



LYSAGHT GALVANIZED STEEL BERHAD

(Registration No. 197901002195 (46426-P))

**ANNUAL
REPORT**

2024





CONTENTS

2	Notice of Annual General Meeting
5	Statement Accompanying Notice of Annual General Meeting
6	Corporate Information
7	Financial Highlights
8	Chairman's Statement
11	Management Discussion and Analysis of Business Operations and Financial Performance
17	Sustainability Report
57	Directors' Profile
61	Chief Executive Officer Profile
62	Key Management Profile
65	Corporate Governance Overview Statement
74	Additional Disclosure Requirements Pursuant to the Listing Requirements
75	Statement on Risk Management and Internal Control
78	Audit Committee Report
81	Statement on Directors' Responsibility

FINANCIAL STATEMENTS

82	Directors' Report
87	Statements of Financial Position
88	Statements of Profit or Loss and Other Comprehensive Income
89	Consolidated Statement of Changes in Equity
90	Statement of Changes in Equity
91	Statements of Cash Flows
94	Notes to the Financial Statements
131	Statement by Directors
131	Statutory Declaration
132	Independent Auditors' Report
136	List of Properties
137	Shareholding Distribution Schedule
138	Thirty Largest Shareholders
139	Substantial Shareholders
140	Directors' Shareholdings
	Form of Proxy

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Sixth Annual General Meeting (“46th AGM”) of **LYSAGHT GALVANIZED STEEL BERHAD** (“the Company”) will be held at Lavender Hall, Level 3, Kinta Riverfront Hotel & Suites, Kinta Riverfront, Jalan Lim Bo Seng, 30000 Ipoh, Perak Darul Ridzuan on Thursday, 12 June 2025 at 10:00 a.m. to transact the following business: -

AGENDA

ORDINARY BUSINESS

- | | |
|--|--|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors’ and Auditors’ Reports thereon. | Ordinary Resolution 1 |
| 2. To declare a final single tier dividend of 7 sen per ordinary share for the financial year ended 31 December 2024. | Ordinary Resolution 2 |
| 3. To approve the payment of Directors’ Fees for an amount of up to RM700,000/- for the financial year ending 31 December 2025 to the Non-Executive Directors. | Ordinary Resolution 3 |
| 4. To approve the payment of the meeting allowances for an amount of up to RM170,000/- for the financial year ending 31 December 2025 to the Non-Executive Directors. | Ordinary Resolution 4
Ordinary Resolution 5 |
| 5. To re-elect the following Directors who retire pursuant to Article 23.4 of the Company’s Constitution and who have offered themselves for re-election:-

i. Madam Chew Meu Jong
ii. Mr Cheam Low Soo | Ordinary Resolution 6 |
| 6. To re-appoint KPMG PLT as Auditors of the Company for the financial year ending 31 December 2025 at such remuneration to be determined by the Directors. | Ordinary Resolution 7 |

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution, with or without modifications:

- | | |
|--|------------------------------|
| 7. Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“Proposed Renewal of Shareholders’ Mandate”)

“THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries to enter into and give effect to renew the existing shareholders’ mandate for recurrent related party transactions of a revenue or trading nature as set out in Section 2 of the Circular to the Shareholders of the Company dated 30 April 2025 which are necessary for day-to-day operations of the Company and its subsidiaries subject to the following:-

(a) the transactions are in the ordinary course of business and are carried out at arm’s length basis on normal commercial terms of the Company and its subsidiaries, and on terms not more favourable to the related parties than those generally available to the public, and are not to the detriment of the minority shareholders; and | Ordinary Resolution 7 |
|--|------------------------------|

NOTICE OF ANNUAL GENERAL MEETING

cont'd

(b) the shareholders' mandate shall take effect from this resolution and shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which the ordinary resolution for the Proposed Renewal of Shareholders' Mandate was passed, at which time it will lapse, unless by an ordinary resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts, deeds and things (including executing such documents as may be required) as they may consider expedient or necessary to give full effect to the Proposed Renewal of Shareholders' Mandate."

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT the final single tier dividend of 7 sen per ordinary share for the financial year ended 31 December 2024, if approved by shareholders at the 46th AGM, will be paid on 17 July 2025 to Depositors whose names appear in the Record of Depositors of the Company at the close of business on 3 July 2025.

A Depositor shall qualify for entitlement to the dividend in respect of:-

- (a) Shares transferred into the Depositor's Securities Account before 4:30 p.m. on 3 July 2025 in respect of the transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

LIM CHIEN JOO

MAICSA No.: 7063152

SSM PC No.: 201908004025

Company Secretary

Kuala Lumpur

Date: 30 April 2025

NOTICE OF ANNUAL GENERAL MEETING

cont'd

Notes:

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 5 June 2025 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 46th AGM.*
2. *A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (subject to a maximum of two (2) proxies) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.*
3. *Where the member appoints two (2) proxies to attend and vote at the 46th AGM, such appointment shall be invalid unless the member specifies the proportion of his/her holdings to be represented by each proxy.*
4. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*
5. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
6. *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under common seal or under the hand of an officer or attorney duly authorised.*
7. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Registered Office at Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjournment meeting at which the person named in the instrument proposes to vote.*
8. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of this 46th AGM will be put to vote by poll.*

Explanatory Notes:

1. Audited Financial Statements for the financial year ended 31 December 2024

This item of the Agenda is for discussion purposes only, as Section 340(1)(a) of the Companies Act 2016 ("Act") does not require the shareholders to formally approve the Audited Financial Statements. Hence, this item will not put forward for voting.

2. Ordinary Resolution 1 – Final Dividend

With reference to Section 131 of the Act, a company may only make a distribution to the shareholders out of profits of the Company available if the Company is solvent. On 20 February 2025, the Board had considered the amount of dividend and decided to recommend the same for the shareholders' approval.

The Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made on 17 July 2025 in accordance with the requirements under Section 132(2) and (3) of the Act.

3. Ordinary Resolution 3 – Payment of meeting allowances to the Non-Executive Directors

The total estimated amount of meeting allowances payable is calculated based on the number of scheduled Board's and Board Committees' meetings for the current financial year ending 31 December 2025.

NOTICE OF ANNUAL GENERAL MEETING

cont'd

4. **Ordinary Resolutions 4 and 5 – Re-election of Directors Pursuant to Article 23.4 of the Company's Constitution**

Madam Chew Meu Jong and Mr Cheam Low Soo (“Retiring Directors”), who retire in accordance with Article 23.4 of the Company's Constitution and being eligible, have offered themselves for re-election at the 46th AGM.

The Board had through the Nomination Committee (“NC”) carried out annual assessment on the Retiring Directors and agreed that they met the criteria of character, experience, integrity, competence and time commitment in discharging their roles as directors of the Company and their ability to act in the best interest of the Company in decision-making and endorsed the NC's recommendation to seek shareholders' approval for the re-election of the Retiring Directors at the 46th AGM.

The profiles of the Retiring Directors are set out in the Directors' Profile on page 58 and 59 of the Annual Report 2024.

5. **Ordinary Resolution 7 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Ordinary Resolution 7, if passed, will allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, particulars of which are set out in the Circular to the Shareholders of the Company dated 30 April 2025. This authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM of the Company. Please refer to the Company's Circular to Shareholders dated 30 April 2025 for more information.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD

1. **Details of individuals who are standing for election as Directors (excluding Directors standing for re-election)**

No individual is seeking election as a Director at the forthcoming 46th Annual General Meeting of the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ee Beng Guan
Non-Independent Non-Executive Chairman
(redesignated as Non-Independent Non-Executive Chairman on 30 June 2024)

Chew Meu Jong
Non-Independent Non-Executive Director

Ir. Aik Siaw Kong, KMN
Non-Independent Non-Executive Director

Cheam Low Soo
Non-Independent Non-Executive Director

Chong Sai Sin
Senior Independent Non-Executive Director

Yeoh Sheong Lee
Independent Non-Executive Director

Chong Chin Look
Independent Non-Executive Director

AUDIT COMMITTEE

Chong Sai Sin (Chairman)
Yeoh Sheong Lee
Chong Chin Look (appointed on 16 May 2024)
Cheam Low Soo (resigned on 16 May 2024)

NOMINATION COMMITTEE

Chong Sai Sin (Chairman)
Cheam Low Soo
Yeoh Sheong Lee

REMUNERATION COMMITTEE

Chew Meu Jong (Chairman)
Ir. Aik Siaw Kong, KMN
Chong Chin Look (appointed on 16 May 2024)
Chong Sai Sin (resigned on 16 May 2024)

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

Ir. Aik Siaw Kong, KMN (Chairman)
Ee Beng Guan
Cheam Low Soo (appointed on 16 May 2024)
Yeoh Sheong Lee (resigned on 16 May 2024)

CHIEF EXECUTIVE OFFICER

Ir. Chua Tia Bon

COMPANY SECRETARY

Lim Chien Joo (MAICSA 7063152)
SSM PC No. 201908004025

REGISTERED OFFICE

Suite 13.03, 13th Floor,
Menara Tan & Tan
207 Jalan Tun Razak
50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia
Tel No : 03-2164 0206 / 03-2164 0118
Fax No : 03-2164 0207
Email : general@adconsult.com.my

PRINCIPAL PLACE OF BUSINESS

No. 11, Jalan Majistret U1/26, Seksyen U1
Hicom-Glenmarie Industrial Park
40150 Shah Alam, Selangor Darul Ehsan, Malaysia
Tel No : 03-7880 3750
Fax No : 03-7880 3720
Email : lysaghtg@lysaghtmarketing.com.my
Website : <http://lysaghtgalvanizedsteelbhd.com>

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
[Registration No. 197701005827 (36869-T)]
Level 7, Menara Milenium, Jalan Damanlela,
Pusat Bandar Damansara, Damansara Heights,
50490 Kuala Lumpur, Malaysia
Tel No : 603-2084 9000
Fax No : 603-2094 9940
Email : info@sshshb.com.my

EXTERNAL AUDITORS

KPMG PLT
(LLP0010081-LCA & AF 0758)
Level 17, Ipoh Tower
Jalan Dato' Seri Ahmad Said
30450 Ipoh
Perak Darul Ridzuan, Malaysia
Tel No : 03-7721 3388
Fax No : 03-7721 3399

PRINCIPAL BANKERS

Standard Chartered Bank Malaysia Bhd.

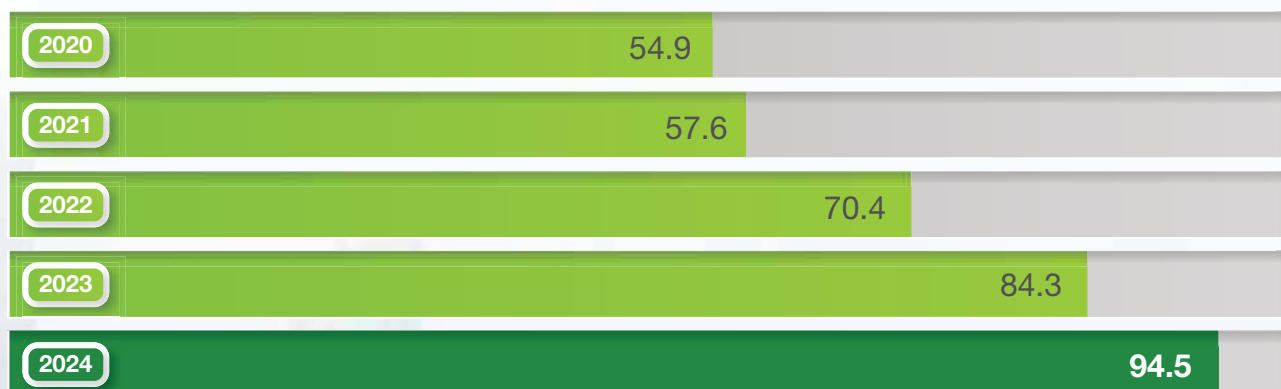
STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : LYSAGHT
Stock Code : 9199

FINANCIAL HIGHLIGHTS

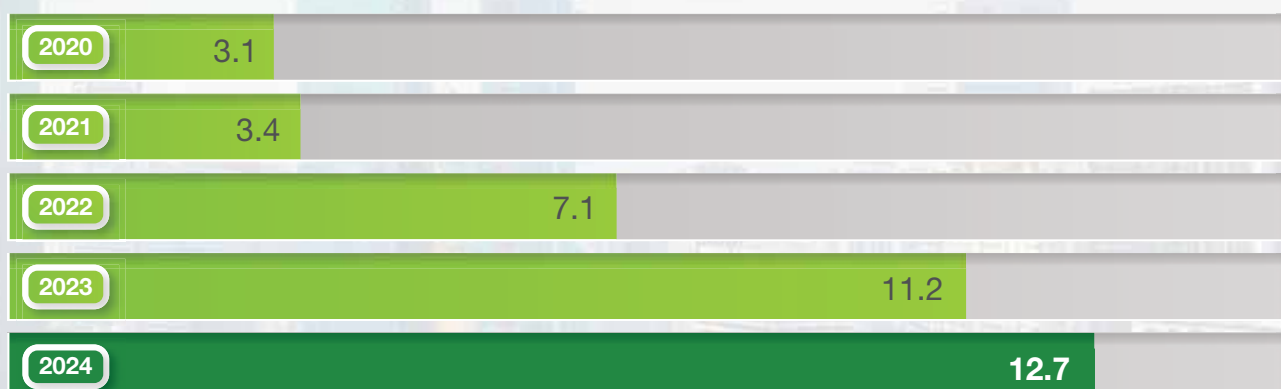
REVENUE

(RM'Mil)



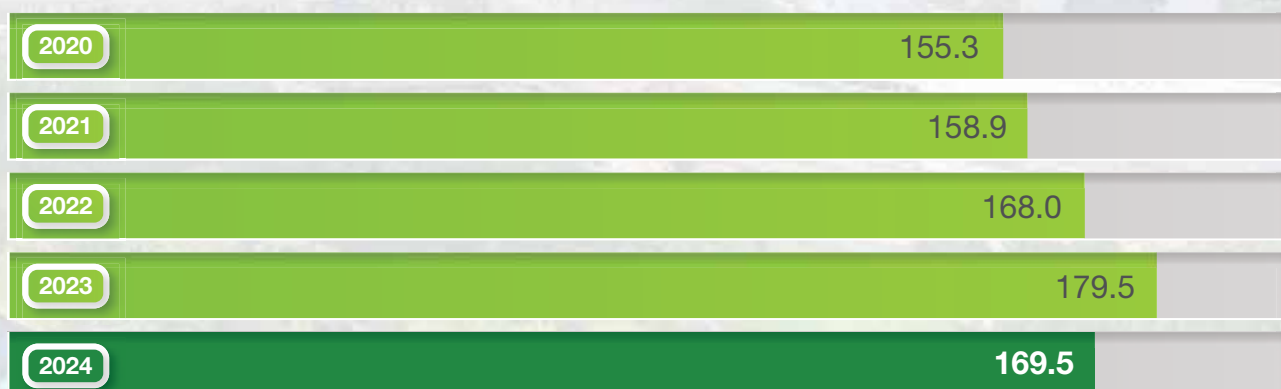
PROFIT AFTER TAX

(RM'Mil)



SHAREHOLDERS' FUND

(RM'Mil)



CHAIRMAN'S STATEMENT

Dear Shareholders,

It is my privilege to address you as the Chairman of the Board of Directors ("Board") of Lysaght Galvanized Steel Berhad ("Lysaght").

On behalf of the Board, I am pleased to present the Annual Report and Financial Statements of our Group for the financial year ended ("FYE") 31 December 2024.

OPERATING ENVIRONMENT

Despite a period of global monetary tightening, the world economy has demonstrated remarkable resilience, successfully navigating the disinflationary process without slipping into recession. In 2024, global economic growth is projected to stabilise at 3.2%, a marginal decline from 3.3% in 2023.

A key development over the past year has been the shift in monetary policy. Since June 2024, major central banks in advanced economies have begun reducing interest rates, signalling a transition toward a more neutral stance. This easing of global monetary conditions has provided a boost to emerging markets, strengthening their currencies against the US dollar and improving overall financial conditions. As a result, inflationary pressures have moderated, enabling these economies to manage disinflation more effectively.

However, risks persist, particularly in emerging markets and developing economies, where commodity production and shipping disruptions, especially in the oil sector, along with geopolitical conflicts, civil unrest, and extreme weather events, have dampened growth prospects in regions such as the Middle East and Central Asia. Conversely, the outlook for emerging Asia remains positive, driven by strong demand for semiconductors and electronics, underpinned by significant investments in artificial intelligence.

(Source : <https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>)

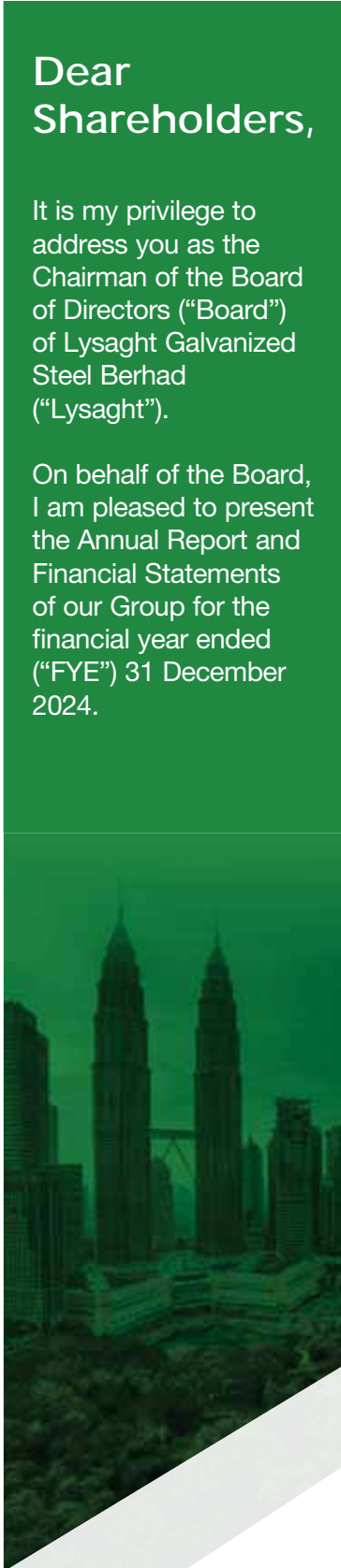
Malaysia's economy expanded by 5.1% in 2024, a significant improvement from the 3.6% growth recorded in 2023. This acceleration was fuelled by strong domestic demand and a recovery in exports. On the domestic front, household spending remained robust, supported by favourable labour market conditions, government policy initiatives, and stable household finances. Additionally, private and public sector investments gained momentum, reinforced by major national initiatives such as the New Industrial Master Plan, the National Energy Transition Roadmap, and the National Semiconductor Strategy.

