial institutions is negligible.
- (e) Information on financial risks of cash and bank balances is disclosed in Note 25 to the financial statements.

13. SHARE CAPITAL

	Group and Company			
	2024		2023	
	Number of ordinary shares	Amount RM	Number of ordinary shares	Amount RM
Issued and fully paid with no par value:				
Balance as at 1 January	560,000,000	73,464,999	560,000,000	73,464,999
Issuance of ordinary shares pursuant to ESOS exercised	798,000	337,155	0	0
Balance as at 31 December	<u>560,798,000</u>	<u>73,802,154</u>	<u>560,000,000</u>	<u>73,464,999</u>

- (a) Owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.
- (b) During the financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 560,000,000 to 560,798,000 by way of issuance of 798,000 new ordinary shares pursuant to 798,000 options exercised under ESOS at an exercise price of RM0.30 per ordinary share for cash.

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

Notes To The Financial Statements

31 December 2024 (Cont'd)

14. RESERVES

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Non-distributable:				
Merger reserve	(33,653,499)	(33,653,499)	0	0
Exchange translation reserve	(161,556)	459,742	0	0
Share options reserve	667,520	543,573	667,520	543,573
Distributable:				
Retained earnings	63,578,794	59,763,613	5,182,124	6,098,753
	<u>30,431,259</u>	<u>27,113,429</u>	<u>5,849,644</u>	<u>6,642,326</u>

(a) Merger reserve

The merger reserve arose as a result of the difference between consideration paid over the share capital of Berjayapak Sdn. Bhd. pursuant to business combination under common control.

(b) Exchange translation reserve

Exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment in foreign operations of the Group, whereby the monetary item is denominated in either the functional currency of the reporting entity or the foreign operations.

(c) Share options reserve

The Employees' Share Option Scheme ("ESOS") of the Company came into effect on 29 December 2022, which is in force for a period of five (5) years until 28 December 2027.

Salient features and other terms of ESOS as follows:

- (a) The maximum number of shares which may be made available under the ESOS shall not in aggregate exceed ten percent (10%) of the total number of issued and fully paid up shares of the Company (excluding treasury shares, if any) at any point in time during the ESOS period.

Notes To The Financial Statements

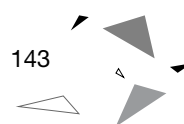
31 December 2024 (Cont'd)

14. RESERVES (Cont'd)

(c) Share options reserve (Cont'd)

Salient features and other terms of ESOS as follows (Cont'd):

- (b) The aggregate maximum number of shares that may be allocated to any eligible persons shall be determined by the ESOS Committee provided that the number of new shares allocated to any eligible persons who, either singly or collectively through persons connected with the eligible persons, holds twenty percent (20%) or more of the total number of issued shares of the Company (excluding treasury shares, if any), shall not exceed ten percent (10%) of the maximum ESOS shares.
- (c) Any Directors and employees may be considered as eligible from time to time and at any time by the ESOS Committee. Any Directors and employees who fulfill the following criteria shall be eligible for consideration by the ESOS Committee to participate in the ESOS:
 - (i) has attained the age of eighteen (18) years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - has been employed by the Group as a full-time employee or serving in a specific designation under an employment contract with the Group for a fixed duration (or any other contract as may be determined by the ESOS Committee) and is on the payroll of any subsidiaries within the Group for a continuous period of at least twelve (12) months in the Group and has not served a noticed of resignation or received a notice of termination; or
 - is employed by a corporation which is acquired by the Group during the ESOS period and becomes a subsidiary of the Group upon such acquisition, he/she must have completed a continuous employment service for a period of at least twelve (12) months with the Group and/or for such period as may be determined by the ESOS Committee in the Group as at the date that such company becomes or is deemed to be a subsidiary of the Group and has not served a notice to resign or received a notice of termination;
 - (ii) has been confirmed in writing and is not under any probation;
 - (iii) if he/she is a Director, Chief Executive or major shareholder of the Company, the ESOS Offer awarded by the Company to him/her in his/her capacity as a Director or Chief Executive of the Company or his/her persons connected under the ESOS has been approved by the shareholders of the Company at a general meeting; and



Notes To The Financial Statements

31 December 2024 (Cont'd)

14. RESERVES (Cont'd)

(c) Share options reserve (Cont'd)

Salient features and other terms of ESOS as follows (Cont'd):

- (c) Any Directors and employees may be considered as eligible from time to time and at any time by the ESOS Committee. Any Directors and employees who fulfill the following criteria shall be eligible for consideration by the ESOS Committee to participate in the ESOS (Cont'd):
 - (iv) is under such categories and/or fulfills any other criteria as may be set by the ESOS Committee from time to time at its absolute discretion.
- (d) The aggregate maximum number of options to be offered to an eligible person will be determined entirely at the absolute discretion of the ESOS Committee, which shall take into account such criteria as it considers fit including but not limited to the eligible persons' position, job performance, seniority, duration of service, potential for future development and contribution to the success and development of the Group and such other criteria as the ESOS Committee may deem relevant from time to time.
- (e) Subject to any adjustments made under the By-Laws of the ESOS and pursuant to the listing requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the exercise price shall be:
 - (i) In respect of any offer which is made in conjunction with the listing of the Company, the final price paid by investors for the ordinary shares issued by the Company pursuant to its initial public offering; and
 - (ii) In respect of any offer which is made subsequent to the listing of the Company, the price to be determined by ESOS Committee based on the five (5)-day volume weighted average market share of the ordinary shares immediately preceding the offer date with a discount of not more than 10%.
- (f) The options shall be vested to an eligible person on the vesting dates after fulfilling the vesting conditions in accordance with ESOS By-Laws. The vesting of each options may be staggered in several tranches at such times and on such terms as determined by the ESOS Committee.



Notes To The Financial Statements

31 December 2024 (Cont'd)

14. RESERVES (Cont'd)

The details of the options over ordinary shares of the Company are as follows:

Date of offer	Exercise price	Number of options over ordinary shares				Exercisable as at 31.12.2024
		Balance as at 1.1.2024	Exercised	Forfeited*	Balance as at 31.12.2024^	
3.1.2023	RM0.30	<u>11,200,000</u>	<u>(798,000)</u>	<u>(2,570,000)</u>	<u>7,832,000</u>	<u>928,000</u>
Remaining contractual life (months)		<u>48</u>				<u>36</u>

Date of offer	Exercise price	Number of options over ordinary shares				Exercisable as at 31.12.2023
		Balance as at 1.1.2023	Granted		Balance as at 31.12.2023^	
3.1.2023	RM0.30	<u>0</u>	<u>11,200,000</u>		<u>11,200,000</u>	<u>0</u>
Remaining contractual life (months)		<u>60</u>				<u>48</u>

* Due to resignation.

^ Exercisable by the grantee upon achieving the vesting conditions set by the ESOS committee.

