BP PLASTICS HOLDING BERHAD
[Registration No. 200401006398 (644902-V)]
(Incorporated in Malaysia)

APPENDIX I – RESPONSES AND CLARIFICATIONS TO QUESTIONS RECEIVED DURING THE TWENTY-SECOND ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 25 MAY 2026

No.	Questions
1	**Raw Materials** Considering that around 33% of the Group's raw material procurement is locally sourced, to what extent is the Group currently impacted by raw material supply disruptions?
	Response The Group procures raw materials from geographically diversified supplier base, including the Middle East, North America, Asia, and in Malaysia. This approach supports supply continuity and strengthens the Group's ability to manage procurement-related risks.
2	**Inventory Planning** What is the Group's inventory planning strategy, including expected inventory turnover level and planned inventory investment?
	Response The Group generally maintains an average inventory level of approximately two (2) months in warehouse. In addition, certain raw materials may be procured in advance, depending on shipment lead times and supply conditions, particularly in view of irregular shipping schedules and ongoing supply chain disruptions. This ensures continuity of supply to meet customers' requirements.
3	**Demand / Geopolitical Impact** Following the outbreak of the war, which product segments have seen an increase in customer enquiries or demand?
	Response Following recent geopolitical tensions and supply chain disruptions, the Group has observed an increase in customer enquiries and stronger demand across the industry. This is mainly driven by tighter supply conditions in the global resin and petrochemical markets, prompting customers to secure supply earlier than usual.

(Appendix I of the Minutes of the Twenty-Second Annual General Meeting of the Company held on 25 May 2026 – Cont'd)

4	**Average Selling Prices ("ASP")** What is the current industry landscape and competitive environment in relation to ASP?
	Response The Company is mindful of cost implications influenced by input material costs, and the overall market demand and environment. It continues to monitor price movements, engage with suppliers and customers, and respond in line with market conditions, particularly in the current environment of elevated oil-related raw materials prices.
5.	**Margins** What are the respective margin profiles of Blown polyethylene (PE) film products and Cast stretch products?
	Response Generally, Blown PE products are more customised and value-added in nature, thus typically command comparatively higher margins. Cast stretch products cover a broad product range from standard films to higher-performance films. Standard products are typically more price-competitive, while higher-performance films may provide better margin opportunities.
6.	**Expansion / Capital Expenditure (CAPEX)** What are the Group's CAPEX plans for FY2026, and what is the current status of any new factory development?
	Response For FY2026, the Group's capital expenditure is primarily focused on upgrading existing facilities and investing in downstream equipment, laboratory and testing capabilities, to enhance efficiency and value-added capabilities. Key infrastructure upgrades are ongoing, including the building of new 33KV substation together with its infrastructure with Tenaga Nasional Berhad, for increase electricity supply capacity at the manufacturing plant and cater for more incoming machines in future. The project, with an estimated cost of approximately RM10 million, is expected to be completed in the third quarter of FY2026. There is no new factory development. The Group acquired a factory in previous years and has relocated selected equipment to support production activities. Currently, there are no plans for further factory expansion, and the Group continues to optimise the use of its existing facilities.

The questions and answers had been summarised and moderated for clarity and to avoid repetition.

BP PLASTICS HOLDING BERHAD
[Registration No. 200401006398 (644902-V)]
(Incorporated in Malaysia)

APPENDIX II – RESPONSES AND CLARIFICATIONS TO QUESTIONS RECEIVED VIA EMAIL PRIOR TO THE TWENTY-SECOND ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 25 MAY 2026

No.	Questions
1	Where do the raw materials for manufacturing your products come from? Has the company faced any raw material supply disruption issues?
	Response The Group sources raw materials from diversified suppliers across North America, the Middle East, and Asia. To manage supply chain risk, the Group maintains approximately two months of inventory in warehouse and manages procurement based on shipment lead times and supply conditions. There were supply disruptions and tighter resin availability following the recent geopolitical developments in Middle East; the Group managed to secure alternative supply sources and continued to fulfil customer orders.
2	Have orders increased significantly due to the Middle East situation?
	Response The Company has experienced some increase in enquiries and demand from both existing and new customers, due to their concerns over raw material availability and price volatility arising from the supply disruptions and Middle East situation. Management continues to encourage customers to purchase based on their actual requirements rather than building excessive inventories amid market uncertainties and volatility.
3	Will profit margins be compressed? Have new orders increased substantially?
	Response The Group's existing inventory levels are expected to help cushion the impact on profit margins in the short term, despite the higher raw material prices. New order volumes and enquiries have increased in the near term as customers seek to secure supply. However, demand is expected to normalise as supply and market conditions stabilise.

4	The market is generally facing raw material shortages — is the company experiencing any shortage issues as well?
	Response The market is currently experiencing tighter supply and higher prices for certain raw materials, including polymer resins and related materials. The Group continues to monitor the situation closely and maintain regular communication with suppliers. At present, the Group's raw material requirements remain manageable, supported by diversified sourcing and inventory planning. However, prolonged supply disruptions may result in further tightening of supply and higher procurement costs.
5.	The Middle East situation has led to tightening resin supply and price increases — is this a positive or negative development for the company?
	Response The development has mixed implications for the Group. In the short term, the Group's existing inventory levels and diversified sourcing help support order fulfilment and provide opportunities to serve customers seeking reliable supply. However, the Group remains cautious amid market volatility and continues to monitor market conditions closely while managing inventory, pricing and customer commitments prudently.
6.	Investment bank analysts have suggested that rising resin prices are favorable for profit growth — is this correct?
	Response While the significant increase in resin prices may support plastic converters to secure customer acceptance in selling price adjustments, the overall impact depends on overall input costs, inventory planning, sales volume and pricing. The Group will continue to manage pricing, inventory and customer commitments prudently, while focusing on value-added product offerings, including Wicket Bread Bags, Stretch Hood products, and premium Nano 67 layers machine roll, to support financial performance.