Externally, exports experienced a resurgence, benefiting from steady global growth, a sustained technology upcycle, and increased tourist arrivals and spending. This contributed to a stronger current account position, maintaining a surplus of 1.7% of GDP in 2024.

(Source: http://bnm.gov.my/-/qb24q4_en_pr)

Amid these evolving economic conditions, the Group achieved robust financial performance, with revenue increasing by 12.0% from RM84.3 million in FYE 2023 to RM94.5 million in FYE 2024. This double-digit growth was driven by higher sales volumes, strategic pricing enhancements, and an expanded market presence. In tandem with this revenue growth, our profit before tax ("PBT") rose by 14.8%, or RM2.0 million, reaching RM15.8 million in FYE 2024, compared to RM13.8 million in the previous year. This underscores the resilience of our business model and the Management's unwavering commitment to sustainable value creation.

Throughout the year, the Group remained steadfast in advancing its business and operational strategies to generate both financial and non-financial value. A key area of focus was cost management, which was reinforced by the continuous adoption of value engineering principles. These principles allowed the Group to enhance efficiency, optimize resource allocation, and minimize waste.



CHAIRMAN'S STATEMENT

cont'd

FORWARD LOOKING

The global economy is expected to demonstrate resilience despite ongoing challenges, as projected by the Organisation for Economic Co-operation and Development ("OECD"). Global GDP growth is forecasted to reach 3.3% in 2025, slightly up from the projected 3.2% in 2024, with a steady pace expected to continue into 2026. However, uncertainties persist, including escalating geopolitical conflicts, rising trade tensions, and potential financial market disruptions. On a more optimistic note, stronger consumer confidence, early conflict resolution, and lower energy prices could contribute to improved economic sentiment.

(Source: <https://www.oecd.org/en/about/news/press-releases/2024/12/economic-outlook-global-growth-to-remain-resilient-in-2025-and-2026-despite-significant-risks>)

Against this backdrop, Malaysia's economic growth is expected to remain stable in 2025, supported by strong domestic demand. Household spending will be reinforced by steady employment, wage growth, and policy measures such as increases in the minimum wage and civil servant salaries. Investment activity is projected to remain robust, driven by ongoing public and private sector projects and key national master plan initiatives. While the manufacturing sector, particularly export-oriented industries, is poised for growth, it remains susceptible to external risks such as trade restrictions and weaker demand from major trading partners.

(Source: <https://www.bnm.gov.my/-/monetary-policy-statement-22012025>)

Given the complexities of the current operating environment, the Group anticipates a challenging business landscape in 2025, shaped by foreign exchange volatility, global economic uncertainties arising from geopolitical tensions, and inflationary cost pressures. Additionally, intensifying competition, particularly from lower-quality products, presents further market challenges.

Nevertheless, the Group remains steadfast in its commitment to driving growth and enhancing long-term shareholder value. Through a balanced approach centered on financial strength, operational resilience, prudent management, and effective enterprise risk strategies, we continue to navigate evolving challenges while seeking new opportunities for sustainable expansion.

A more comprehensive review of our financial and operational performance is provided in the "Management Discussion and Analysis of Business Operations and Financial Performance" of this Annual Report.

DIVIDEND

Our primary objective remains the creation of sustainable, long-term value and returns for our shareholders. Despite prevailing macroeconomic uncertainties, our stable operational performance and disciplined cost management have enabled us to maintain a strong financial position.

For FYE 2024, the Group announced an interim single-tier dividend of 8 sen per share, which was distributed on 27 September 2024. In addition, we were delighted to reward our shareholders with a special dividend of 35 sen per share, paid on 9 December 2024. Pending approval at the upcoming Annual General Meeting, shareholders can anticipate a final single-tier dividend of 7 sen per share. This brings the total declared dividend for FYE 2024 to an impressive 50 sen per share, a substantial increase from 8 sen per share in FYE 2023. The total dividend payout amounts to RM20.8 million, underscoring our dedication to operational excellence and robust cash generation.

We remain dedicated to delivering attractive dividend yields to our loyal shareholders while maintaining financial prudence. Our disciplined approach ensures we strike a balance between rewarding shareholders and reinvesting in the business for sustainable growth.

CHAIRMAN'S STATEMENT

cont'd

ACKNOWLEDGEMENT

On behalf of the Board, I extend my deepest gratitude to our shareholders for their unwavering trust and confidence in our Group. Your steadfast support continues to be a driving force behind our success.

I would also like to express my heartfelt appreciation to our employees for their dedication and hard work, which have been instrumental in strengthening the Group's resilience and achievements. Additionally, we extend our sincere thanks to our business partners, advisors, and relevant government and regulatory agencies for their invaluable support and guidance throughout FYE 2024.

We are pleased to welcome Mr. Chong Chin Look to the Board. With his extensive experience and expertise, we are confident that his insights will contribute meaningfully to our discussions and decision-making processes.

Lastly, I wish to extend my sincere appreciation to my fellow Directors for their invaluable commitment, wisdom, and counsel. As a Board, we remain steadfast in our mission to create long-term value for our shareholders and look forward to sharing our continued progress in the years ahead.

Mr. Ee Beng Guan

Chairman of the Board

23 April 2025

MANAGEMENT DISCUSSION AND ANALYSIS

OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

OVERVIEW OF BUSINESS OPERATIONS

Background

Lysaght Galvanized Steel Berhad (“**Lysaght**” or “**the Company**”) was listed on the Main Market of Bursa Malaysia Securities Berhad on 28 June 1994. The Company was originally incorporated as Lysaght Galvanising Services Sdn. Bhd. on 4 April 1979 in Malaysia under the Companies Act, 1965, as a private limited company. Its origins trace back to Lysaght Corrugated Pipe Sdn. Bhd., which was established in 1972 as a joint venture between John Lysaght (Australia) Ltd., United Engineers Ltd., Singapore, and a group of Malaysian entrepreneurs.

Initially specialising in the manufacturing of corrugated steel pipes, guardrails, and highway furniture, Lysaght later expanded its expertise into the design and production of poles, masts, transmission poles, telecommunication towers, and substation structures.

Over the years, Lysaght has established itself as one of Malaysia’s leading manufacturers of galvanized steel poles and masts. Our success is driven by a dedicated team of in-house design engineers, who ensure that our products cater to diverse applications while adhering to stringent international standards. Trained at reputable institutions and global programs, our engineers bring expertise across multiple disciplines, continuously enhancing product design, quality, and consistency.

At Lysaght, customer satisfaction is at the heart of our operations. We offer comprehensive sales support, working closely with clients to develop efficient and cost-effective solutions tailored to their needs. Our technical support team provides expert guidance on structural design, recommends alternatives for varying wind conditions or site constraints, and addresses any technical inquiries.

As a high-volume and high-quality producer, Lysaght takes pride in being one of the market leaders in steel pole and mast manufacturing. Our unwavering commitment to superior workmanship and adaptability to evolving market demands drive our continued success and solidify our reputation for excellence.

Market and products

The Group’s products play a crucial role in infrastructure, construction, and telecommunication projects across Malaysia and international markets. As industry requirements evolve, so too have customer preferences, shifting from standard, off-the-shelf solutions to customized designs that balance functionality with cost efficiency. In response, we have adapted our production processes to cater to this growing demand for tailored solutions while maintaining the highest quality standards.

Our dedication to quality is exemplified by our ISO 9001:2015 accreditation, underscoring our adherence to rigorous international quality management practices. This certification ensures that our manufacturing processes consistently meet global standards, providing our customers with confidence in the reliability and performance of our products.

Our Street Light Columns and High Mast Steel Lighting Columns have earned global recognition, certified by SIRIM QAS International Sdn. Bhd. and compliant with key international benchmarks, including:

- BS EN 40-5:2002 – British and European standard for steel street lighting columns
- AASHTO 2001 – American Association of State Highway and Transportation Officials’ standards for highway design and construction

Compliance with these esteemed standards reinforces the quality, safety, and reliability of our products across diverse applications.

Our extensive range of steel poles and mast products serves various industries and applications, including:

- Lighting columns for streets and highways
- Infrastructure support for transport terminals and traffic interchanges
- Illumination solutions for airports, ports, sports complexes, and stadiums
- Structural supports for golf courses and other recreational facilities

MANAGEMENT DISCUSSION AND ANALYSIS

OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

cont'd

In addition to our poles and masts, we manufacture tubular steel structures for critical applications, such as:

- Supporting overhead power transmission lines
- Power substation structures
- Mounting high-voltage equipment

These products are marketed under our proprietary registered trade names, LYCORPOLE® and Safe-T-Pole®, reinforcing our commitment to quality, durability, and innovation.

Operations

Our Group's products are distributed and marketed through our wholly owned subsidiaries:

- Lysaght Marketing Sdn. Bhd. (based in Shah Alam, Malaysia)
- Lysaght Marketing (S) Pte. Ltd. (based in Singapore)

These subsidiaries play a pivotal role in sales, marketing, and customer engagement, ensuring that our products reach the right markets and effectively meet customer needs. They also serve as key communication channels between our Group and clients, fostering long-term relationships and ensuring continuous customer satisfaction.

As part of our commitment to operational excellence, we continuously assess the need for expanding our manufacturing facilities to align with market growth. Our proactive approach to infrastructure development ensures that our production capabilities remain optimized for efficiency and scalability.

The Group remains steadfast in its mission to deliver high-quality products while embracing new challenges and expanding our expertise. As a community-focused manufacturer, we prioritize reliability, innovation, and sustainability across all facets of our operations.

Our dedication to stakeholders, particularly our customers, drives us to refine our business processes, enhance cost efficiencies, and introduce advanced technologies to maintain our industry leadership. By upholding these principles, we continue to create lasting value for our stakeholders while contributing positively to the communities we serve.

YEAR-ON-YEAR FINANCIAL REVIEW

In 2024, the global economy faced persistent uncertainties, including inflationary pressures, fluctuating raw material costs, foreign exchange rate volatility, and geopolitical tensions. Despite these challenges, Malaysia's economic resilience, driven by robust infrastructure development, steady private sector investment, and stable domestic demand, provided a favourable operating environment for Lysaght. Benefiting from sustained demand for galvanized steel poles and masts in key infrastructure and construction projects, the Group successfully navigated the evolving business landscape to deliver another year of strong financial performance.

For the financial year ended 31 December ("FYE") 2024, Lysaght recorded notable growth, reflecting our ability to adapt and thrive amid dynamic market conditions. Our turnover increased by RM10.1 million or 12.0%, reaching RM94.5 million, compared to RM84.3 million in FYE 2023. This growth was driven by higher sales volume, improved pricing strategies, and strengthened market presence.

In tandem with revenue growth, our profit before tax ("PBT") saw a 14.8% increase, rising by RM2.0 million to RM15.8 million compared to the previous year. This was achieved through effective cost management, enhanced operational efficiency, and optimized production processes.

Lysaght remains committed to sustaining its financial resilience and operational excellence while capitalising on emerging opportunities in the infrastructure and construction sectors. Our proactive approach to market trends, strategic investments, and customer-driven innovation continues to position us for long-term value creation and sustained profitability.

MANAGEMENT DISCUSSION AND ANALYSIS

OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE
cont'd

Revenue

Our financial performance	Audited FYE 2024	Audited FYE 2023	Variance	
	RM'000	RM'000	RM'000	%
Revenue	94,469	84,323	10,146	12.0
Gross profit ("GP")	26,052	22,528	3,524	15.6
PBT	15,847	13,806	2,041	14.8
Profit after tax ("PAT")	12,688	11,248	1,440	12.8
GP margin (%)	27.6%	26.7%	0.9 bp	3.4
PBT margin (%)	16.8%	16.4%	0.4 bp	2.5
PAT margin (%)	13.4%	13.3%	0.1 bp	0.7

Revenue by country	Audited FYE 2024	Audited FYE 2023	Variance	
	RM'000	RM'000	RM'000	%
Malaysia	47,001	38,669	8,332	21.5
Singapore	39,027	33,814	5,213	15.4
New Zealand	5,979	8,787	-2,808	-32.0
United Arab Emirates	1,127	1,307	-180	-13.8
Others	1,335	1,746	-411	-23.5
Revenue	94,469	84,323	10,146	12.0

In FYE 2024, the Group recorded a revenue of RM94.5 million, reflecting a 12.0% or RM10.1 million increase, compared to RM84.3 million in FYE 2023. A significant portion of this growth, amounting to RM13.5 million, was driven by strong revenue performance in both the domestic and Singapore markets. However, this increase was partially offset by a RM2.8 million decline in revenue from New Zealand.

The revenue growth in Malaysia and Singapore was fuelled by robust infrastructure development and steady private sector investment, leading to increased demand across both public and private sectors. Additionally, the Group capitalised on business opportunities within the telecommunications industry, benefiting from heightened demand for antenna masts due to the accelerated 5G technology rollout in Malaysia.

Moreover, the Group implemented strategic pricing adjustments, resulting in an increase in the average selling price. This measure was necessary to counterbalance rising material costs and sustain profitability.

Gross profit and margin

Driven by an improved topline, gross profit rose by 15.6%, reaching RM26.1 million in FYE 2024, compared to RM22.5 million in FYE 2023. Despite external challenges, including rising commodity prices and foreign exchange rate volatility, the Group successfully maintained profitability. The gross profit margin improved by 0.9 basis point ("bp"), increasing from 26.7% in FYE 2023 to 27.6% in FYE 2024. This resilience was achieved through cost discipline, operational efficiency, and strategic cost-optimisation initiatives, which helped mitigate external pressures.

MANAGEMENT DISCUSSION AND ANALYSIS

OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

cont'd

Profit before tax

The Group's PBT grew to RM15.8 million in FYE 2024, reflecting a 14.8% or RM2.0 million increase from RM13.8 million in FYE 2023. This growth underscores the Group's agility and adaptability in navigating challenging business landscapes. Key contributors to this achievement included effective cost management, optimised cash flow strategies, and disciplined expenditure control, all of which played a crucial role in maintaining a strong PBT margin throughout the financial year.

Profit after tax attributable to the equity holders of the Company ("Net profit")

Following the strong PBT performance, the Group posted a net profit of RM12.7 million, a 12.8% or RM1.4 million increase from RM11.2 million in FYE 2023. This translated to basic earnings per share of 30.52 sen, surpassing the 27.05 sen recorded in FYE 2023 by 3.47 sen.

Liquidity, capital resources and gearing

As of 31 December 2024, the Group's cash and cash equivalents increased by RM1.3 million to RM81.1 million, compared to RM79.8 million as of 31 December 2023. Cash and cash equivalents comprise cash and bank balances, excluding fixed deposits with maturities exceeding three months.

The Group's profit before tax for FYE 2024 generated a positive cash flow before changes in working capital, amounting to RM16.1 million. Of this, RM0.9 million was allocated to working capital, influenced by:

- A RM4.2 million increase in trade and other receivables, in line with revenue growth.
- A RM1.1 million increase in trade and other payables, driven by higher costs of goods sold in FYE 2024.
- A RM2.2 million reduction in inventories, reflecting the Group's efforts to optimize inventory levels.

After accounting for income tax payments of RM3.3 million, the Group recorded a net cash inflow of RM11.9 million from operating activities during FYE 2024.

In investing activities, the Group reported a net cash inflow of RM10.0 million, primarily attributed to:

- A RM7.1 million net cash inflow from the withdrawal of fixed deposits with maturities exceeding three months, decreasing from RM14.7 million in the previous year to RM7.6 million in 2024.
- RM3.2 million in interest income.

Financing activities resulted in a net cash outflow of RM20.6 million, mainly due to dividend payments totalling RM20.0 million and lease payments amounting to RM0.6 million.

The Group finances its operations through a mix of internal and external funding. Internally, funds are primarily derived from shareholders' equity and operating cash flow, while externally, the Group leverages supplier credit terms. Notably, the Group remained debt-free as of 31 December 2024.

Regarding capital commitments, there were no contracted commitments as of 31 December 2024. Management remains confident that the Group has sufficient working capital to support its current and foreseeable operational needs.

Beyond the factors mentioned, we are not aware of any other significant trends or events that could materially impact the Group's operations, performance, financial position, or liquidity.

MANAGEMENT DISCUSSION AND ANALYSIS

OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

cont'd

RISK PROFILES

We highlight below the key anticipated or known risks that our Group is exposed to that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks have also been disclosed below: -

(i) Business risks

Our Group is principally involved in the manufacturing of galvanized steel poles and masts. Hence, we are susceptible to the risks inherent to our industries. These include, amongst others, any outbreaks of diseases and escalating geopolitical tensions affecting local and global markets, rising costs of labour and raw materials, availability of skilled personnel, changes in laws and regulations applicable to our business, business and credit conditions, as well as fluctuations in foreign exchange rates. There can be no assurance that any material changes to these factors will not have a material adverse effect on the business operations of our Group.

Nevertheless, our Group has been taking effective measures to mitigate the aforementioned risks such as prudent financial management and efficient operating procedures. Further, we constantly keep abreast of economic and regulatory changes relating to our business.

(ii) Operational risks

Due to the nature of our Group's operations, interruptions in our Group's operating capabilities through disruption in electricity supply and failure or damage of production machinery or other disruptions to our business operations may have an adverse effect on our Group's business and financial performance.