Fair value of share options was estimated by the Group using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions used are as follows:

	Granted on 3.1.2023
Expected life (years)	5
Share price at grant date (RM)	0.4225
Exercise price (RM)	0.30
Fair value of share options (RM)	0.1225
Risk free rate (%)	2.75
Expected dividend yield (%)	3.00
Expected volatility (%)	<u>10.00</u>

Notes To The Financial Statements

31 December 2024 (Cont'd)

15. BORROWINGS

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Non-current liability				
<i>Secured:</i>				
Term loans	25,146,171	27,123,273	0	0
Current liabilities				
<i>Secured:</i>				
Term loans	1,984,685	1,945,026	0	0
<i>Unsecured:</i>				
Financial guarantee contracts	0	0	2,080,644	2,339,805
	<u>1,984,685</u>	<u>1,945,026</u>	<u>2,080,644</u>	<u>2,339,805</u>
Total borrowings				
Term loans	27,130,856	29,068,299	0	0
Financial guarantee contracts	0	0	2,080,644	2,339,805
	<u>27,130,856</u>	<u>29,068,299</u>	<u>2,080,644</u>	<u>2,339,805</u>

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the term of a debt instrument.

Financial guarantee contracts are recognised as financial liabilities at the time the guarantees are issued. The liability is initially measured at fair value and subsequently at the higher of the expected loss model under MFRS 9 and the amount initially recognised less amortisation, where appropriate.

Financial guarantee contracts are subject to forward looking expected credit loss model based on the general approach within MFRS 9 as disclosed in Note 10(h) to the financial statements.

The fair value of financial guarantee is determined based on the present value of the different in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.



Notes To The Financial Statements

31 December 2024 (Cont'd)

15. BORROWINGS (Cont'd)

(b) (Cont'd)

The nominal amounts of financial guarantee provided are as follows:

	Company	
	2024	2023
	RM	RM
Credit facilities granted to a subsidiary	<u>26,874,429</u>	<u>28,603,330</u>

The movements of the financial guarantee contracts during the financial year are as follows:

	Company	
	2024	2023
	RM	RM
At the beginning of financial year	2,339,805	2,537,182
Fair value changes on financial guarantee contracts	<u>(259,161)</u>	<u>(197,377)</u>
At the end of financial year	<u>2,080,644</u>	<u>2,339,805</u>

(c) Borrowings are denominated in RM.

(d) The borrowings of the Group are secured by way of:

(i) First legal charge over certain freehold land, leasehold land and buildings of the Group as disclosed in Notes 5 and Note 6 to the financial statements; and

(ii) Corporate guarantee by the Company.

(e) The carrying amounts of borrowing are reasonable approximation of fair values, as they are floating rate instruments that are re-priced at market interest rates on or near the end of the reporting period.

Borrowings are not measured at fair value are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

(f) Information on financial risks of borrowings is disclosed in Note 25 to the financial statements.

Notes To The Financial Statements

31 December 2024 (Cont'd)

16. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Trade payables				
Third parties	3,291,239	3,986,763	0	0
Other payables				
Third parties	220,517	583,674	0	0
Accruals	3,524,435	3,161,346	165,751	494,783
	3,744,952	3,745,020	165,751	494,783
	<u>7,036,191</u>	<u>7,731,783</u>	<u>165,751</u>	<u>494,783</u>

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranges from cash terms to 60 days (2023: cash terms to 60 days) from date of invoice.
- (c) The currency exposure profile of trade and other payables is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Ringgit Malaysia	5,181,560	5,412,787	165,751	494,783
Vietnamese Dong	1,854,631	2,318,996	0	0
	<u>7,036,191</u>	<u>7,731,783</u>	<u>165,751</u>	<u>494,783</u>

- (d) Information on financial risks of trade and other payables and their maturity is disclosed in Note 25 to the financial statements.

Notes To The Financial Statements

31 December 2024 (Cont'd)

17. REVENUE

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Revenue from contracts with customers				
Recognised at a point in time:				
Sales of goods	133,569,988	167,037,922	0	0
Other revenue:				
Dividend income from a subsidiary	0	0	6,800,000	13,600,000
	<u>133,569,988</u>	<u>167,037,922</u>	<u>6,800,000</u>	<u>13,600,000</u>

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated in the table below by primary geographical market.

	Group	
	2024	2023
	RM	RM
Geographical market		
Malaysia	108,472,765	138,098,858
Vietnam	25,097,223	28,939,064
	<u>133,569,988</u>	<u>167,037,922</u>

Sale of goods

Revenue from the sale of goods is recognised at a point in time when the goods has been transferred to the customers and coincides with the delivery of goods.

There is no right of return and warranty provided to the customers on the sale of goods.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve months.

Dividend income

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

Notes To The Financial Statements

31 December 2024 (Cont'd)

18. FINANCE COSTS

	Group	
	2024	2023
	RM	RM
Interest expenses on:		
- lease liabilities	263,471	232,233
- revolving credit	0	10,534
- term loans	1,391,378	1,503,814
	<u>1,654,849</u>	<u>1,746,581</u>

19. EMPLOYEE BENEFITS

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Director fees	428,000	420,000	428,000	420,000
Wages, salaries and bonuses	16,436,762	16,152,374		0
Contributions to defined contribution plans	1,070,604	988,485	0	0
Socso contributions	188,509	169,922	0	0
Share options vested under ESOS	221,702	543,573	138,787	252,373
Other employees benefits	2,170,259	2,971,691	48,000	42,000
	<u>20,515,836</u>	<u>21,246,045</u>	<u>614,787</u>	<u>714,373</u>

Included in employee benefits expense of the Group are Directors' remuneration amounting to RM1,431,490 (2023: RM1,393,342).



Notes To The Financial Statements

31 December 2024 (Cont'd)

20. TAX EXPENSE

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
The major components of the tax expense are:				
Current tax expense based on profit for the financial year	3,182,210	5,148,592	118,500	175,700
Under/(Over)provision of tax expense in prior years	142,017	(1,184,689)	(2,545)	0
	<u>3,324,227</u>	<u>3,963,903</u>	<u>115,955</u>	<u>175,700</u>
Deferred tax expense (Note 8):				
- relating to origination and reversal of temporary differences	(121,636)	379,609	0	0
- under/(over)provision in prior years	140,200	(3,900)	0	0
	<u>3,342,791</u>	<u>4,339,612</u>	<u>115,955</u>	<u>175,700</u>

- (a) The Malaysian income tax is calculated at the statutory tax rate of twenty-four percent (24%) (2023: 24%) of the estimated taxable profits for the fiscal year.
- (b) The statutory corporate income tax ("CIT") applicable on indirect subsidiary, Berjayapak Vietnam Company Limited is 20% on taxable income. The subsidiary is exempted from CIT for 2 years from the first year generating taxable income (2019-2020) and reduced 50% of CIT in the 4 succeeding years (2021-2024) (incentive for investment in industrial zone).