To avoid major breakdowns and disruptions to our operations, electricity supply and relevant equipment are constantly monitored, and our production machineries undergo scheduled maintenance.

(iii) Credit risks

For local sales, we are exposed to credit risk due to slowdown in the collection of payments. The Group evaluated the likelihood and the severity and concluded that the Group would not be significantly affected by the expected credit loss of financial assets. For export sales, the overseas customers are generally required to make payment in advance prior to deliveries.

(iv) Foreign exchange risks

Our products are sold locally as well as in Singapore, New Zealand, United Arab Emirates, Sri Lanka, Hong Kong, Philippines and others. We also import our purchases which are transacted in United States Dollars (USD). As such, we are exposed to foreign exchange risks. There is no assurance that any foreign exchange fluctuation will not have an adverse impact on our earnings.

Although we do not actively hedge our Group's foreign currency exposure, we will continue to assess the need to utilise financial instruments to hedge our currency exposure, taking into consideration factors such as foreign currency denomination, exposure period and transaction costs. For FYE 2024, our Group has not encountered any significant foreign currency exchange fluctuation that has resulted in material adverse impact on our Group's financials.

(v) Competition risks

The Group's revenue and profitability are exposed to the risk of uncertainty arising from global and local economic conditions. Furthermore, we continue to face competition from existing and new competitors who may be capable of offering similar services and products. Whilst we strive to remain competitive, there can be no assurance that any changes in the competitive environment would not have any material and adverse impact on our business and financial performance.

Nevertheless, our Group strives to maintain our competitive edge by ensuring the quality of our products through stringent quality assurance procedures.

MANAGEMENT DISCUSSION AND ANALYSIS

OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

cont'd

LOOKING AHEAD

The global economic outlook for 2025 remains uncertain, with growth projected at 3.3% for both 2025 and 2026, below the historical average of 3.7%. Several downside risks persist, including potential shifts in U.S. trade policies, escalating geopolitical tensions, political uncertainties, and rising government bond yields. These factors contribute to a complex macroeconomic landscape that could impact investment flows, trade dynamics, and overall business sentiment.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

In contrast, ASEAN is expected to grow at a stronger pace of 4.7% in 2025, significantly outpacing the global average. The region continues to cement its role as a strategic player in global supply chains due to its geopolitical neutrality and prime trade location. However, its sustained economic momentum is also fuelled by internal drivers, including a dynamic and youthful population driving robust domestic consumption, the continued expansion of individual member economies and deeper regional integration and trade partnerships. These factors position ASEAN as a key engine of growth in the coming years, with opportunities emerging across various sectors.

(Source: <https://www.bnm.gov.my/-/lg-spch-asean-bm>)

Amidst an increasingly complex operating environment, the Group remains steadfast in its commitment to resilience and strategic adaptability. Several key challenges are expected to shape our business landscape in 2025, including:

- Foreign exchange volatility, which could impact cost structures and pricing strategies
- Global economic uncertainties stemming from geopolitical tensions and inflationary pressures
- Fluctuations in commodity and crude oil prices, affecting raw material costs for overseas-sourced inputs
- Intensifying competition, particularly from lower-quality products entering the market

To navigate these challenges, the Group will maintain a vigilant approach to steel price movements while implementing prudent procurement strategies and effective inventory management to optimise costs and enhance profitability.

At the same time, we are committed to strengthening our brand presence and delivering exceptional product and service quality to sustain our competitive edge. Our strategic focus includes expanding our product portfolio, growing our customer base, and proactively pursuing new business opportunities.

We will continue to identify avenues for revenue growth while ensuring strict cost management. Maintaining strong capital and liquidity reserves remains a priority to safeguard the Group's resilience against market uncertainties and operational challenges. Through disciplined execution and forward-thinking strategies, we remain unwavering in our commitment to delivering sustainable growth and long-term value for our shareholders.

SUSTAINABILITY REPORT

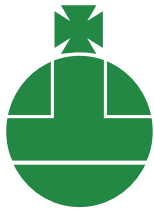
ABOUT THIS REPORT

Lysaght Galvanized Steel Berhad (“**Lysaght**”) and its subsidiaries (collectively known as the “**Group**”) are pleased to present its Sustainability Report for the financial year ended 31 December (“**FYE**”) 2024.

This Report outlines the sustainability strategies, principles, initiatives, and performance of Lysaght for FYE 2024, concentrating on the issues identified as most significant through our materiality assessment. We provide updates on Lysaght’s sustainability initiatives across our key business units and operations, including our progress against the commitments we have made, all with the aim of operating sustainably and creating lasting value for our stakeholders.

Our disclosures and practices have evolved over time. Sustainability is an ongoing journey, and our sustainability strategies remain at the forefront as we strive for a sustainable future for both people and the planet.

OUR CORE BUSINESSES



LYSAGHT
Galvanized Steel Berhad



Manufacturing and distribution of
galvanized steel poles and masts

SCOPE AND BASIS OF SCOPE

This Report covers the Group’s sustainability performance and progress of our business operations in Malaysia and Singapore.

REPORTING FRAMEWORKS AND STANDARDS

This Report has been developed according to Bursa Malaysia’s Listing Requirements, with reference to :

- Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”)’s Sustainability Reporting Guide (3rd Edition)
- Listing Requirements of Bursa Malaysia [Paragraph 29, Part A of Appendix 9C of the Main Market Listing Requirements (supplemented by Practice Note 9)]

INDEPENDENT ASSURANCE

Independent assurance helps verify the accuracy, objectivity, and transparency of the information presented in this Report. To achieve this, KPMG PLT conducted a limited independent assurance on specific sustainability indicators, including those related to Human Rights, Employee Management, Diversity, Equity and Inclusion, and Water Management. This year, the Company has extended the scope of review to include Training Hours and Health & Safety. For further information on the scope of the work and the findings, please refer to the independent limited assurance statement at the conclusion of this Report.

SUSTAINABILITY REPORT

cont'd

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY FRAMEWORK

Lysaght has strengthened its sustainability framework to align more closely with our business strategy, guided by the Group’s vision and mission. This framework is designed to meet stakeholder needs, reduce our environmental footprint, and contribute positively to the communities in which we operate.

Our sustainability framework focuses on four key areas:

- Economic Sustainability
- Social Sustainability
- Environmental Sustainability
- Governance Sustainability.

Within each of these areas, we are committed to achieving specific objectives by addressing concerns related to our material issues.



SUSTAINABILITY REPORT

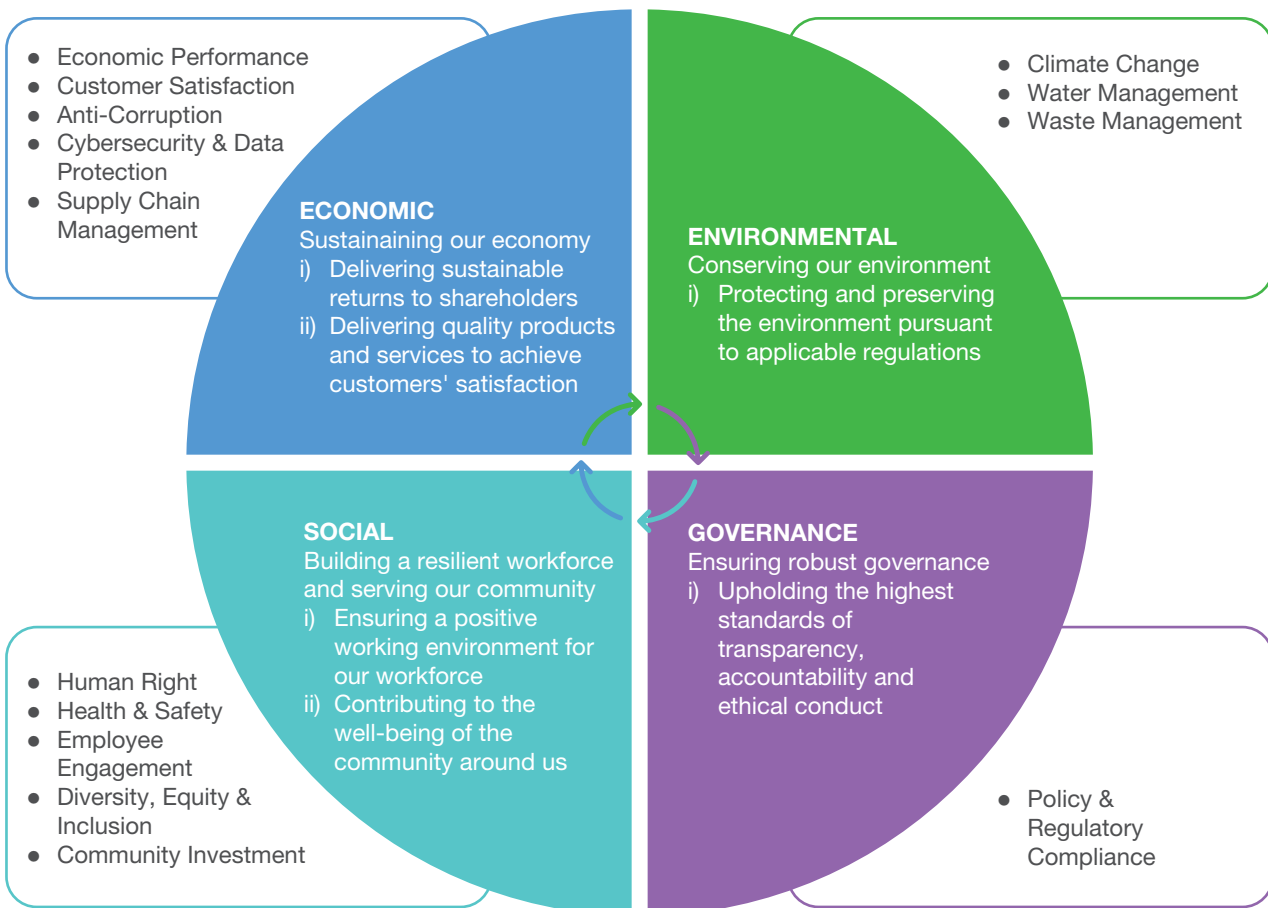
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SUSTAINABILITY POLICY

As our organisation grows, our commitment to sustainability has only strengthened. We have developed a clear company philosophy focused on sustainability, which now drives all decisions related to Lysaght's economic and operational activities.



The Group has long prioritised sustainability as a key element of our culture, aiming to achieve sustained growth and profitability in a safe, caring, and environmentally responsible manner. Our commitment as a corporate citizen is to ensure robust governance across all aspects of our business, fostering ethical practices, reducing our environmental footprint, and meeting the social needs of the communities we serve.



SUSTAINABILITY REPORT

cont'd

SUSTAINABILITY GOVERNANCE

The Group is committed to the principle that integrity and ethics are vital to good governance. These values are the bedrock for incorporating sustainability goals into our decision-making, enhancing transparency, managing risks efficiently, and securing long-term success.

The Board has overall responsibility for the Group’s sustainability strategy, supported by the respective Board Committees. This framework employs a top-down approach, ensuring robust leadership and oversight throughout the organisation.

The Group developed a three-tiered structure comprising the Board, the Sustainability Risk Management Committee (“SRMC”) and the Sustainability Working Group (“SWG”).

During the year, the Terms of Reference for the Risk Management Committee were expanded to include the responsibility of supporting the Board in fulfilling its duties concerning the Group’s sustainability strategy. This includes a focus on economic, environmental, and social aspects. As a result, the committee was renamed the Sustainability and Risk Management Committee.

The direct oversight provided by the Board allows for the monitoring of the Group’s sustainability strategy and its progress as well as potential risks and opportunities. The SRMC Chairman reports the progress on our sustainability initiatives to the Board quarterly and is supported by the SWG from various departments to drive the Group’s sustainability initiatives.

The engagement of SWG members from different departments signifies our collective effort to embed sustainability into our routine business activities. Our sustainability governance framework is designed to establish accountability for sustainability across all levels of the Group.



SUSTAINABILITY REPORT

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The responsibility of the Board to promote and embed sustainability in the Group includes overseeing the following:

- Stakeholders' engagement
- Materiality assessment and identification of sustainability risks and opportunities relevant to us
- Management of material sustainability risks and opportunities
- Communication of sustainability strategies, priorities and targets as well as performance against targets to internal and external stakeholders

STAKEHOLDER ENGAGEMENT

Our stakeholders are vital to Lysaght's growth and progress. It is crucial that we actively identify and understand their concerns and issues. Our aim is to build strong, long-lasting relationships with all stakeholders, addressing their needs and expectations while minimising the impact of our operations for a sustainable future.

We foster trust and mutual respect through stakeholder meetings, workshops, and other forms of engagement. This helps us stay informed about important societal issues and ensures that our business strategy aligns with the concerns and expectations of our stakeholders.

The table below details our key stakeholder groups, their interests, and the methods we use to engage with them.

STAKEHOLDERS	ENGAGEMENT PLATFORMS	AREA OF INTEREST OR CONCERNS	OUR RESPONSE
Shareholders, Financiers & Investors	<ul style="list-style-type: none"> • Financial reports and announcements • General meetings • Annual report • Press releases • Meetings 	<ul style="list-style-type: none"> • Business strategies and future plan • Return on investments • Financial and operational performance • Good management and corporate governance • Sustainability initiatives 	<ul style="list-style-type: none"> • Timely updates on the Group's strategy and financial performance via announcements • Uphold good governance practices across the Group • Monitor sustainability performance and targets via Bursa Malaysia Environment, Social and Governance ("ESG") Reporting Platform
Government Agencies & Regulators	<ul style="list-style-type: none"> • Compliances to laws and regulations • Participation in government and regulatory events 	<ul style="list-style-type: none"> • Regulatory compliance • Corporate governance practices 	<ul style="list-style-type: none"> • Regular review and monitoring to ensure full compliance with regulatory requirements • Adoption of practices outlined in the Malaysian Code on Corporate Governance at the best effort
Employees	<ul style="list-style-type: none"> • Internal communications (i.e. emails), memo • Workshops and trainings • Employee engagement events • Employee appraisals 	<ul style="list-style-type: none"> • Business growth and strategic direction • Inclusive workplace • Remuneration and benefits • Career development and upskilling opportunities • Occupational safety & health 	<ul style="list-style-type: none"> • Promote transparent communication with employees • Provide equal employment opportunities without discrimination • Offer industry-competitive benefits and remuneration packages • Provide relevant upskilling and development opportunities • Ensure compliance with Occupational Safety and Health Act
Customers	<ul style="list-style-type: none"> • Customer support channels (i.e. website, email) • Public engagement events (i.e. conference, exhibition, marketing activities) 	<ul style="list-style-type: none"> • Customer satisfactions (i.e. affordable products and services, high-quality products and services) • Customer experience (i.e. speed of customer service response) • Innovative product • Consumer data privacy 	<ul style="list-style-type: none"> • Offer affordable products and services • Adhere to quality standards • Adhere to the Personal Data Protection Act 2010

SUSTAINABILITY REPORT

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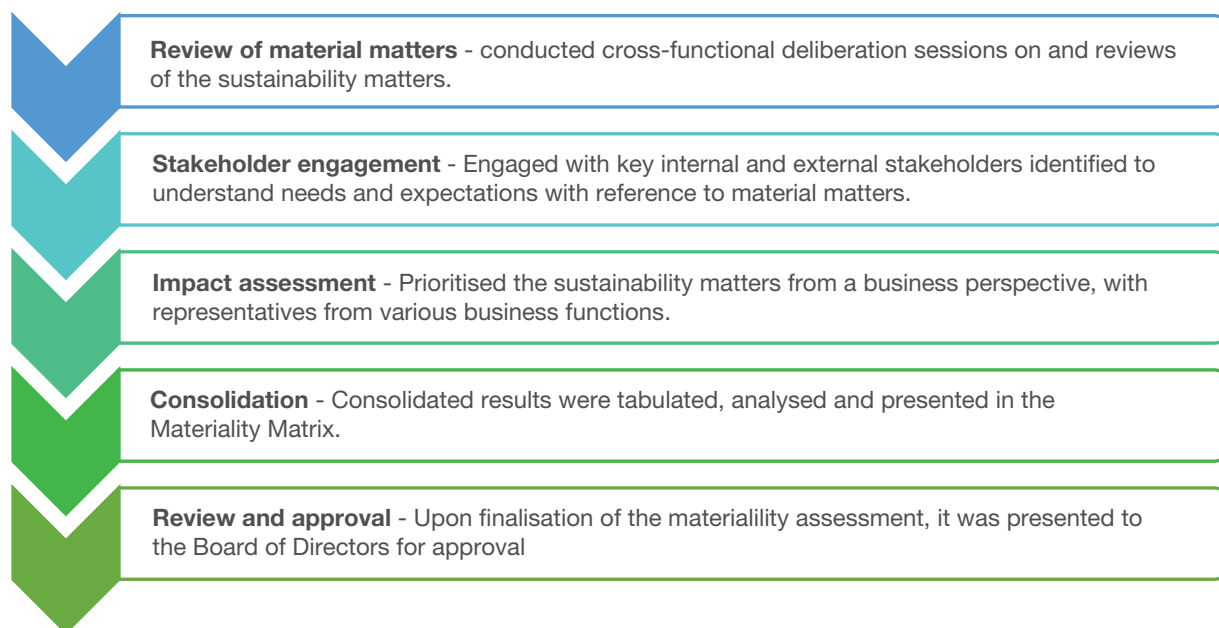
STAKEHOLDERS	ENGAGEMENT PLATFORMS	AREA OF INTEREST OR CONCERNS	OUR RESPONSE
Suppliers	<ul style="list-style-type: none"> • Regular meetings • Quality audit on products • Contract negotiation • Supplier assessment/ performance appraisals 	<ul style="list-style-type: none"> • Transparency in procurement processes • Business growth and timely payment 	<ul style="list-style-type: none"> • Emphasis on provision of transparent procurement processes • Timely payment based on credit term
Communities	<ul style="list-style-type: none"> • Community impacts programmes 	<ul style="list-style-type: none"> • Community welfare and continued likelihood 	<ul style="list-style-type: none"> • Investment in welfare to improve community well-being
Analyst / Media	<ul style="list-style-type: none"> • Media releases or media briefings • Financial reports and announcements • General meetings 	<ul style="list-style-type: none"> • Transparency in communicating information and updates on business performance and initiatives 	<ul style="list-style-type: none"> • Provide transparent communication through announcements

MATERIAL MATTERS

As an organisation, we recognise that our material issues can directly and indirectly affect our ability to generate long-term value for our stakeholders. These material matters significantly influence our business strategy and guide our decisions regarding the allocation of resources to address sustainability issues that are deemed important to our stakeholders and our business.