Notes To The Financial Statements

31 December 2024 (Cont'd)

20. TAX EXPENSE (Cont'd)

- (c) The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rates of the Group and of the Company is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit before tax	<u>14,441,962</u>	<u>25,023,839</u>	<u>6,483,316</u>	<u>12,296,930</u>
Tax at the applicable tax rate of 24% (2023: 24%)	3,466,100	6,005,700	1,556,000	2,951,300
Tax effects of:				
- expenses not deductible for tax purposes	752,292	1,211,400	256,700	535,800
- income not subject to tax	(112,106)	(59,007)	(1,694,200)	(3,311,400)
- tax exempt income	(728,412)	(908,892)	0	0
- different tax rate in foreign jurisdiction	(290,600)	(378,700)	0	0
Reinvestment allowance	(21,900)	(331,900)	0	0
Deferred tax assets not recognised during the financial year	(4,800)	(10,400)	0	0
Under/(Over)provision of tax expense in prior years	142,017	(1,184,689)	(2,545)	0
Under/(Over)provision of deferred tax in prior years	<u>140,200</u>	<u>(3,900)</u>	<u>0</u>	<u>0</u>
Total tax expense for the financial year	<u>3,342,791</u>	<u>4,339,612</u>	<u>115,955</u>	<u>175,700</u>



Notes To The Financial Statements

31 December 2024 (Cont'd)

21. EARNINGS PER ORDINARY SHARE

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to the owners of parent the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2024	2023
Profit attributable to owners of parent (RM)	<u>11,099,171</u>	<u>20,684,227</u>
Weighted average number of ordinary shares in issue (unit)	<u>560,285,623</u>	<u>560,000,000</u>
Basic earnings per ordinary share (sen)	<u>1.98</u>	<u>3.69</u>

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

	Group	
	2024	2023
Profit attributable to owners of parent (RM)	<u>11,099,171</u>	<u>20,684,227</u>
Weighted average number of ordinary shares in issue (unit)	560,285,623	560,000,000
Effect of dilution of ESOS (unit)	<u>2,357,500</u>	<u>4,088,900</u>
Adjusted weighted average number of ordinary shares in issue (unit)	<u>562,643,123</u>	<u>564,088,900</u>
Diluted earnings per ordinary share (sen)	<u>1.97</u>	<u>3.67</u>

Notes To The Financial Statements

31 December 2024 (Cont'd)

22. DIVIDENDS

	Group and Company			
	2024		2023	
	Dividend per share RM	Amount of dividend RM	Dividend per share RM	Amount of dividend RM
In respect of financial year ended 31 December 2024:				
- Interim single tier dividend	0.005	2,803,990	0	0
In respect of financial year ended 31 December 2023:				
- Interim single tier dividend	0	0	0.005	2,800,000
- Final single tier dividend	0.008	4,480,000	0	0
		<u>7,283,990</u>		<u>2,800,000</u>

The Director do not recommend any payment of final dividend for the current financial year.

23. RELATED PARTY DISCLOSURE

(a) Identities of related parties

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 operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

Related parties of the Group include:

- (i) Ultimate holding company, B Pack Holdings Sdn. Bhd.;
- (ii) Direct and indirect subsidiaries as disclosed in Note 7 to the financial statements;
- (iii) Key management personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Executive Directors of the Group; and
- (iv) Moviente Sdn. Bhd. whereby the Directors of the Group have significant financial and controlling interest or are connected to certain Directors of the related parties.



Notes To The Financial Statements

31 December 2024 (Cont'd)

23. RELATED PARTY DISCLOSURE (Cont'd)

(b) Significant related party transactions

Other than those disclose elsewhere in the financial statements, there were no material related party transactions carried out by the Company during the financial year.

(c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group and the Company.

There are no key management personnel having the authority and responsibility for planning, directing and controlling the activities of the Group other than the Directors.

The total remuneration of Directors during the financial year was as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Director fees	428,000	420,000	428,000	420,000
Salaries, allowances and bonuses	707,583	602,688	0	0
Contributions to defined contribution plans	68,065	74,380	0	0
Socso contributions	1,872	1,783	0	0
Share options vested under ESOS	177,613	252,373	177,613	252,373
Others	48,357	42,118	48,000	42,000
	<u>1,431,490</u>	<u>1,393,342</u>	<u>653,613</u>	<u>714,373</u>

24. CAPITAL COMMITMENT

	Group	
	2024	2023
	RM	RM
Capital expenditure in respect of purchase of property, plant and equipment:		
- contracted but not provided for	<u>109,567</u>	<u>511,164</u>

Notes To The Financial Statements

31 December 2024 (Cont'd)

25. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The primary objective of the capital management of the Group is to ensure that the Group would be able to continue as going concern whilst maintaining acceptable capital ratios in order to support its business and maximise shareholders value.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2024 and 31 December 2023.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity attributable to the owners of the parent. Net debt are calculated as total borrowings and lease liabilities owing to financial institutions net of cash and bank balances.

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Borrowings	27,130,856	29,068,299	0	0
Lease liabilities owing to financial institutions	797,655	1,243,817	0	0
Less: Cash and bank balances	(50,644,468)	(40,211,850)	(9,542,976)	(14,637,811)
Net cash	<u>(22,715,957)</u>	<u>(9,899,734)</u>	<u>(9,542,976)</u>	<u>(14,637,811)</u>
Total equity attributable to the owners of parent	<u>104,233,413</u>	<u>100,578,428</u>	<u>79,651,798</u>	<u>80,107,325</u>
Gearing ratio	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

* No gearing ratio is presented as the Group and the Company are in net cash position.

Pursuant to the requirements of Practice Note No.17/2005 of the Bursa Securities, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital of the Group and such shareholders' equity is not less than RM40 million. The Group has complied with this requirements for the financial year ended 31 December 2024.

The Group and the Company have complied with the externally imposed capital requirements as at the end of reporting period.



Notes To The Financial Statements

31 December 2024 (Cont'd)

25. CAPITAL AND FINANCIAL RISK MANAGEMENT (Cont'd)

(b) Financial risk management

Overall financial risk management objective of the Group is to ensure that the Group creates value for its shareholders. The Group focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Financial risk management is carried out through risk reviews, internal control systems and adherence to the financial risk management policies of the Group.

The main risk arising from the financial instruments of the Group are credit risk, liquidity and cash flow risk, interest rate risk and foreign currency risk. Management reviews and agrees policies for managing each of these risks and these are summarised below:

(i) Credit risk

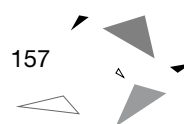
Cash deposits and trade receivables could give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are creditworthy debtors with good payment records with the Group. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with the customers are mainly on credit. The credit period is generally for a period of one (1) month, extending up to three (3) months for major customers. Nevertheless, the management of the Group may give longer credit terms by discretion. The Group consistently monitors its outstanding receivables to minimise credit risk.

In respect of the cash and bank balances placed with major financial institutions, the Directors believe that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

Exposure to credit risk

At the end of the reporting period, the maximum exposure of the Group to credit risk is substantially represented by the carrying amount of each class of financial assets recognised in the statements of financial position.