We periodically update the assessment to ensure it remains current, accurate, reflective, and relevant to our businesses. This helps us to align our strategy and day-to-day operation with business needs, and create long-term sustainable value to stakeholders.

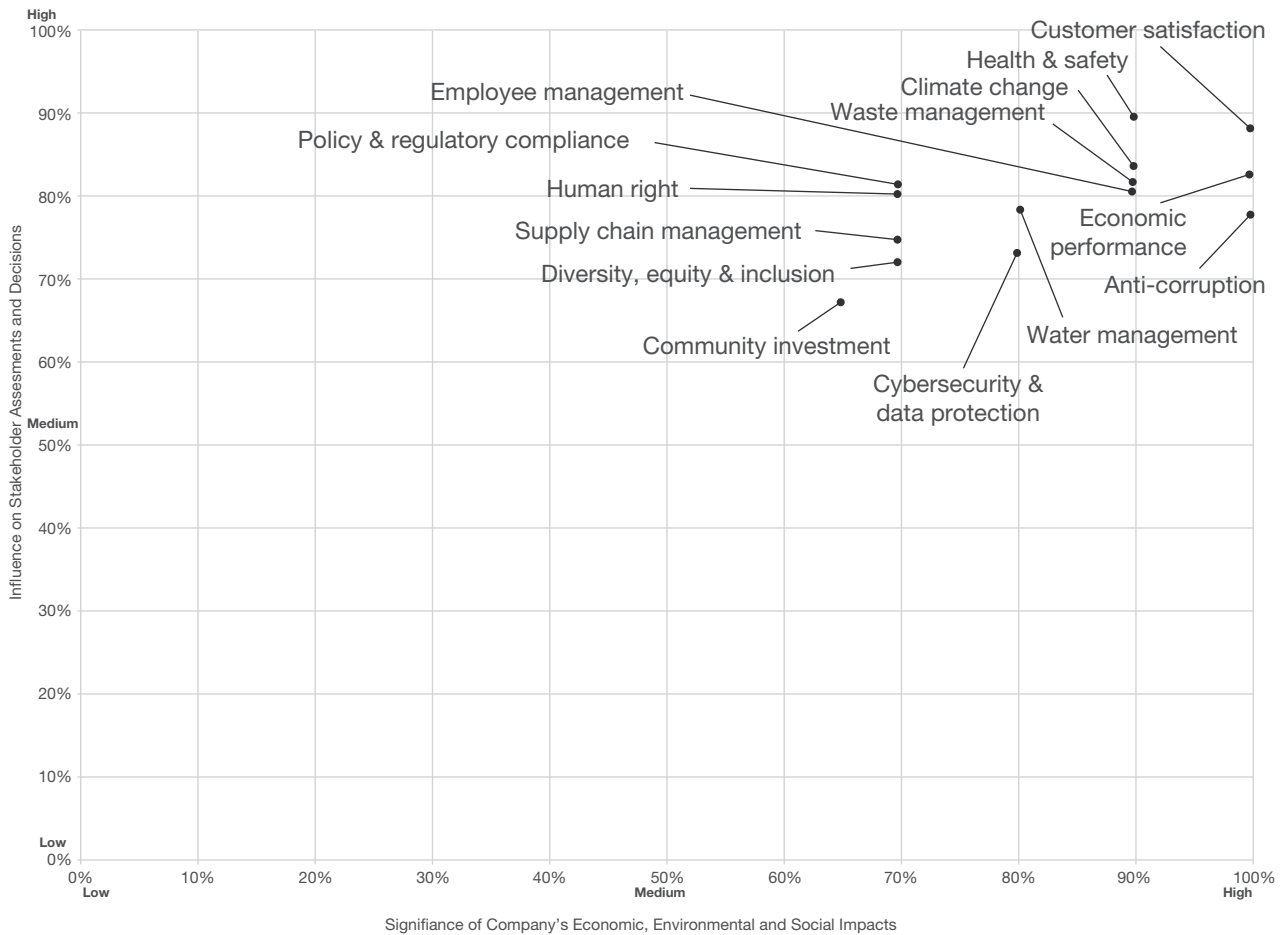
This year, we conducted an internal assessment, a limited-scale materiality review to prioritise and rank material matters relevant to our businesses and stakeholders. We recognised the growing significance of water and waste management sustainability matters in relation to the Company’s economic, environmental, and social impact. As a result, the significance for these two sustainability matters has been reviewed and adjusted accordingly in the matrix below.



SUSTAINABILITY REPORT

cont'd

MATERIAL MATRIX



RISK MANAGEMENT

Lysaght’s unwavering dedication to risk management is a foundational element in ensuring our long-term viability and building stakeholder confidence, while concurrently fostering a lasting positive impact.

We have implemented a robust system encompassing risk management and internal control, extending beyond financial controls to include operational and compliance controls. This comprehensive approach to risk management and internal control is an ongoing and coordinated process aimed at minimising the likelihood of fraud and error, while also managing, rather than eliminating, the risk of failing to achieve our business objectives.

Material Matters	Risks	Opportunities
Economic Performance	Poor financial performance jeopardises business continuity and loss of investment opportunity	Sustainable financial performance attracts investors and generate long-term value for all stakeholders
Customer Satisfaction	Failing to meet customers’ expectations undermines customer confidence and loyalty, ultimately resulting in lower revenue	Satisfied customers foster loyalty and promote repeat orders
Anti-Corruption	Corruption may tarnish the reputation, result in financial losses and reduced competitiveness	Strong governance to combat corruption enhances credibility and gains competitive edge

SUSTAINABILITY REPORT

cont'd

Material Matters	Risks	Opportunities
Cybersecurity & Data Protection	Cyberattacks can lead to unauthorised access, theft, or exposure of sensitive data, resulting in financial losses, loss of trade secrets and proprietary information, legal liabilities, and reputational damage	Robust cybersecurity measures build trust and confidence among customers, investors, and partners, enhancing the organisation's reputation and brand value
Supply Chain Management	Dependence on a limited number of suppliers or single sourcing increases the risk of supply disruptions, quality issues, and price volatility, leaving the organisation vulnerable to changes in supplier behaviour or market conditions	Building collaborative relationships with suppliers based on trust, transparency, and mutual benefit fosters innovation, knowledge sharing, and joint problem-solving, leading to improved product quality, cost savings, and competitive advantage
Human Right	Violations of human rights, such as labour exploitation, discrimination, or unsafe working conditions, can tarnish the organisation's reputation, leading to loss of trust among stakeholders, negative public perception and legal liabilities	Demonstrating a commitment to human rights principles and ethical practices enhances the organisation's reputation, builds trust with stakeholders, and attracts socially-conscious consumers, investors, and partners
Health & Safety	Failure to address health and safety hazards can lead to workplace accidents, injuries, and fatalities, resulting in human suffering, legal liabilities, and financial losses	Prioritising health and safety fosters a culture of care, trust, and mutual respect, enhancing employee morale, motivation, and engagement
Employee Management	Difficulty in attracting and retaining skilled employees can hinder business growth and innovation, leading to competitive disadvantages.	Engaged employees are more productive, committed, and loyal, leading to higher levels of job satisfaction, retention, and organisational success
Diversity, Equity & Inclusion	Exclusionary practices or cultures can lead to feelings of alienation and disengagement among employees from underrepresented groups, hindering collaboration, innovation, and productivity	Embracing diversity and equity fosters a culture of inclusion where employees feel empowered to contribute diverse perspectives and ideas, driving innovation and creativity
Community Investment	Failure to address social issues, economic disparities, and community grievances may fuel social unrest, civil unrest, protests, and community opposition, posing operational disruptions, reputational damage, and regulatory scrutiny	Strategic community investment initiatives, philanthropic donations, and social programs enable organisations to address social challenges, support underserved communities, and create positive social impact, contributing to poverty alleviation, education, healthcare, and sustainable development goals
Climate Change	<p>Increasing government regulations aimed at reducing greenhouse gas emissions and mitigating climate change may require corporations to invest in costly emission reduction measures or face fines and penalties for non-compliance</p> <p>Climate change-related disruptions, such as extreme weather events or resource shortages, can disrupt supply chains, increase production costs, and lead to delays in product delivery, affecting business operations and profitability</p>	Corporations that demonstrate environmental stewardship and sustainability leadership can differentiate themselves in the market, enhance brand reputation, and attract environmentally-conscious consumers and investors

SUSTAINABILITY REPORT

cont'd

Material Matters	Risks	Opportunities
Water Management	Limited availability of water resources due to droughts, climate change, and overexploitation poses operational risks, supply chain disruptions, and increased competition for water resources, particularly in water-stressed regions	Implementing water conservation measures, water-saving technologies, and sustainable water management practices, enhances water efficiency, reduces water consumption, and minimises water-related costs and risks
Waste Management	Non-compliance with waste management regulations, environmental laws, and health and safety standards may result in fines, penalties, legal liabilities, and reputational damage for the organisation	Implementing waste reduction, recycling, and proper waste disposal initiatives enables the organisation to recover valuable materials, conserve natural resources, reduce raw material costs, and minimise environmental impact, while promoting circular economy principles
Policy & Regulatory Compliance	Non-compliance with policies and regulations can result in legal penalties, fines, or even lawsuits, which can significantly impact the financial health and reputation	Compliance with policies and regulations builds trust and credibility among stakeholders, including customers, investors, employees, and regulatory bodies, which can enhance long-term relationships and support business growth

MANAGEMENT APPROACH FOR MATERIAL MATTERS

RESPONSES TO SUSTAINABLE DEVELOPMENT GOALS (“SDG(s)”)

In September 2015, all 193 United Nations member states adopted “Agenda 2030,” a plan aimed at addressing the world’s key environmental, social, and economic challenges over the next 15 years. The agenda includes 17 goals and 169 targets focused on issues like economic inclusion, geopolitical instability, resource depletion, environmental degradation, and climate change. Malaysia is committed to this agenda through its SDG Roadmap.

We fully support the SDGs and recognise their strategic importance to both our business and the world. As part of our long-standing commitment to ethical corporate citizenship and sustainability, we have established programs that align with these goals. While all the SDGs are relevant to our operations, we are already making significant contributions to many of them.



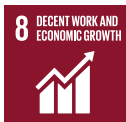
SUSTAINABILITY REPORT

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ECONOMICAL SUSTAINABILITY

ECONOMIC PERFORMANCE

Related UNSDGs:



At Lysaght, our business success is driven by our commitment to generating lasting value for our stakeholders. Through financial growth, we create job opportunities, foster entrepreneurship, contribute to government revenues, and enhance local supply chains. We accomplish this by maintaining a strong presence in our key markets, leveraging cutting-edge technologies, tapping into the expertise of our employees to address changing consumer needs, and seeking new market expansion opportunities.

In FYE 2024, the Group generated an economic value of RM 98.8 million, an increase from RM 88.8 million in the previous year. The economic value distributed covered key areas such as operating costs, employee wages and benefits, payments to providers of capital, taxes, and community investments.

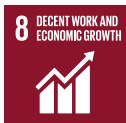
Notably, the economic value retained for 2024 was recorded at a negative RM 7.5 million, primarily due to a special dividend paid to shareholders during the year. This reflects the Company’s commitment to returning value to its investors while maintaining sustainable financial management.

	2024 RM'mil	2023 RM'mil
Economic value generated (i.e. revenue and other income)	98.8	88.8
Economic value distributed:		
• Operating costs	59.5	54.4
• Employee wages and benefits	23.4	20.5
• Payment to providers of capital (i.e. dividend and financing cost)	19.9	2.5
• Payment to government (i.e. tax)	3.4	0.7
• Community investment	0.1	0.1
Economic value retained	(7.5)	10.6

Note: The financial results presented in the table are derived from the audited financial statement and our Management Discussion and Analysis, which are available for reference in our Annual Report.

CUSTOMER SATISFACTION

Related UNSDGs:



Lysaght recognises that customer satisfaction and loyalty are critical to long-term success. To achieve this, we prioritise actively engaging with our customers through various channels, including in-person meetings, email, and our website, to gather valuable feedback and ensure we consistently meet high-quality standards across our products and services.

SUSTAINABILITY REPORT

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We consider our customers essential partners in innovation, leveraging their insights to drive continuous improvement and stay ahead of the competition. To manage our relationships effectively, we have implemented an impartial feedback mechanism that addresses customer concerns promptly. Additionally, our annual Customer Satisfaction Survey and regular interactions with key customers help us maintain strong service records and foster excellence in both products and services.

Our overall score has shown a steady increase since 2022, rising from 84% in 2022 to 90% in 2023, and reaching 92% in 2024. This progression highlights the Group's commitment to improving service delivery to our customers. The improvement reflects our continuous efforts to meet customer needs and surpass their expectations across all areas of our operations. We remain focused on achieving a customer satisfaction score of 96%, demonstrating our unwavering pursuit of excellence in customer service and satisfaction.

	2024	2023	2022	Target
Customer Satisfaction Score	92%	90%	84%	96%

Product & service quality & safety

Product and service quality, along with safety, are integral to Lysaght's core values and deeply embedded in our corporate culture. Our long-standing success is a result of consistently delivering products and services that inspire trust and confidence in our customers, positioning us as a leader in the industry. Achieving this level of excellence requires a comprehensive approach to quality and safety, which is applied throughout our entire value chain, from production to delivery.

To ensure the highest standards of quality, the Group has established a Quality Steering Council responsible for overseeing the implementation and ongoing maintenance of our Quality System in line with our Quality Policy. This policy serves as the guiding framework for setting clear, measurable quality objectives that are regularly evaluated and achieved.

We strictly adhere to all health and safety regulations relevant to our industry, ensuring that our operations comply with national and international standards. Our production processes are certified under ISO 9001:2015, the globally recognised standard for Quality Management Systems, reflecting our commitment to maintaining consistency and continuous improvement. Rigorous quality control procedures are implemented at every stage of production to maintain the highest level of product integrity and safety.

In addition to our internal quality systems, our key products, including the Street Light Column and High Mast Lighting Column, have earned certifications from SIRIM QAS International Sdn. Bhd., confirming their compliance with internationally recognised standards. Specifically, the Street Light Column meets the BS EN 40-5:2002 standard, a British and European specification for steel street lighting columns, while the High Mast Lighting Column adheres to the AASHTO 2001 standard, set by the American Association of State Highway and Transportation Officials for highway design and construction. These certifications not only ensure the quality and safety of our products but also demonstrate their global acceptance and recognition, further enhancing our credibility and market leadership.

Innovation

Innovation is a key driver of Lysaght's long-term success, acting as a proactive strategy to address the growing societal and environmental challenges we face. It also presents an opportunity to introduce unique and forward-thinking products and services that meet the changing needs of our customers.

Our research and development efforts are dedicated to driving continuous improvements in product formulations, ensuring they align with both customer preferences and evolving regulatory standards. This includes exploring alternative materials and pioneering designs that not only extend the lifespan of our products but also enhance their functional benefits, ensuring we remain at the forefront of the industry while meeting sustainability goals.

SUSTAINABILITY REPORT

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ANTI-CORRUPTION

Related UNSDGs:



At Lysaght, we uphold the highest standards of business ethics and compliance, reflecting our core values and ensuring the protection of both the business and stakeholder interests. This commitment is vital in building trust and reinforcing confidence among all our stakeholders.

Guided by our Code of Business Ethics (“Code”), the Board and Senior Management are dedicated to conducting business with integrity. The Code establishes key ethical principles and guidelines for all employees, including Directors, to navigate ethical issues and fulfil their responsibilities. Our commitment to a zero-tolerance policy against corruption is outlined in our Anti-Bribery & Corruption (“ABC”) Policy, which is regularly reviewed to ensure compliance with the Malaysian Anti-Corruption Commission (MACC) Act 2009.

To further strengthen transparency and accountability, we have implemented a whistleblowing channel in line with our Whistleblower Policy. This confidential reporting system allows both employees and external stakeholders to report any concerns via email or mail directly to the Senior Independent Director. All relevant policies, including the Code, ABC Policy, and Whistleblower Policy, are made publicly accessible on our corporate website for the convenience of all stakeholders.

Corruption risk assessment

During the reporting period, a review of the corruption risk assessment was undertaken for the Group’s operations to evaluate the Group’s exposure to corruption, bribery and fraud risks.

	2024	2023
Percentage of operations that underwent corruption risk assessments	100%	100%

Corruption-related training

In 2024, we successfully completed our anti-corruption training program for all new recruits. This accomplishment underscores our commitment to promoting transparency, integrity, and ethical conduct from the start of each employee’s journey with our organisation. Looking ahead, we are committed to maintaining this high standard and ensuring that every employee continues to receive the necessary training and awareness to uphold the highest levels of ethical behaviour and compliance with anti-corruption policies.

Employee Category	Completion Rate (%)	
	2024	2023*
Management	0.00%	0.00%
Executive	6.98%	14.29%
Non-executive/Technical staff	5.33%	26.47%
General workers	23.38%	15.57%

* The comparative have been restated to be align with current year’s calculation methodology.

SUSTAINABILITY REPORT

cont'd

Corruption incidents

As of 31 December 2024, we recorded zero incidents of corruption across Lysaght's business operations.

	2024	2023	Target
Number of complaints of bribery or corruptions reported	Nil	Nil	Nil

CYBERSECURITY & DATA PROTECTION

Related UNSDGs:



In the current digital era, cybersecurity is crucial for companies as they increasingly depend on technology, interconnected systems, and face increasingly sophisticated cyber threats. The risks to systems, data, and overall operations are substantial, highlighting the need for effective cybersecurity measures.