Notes To The Financial Statements

31 December 2024 (Cont'd)

25. CAPITAL AND FINANCIAL RISK MANAGEMENT (Cont'd)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Credit risk concentration profile

The Group determine concentration of credit risk by monitoring the geographical market profiles of its trade receivables on an ongoing basis. The credit risk concentration profile of the trade receivables of the Group at the end of the reporting period are as follows:

	2024		2023	
	RM	% of total	RM	% of total
Malaysia	19,279,543	81%	27,154,485	85%
Vietnam	4,389,723	19%	4,786,515	15%
	<u>23,669,266</u>	<u>100%</u>	<u>31,941,000</u>	<u>100%</u>

At the end of the reporting period, approximately 62% (2023: 55%) of the trade receivables of the Group were due from two (2) (2023: two (2)) major customers who are located in Malaysia and Vietnam (2023: Malaysia).

(ii) Liquidity and cash flow risk

The exposure of the Group to liquidity and cash flow risk arises from mismatches of the financial assets and liabilities.

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of funding through standby credit facilities.



Notes To The Financial Statements

31 December 2024 (Cont'd)

25. CAPITAL AND FINANCIAL RISK MANAGEMENT (Cont'd)

(b) Financial risk management (Cont'd)

(ii) Liquidity and cash flow risk (Cont'd)

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations.

	On demand or within one (1) year RM	One (1) to five (5) years RM	More than five (5) years RM	Total RM
Financial liabilities				
Group				
31 December 2024				
Borrowings	3,456,661	12,741,703	24,940,031	41,138,395
Trade and other payables	7,036,191	0	0	7,036,191
Lease liabilities	1,592,999	1,798,202	0	3,391,201
Total undiscounted financial liabilities	<u>12,085,851</u>	<u>14,539,905</u>	<u>24,940,031</u>	<u>51,565,787</u>
31 December 2023				
Borrowings	3,480,301	13,057,720	28,056,241	44,594,262
Trade and other payables	7,731,783	0	0	7,731,783
Lease liabilities	1,287,834	2,822,290	0	4,110,124
Total undiscounted financial liabilities	<u>12,499,918</u>	<u>15,880,010</u>	<u>28,056,241</u>	<u>56,436,169</u>

Notes To The Financial Statements

31 December 2024 (Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(b) Financial risk management (Cont'd)

(ii) Liquidity and cash flow risk (Cont'd)

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations. (Cont'd)

	On demand or within one (1) year RM
Financial liabilities	
Company	
31 December 2024	
Trade and other payables	165,751
Financial guarantee contracts	26,874,429
Total undiscounted financial liabilities	<u>27,040,180</u>
31 December 2023	
Trade and other payables	494,783
Financial guarantee contracts	28,603,330
Total undiscounted financial liabilities	<u>29,098,113</u>



Notes To The Financial Statements

31 December 2024 (Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(b) Financial risk management (Cont'd)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rates.

The Group's interest rate risk arises primarily from interest-bearing fixed deposits with licensed banks and borrowings. The Group borrows at both, floating and fixed rates of interest to generate the desired interest profile and to manage the Group's exposure to interest rate fluctuations.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group if interest rates at the end of reporting period changed by fifty (50) basis points with all other variables held constant:

	Group	
	2024	2023
	RM	RM
Profit after tax		
- increase by 0.5% (2023: 0.5%)	(103,097)	(110,460)
- decrease by 0.5% (2023: 0.5%)	<u>103,097</u>	<u>110,460</u>

There is no interest rate risk exposure to the equity, hence the effect of the change in the interest rate is not explained.

Notes To The Financial Statements

31 December 2024 (Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(b) Financial risk management (Cont'd)

(iii) Interest rate risk (Cont'd)

The following table sets out the carrying amounts, the effective interest rates/incremental borrowing rate as at the end of each reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk:

Group	Note	Effective interest rate/Incremental borrowing rate* %	Within 1 year	1 - 2	2 - 3	3 - 4	4 - 5	> 5	Total
			RM	years RM	years RM	years RM	years RM	years RM	
31 December 2024									
Fixed rates									
Deposits with licensed banks	12	3.60 - 4.00	45,388,888	0	0	0	0	0	45,388,888
Lease liabilities	6	2.21 - 7.39*	(1,416,567)	(1,347,546)	(368,190)	0	0	0	(3,132,303)
Floating rates									
Term loans	15	3.50 - 6.89	(1,984,685)	(1,841,945)	(1,837,762)	(1,875,054)	(1,914,081)	(17,677,329)	(27,130,856)

* It represents incremental borrowing rate.

Notes To The Financial Statements

31 December 2024 (Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(b) Financial risk management (Cont'd)

(iii) Interest rate risk (Cont'd)

The following table sets out the carrying amounts, the effective interest rates/incremental borrowing rate as at the end of each reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk (Cont'd):

Group	Note	Effective interest rate/Incremental borrowing rate* %	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total RM
			RM	RM	RM	RM	RM	RM	
31 December 2023									
Fixed rates									
Deposits with licensed banks	12	3.75 - 5.60	30,063,500	0	0	0	0	0	30,063,500
Lease liabilities	6	2.21 - 7.39*	(1,057,989)	(1,181,098)	(1,093,068)	(333,155)	0	0	(3,665,310)
Floating rates									
Term loans	15	3.50 - 6.89	(1,945,026)	(1,985,022)	(1,841,599)	(1,838,105)	(1,875,413)	(19,583,134)	(29,068,299)

* It represents incremental borrowing rate.

Notes To The Financial Statements

31 December 2024 (Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(b) Financial risk management (Cont'd)

(iii) Interest rate risk (Cont'd)

The following table sets out the carrying amounts, the effective interest rates/incremental borrowing rate as at the end of each reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk (Cont'd):

Company	Note	Effective interest rate %	Within 1 year RM
31 December 2024			
Fixed rates			
Deposits with licensed banks	12	3.80	<u>9,517,241</u>
31 December 2023			
Fixed rates			
Deposits with licensed banks	12	3.98 - 4.00	<u>14,000,000</u>

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the entities within the Group. The currency giving rise to this risk are primarily United States Dollar ("USD") and Vietnamese Dong ("VND").



Notes To The Financial Statements

31 December 2024 (Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(b) Financial risk management (Cont'd)

(iv) Foreign currency risk (Cont'd)

The following table demonstrates the sensitivity analysis of the Group to a reasonably possible change in the USD and VND exchange rate against the functional currency of the Group, with all other variables held constant:

	Group	
	2024	2023
	RM	RM
Profit after tax		
USD/RM		
- Strengthen by 5% (2023: 5%)	522,848	785,231
- Weaken by 5% (2023: 5%)	(522,848)	(785,231)
VND/RM		
- Strengthen by 5% (2023: 5%)	206,586	282,779
- Weaken by 5% (2023: 5%)	<u>(206,586)</u>	<u>(282,779)</u>

There is no foreign currency risk exposure to the equity, hence the effect of the change in the exchange rate is not explained. Sensitivity analysis of other foreign currencies is not disclosed as it is not material to the Group.

26. COMPARATIVE INFORMATION

(a) During the financial year, the Group and the Company changed its analysis of expenses recognised in profit or loss from classification based on function to classification based on nature as it can provide more reliable and relevant information to users of financial statements. Consequently, the Group and the Company restated its comparative information so that comparability is not impaired.

Notes To The Financial Statements

31 December 2024 (Cont'd)

26. COMPARATIVE INFORMATION (Cont'd)

- (b) Statement of profit or loss and other comprehensive income for the financial year ended 31 December 2023:

Group	As previously reported RM	Reclassification RM	As restated RM
Revenue	167,037,922	0	167,037,922
Cost of sales	(128,217,780)	128,217,780	0
Other operating income	2,453,241	0	2,453,241
Changes in inventories of finished goods and work-in-progress	0	(15,067,431)	(15,067,431)
Raw materials and consumables used	0	(91,401,526)	(91,401,526)
Employee benefits	0	(21,246,045)	(21,246,045)
Depreciation	0	(3,697,011)	(3,697,011)
Reversal of impairment losses on trade and other receivables	39,805	0	39,805
Distribution costs	(3,348,457)	3,348,457	0
Administration expenses	(11,194,311)	11,194,311	0
Other operating expenses	0	(11,348,535)	(11,348,535)
Profit from operations	26,770,420	0	26,770,420
Finance costs	(1,746,581)	0	(1,746,581)
Profit before tax	25,023,839	0	25,023,839
Tax expense	(4,339,612)	0	(4,339,612)
Profit for the financial year	20,684,227	0	20,684,227
Other comprehensive income			
Item that may be reclassified subsequently to profit of loss			
Foreign currency translation	152,829	0	152,829
Total comprehensive income for the financial year	20,837,056	0	20,837,056
Profit attributable to owners of the parent	20,684,227	0	20,684,227
Total comprehensive income attributable to owners of the parent	20,837,056	0	20,837,056



Notes To The Financial Statements

31 December 2024 (Cont'd)

26. COMPARATIVE INFORMATION (Cont'd)

- (c) Statement of profit or loss and other comprehensive income for the financial year ended 31 December 2023:

Company	As previously reported RM	Reclassification RM	As restated RM
Revenue	13,600,000	0	13,600,000
Other operating income	950,273	0	950,273
Employee benefits	0	(714,373)	(714,373)
Administration expenses	(2,253,343)	2,253,343	0
Other operating expenses	0	(1,538,970)	(1,538,970)
Profit before tax	12,296,930	0	12,296,930
Tax expense	(175,700)	0	(175,700)
Profit for the financial year	12,121,230	0	12,121,230
Other comprehensive income, net of tax	0	0	0
Total comprehensive income for the financial year	12,121,230	0	12,121,230
Profit for the financial year and total comprehensive income attributable to owners of the parent	12,121,230	0	12,121,230

Notes To The Financial Statements

31 December 2024 (Cont'd)

27. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

27.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ('MASB') during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Amendments to the Standards did not have any material effect on the financial performance or position of the Group and of the Company.

27.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
<i>Annual Improvements to MFRS Accounting Standards—Volume 11</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

Notes To The Financial Statements

31 December 2024 (Cont'd)

28. STATUTORY DISCLOSURE

Pursuant to Section 249(4)(e) of Companies Act 2016, details of auditors' remuneration payable by the Group and the Company during the financial year were as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Statutory audit	129,540	122,800	34,000	29,000
Non-audit related services	9,000	87,000	6,000	83,000
	<u>138,540</u>	<u>209,800</u>	<u>40,000</u>	<u>112,000</u>

List Of Properties

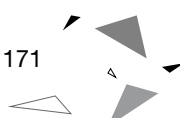
As At 31 December 2024

Registered / Beneficial owner	Property address	Description / Existing use	Tenure of property	Date of acquisition / Date of revaluation	Approximate age of building	Land / Built-up area (sq ft)	Carrying amount as at 31 December 2024 RM'000
Berjayapak Sdn Bhd	HS(D) 8766, Lot 2492, Mukim 05, Daerah Seberang Perai Selatan, Negeri Pulau Pinang / No. 1328, Jalan Sungai Baong, Furniture Industrial Estate, 14200 Sungai Bakap, Pulau Pinang.	Industrial land with single-storey factory and double-storey office / Office, storage and manufacturing	Industrial / Freehold	16 June 1998 11 May 2022 (expansions to the Sungai Bakap Factory)	26 years	117,176 / 96,885	4,459
Bejay Presswood Sdn Bhd	HS(D) 8767, Lot 2493, Mukim 05, Daerah Seberang Perai Selatan, Negeri Pulau Pinang / No. 1403, Lorong Bakau 4, Taman Industri Perabot, Sungai Baong, 14200 Sungai Jawi, Pulau Pinang	Industrial land with single-storey factory / Office and storage	Industrial / Freehold	26 July 2007 11 May 2022 (expansions to the Sungai Bakap Factory)	17 years	117,176 / 58,318	2,022
Bejay Timber Sdn Bhd	HS(D) 8765, Lot 2491, Mukim 05, Daerah Seberang Perai Selatan, Negeri Pulau Pinang / No. 1417, Jalan Sungai Baong, Taman Industri Perabot, Sungai Baong, 14200 Sungai Jawi, Pulau Pinang	Industrial land with single-storey factory and double-storey office / Office and storage	Industrial / Freehold	5 August 2011 11 May 2022 (expansions to the Sungai Bakap Factory)	13 years	54,014 / 36,344	1,470
Berjayapak Sdn Bhd	Geran No. Hakmilik 98345, Lot 2168, Mukim 05, Daerah Seberang Perai Selatan, Negeri Pulau Pinang / No. 49, Jalan Sungai Duri, Taman Seruling Emas, 14200 Sungai Jawi, Pulau Pinang	Double-storey shop office / Vacant	Building / Freehold	23 July 1998	26 years	1,399 / 2,800	158
Berjayapak Sdn Bhd	HS(D) 37950, PT 3174, Mukim 01, Daerah Seberang Perai Tengah, Negeri Pulau Pinang / 2619, Lorong Perusahaan 8, Kawasan Perindustrian Prai, 13600 Perai, Penang	Industrial land with single-storey factory and double-storey office / Office and storage, intended to be used for assembling	Industrial / Leasehold of 60 years expiring on 9 April 2050	25 July 2022	3 years	47,171 / 32,761	5,746
Berjayapak Sdn Bhd	HS(D) 30953, PT 3050, Mukim 01, Daerah Seberang Perai Tengah, Negeri Pulau Pinang / 2611, Lorong Perusahaan 8, Kawasan Perindustrian Prai, 13600 Perai, Penang	Industrial land with single-storey factory and double-storey office / Intended to be used as office, storage, and assembling	Industrial / Leasehold of 60 years expiring on 6 December 2049	25 July 2022	3 years	74,583 / 47,595	8,497

List Of Properties (Cont'd)