At Lysaght, we are fully aware of these challenges and have taken comprehensive steps to mitigate risks and protect our assets. Our commitment to cybersecurity begins with ensuring that all systems and procedures across the Group are in full compliance with the Personal Data Protection Act 2010. This regulatory adherence is fundamental to safeguarding personal data and maintaining the trust of our stakeholders.

We continuously invest in data protection measures to address evolving cyber risks. Our cybersecurity framework includes essential safeguards like firewalls to block unauthorised access and security protocols to monitor and respond to suspicious activities. Our approach is practical and multi-layered, incorporating regular updates, risk assessments, and stringent access controls. We also provide ongoing IT Security Awareness training to ensure our employees stay informed about emerging threats and best practices for protecting both personal and company data.

Our employees undergo annual training that covers a wide range of topics, including cyberattacks, malware, phishing, and impostor scams, equipping them with the knowledge to effectively recognise and counter cybersecurity threats.

Lysaght is committed to maintaining the highest standards of data security and privacy, prioritising the protection of personal data for our customers, employees, and stakeholders. We strictly adhere to the Personal Data Protection Act 2010, and regularly review our data privacy and security controls to ensure their effectiveness. We take reasonable steps to ensure data collection is lawful, transparent, and secure, and always obtain consent from customers before handling their data.

In FYE 2024, there were no reported complaints regarding breaches of customer privacy or losses of customer data.

	2024	2023	Target
Number of substantiated complaints concerning breaches in customer privacy or data loss	Nil	Nil	Nil

SUSTAINABILITY REPORT

cont'd

SUPPLY CHAIN MANAGEMENT

Related UNSDGs:



Lysaght prioritises trust and integrity in all its supplier relationships. As a responsible company in Malaysia, we understand our role in supporting the local economy, particularly the recovery of small and medium-sized enterprises (“SMEs”). We recognise the importance of fostering strong, sustainable partnerships with our suppliers to help drive the growth of our community.

We are committed to upholding ethical business practices throughout our supply chain, expecting our suppliers to align with our values and principles in their operations. Transparency, fairness, and accountability are central to our procurement process, ensuring that we select suppliers who demonstrate credibility and share our commitment to quality, social responsibility, and environmental stewardship. To facilitate this, our suppliers are efficiently engage in the following procurement processes.



Whenever possible, we prioritise sourcing products and services from local suppliers. This not only helps reduce transportation emissions and minimise our environmental impact but also provides local businesses with valuable opportunities for growth, employment, and development, strengthening the local economy.

In FYE 2024, we allocated 76% of our procurement budget to engaging local suppliers and vendors, an increase from 74% in FYE 2023. We focused on those with a proven track record of reliability, high-quality service, and the ability to meet agreed-upon delivery schedules. This strategy allows us to support local businesses while maintaining the high standards of quality and service that are essential to our operations. Through these efforts, we continue to build long-term, ethical partnerships that contribute to both our success and the broader economic recovery of Malaysia.

	2024	2023
Proportion of spending on local suppliers	76%	74%

SUSTAINABILITY REPORT

cont'd

SOCIAL SUSTAINABILITY

HUMAN RIGHT

Related UNSDGs:



The Group is dedicated to upholding the rights and well-being of every employee, recognising the invaluable contributions they make to our success. We believe in fostering a workplace where every individual is treated with dignity, respect, and fairness. Our Board and Senior Management play a crucial role in setting the ethical standards that guide our operations, ensuring that our commitment to human rights is reflected across all aspects of the business.

We are committed to maintaining a safe and healthy work environment, where the right to fair and decent work is prioritised. We promote freedom of association, equal opportunities, and a workplace free from discrimination. These core values are the foundation of our efforts to create an inclusive and supportive environment for all employees.

A review of our policies was conducted to ensure they align with the updated Minimum Wage Order 2024 with minimum monthly wage of RM1,700 effective 1 February 2025 and any other amendments to Malaysia’s employment laws. This review reaffirmed our commitment to strict compliance with laws, ensuring fair and lawful treatment for all employees.

To maintain high standards of ethical conduct, all employees and external stakeholders are expected to familiarise themselves with and adhere to our Code. This code serves as a guide to ensure professionalism and integrity in every aspect of our operations.

Through these ongoing efforts, we strive to cultivate a workplace that not only meets legal requirements but also reflects our core values of respect, fairness, and integrity. We are committed to continuous improvement in these areas, ensuring that Lysaght remains a model of ethical conduct and responsibility.

Equal compensation & benefits

We conscientiously evaluate employee compensation and benefits to ensure their welfare and needs are adequately met. Our employment practices strictly adhere to all local labour legislation.

List of employee benefits in Lysaght:

Hospitalisation and surgical insurance, personal accident insurance.

Annual leave, sick leave, hospitalisation leave, marriage leave, maternity leave, paternity leave, compassionate leave, replacement leave and no-pay leave.

Outpatient, optical screening, health screening.

SUSTAINABILITY REPORT

cont'd

Access to grievance mechanisms

We have implemented a comprehensive mechanism designed to receive, document, and resolve complaints or grievances. This mechanism is accessible to all individuals, both within and outside our organisation, who may have concerns regarding potential misconduct or unethical practices. This platform offers a safe and confidential space for people to raise their concerns without fear of retaliation.

Our employees are thoroughly informed about our grievance handling process, which is part of our broader commitment to transparency and accountability. We also ensure that they are well-versed in our Whistleblower Policy, which empowers them to report any wrongdoing they may witness or be affected by.

Our approach prioritises the swift and effective resolution of any violations of policy or inappropriate behaviour. We take all reports seriously and investigate them thoroughly, ensuring that corrective action is taken when necessary. Furthermore, we are particularly focused on providing accessible remediation and redress mechanisms for victims of human rights violations, ensuring they receive the support and justice they deserve.

Our goal is to uphold a culture of integrity and compliance, striving for zero incidents of socioeconomic non-compliance. Through these efforts, we aim to not only address issues promptly but also continuously improve our processes to prevent any recurrence of such violations. By fostering an environment of trust and accountability, we are committed to maintaining the highest ethical standards and safeguarding the rights and well-being of all individuals involved with our organisation.

	2024	2023	Target
Number of substantiated complaints concerning human rights violations	Nil	Nil	Nil

HEALTH & SAFETY

Related UNSDGs:



In our commitment to fostering a sustainable and safe organisation, Lysaght places a strong emphasis on employee health and safety. We are steadfast in our goal to eliminate unsafe practices while promoting a proactive “safety-first” culture within the workplace. At Lysaght, we seamlessly integrate health and safety into our daily operations, making it an essential part of our organisational practices. By enforcing rigorous safety procedures, we ensure the physical well-being of our on-site employees and actively promote mental health awareness. Our aim is to achieve zero fatalities and significantly reduce our Lost Time Injury Rate (“LTIR”).

Safety-first culture

- Regulatory compliance:** Lysaght adheres strictly to all relevant local laws and regulations governing occupational safety and health, including the Occupational Safety and Health Act 1994 and the Malaysia Employment Act 1955. These legal frameworks form the foundation of our internal Occupational Safety and Health Policy, reinforcing our commitment to fostering a culture of safety and well-being for all employees. The guidelines outlined in these policies are consistently communicated across all levels of the organisation to ensure full compliance and uphold safety standards.
- Personal protective equipment:** We ensure that all employees involved in the manufacturing of galvanized steel poles and masts are provided with the appropriate personal protective equipment to safeguard their health and safety. This includes gloves, safety goggles, hearing protection, safety helmets, steel-toed boots, face shields, and/or respirators. The protective gear is designed to prevent injury from physical hazards such as sharp edges, welding fumes, and heavy machinery. All personal protective equipment is regularly maintained and replaced as needed to ensure it remains in optimal condition, minimising the risk of accidents and ensuring a safe working environment.

SUSTAINABILITY REPORT cont'd

- *Leadership commitment:* Our Senior Management team plays a pivotal role in reinforcing the importance of health and safety. They lead by example, setting the tone for the organisation and actively participating in safety initiatives. This includes hosting regular safety meetings, conducting safety audits, and providing visible leadership and support for all safety-related efforts. Their involvement ensures that safety is embedded in the company’s culture and is a key focus of operational practices.
- *Positive reinforcement:* To continuously improve our occupational safety performance, we have set clear objectives and targets, with ongoing monitoring of key performance indicators (“KPIs”). A structured recognition program has been established to acknowledge employees who consistently follow safety protocols and demonstrate a commitment to maintaining a safe working environment. This positive reinforcement not only motivates employees but also encourages a continuous improvement approach toward workplace safety.

Safety & health upskilling

We believe that training is a cornerstone of building a safety-conscious workforce. We provide comprehensive safety training to all employees, equipping them with the necessary skills and knowledge to work safely. Training covers a wide array of topics, ranging from basic safety protocols to emergency preparedness, machinery safety, and specific risks associated with steel pole manufacturing.

In FYE 2024, 85 employees participated in safety training programs, marking a significant increase from the 47 participants in 2023. This training is complemented by regular safety moments and daily safety inductions. In addition to formal training, employees engage in weekly toolbox meetings where safety hazards and risky behaviours are discussed, keeping safety top of mind.

	2024	2023
Number of employees trained on health and safety standards	85	47

Through these efforts, we aim to instil a culture of safety where employees are not only aware of potential hazards but also equipped with the knowledge to mitigate them. Additionally, we have implemented a comprehensive feedback loop to capture employee concerns and suggestions, allowing us to continuously refine our health and safety practices.

WA Height and Safety Training



SUSTAINABILITY REPORT

cont'd

Fire Drill & Evacuation Training



Workers Audiometry Testing



SUSTAINABILITY REPORT

cont'd

Fire Risk Assessment and Preparedness Training



Safety & health reporting

We prioritise the health and safety of our employees through vigilant reporting and effective response mechanisms. Lysaght has established an incident reporting platform that allows employees to confidentially report accidents, near misses, and unsafe conditions. This system ensures that incidents are recorded, investigated, and used as learning opportunities to strengthen safety protocols.

In FYE 2024, we maintained a focus on transparency in our health and safety reporting, with key metrics closely monitored.

	2024	2023
Total hours worked	766,457	751,920
Number of fatalities	Nil	Nil
Number of lost time injuries	10	5
LTIR	2.61	1.33

SUSTAINABILITY REPORT

cont'd

DIVERSITY, EQUITY & INCLUSION

Related UNSDGs:



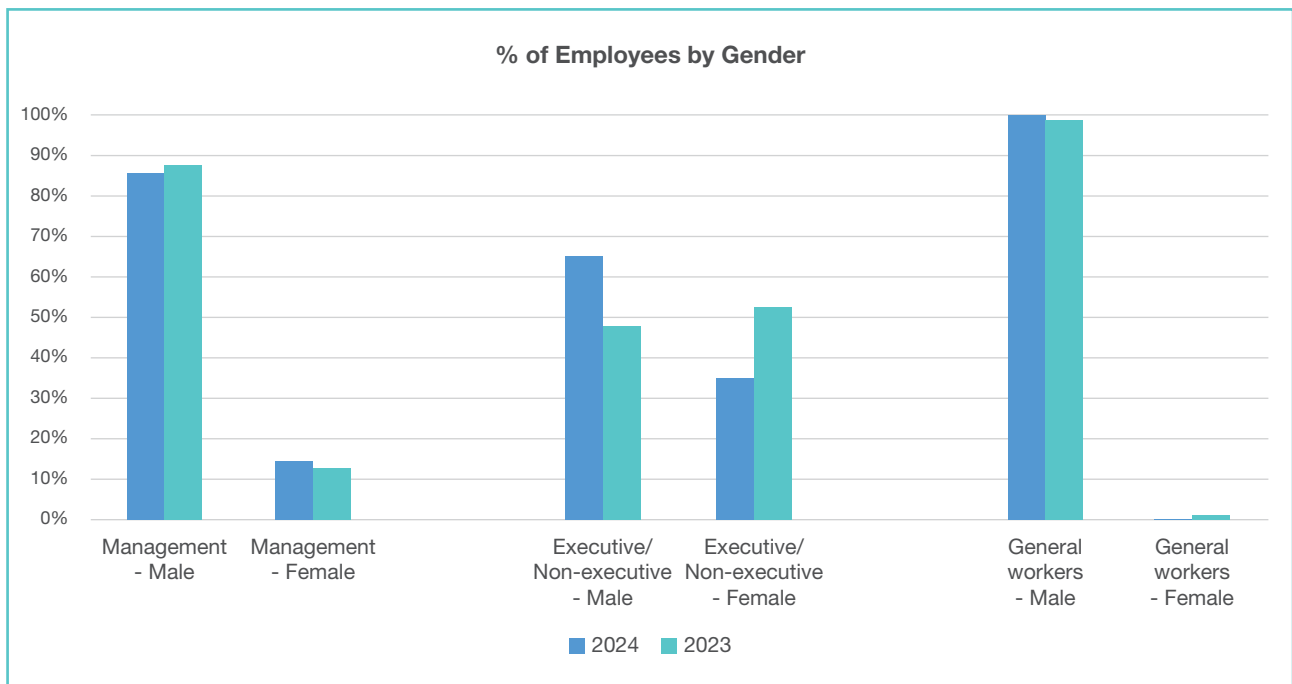
Lysaght understands that diversity, equity, and inclusion are elements of a collaborative work environment especially when our nation is built on a diverse population with different cultures, ethnicity and social backgrounds. We believe that a diverse perspective remains important to contribute to a dynamic and innovative workplace in our company.

Our commitment is reflected in our approach to recruitment and career development. We work towards fair and equitable practices that provide opportunities for individuals from different backgrounds. Additionally, we support professional growth through training and development programs that help employees build their skills and advance within the company.

We understand the creation of inclusivity in the workplace is advantageous to allow for a sense of belonging by encouraging open dialogue and team awareness. Whilst we encourage inclusivity, Lysaght is also mindful of aligning to the country’s law and policy. We seek to maintain a work environment that values diverse perspectives and ensures that all employees have the opportunity to share.

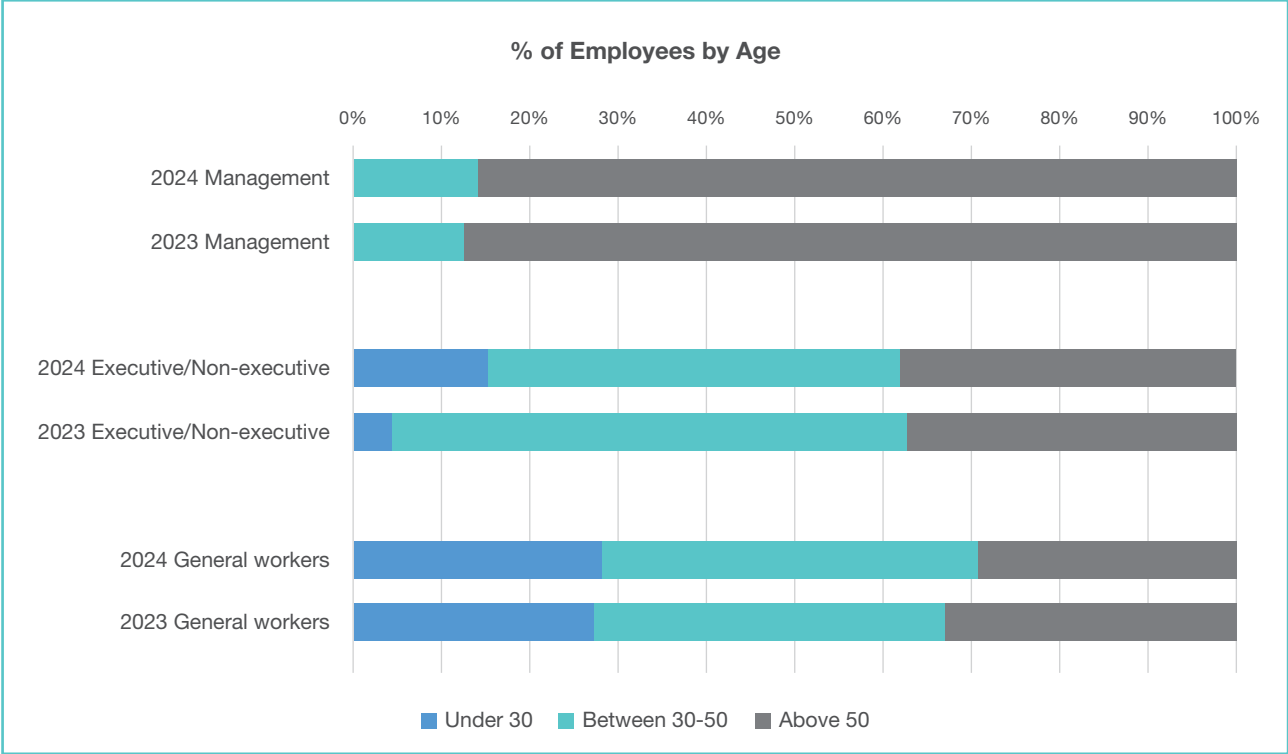
By including these principles into our organization, Lysaght continues to strengthen its teams and enhance workplace engagement. Our goal is to create an environment where employees can thrive, contribute meaningfully, and work together toward shared success.

As at 31 December 2024, the total number of employees stood at 356 employees, with 12% being female and the remaining 88% being male. While the gender distribution is reflective of industry norms, particularly in labour-intensive roles traditionally filled by males, we are pleased to report that women make up 34% of our workforce when excluding general labour categories. This reflects our commitment to fostering gender diversity across all levels and roles within the organisation. Lysaght is encouraged to enhance gender diversity by increasing opportunities for women.