As At 31 December 2024

Registered / Beneficial owner	Property address	Description / Existing use	Tenure of property	Date of acquisition / Date of revaluation	Approximate age of building	Land / Built-up area (sq ft)	Carrying amount as at 31 December 2024 RM'000
Berjayapak Sdn Bhd	No. 39A, Lorong Perusahaan 6, Taman PKNK, 09000 Kulim, Kedah	Industrial land with double-storey factory and single-storey office / Intended to be used for office, storage and assembling.	Industrial / Leasehold of 99 years expiring on 12 December 2088	28 July 2022	3 years	120,254 / 64,588	9,335
Berjayapak Sdn Bhd	No.3386, Lot 58876, Jalan Pekeliling Tanjung 27/2, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor.	Industrial land with single storey detached factory with double storey office / Intended to be used for office, storage and assembling.	Industrial / Freehold	13 October 2023	2 year	23,314 / 11,625	4,091



Analysis Of Ordinary Shareholdings

As At 2 April 2025

Total no. of issued share capital	- 560,798,000 ordinary shares
Class of shares	- Ordinary shares
Voting rights	- One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	No. of shares held	% of shareholding
1 - 99	2	101	0.00
100 - 1,000	212	100,300	0.02
1,001 - 10,000	864	5,675,500	1.01
10,001 - 100,000	1,030	39,152,900	6.98
100,001 - 28,039,899 (*)	256	147,369,199	26.28
28,039,900 and above (**)	1	368,500,000	65.71
TOTAL	2,365	560,798,000	100.00

* Less than 5% of issued holdings

** 5% and above of issued holdings

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct Interest		Indirect Interest	
	No. of shares	%	No. of shares	%
Dato' Seri Lee Kah Choon	560,000	0.10	-	-
Ooi Lay Pheng	20,938,300	3.73	368,500,000 ^(a)	65.71
Ong Kah Hong	2,090,000	0.37	-	-
Lee Soon Swee	-	-	368,500,000 ^(a)	65.71
Dato' Mohamed Amin Bin Mohd Kassim	310,000	0.06	-	-
Phoon Yee Min	60,000	0.01	-	-
Hew Hein Hwei	-	-	-	-

Note:

^(a) Indirect interested via B Pack Holdings Sdn. Bhd.

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Indirect Interest	
	No. of shares	%	No. of shares	%
B Pack Holdings Sdn. Bhd.	368,500,000	65.71	-	-
Ooi Lay Pheng	20,938,300	3.73	368,500,000 ^(a)	65.71
Lee Soon Swee	-	-	368,500,000 ^(a)	65.71

Note:

^(a) Indirect interested via B Pack Holdings Sdn. Bhd.

List Of Top 30 Largest Shareholders

As At 2 April 2025

NO.	NAME	HOLDINGS	%
1	B PACK HOLDINGS SDN. BHD.	368,500,000	65.71
2	OOI LAY PHENG	20,938,300	3.73
3	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	15,900,000	2.84
4	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR ARECA EQUITYTRUST FUND (211882)	7,807,500	1.39
5	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF TACTICAL FUND	3,906,500	0.70
6	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR PHILLIP MASTER EQUITY GROWTH FUND (50144 TR01)	3,847,500	0.69
7	PHILLIP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP CAPITAL MANAGEMENT SDN BHD	3,599,100	0.64
8	UOBM NOMINEES (ASING) SDN BHD UOB ASSET MANAGEMENT (MALAYSIA) BERHAD FOR FWD STRATEGIC FUND	3,517,300	0.63
9	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIA BOON HUAT	3,059,700	0.55
10	TOO CHIN KIONG	2,650,000	0.47
11	CARTABAN NOMINEES (TEMPATAN) SDN BHD RHB TRUSTEES BERHAD FOR KAF VISION FUND	2,250,500	0.40
12	ONG KAH HONG	2,090,000	0.37
13	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG JIEW CHOI	1,900,000	0.34
14	UOBM NOMINEES (ASING) SDN BHD UOB ASSET MANAGEMENT (MALAYSIA) BERHAD FOR FWD AGGRESSIVE FUND	1,737,900	0.31
15	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN YONG SZE (E-KLG)	1,569,200	0.28
16	CHIN FUNG WEI	1,372,500	0.24
17	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ANG KOK SEONG (M55015)	1,232,000	0.22
18	LEE CHOON TENG	1,128,800	0.20
19	OPPSTAR TECHNOLOGY SDN. BHD.	1,100,000	0.20
20	MERCSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HO LIH MENG	1,050,000	0.19

List Of Top 30 Largest Shareholders (Cont'd)

As At 2 April 2025

NO.	NAME	HOLDINGS	%
21	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YIEW PENG CHENG	1,000,000	0.18
22	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TOO BENG KIONG (MY2783)	998,100	0.18
23	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG CHENG KENG (E-TJJ)	983,700	0.18
24	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SOH CHOH PIAU (M&A)	975,000	0.17
25	OW CHOOI KHIM	960,000	0.17
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BERHAD FOR PHILLIP DIVIDEND FUND (UT-PM-DIV) (419467)	900,000	0.16
27	PELABURAN MARA BERHAD	868,000	0.15
28	LIM KWOK CHING	801,200	0.14
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BABA HADIL BIN BABA ZAIN	800,000	0.14
30	PANG SWEE CHIEN	800,000	0.14
	Total	458,242,800	81.71



Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fourth Annual General Meeting (“4th AGM”) of L&P GLOBAL BERHAD (“the Company”) will be convened and held at Iconic 5 of Level 7, ICONIC HOTEL, 71, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang, Malaysia on **Friday, 30 May 2025 at 10:00 a.m.** for the purpose of considering and if thought fit, passing with or without modifications the resolutions set out in this notice:

AGENDA

AS ORDINARY BUSINESS

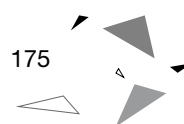
1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who are retiring in accordance with Clause 18.2 of the Company’s Constitution:
 - (a) Ms. Ooi Lay Pheng **Ordinary Resolution 1**
 - (b) Dato’ Mohamed Amin Bin Mohd Kassim **Ordinary Resolution 2**
3. To re-elect the following Directors who are retiring in accordance with Clause 18.9 of the Company’s Constitution:
 - (a) Mr. Lee Soon Swee **Ordinary Resolution 3**
 - (b) Mr. Hew Hein Hwei **Ordinary Resolution 4**
4. To approve the payment of Directors’ fees and benefits payable of up to RM540,000 for the period from the next day of the 4th AGM until the conclusion of the next Annual General Meeting (“AGM”) of the Company in 2026. **Ordinary Resolution 5**
5. To re-appoint BDO PLT as auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **Ordinary Resolution 6**

AS SPECIAL BUSINESS

6. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Ordinary Resolution 7**

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“Act”), provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the approvals from the relevant regulatory authorities, the Directors of the Company be and are hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued share capital (excluding treasury shares, if any) of the Company for the time being.

THAT the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.



Notice Of Annual General Meeting (Cont'd)

6. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (Cont'd)**

AND THAT pursuant to Section 85 of the Act read together with Clause 13.2 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this mandate.

FURTHER THAT the new shares to be issued shall, upon issuance and allotment, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

7. **PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES ("PROPOSED SHARE BUY-BACK")** **Ordinary Resolution 8**

"THAT subject to the Act, the Company's Constitution, the Main Market Listing Requirements of Bursa Securities and the approvals of the relevant government or regulatory authorities, the Directors of the Company be and are hereby authorised to make purchases of the Company's shares as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

- (a) the aggregate number of ordinary shares which may be purchased by the Company shall not exceed ten percent (10%) of the total number of issued shares (including treasury shares) of the Company at any point in time of the said purchase(s);
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained earnings of the Company at the time of purchase; and
- (c) the authority conferred by this resolution will be effective immediately upon the passing of this Resolution and shall continue to be in force until:
 - (i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the said authority shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant government or regulatory authorities (if any).



Notice Of Annual General Meeting (Cont'd)

7. **PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES (“PROPOSED SHARE BUY-BACK”) (Cont'd)**

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:

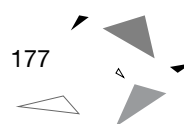
- (a) distribute as share dividends to shareholders, such dividend to be known as “share dividends”;
- (b) resell on Bursa Securities in accordance with the relevant rules of Bursa Securities;
- (c) transfer the shares, or any of the shares for the purposes of or under an employees’ share scheme;
- (d) transfer the Treasury Shares, or any of the Treasury Shares as purchase consideration;
- (e) cancel the Treasury Shares; or
- (f) sell, transfer or otherwise use the Treasury Shares for such other purposes as the Minister may by order prescribe.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary (including executing all such documents as may be required) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company.”

8. **PROPOSED ALLOCATION OF ESOS OPTIONS TO LEE SOON SWEE, AN EXECUTIVE DIRECTOR OF THE COMPANY, UNDER THE COMPANY’S EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) Ordinary Resolution 9**

“THAT subject to the approvals of the relevant authorities and/ or parties (where required) being obtained, the Board be and is hereby authorised, at any time and from time to time throughout the duration of the ESOS, to offer and grant such number of ESOS Options to Lee Soon Swee, the Executive Director of the Company, subject to the provisions of the By-Laws, provided always that:

- (a) he must not participate in the deliberation or discussion of his own allocation of ESOS options as well as allocation to persons connected to him; and
- (b) the allocation to him who, either singly or collectively through persons connected with him, holds 20% or more of the total number of issued shares of the Company (excluding any treasury shares), does not exceed 10% of the maximum number of shares made available under the ESOS (“ESOS shares”),



Notice Of Annual General Meeting (Cont'd)

8. **PROPOSED ALLOCATION OF ESOS OPTIONS TO LEE SOON SWEE, AN EXECUTIVE DIRECTOR OF THE COMPANY, UNDER THE COMPANY'S EMPLOYEES' SHARE OPTION SCHEME ("ESOS") (Cont'd)**

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") or any prevailing guidelines, rules and/or regulations issued by Bursa Securities and any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and allot such number of ESOS shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person as well as to take such steps as are necessary or expedient to implement, finalise or give full effect to the Proposed Allocations with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed and/or permitted by the relevant authorities or otherwise thought fit by the Board to be in the best interest of the Company."

9. **PROPOSED ALLOCATION OF ESOS OPTIONS TO HEW HEIN HWEI, AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY, UNDER THE COMPANY'S EMPLOYEES' SHARE OPTION SCHEME ("ESOS")** **Ordinary Resolution 10**

"THAT subject to the approvals of the relevant authorities and/ or parties (where required) being obtained, the Board be and is hereby authorised, at any time and from time to time throughout the duration of the ESOS, to offer and grant such number of ESOS Options to Hew Hein Hwei, the Independent Non-Executive Director of the Company, subject to the provisions of the By-Laws, provided always that:

- (a) he must not participate in the deliberation or discussion of his own allocation of ESOS options as well as allocation to persons connected to him; and
- (b) the allocation to him who, either singly or collectively through persons connected with him, holds 20% or more of the total number of issued shares of the Company (excluding any treasury shares), does not exceed 10% of the maximum number of shares made available under the ESOS ("ESOS shares"),

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") or any prevailing guidelines, rules and/or regulations issued by Bursa Securities and any other relevant authorities as amended from time to time.



Notice Of Annual General Meeting (Cont'd)

9. **PROPOSED ALLOCATION OF ESOS OPTIONS TO HEW HEIN HWEI, AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY, UNDER THE COMPANY'S EMPLOYEES' SHARE OPTION SCHEME ("ESOS") (Cont'd)**

AND THAT, the Board be further authorised to issue and allot such number of ESOS shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person as well as to take such steps as are necessary or expedient to implement, finalise or give full effect to the Proposed Allocations with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed and/or permitted by the relevant authorities or otherwise thought fit by the Board to be in the best interest of the Company."

10. To transact any other business for which due notice shall have been given in accordance with the Act.

By Order of the Board

Tai Yit Chan (MAICSA 7009143 I SSM PC No. 202008001023)
Ong Tze-En (MAICSA 7026537 I SSM PC No. 202008003397)
Lau Yoke Leng (MAICSA 7034778 I SSM PC No. 202008003368)
Company Secretaries

Penang, 30 April 2025

Notes:

Appointment of Proxy

1. A proxy must be of full age. A proxy may but need not be a member. For a proxy to be valid, the Proxy Form duly completed must be deposited at the Registered Office of the Company, 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than forty-eight (48) hours before the time for holding the meeting PROVIDED that in the event the member duly executes the Proxy Form but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/her proxy, provided always that the rest of the Proxy Form, other than the particulars of the proxy have been duly completed by the member(s).
2. A member entitled to attend, speak and vote is entitled to appoint not more than two (2) proxies to attend, speak and vote instead of him/her. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds. An Exempt Authorised Nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.

Notice Of Annual General Meeting (Cont'd)

Notes: (Cont'd)

Appointment of Proxy (Cont'd)

6. A Member of the Company is permitted to give the Company notice of termination of a person's authority to act as proxy not less than twenty-four (24) hours before the time appointed for holding the meeting. The notice of termination must be in writing and be deposited at the Registered Office of the Company.
7. If the appointor is a corporation, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
8. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors ("ROD") as at **22 May 2025** and only a Depositor whose name appears on such ROD shall be eligible to attend this meeting or appoint proxy to attend and/or vote on his/her behalf.