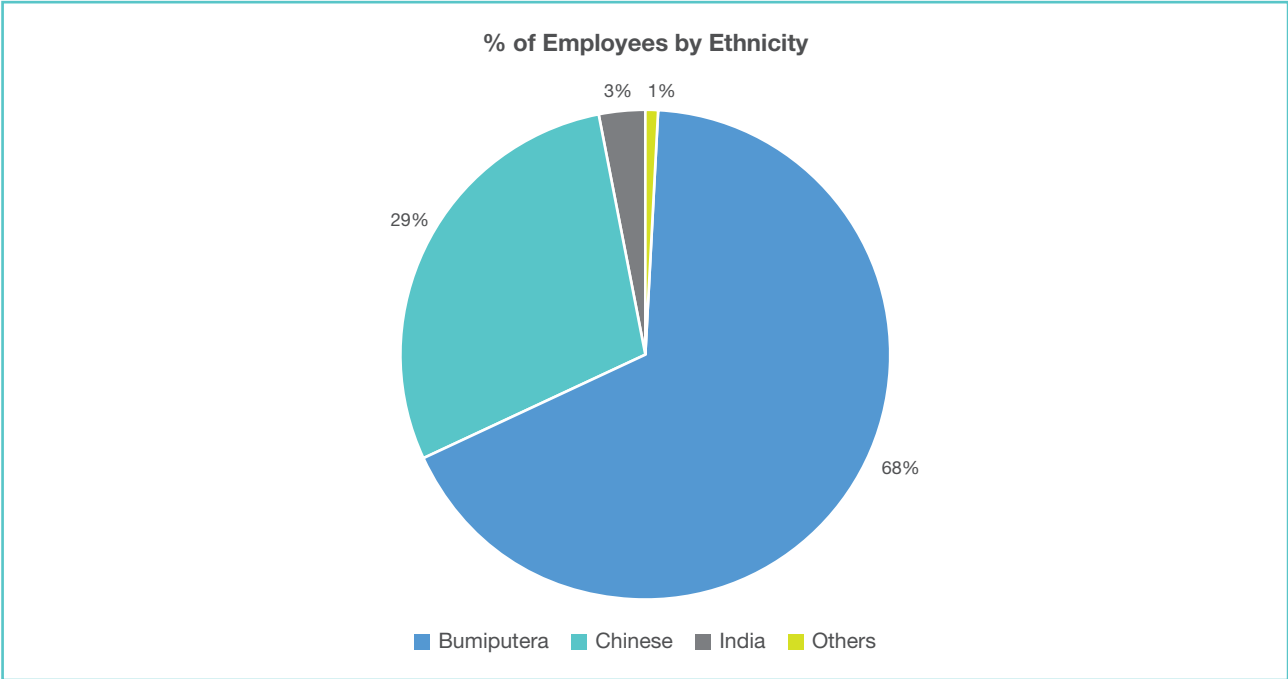


SUSTAINABILITY REPORT

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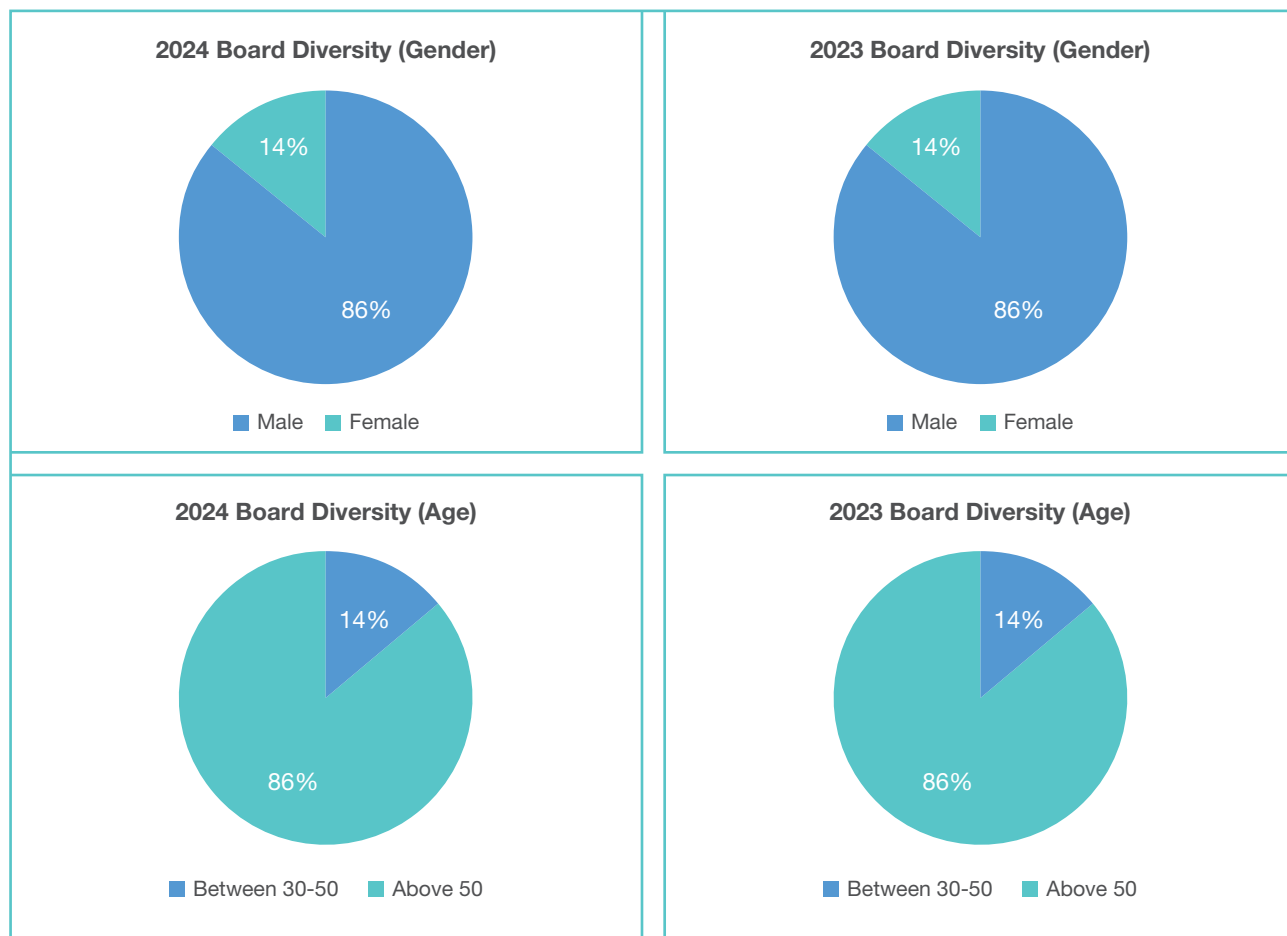
Lysaght is committed to nurturing local talent, with 100% of its workforce consisting of residents from the countries in which it operates. By prioritising local hiring, the Company not only strengthens the economy but also fosters cultural alignment and a strong sense of community within its workforce. Lysaght’s diverse talent pool includes individuals of Malay, Chinese, Indian, and other ethnic backgrounds, reflecting the rich multicultural fabric of the regions it serves.



SUSTAINABILITY REPORT

cont'd

The Board of the holding company currently comprises one woman among its seven members. The Board has expressed the view that, given the status of the Group's business and lifecycle, prioritising the right mix of skills on the Board is more crucial than strictly adhering to the proposed 30% threshold outlined in Practice 5.9 of the MCCG guidelines. However, there is a continued commitment to achieving gender balance in senior management, the boardroom, and the workplace. Consequently, the Board is actively seeking potential women Directors and intends to appoint additional women Directors as suitable candidates are identified. Efforts will also be made to explore ways to enhance gender balance in today's workplace.



EMPLOYEE MANAGEMENT

Related UNSDGs:



We recognise that our greatest assets are our employees, and our dedication to their well-being is steadfast. We understand that a successful organisation is built on a workforce that feels valued, empowered, and respected. By fostering a secure and healthy work environment, we are committed to ensuring that all employees have equal access to resources, benefits, and opportunities for skill development and career advancement. This commitment not only supports individual growth but also drives sustainable business growth. Through these efforts, we aim to create a dynamic and thriving workplace where both our people and our Company can flourish.

SUSTAINABILITY REPORT

cont'd



Talent acquisition & onboarding

We are committed to fostering the professional growth of our workforce by providing ample opportunities for career advancement within the company. We focus on maximising the potential of our internal talent, ensuring that team members have the resources and support needed to thrive in their roles.

When internal promotion is not feasible, our Human Resources team uses a range of assessment tools and methodologies to conduct a fair and thorough recruitment process. We strive to select candidates whose skills, experiences, and values align with the role requirements and our company's broader objectives, ensuring we attract individuals capable of making a positive impact on our mission.

Upskilling & reskilling

Empowering our employees to excel is integral to the growth and success of the Group. To support this, we provide continuous learning opportunities that foster both personal and professional development, enabling our workforce to stay ahead in an ever-evolving industry landscape.

In FYE 2024, we remain committed to investing in training and development programmes, utilising both physical and online channels. A total of 1,631 training hours were recorded, making a significant 52% increase from 1,071 hours in prior year. These training sessions encompassed both internal and external learning and development programmes.

Employee Category	Total hours of training	Total hours of training
	2024	2023
Management (Note 1)	329	119
Executive	588	434
Non-executive/Technical staff	490	140
General workers	224	378
Total	1,631	1,071
	2024	2023
Overall average training hours per employee (hours)	5	3

Note 1: For the purpose of calculating this indicator, management includes non-key management personnel (mainly managers and assistant managers) which was categorised under Executive employee category in other indicators that present similar employee category table.

SUSTAINABILITY REPORT

cont'd

ESG and TCFD Masterclass



Performance management & compensation

We are dedicated to fostering a culture of results-driven performance, accountability, collaboration, and shared success. These core values guide our approach to both individual and team performance, helping us achieve meaningful outcomes, take responsibility for our actions, work cohesively, and celebrate collective accomplishments.

At the start of each year, we ensure clear expectations are set through initial conversations with our employees. We establish KPIs for both the business and individual roles, aligning them with our broader organisational objectives. Our employees' performance is then reviewed annually, allowing us to provide valuable feedback on their contributions and achievements. This ongoing dialogue helps us understand their professional development needs and aspirations for career growth.

We believe in recognising and rewarding outstanding performance. Employees who consistently deliver high-quality results and demonstrate exceptional behaviour are rewarded through bonuses and opportunities for promotion. To ensure our team members are fairly compensated, we regularly assess our remuneration packages, ensuring they are competitive within the industry and aligned with local market standards and practices.

Succession planning

Succession planning for key and leadership roles is a critical element of our long-term strategy and sustainability efforts at Lysaght. To ensure the continued success of the Group, our Nomination Committee, with support from the Sustainability Risk Management Committee, regularly reviews the human resources plan, including the succession management framework and associated activities.

The succession planning process is implemented in stages, with a focus on preparing future leaders through targeted training programs designed specifically for managerial staff. Additionally, we establish clear and detailed job descriptions for each role within the organisation, ensuring that expectations are defined and future leaders are adequately prepared to step into critical positions. This approach supports a seamless transition and strengthens the Group's ability to maintain continuity and performance.

Employee retention & attrition

In 2024, our attrition rate was 11%, slightly higher than the 10% reported in the previous year, mainly driven by turnover among general workers.

We aim to further reduce this rate by enhancing our salary and reward schemes, developing a robust talent pipeline, and continuing to strengthen our talent development programs. These efforts are designed to foster employee satisfaction and loyalty, ensuring that we retain and nurture top talent within the organisation.

SUSTAINABILITY REPORT

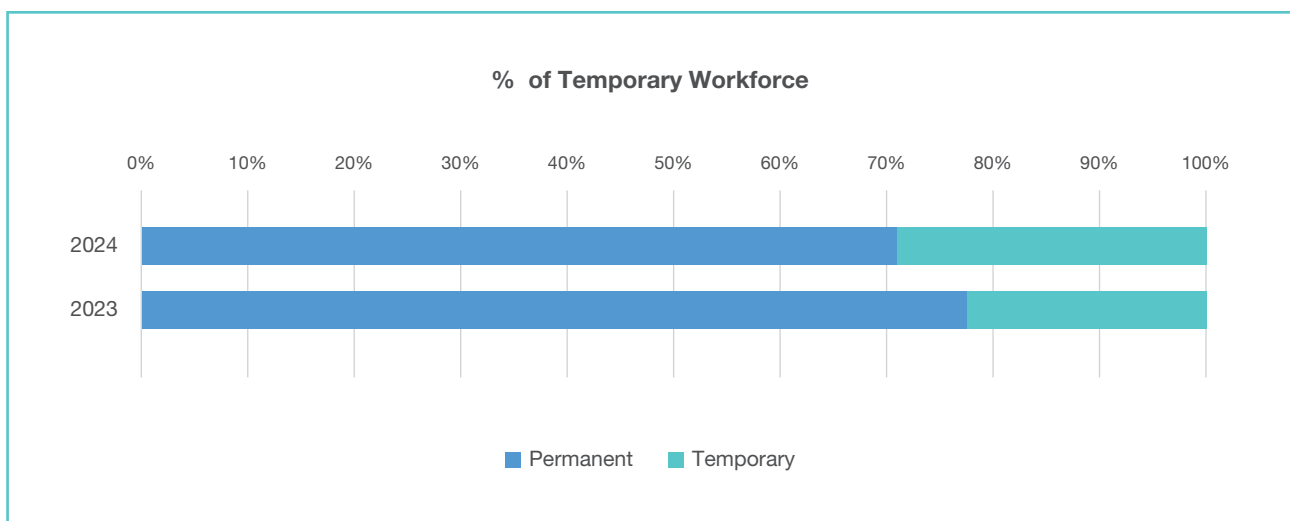
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Employee Category	Total numbers of new hires 2024	Total numbers of new hires 2023
Management	Nil	Nil
Executive / Non-executive	7	6
General workers	54	25
Total	61	31

Employee Category	Total numbers of employee turnover 2024	Total numbers of employee turnover 2023
Management	Nil	Nil
Executive/ Non-executive	7	4
General workers	33	29
Total	40	33

	2024	2023
New hire rates (%)	17%	9%
Turnover rates (%)	11%	10%

Below is an overview of our temporary staffing percentage across various operational regions. Temporary staff, including those on contract, play a crucial role in maintaining our flexibility and responsiveness to market demands. Our employment practices, whether for permanent or temporary staff, ensure fair labour practices and equitable treatment for all employees. This approach allows us to adapt effectively to the needs of the business while maintaining a commitment to the welfare of our workforce.



SUSTAINABILITY REPORT

cont'd

COMMUNITY INVESTMENT

Related UNSDGs:



We are dedicated to being a responsible corporate citizen by actively engaging with and supporting the communities where we operate. Our commitment goes beyond traditional business practices, we strive to make a meaningful impact by fostering strong, positive relationships with the local communities. We recognise that social inclusion and community well-being are crucial to sustainable success. By contributing to local initiatives, supporting community development, and encouraging active participation, we aim to enhance the quality of life for residents and create a positive ripple effect throughout the region. We firmly believe that nurturing these connections not only benefits the communities we serve but also yields favourable outcomes for our business in the long term. Through our efforts, we seek to build a foundation of trust, collaboration, and mutual growth.

As part of our dedication to community engagement, Lysaght is proud to contribute RM65,616 worth of monetary donations to primary school, university and various charitable organisations such as disability homes, underprivileged youth training centre and others. These contributions reflect our dedication to supporting education, community development, and social welfare initiatives. Our contributions to university and charity bodies aim to make a meaningful impact on the lives of individuals and communities in need. These donations help support educational programs, provide essential resources to education institutions and assist charitable organisations in addressing pressing social issues.

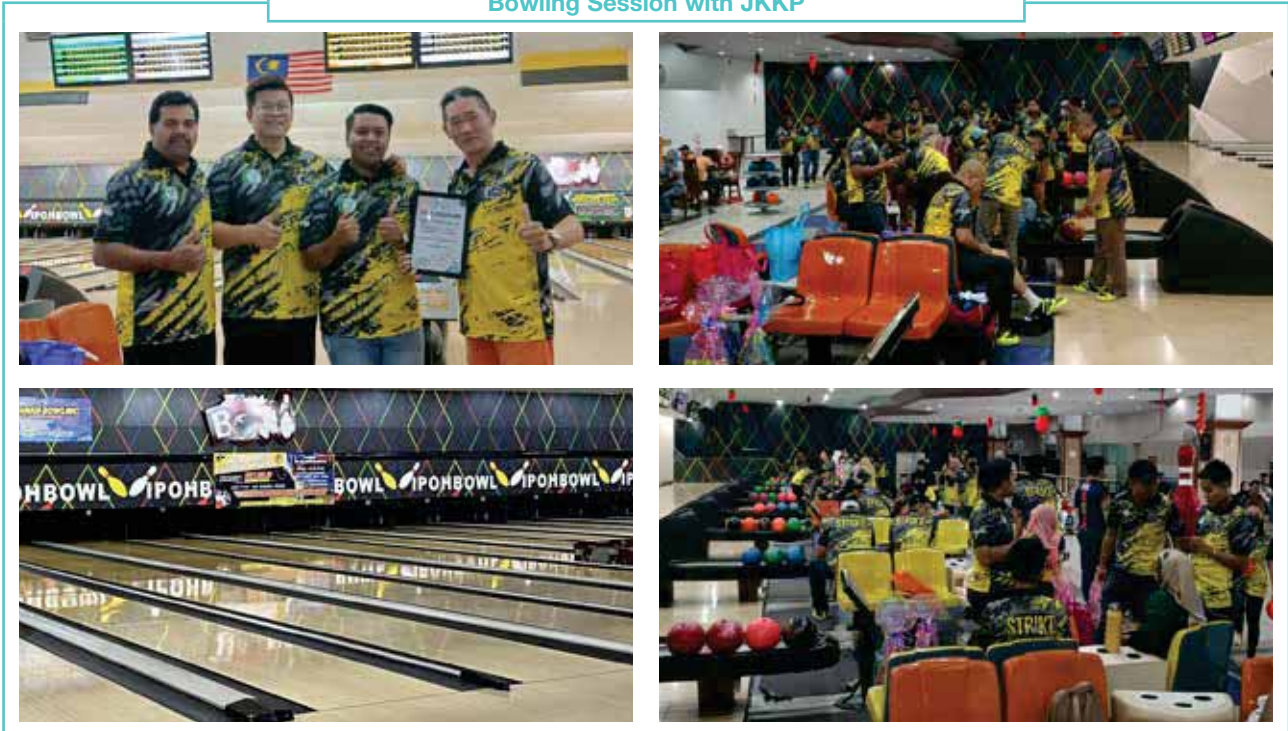
	2024	2023
Total amount invested where the target beneficiaries are external	65,616	69,887
Total number of beneficiaries of the investment in communities (number of organisations)	11	12

Lysaght prioritises meaningful stakeholder engagement and collaboration. In FYE 2024, we hosted a bowling session with the Department of Occupational Safety and Health (“JKKP”) to foster stronger relationships and encourage open dialogue in an informal setting. This initiative provided an opportunity to engage with JKKP representatives beyond the workplace, reinforcing our shared commitment to occupational safety and best practices. Strengthening these partnerships helps cultivate a culture of safety, compliance, and continuous improvement in our operational standards.

SUSTAINABILITY REPORT

cont'd

Bowling Session with JKKP



ENVIRONMENTAL SUSTAINABILITY

CLIMATE CHANGE

Related UNSDGs:



The Group recognises the significant impact of our energy consumption and greenhouse gas emissions (“GHG”) on climate change. As responsible corporate citizens, we are committed to minimising our carbon footprint and actively embracing opportunities presented by the transition to a low-carbon economy.

GHG emissions are categorised into three scopes—Scope 1, Scope 2, and Scope 3—providing a comprehensive view of an organisation’s carbon footprint. This classification helps businesses measure, manage, and mitigate their impact on climate change by identifying both direct and indirect emission sources.

- Scope 1 emissions are direct emissions from owned or controlled sources, such as fuel combustion in company-operated vehicles, boilers, and manufacturing processes. These emissions result from on-site operations and energy use.
- Scope 2 emissions refer to indirect emissions from purchased electricity, heat, or steam consumed by the organisation. Although these emissions occur at the facility where the energy is generated, they are attributed to the end-user’s carbon footprint.
- Scope 3 emissions include all other indirect emissions across the value chain, such as supply chain activities, transportation, employee commuting, product usage, and waste disposal. These emissions often represent the largest share of an organisation’s total carbon footprint.

SUSTAINABILITY REPORT

cont'd

As part of our ongoing efforts to improve environmental sustainability, we have also begun tracking and monitoring GHG emissions. We are in the process of refining our emissions data across all operations and will establish a target once we have a clearer picture of our overall impact. This step is part of our long-term strategy to reduce our carbon footprint and contribute to the global effort to combat climate change.

	2024 emissions (tCO₂e)
Total Emissions by Scope	
Scope 1 – Direct emissions from sources owned by the Company	1,754
Scope 2 – Indirect emissions from the electricity consumption from the grid	1,194
Scope 3 – Indirect emissions for business travel and employee commuting	248
Total	3,196

Scope 1 emissions

The GHG inventory for Scope 1 emissions in FYE 2024 provides a detailed account of direct emissions from fuel consumption and industrial gas usage across Lysaght's operations.

Diesel consumption remains the primary contributor to Scope 1 emissions, totalling 1,603 tCO₂e in 2024. Recognising the importance of reducing our carbon footprint, we are focused on improving fuel efficiency and exploring alternative energy sources.

Looking ahead, we aim to enhance energy efficiency, adopt low-carbon fuel alternatives, and optimise operational processes to further reduce direct emissions and align with our sustainability commitments.

Source	Unit	Emission factor⁽¹⁾ (kg CO₂e/unit)	2024 usage	2024 emissions (kg CO₂e)
Diesel	L	2.68	598,220	1,603,230
LPG (Merit Gas)	kg	2.95	1,950	5,753
LPG (BHP Bullet)	kg	2.95	31,441	92,750
Acetylene	m ³	3.04	751	2,284
Argosshield	m ³	1.55	18,986	29,428
Oxygen	m ³	1.1	12,234	13,457
Argomig	m ³	2.65	1,476	3,911
Ferrolinx	m ³	2	1,491	2,983
Total				1,753,796

⁽¹⁾ Emissions Factor used:

- Diesel: 2.68 (IPCC Guidelines for National Greenhouse Gas Inventories/ or DEFRA (UK Government GHG Conversion Factors))
- LPG (Merit Gas): 2.95 (IPCC Guidelines or DEFRA (UK Government GHG Conversion Factors))
- LPG (BHP Bullet): 2.95 (Same as above)
- Acetylene: 3.04 (Industry-specific databases or DEFRA GHG Conversion Factors)
- Argosshield: 1.55 (Custom data or supplier emission factors for gas mixtures)
- Oxygen: 1.1 (Industry emission databases (e.g., IEA, IPCC))
- Argomig: 2.65 (Gas supplier-specific data or process emission estimates)
- Ferrolinx: 2 (Supplier emission factors or IPCC estimation methodologies)

SUSTAINABILITY REPORT

cont'd

Scope 2 emissions

Electricity is an essential resource for sustaining operations across Lysaght's facilities. However, its usage contributes to GHG emissions due to the energy production processes at power plants. The table below provides an overview of Lysaght's electricity consumption and the corresponding emissions.

Source	Unit	Emission factor ⁽¹⁾ (kg CO ₂ e/unit)	2024 usage	2023 usage	2024 emissions (kg CO ₂ e)	2023 emissions (kg CO ₂ e)
Electricity	kWh	0.758	1,574,882	1,411,319	1,193,761	1,069,780

⁽¹⁾ Emissions Factor used:

- Electricity: 0.758 (Malaysia's grid emission factor (International Energy Agency or local energy regulator))

We are continuously enhancing our energy utilisation and efficiency through a range of initiatives, including:

- **Energy-Efficient Office Practices:** We are actively transitioning to LED lighting and energy-efficient inverter air conditioners. To further reduce energy consumption, we implement lighting schedules, install motion sensors in low-usage areas, and conduct regular maintenance on electrical equipment. Additionally, we promote energy-saving habits among employees through awareness campaigns and reminders.
- **Renewable Energy Integration:** We are exploring sustainable energy solutions, including on-site solar panel installations and sourcing green electricity from certified providers.
- **Regular Monitoring and Reporting:** Real-time monitoring systems are being implemented to track electricity consumption and identify areas for improvement.
- **Operational Enhancements:** We continue to optimise processes to minimise energy demand during peak operations, ensuring more efficient electricity usage.

Scope 3 emissions

Lysaght's Scope 3 GHG emissions encompass three key categories: waste management, business travel, and employee commuting.

- **Employee Commuting:** These emissions arise from employees traveling to and from work, regardless of the mode of transport, including personal vehicles, public transit, or other means.
- **Business Travel:** This category accounts for emissions generated exclusively from air travel for business purposes.
- **Waste Management:** Emissions stem from the disposal and treatment of operational waste, whether recycled, landfilled, or incinerated.

Although these emissions are indirect and not directly controlled by Lysaght, they significantly contribute to the Company's overall carbon footprint.

Employee Commuting

Employee commuting plays a crucial role in Lysaght's sustainability strategy, impacting both its carbon footprint and environmental commitments. We actively track commuting patterns, analysing modes of transport and travel distances to identify areas for improvement.

By gaining insights into employee travel habits, Lysaght aims to promote sustainable commuting options, optimise travel efficiency, and encourage environmentally friendly practices. These initiatives align with the company's broader sustainability goals, reinforcing its commitment to reducing indirect emissions.

SUSTAINABILITY REPORT

cont'd

Below is the employee commuting data for FYE 2024.

Mode of transportation	Emission factor (kg CO ₂ e/unit)	Distance travelled ⁽²⁾ (km)	2024 emissions (kg CO ₂ e)
Car	0.1645	758,840	124,829
Motorcycle	0.11367	1,068,232	121,426
Bus	0.15	5,368	805
Train	0.02	17,568	351
Bicycle	0	976	0
Total			247,411

⁽²⁾ $Distance\ Travelled\ (km) = (Home\ to\ Work\ Distance \times 2) \times Total\ Working\ Days$

Where:

- Home to Work Distance = the one-way distance from home to work (in km).
- 2 accounts for the round trip (home to work and back).
- Total Working Days = 244 days per year.

Business Travel

Business travel plays a crucial role in corporate operations, enabling networking, market expansion, and strategic collaborations. However, air travel remains a major contributor to Scope 3 emissions, highlighting its environmental impact.

In 2024, Lysaght's business travel emissions were primarily driven by long-haul flights. Travel to Brisbane accounted for 758 kg of CO₂, while Singapore remained a key destination, contributing 408 kg of CO₂.

Recognising the importance of balancing business needs with sustainability, Lysaght remains committed to optimising travel efficiency and exploring ways to reduce its carbon footprint.

Departure	Arrival ⁽⁴⁾	Distance of trips (km)	2024 emissions ⁽³⁾ (kg/CO ₂ /km)
Ipoh	Singapore	2,880	330
Singapore	Brisbane	12,280	758
Kuala Lumpur	Singapore	592	78
Total			1,166

⁽³⁾ <https://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx>

⁽⁴⁾ Inclusive of round-trip flights

SUSTAINABILITY REPORT

cont'd

WATER MANAGEMENT

Related UNSDGs:



The growing issue of water scarcity is a significant concern, driven by factors such as climate change, poor water management practices, and contamination. As water shortages and supply interruptions become more common, the Group is committed to mitigating the risk of water scarcity by implementing effective water management strategies throughout all of our operations.

While our manufacturing and galvanization processes do not rely heavily on water compared to some other industries, water is still used during certain stages of the galvanization process, particularly for surface preparation and rinsing. The quantity of water required can vary depending on the size of the operation and specific process parameters. Despite this, we continuously strive to optimise water usage, minimise waste, and incorporate recycling and efficient water management practices. Our commitment to water conservation is reflected in our efforts to raise awareness among employees regarding responsible water management across all our premises.

Additionally, we work to further reduce water wastage by conducting regular checks and scheduled maintenance of water-consuming areas such as toilets, pantries, and other facilities to ensure proper functioning and minimise unnecessary water loss.

In 2024, the Group consumed 22.4 megalitres of water, which was higher than water usage in 2023 of 20.7 megalitres. While water usage increased, we remained committed to using water efficiently and maintaining our focus on sustainable practices.

WASTE MANAGEMENT

Related UNSDGs:



Lysaght has successfully obtained ISO 14001:2015 certification, demonstrating its strong commitment to environmental sustainability and responsible business practices. This achievement reflects Lysaght's dedication to minimising environmental impact, ensuring compliance with regulatory requirements, and continuously improving its environmental management systems. By implementing structured strategies for resource efficiency, waste reduction, and pollution control, Lysaght reaffirms its commitment to sustainable operations while contributing to a greener future.



SUSTAINABILITY REPORT

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Waste Management

At Lysaght, we place great emphasis on responsible waste management as a key aspect of mitigating our environmental impact and positively contributing to the communities in which we operate. Our diverse range of operations generates different types of waste, including hazardous materials and non-hazardous waste, such as domestic and recyclable materials. Proper waste disposal is critical, as neglecting this responsibility could lead to significant environmental damage, including compromised air and water quality, soil contamination, and increased exposure to hazardous substances for both our employees and surrounding communities. Given the potential severity of these consequences, it is essential that we proactively adopt and implement measures to ensure responsible waste management practices across all areas of our operations.

In our galvanization process, which involves applying a protective zinc coating to steel surfaces to enhance durability and prevent corrosion, effluent generation is an unavoidable by-product. Effluents, such as zinc ash and dross, are produced during this process. Effectively managing these by-products is central to our environmental responsibility.

To ensure that we mitigate any negative impact from the disposal of these effluents, we operate an effluent treatment plant that complies with local regulations set by the Department of Environment (“DOE”). This treatment system ensures that effluents are properly processed before being safely disposed of, in accordance with DOE guidelines. Our commitment to sustainability is further demonstrated by our goal to limit zinc ash generation to no more than 3% and dross generation to no more than 2% per metric ton (“MT”) throughput. This proactive approach underlines our dedication to reducing our environmental footprint and practicing responsible waste management throughout our operations.

	2024 MT	2023 MT
Total waste generated	242.3	234.2
Total waste diverted from landfill	251.4	222.7
Total waste directed to landfill	-	2.4

Effective waste management is critical to sustainability and reducing environmental impact. Our organisation remains dedicated to maximising waste recovery and minimising landfill disposal through continuous improvements in waste management practices.

In FYE 2023, we generated 234.2 MT of waste and recovered 222.7 MT, achieving a 98% recovery rate. By FYE 2024, total waste generation increased to 242.3 MT, while waste recovery surged to 251.4 MT, resulting in a recovery rate of more than 100%. This exceptional rate was due to certain waste diverted for recovery was recorded in FYE 2024, even though it originated from the previous year.

In addition, our waste management strategy incorporates several key initiatives aimed at minimising waste generation and ensuring proper disposal and recycling:

- Product lifecycle management:* Our galvanized products are designed with sustainability in mind. Their inherent properties, such as long-lasting corrosion protection, reduce the need for frequent repairs or replacements. This durability not only conserves resources but also minimises waste generation over time, promoting sustainable development through longer product life cycles.
- Optimising Production Processes:* We continuously strive to improve our manufacturing operations by adopting lean manufacturing principles. These efforts help reduce material waste and enhance operational efficiency, ensuring that we maximise the use of resources and minimise waste generation.
- Recycling of Manufacturing Waste:* We focus on recycling scrap metal and other materials generated during production. This helps reduce the demand for raw materials, conserves energy, and contributes to reducing our overall environmental footprint.
- Employee Education:* We recognise the importance of engaging our workforce in waste reduction efforts. Therefore, we provide regular training to employees on waste management best practices. This includes educating them on the significance of reducing waste, properly segregating waste, and adhering to recycling procedures, ensuring a shared commitment to sustainability across our operations.

SUSTAINABILITY REPORT

cont'd

By implementing these strategies, we can effectively reduce our environmental impact and contribute to a circular economy. In our administrative offices, we also promote various sustainability initiatives, including encouraging employees to use electronic methods for document sharing and storage to minimise the need for printing and photocopying. We also advocate for double-sided printing to conserve paper and prioritise the recycling and reuse of office furnishings and fixtures. Waste segregation will be implemented throughout our offices with designated bins to facilitate efficient sorting and disposal, further supporting our commitment to sustainability.

Air Emissions

Effective air emissions management is essential for environmental sustainability and regulatory compliance. As part of our commitment to reducing environmental impact, we continuously monitor emissions from key sources, including the Zinc Kettle Chimney, Boiler Chimney, and Powder Coating Oven Chimney. To ensure compliance with regulatory limits set by the DOE, all emissions data undergo independent third-party testing annually.

Our monitoring efforts focus on three key pollutants:

- Nitrogen Oxides (NOx): A major air pollutant that affects both human health and environmental quality.
- Sulphur Oxides (SOx): A contributor to acid rain, which can harm ecosystems and infrastructure.
- Particulate Matter (PM): Fine airborne particles that impact air quality and respiratory health.

2024 mg/m ³	Zinc Kettle Chimney	Boiler Chimney	Powder Coating Oven Chimney
NOx	148	135	103
SOx	9	0	3
PM	3	1	2

DOE emission standard limit of 500 mg/m³ for NOx and SOx, 50mg/m³ for PM

We remain focused on reducing emissions through cleaner technologies, optimised fuel use, and enhanced operational efficiencies to support a more sustainable future.

GOVERNANCE SUSTAINABILITY

POLICY & REGULATORY COMPLIANCE

Related UNSDGs:



Policy and regulatory compliance, especially concerning environmental, social and governance factors, is essential for ensuring a company’s sustainability and long-term success. By proactively adhering to these policies and regulations, Lysaght can strengthen its competitive edge, attract socially responsible investors, and expand its market share. A commitment to sustainability and ethical practices not only enables us to surpass competitors but also supports enduring growth and profitability.

Conversely, failure to comply with laws and regulations can lead to severe consequences, such as fines, penalties, legal actions, and reputational damage. This could result in financial losses, increased operating costs, and a decline in shareholder value. Therefore, prioritising compliance and continuously monitoring regulatory changes is vital for managing risks and promoting sustainable business practices.

SUSTAINABILITY REPORT

cont'd

MOVING FORWARD

In conclusion, sustainability is not just a core value for us at Lysaght, it is a guiding principle that shapes every aspect of our business. We believe that embracing sustainable practices is not only the right thing to do but also a powerful strategic advantage in today's rapidly changing business environment.

Our commitment to sustainability is embedded in our day-to-day operations, and we are continuously working to set new standards for responsible business practices. By integrating sustainability initiatives into our business model, we aim to drive long-term growth while fulfilling our responsibility to protect the environment and support social well-being.

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

As a listed entity, Lysaght is obligated to provide mandatory ESG disclosures in accordance with the Main Market Listing Requirements and the enhanced Sustainability Reporting Guide, 3rd Edition. The following performance data table, sourced from the ESG Reporting Platform, presents key indicators that are aligned with our identified Material Matters, reflecting our commitment to transparency and accountability in addressing sustainability priorities.