Explanatory Notes:

1. **Ordinary Resolutions 1 and 2 are to re-elect Directors who retire in accordance with Clause 18.2 of the Company's Constitution**

The profiles of the retiring Directors are set out under Profile of Directors in the Annual Report 2024. The Board of Directors ("Board") approved the recommendations from the Nomination Committee and is supportive of the re-election of the retiring Directors based on the justifications below. The retiring Directors do not have any conflict of interest with the Company and its subsidiaries ("the Group") and had abstained from deliberation and decision making on their own eligibility to stand for re-election at relevant meetings:

Ms Ooi Lay Pheng is the Chief Executive Officer of the Group. She develops and oversees the implementation of the Group's business and strategic goals. Drawing on input from the Board, she formulates short and long-term business plans in line with the strategic goals focusing on business expansion through development of new products, securing new customers and new market expansion. She has contributed significantly by steering the Group forward with notable achievements during her tenure of service.

Dato' Mohamed Amin Bin Mohd Kassim is an Independent Non-Executive Director of the Company. He has fulfilled the requirements on independence as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. He has demonstrated his objectivity through his proactive engagements during meetings of the Board and Board Committees (Nomination Committee, Remuneration Committee and Audit and Risk Management Committee) by sharing valuable, relevant, independent and impartial insights, views and opinions on issues tabled for discussion. He has exercised due care and carried out his professional duties proficiently and effectively throughout his tenure as a Director of the Company.

2. **Ordinary Resolutions 3 and 4 are to re-elect Directors who retire in accordance with Clause 18.9 of the Company's Constitution**

The profiles of the retiring Directors are set out under Profile of Directors in the Annual Report 2024. Both the retiring Directors, **Mr Lee Soon Swee**, the Executive Director and **Mr Hew Hein Hwei**, the Independent Non-Executive Director were appointed on 13 November 2024 and 1 December 2024 respectively. As both were appointed recently and with the basis of their appointment, the Board concurred with the Nominating Committee that both should be given an opportunity to contribute to the Company and supports their re-election. Both Directors do not have any conflict of interest with the Group and had abstained from deliberation and decision making on their own eligibility to stand for re-election at relevant meetings.

Mr Hew Hein Hwei has fulfilled the requirements on independence as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and has provided confirmation of independence.



Notice Of Annual General Meeting (Cont'd)

Notes: (Cont'd)

Explanatory Notes: (Cont'd)

3. Ordinary Resolution 5 on Directors' fees and benefits payable

Directors' fees and benefits payable to the Directors have been reviewed by the Remuneration Committee and the Board which recognises that the Directors' fees and benefits payable are in the best interest of the Company. The Directors' fees and benefits payable, if passed, will facilitate the payment of Directors' fees and benefits payable to the Directors from the next day of the 4th AGM until the conclusion of the next AGM of the Company in 2026. Details of Directors' fees and benefits payable for the financial year ended 31 December 2024 are enumerated under the Corporate Governance Overview Statement in the Annual Report 2024.

The amount of Directors' fees and benefits payable includes fees and benefits payable to Directors as members of Board and Board Committees. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of any additional Director, additional unscheduled meetings for Board and Board Committees and/or for the formation of additional Board Committees.

4. Ordinary Resolution 7 on authority to Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

This Ordinary Resolution, on approval, is for the purpose of granting authority to the Board to issue and allot ordinary shares up to a maximum of ten per centum (10%) of the total number of issued shares (excluding treasury shares, if any) of the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting, whichever is the earlier ("**General Mandate**").

The Directors of the Company did not allot, or issue ordinary shares pursuant to the authority given by its shareholders at the previous AGM. The renewal of this General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions as well as to avoid any delay and cost in convening general meeting to specifically approve such an issuance of shares.

The waiver of pre-emptive rights pursuant to Section 85 of the Companies Act 2016 and read together with Clause 13.2 of the Company's Constitution, will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

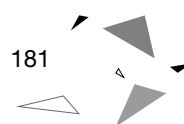
At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make the needful announcements in respect thereof.

5. Ordinary Resolution 8 is to approve Proposed Authority for the Company to buy-back its own shares

This Ordinary Resolution, if passed, will empower the Directors of the Company to exercise the power of the Company to purchase its own shares. The total number of shares purchased shall not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. This authority will, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required to be held, whichever occurs first.

6. Ordinary Resolutions 9 and 10 on Proposed Allocation of ESOS Options

The proposed Ordinary Resolutions 9 and 10, if passed, will allow the Company to offer and grant options to Lee Soon Swee (Executive Director of the Company) and Hew Hein Hwei (Independent Non-Executive Director of the Company) respectively to subscribe for new ordinary shares under the ESOS.



Statement Accompanying Notice Of Annual General Meeting

(Pursuant to Paragraph 8.27 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

No individual is standing for election as a Director at the forthcoming 4th AGM of the Company.



Number of Shares Held	CDS Account No.

I/We _____
(Full name in Block Letters and NRIC No./Passport No./ Registration No.)
of _____ and _____
(Address) (Tel No./Email Address)

being a Member(s) of L&P Global Berhad (the "Company"), hereby appoint

Full Name (in Block Letters)	NRIC No./Passport No.	No. of Shares
Address	Email address	% of Shareholding

*and/or failing him/her

Full Name (in Block Letters)	NRIC No./Passport No.	No. of Shares
Address	Email address	% of Shareholding

or failing him/her, the CHAIRMAN OF THE MEETING as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Fourth Annual General Meeting ("4th AGM") of the Company, to be convened and held at Iconic 5 of Level 7, ICONIC HOTEL, 71, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang, Malaysia on Friday, 30 May 2025 at 10:00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate space(s) provided below on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

ORDINARY RESOLUTION ("OR")	OR1	OR2	OR3	OR4	OR5	OR6	OR7	OR8	OR9	OR10
FOR										
AGAINST										

Dated this _____ day of _____ 2025.

.....
Signature of Shareholder(s)/ Common Seal

* Strike out whichever is not desired.

Notes:

- A proxy must be of full age. A proxy may but need not be a member. For a proxy to be valid, the Proxy Form duly completed must be deposited at the Registered Office of the Company, 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than forty-eight (48) hours before the time for holding the meeting PROVIDED that in the event the member duly executes the Proxy Form but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/her proxy, provided always that the rest of the Proxy Form, other than the particulars of the proxy have been duly completed by the member(s).
- A member entitled to attend, speak and vote is entitled to appoint not more than two (2) proxies to attend, speak and vote instead of him/her. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds. An Exempt Authorised Nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- A Member of the Company is permitted to give the Company notice of termination of a person's authority to act as proxy not less than twenty-four (24) hours before the time appointed for holding the meeting. The notice of termination must be in writing and be deposited at the Registered Office of the Company.
- If the appointor is a corporation, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
- For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors ("ROD") as at **22 May 2025** and only a Depositor whose name appears on such ROD shall be eligible to attend this meeting or appoint proxy to attend and/or vote on his/her behalf.

Personal Data Privacy

By submitting the duly executed Proxy Form, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 4th AGM of the Company and any adjournment thereof.

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Affix
Stamp

The Company Secretary
L&P GLOBAL BERHAD
Registration No. 202101028085 (1428385-M)
170-09-01, Livingston Tower
Jalan Argyll, 10050 George Town
Pulau Pinang, Malaysia

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