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	0.00 *	0.00
Executive	Percentage	14.29 *	6.98
Non-executive/Technical Staff	Percentage	26.47 *	5.33
General Workers	Percentage	15.57 *	23.38
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
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	69,887.00	65,616.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	12	11
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
Management Between 30-50	Percentage	12.50	14.00
Management Above 50	Percentage	87.50	86.00
Executive / Non-executive Under 30	Percentage	4.50	15.30
Executive / Non-executive Between 30-50	Percentage	58.20	46.60
Executive / Non-executive Above 50	Percentage	37.30	38.10
General Workers Under 30	Percentage	27.30	28.10
General Workers Between 30-50	Percentage	39.60	42.40
General Workers Above 50	Percentage	33.10	29.50
Gender Group by Employee Category			
Management Male	Percentage	87.50	86.00
Management Female	Percentage	12.50	14.00
Executive / Non-executive Male	Percentage	48.00	65.00
Executive / Non-executive Female	Percentage	52.00	35.00
General Workers Male	Percentage	99.00	100.00
General Workers Female	Percentage	1.00	0.00

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY REPORT

cont'd

Indicator	Measurement Unit	2023	2024
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	86.00 *	86.00
Female	Percentage	14.00 *	14.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	14.00 *	14.00
Above 50	Percentage	86.00 *	86.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	1,411.00 *	1,575.00
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.33	2.61
Bursa C5(c) Number of employees trained on health and safety standards	Number	47	85
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	119	329
Executive	Hours	434	588
Non-executive/Technical Staff	Hours	140 *	490
General Workers	Hours	378 *	224
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	22.00	29.00
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	0	0
Executive / Non-executive	Number	4	7
General Workers	Number	29	33
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	74.00	76.00
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
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	20.740000	22.410000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	242.30
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	251.40
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	0.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	1,754.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	1,194.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	248.00
Bursa (Customer Satisfaction)			
Customer Satisfaction Score	Percentage	90.00	92.00

Internal assurance External assurance No assurance

(*)Restated

SUSTAINABILITY REPORT

cont'd

INDEPENDENT ASSURANCE

In strengthening the credibility of our reporting, this Sustainability Report has been subjected to an independent assurance by the external auditors in accordance with recognised assurance standards for selected indicators for the year ended 31 December 2024 and has been approved by the Board of Directors.

The scope subject matters and relevant conclusions are provided below.

Type of assurance	Subject matter	Scope	Conclusion
Independent assurance	Percentage of employees by gender and age group, for each employee category (%)	Lysaght Galvanized Steel Berhad and its subsidiaries	Based on the limited assurance procedures performed and evidence obtained, nothing has come to our attention that would cause us to believe that the Subject Matter for the financial year ended 31 December 2024 is not prepared, in all material respects, in accordance with the Applicable Criteria.
Independent assurance	Percentage of directors by gender and age group (%)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	Total number of employee turnover by employee category (No.)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	Percentage of employees that are contractors or temporary staff (%)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	Number of substantiated complaints concerning human rights violations (No.)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	Total volume of water used (m3)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	Total hours of training by employee category (Hours)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	Percentage of employees who have received training on anti-corruption by employee category (%)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	No. of employees trained on health and safety standards (No.)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	Number of work-related fatalities (No.)	Lysaght Galvanized Steel Berhad and its subsidiaries	
Independent assurance	Lost time incident rate (Rate)	Lysaght Galvanized Steel Berhad and its subsidiaries	

The Independent Limited Assurance Report, please refer to page 53 to 56 of the Annual Report.

SUSTAINABILITY REPORT

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ADDITIONAL INFORMATION – INDEPENDENT LIMITED ASSURANCE STATEMENT



KPMG PLT
(LLP0010081-LCA & AF 0756)
Chartered Accountants
Level 17, Ipoh Tower
Jalan Dato' Seri Ahmad Said
30450 Ipoh
Perak Darul Ridzuan, Malaysia

Telephone +603 7721 3388
Website www.kpmg.com.my

The Board of Directors
Lysaght Galvanized Steel Berhad
Medan Tasek,
Tasek Industrial Estate,
31400 Ipoh, Perak.

Dear Sirs,

Independent Practitioners' Limited Assurance Report on Lysaght Galvanized Steel Berhad's (the "Company") Selected Sustainability Indicators for the financial year ended 31 December 2024 ("FYE 2024") presented in the Company's Annual Report 2024

Conclusion

We have performed a limited assurance engagement on certain selected sustainability indicators for the FYE 2024 listed below ("Selected Sustainability Indicators") to determine whether they have been prepared in accordance with the Company's definition and calculation methodologies and/ or where relevant, the Bursa Malaysia Securities Berhad Listing Requirements] ("Applicable Criteria"):

1. Percentage of employees by gender and age group, for each employee category (%);
2. Percentage of directors by gender and age group (%);
3. Total number of employee turnover by employee category (No.);
4. Percentage of employees that are contractors or temporary staff (%);
5. Number of substantiated complaints concerning human rights violations (No.);
6. Total volume of water used (Megalitres);
7. Total hours of training by employee category (Hours);
8. Percentage of employees who have received training on anti-corruption by employee category (%);
9. Number of employees trained on health and safety standards (No.);
10. Number of work-related fatalities (No.); and
11. Lost time incident rate (Rate)

The boundary of the limited assurance engagement on the Selected Sustainability Indicators represents the Company's operations in Malaysia and Singapore.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Selected Sustainability Indicators for the FYE 2024 presented in the Company's Annual Report 2024 are not prepared, in all material respects, in accordance with the Company's Applicable Criteria.

SUSTAINABILITY REPORT

cont'd



*Lysaght Galvanized Steel Berhad (the "Company")
Independent Practitioners' Limited Assurance Report on the Company's
Selected Sustainability Indicators for the FYE 2024 presented in
the Company's Annual Report 2024
23 April 2025*

Basis for conclusion

We conducted our engagement in accordance with Malaysian Approved Standard on Assurance Engagements ("ISAE") 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Our responsibilities under this standard are further described in the *Our responsibilities* section of our report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our quality management and independence

Our firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Restriction on distribution and use of our report

Our report has been prepared for the Board of Directors of the Company (the "Directors") solely in accordance with the terms of our engagement letter.

Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk.

Without affecting, adding to or extending our duties and responsibilities to the Company or giving rise to any duty or responsibility being accepted or assumed by or imposed on us by any other party, we consent to the inclusion of this report in the Company's Annual Report 2024, to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Selected Sustainability Indicators.

Our conclusion is not modified in respect of this matter.

Responsibilities for the Selected Sustainability Indicators

The management of the Company (the "Management") is responsible for:

- (a) Designing, implementing and maintaining internal control relevant to the preparation of the Selected Sustainability Indicators such that they are free from material misstatement, whether due to fraud or error;
- (b) Selecting or developing suitable criteria for preparing the Selected Sustainability Indicators and appropriately referring to or describing the criteria used, including who developed them, when not readily apparent from the engagement circumstances;
- (c) Preparing and properly calculating the Selected Sustainability Indicators in accordance with the Applicable Criteria;

SUSTAINABILITY REPORT

cont'd



*Lysaght Galvanized Steel Berhad (the "Company")
Independent Practitioners' Limited Assurance Report on the Company's
Selected Sustainability Indicators for the FYE 2024 presented in
the Company's Annual Report 2024
23 April 2025*

Responsibilities for the Selected Sustainability Indicators (continued)

- (d) Preventing and detecting fraud; and
- (e) Selecting the content of the Selected Sustainability Indicators, including identifying and engaging with intended users to understand their information needs.

Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Company's FYE 2024 may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Company's Annual Report 2024, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Our responsibilities

We are responsible for:

- (a) Planning and performing the engagement to obtain limited assurance about whether the Selected Sustainability Indicators are free from material misstatement, whether due to fraud or error;
- (b) Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- (c) Reporting our conclusion to the Directors.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Selected Sustainability Indicators that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Selected Sustainability Indicators and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we have performed the following procedures, amongst others:

- (a) Enquired the Management to gain an understanding of the processes established from which the Selected Sustainability Indicators are derived;
- (b) Interviewed relevant staff responsible for preparing and presenting the Selected Sustainability Indicators in the Company's Annual Report 2024;
- (c) Compared the Selected Sustainability Indicators presented in the Company's Annual Report 2024 to underlying sources on a sample basis; and
- (d) Read the Selected Sustainability Indicators presented in the Company's Annual Report 2024 to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

SUSTAINABILITY REPORT

cont'd



*Lysaght Galvanized Steel Berhad (the "Company")
Independent Practitioners' Limited Assurance Report on the Company's
Selected Sustainability Indicators for the FYE 2024 presented in
the Company's Annual Report 2024
23 April 2025*

Other matter

Our assurance conclusion was with respect to the Company's Selected Sustainability Indicators for the FYE 2024. We previously expressed a conclusion over the Selected Sustainability Indicators 1 to 6 for the financial year ended 31 December 2023, and our report thereto dated 19 April 2024 included an unmodified conclusion.

We have not performed any procedures with respect to earlier periods or any other elements included in the Company's Annual Report 2024 and therefore, we do not express any conclusion therein.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Ipoh

Date: 23 April 2025

DIRECTORS' PROFILE

EE BENG GUAN

*Chairman / Non-Independent Non-Executive Director
69 years of age, Malaysian, Male*

Mr. Ee Beng Guan, was elected to the Board as an Independent Non-Executive Director on 30 June 2015 and was appointed as the Senior Independent Non-Executive Director on 30 March 2017. On 15 June 2023, he was redesignated as the Chairman of the Company and also as a Non-Independent Non-Executive Director on 30 June 2024. He is presently a member of our Sustainability and Risk Management Committee.

Mr. Ee is a lawyer by training and obtained his bachelor degree in law (LLB Hons) from the University of Hull, England in 1978, Utter Degree of Barrister-at-Law from the Middle Temple Inn, London in 1979 and Masters in Law (LLM) from University College London in 1980. Mr Ee was admitted as advocate and solicitor in the High Court of Malaya in 1981.

He worked as an advocate and solicitor for approximately 4 years before joining a conglomerate in 1985 as its Head of Legal until his retirement in March, 2015. During his time with the conglomerate, he spent 7 years as corporate nominee and executive director of a stock broking company. As Head of Legal, he was in charge of legal, compliance, secretarial and share registration. He is presently in practice as an Advocate & Solicitor.

Mr. Ee has attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

CHONG SAI SIN

*Senior Independent Non-Executive Director
58 years of age, Malaysian, Male*

Mr. Chong Sai Sin, was appointed to the Board as Independent Non-Executive Director on 17 June 2016. On 15 June 2023, he was appointed as the Senior Independent Non-Executive Director. He is currently the Chairman of our Audit and Nomination Committees. He resigned as member of the Remuneration Committee on 16 May 2024.

Professionally, he is a Chartered Accountant, an Approved Company Auditor under the Companies Act, 2016 and Labuan Companies Act, 1990 and an Approved Tax Agent under the Income Tax Act, 1967.

He is a Partner in Messrs. CL Associates PLT, Messrs. H. S. Lee & Partners PLT and Lum & Co., approved audit firms of Chartered Accountants.

He is also a member of the Malaysian Institute of Accountants (MIA), the Malaysian Institute of Certified Public Accountants (MICPA), Institute of Internal Auditors Malaysia (IIAM), and Chartered Tax Institute of Malaysia (CTIM).

He signed up as an article student in MICPA and started audit experience in Messrs. Kassim Chan & Co. (now known as Deloitte) since 1987. He joined Messrs. BDO Binder (now known as BDO) in 1993 after he completed the MICPA articleship. He accumulated more than 8 years' experience in 2 established audit firms before joining commercial organisations as an Accountant, Corporate Finance Manager and Financial Controller from 1995 to 2002. Thereafter, he started his public practice as an audit principal and became an audit partner in 2005 in a mid-sized audit firm. He left that firm to establish his own audit firm named CL Associates PLT in 2016, with 2 other audit partners.

He also served as a co-opted member of the Public Practice Committee of the MICPA from February 2016 to February 2022.

He has more than 30 years' experience in commercial organisations and public practice and gained good exposure in corporate finance and restructuring, due diligence review, listing exercise, auditing, taxation and accounting.

Mr. Chong has attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

DIRECTORS' PROFILE

cont'd

CHEW MEU JONG

*Non-Independent Non-Executive Director
69 years of age, Australian, Female*

Madam Chew Meu Jong, was elected to the Board as Non-Independent Non-Executive Director at the Extraordinary General Meeting held on 30 September 2014 following the demise of her late father, Mr Chew Kar Heing who was a founder member of the Lysaght Group of Companies. She is currently the Chairman of our Remuneration Committee.

Madam Chew was a member of the Chartered Association of Certified Accountants, United Kingdom. She was involved in the operations of the Lysaght (Malaysia) Sdn. Bhd.'s Group in Australia, engaged in investment holding of real estate.

She is the sister of Ms Chew Mee Lee who is a substantial shareholder of the Company and Mr Liew Swee Mio @ Liew Hoi Foo, spouse of Ms Chew Mee Lee and is her brother-in-law, who is also a substantial shareholder of the Company.

Madam Chew has attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

IR. AIK SIAW KONG, KMN

*Non-Independent Non-Executive Director
74 years of age, Malaysian, Male*

Ir. Aik Siaw Kong, was appointed to the Board as an Independent Non-Executive Director on 20 August 2014. On 20 August 2023, he was redesignated as Non-Independent Non-Executive Director. He is currently the Chairman of our Sustainability and Risk Management Committee and a member of our Remuneration Committee.

Ir. Aik graduated from University of Malaya with Bachelor of Civil Engineering (Hons) in 1975. In 2001, he obtained his MSc (Highway & Transportation) from UPM. He began his work career with the Public Works Department and had served as a Project Engineer on the construction of Kuantan-Segamat Highway (2 years), highway planning engineer with the Ministry of Works (3 years) and Highway Design Engineer with the Road Design Section JKR HQ (6 years).

He has also served as an Assistant Director of Operations with the Malaysian Highway Authority for coordinating the planning, design and construction of the North-South Toll Expressway section in Kedah, Penang and Perak (5 years). From 1990 to 1994, he was the Senior Assistant Director of Roads Maintenance Section, overseeing the planning, budgeting and implementation of all maintenance programme of Federal Roads in Malaysia. In 1995, he joined the private sector and was involved in engineering consultancy services, specialising in road design and road safety auditing. He is an accredited Road Safety Auditor with JKR since 2005. He is currently also a consultant to the engineering consultancy firm of Pakatan Jurutera Pintar Sdn. Bhd.

Presently, he is on the Board of Mitrajaya Holdings Berhad as an Independent Non-Executive Director and a member of its Audit Committee and Nomination & Remuneration Committee.

Ir. Aik has attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

DIRECTORS' PROFILE

cont'd

CHEAM LOW SOO

*Non-Independent Non-Executive Director
73 years of age, Malaysian, Male*

Mr. Cheam Low Soo, was elected to the Board as Independent Non-Executive Director of the Company on 25 June 2014. On 25 June 2023, he was redesignated as Non-Independent Non-Executive Director. He is currently a member of our Nomination Committee and was appointed as a member of the Sustainability and Risk Management Committee on 16 May 2024. He resigned as member of the Audit Committee on 16 May 2024.

Mr. Cheam was an associate member of the Institute of Chartered Secretaries and Administrators, United Kingdom.

He served with the Inland Revenue Department of Malaysia from 1977 to 1982. In 1982, Mr. Cheam joined Lysaght Corrugated Pipe Sdn. Bhd. as the Company Secretary and was responsible for the financial and company secretarial functions of the Lysaght (Malaysia) Group of Companies. He had more than 12 years of experience with the Group and he was appointed to the Board of Lysaght Galvanized Steel Berhad on 30 August 1993. He left the Group in 1995 and now sits on the Board of a private limited company with interests in property investment.

He is also the Director of the Company's subsidiaries, Lysaght Marketing Sdn. Bhd. and Lysaght Marketing (S) Pte. Ltd.

Mr. Cheam has attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

YEOH SHEONG LEE

*Independent Non-Executive Director
50 years of age, Malaysian, Male*

Mr. Yeoh Sheong Lee, was appointed to the Board as Independent Non-Executive Director on 1 April 2023. He is currently a member of our Audit and Nomination Committees. He resigned as member of the Sustainability and Risk Management Committee on 16 May 2024.

Mr. Yeoh graduated from Swinburne University of Technology in Melbourne, Australia with a Bachelor of Business in 1997. He is a member of the Certified Public Accountants of Australia since 2001, member of Malaysian Institute of Accountants since 2003 and obtained his practicing certificate from Malaysian Institute of Accountants since 2011 as well as his audit license since 2012.

He began his career with Ernst & Young in the Audit Department in 1998 where he was involved in statutory audits for clients in various industries as well as in special assignments relating to financial due diligence, limited review and profit forecast. He left and joined Chew & Associates, a public accounting firm, in 2004 as an Assurance and Advisory Director where he was responsible for leading, managing and coordinating audit, accounting and tax engagements with clients from various industries. He was subsequently made a partner of the firm in 2012 and is now the Head of Audit and Advisory Department in the firm.

Presently, he is on the Board of Nestcon Berhad as an Independent Non-Executive Director and serves as Chairman of its Audit Committee and Sustainability and Risk Management Committee. He is also a member of its Remuneration Committee and Nominating Committee.

Mr. Yeoh has attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

DIRECTORS' PROFILE

cont'd

CHONG CHIN LOOK

Independent Non-Executive Director

61 years of age, Malaysian, Male

Mr. Chong Chin Look, was appointed to the Board as Independent Non-Executive Director on 1 April 2024. He was appointed as a member of the Audit and Remuneration Committees on 16 May 2024.

Mr. Chong obtained his Bachelor of Economics degree with major in Business Administration from University of Malaya in 1987. He is also a member of the Malaysian Institute of Certified Public Accountants (MICPA) and a Chartered Accountant with the Malaysia Institute of Accountants (MIA).

Mr. Chong began his career with KPMG Peat Marwick (now known as KPMG) as an Audit Assistant in 1987. He was later promoted to Audit Senior in 1990, where he gained experience in assurance, audit, taxation, and management consultancy. He left KPMG in 1992 to join Bonia Corporation Berhad ("Boniat") Group of Companies as a Financial Controller, where he was responsible for the overall financial and corporate functions of Boniat and its subsidiaries.

In 1994, Mr. Chong was appointed as a Director of Boniat and assumed the position of Group Finance Director. He held the position of Financial Controller and Group Finance Director until his retirement in 2022.

In July 2022, Mr. Chong was appointed as a Non-Independent Non-Executive Director of Boniat, serving in this role until his resignation in September 2024.

Presently, he is on the Board of CEKD Berhad as an Independent Non-Executive Director, the Chairman of its Audit Committee, and Sustainability and Risk Management Committee, respectively, and a member of its Remuneration Committee and Nominating Committee, respectively.

He is also on the Board of TSA Group Berhad as an Independent Non-Executive Director, the Chairman of its Audit and Risk Management Committee, and a member of its Remuneration Committee and Nomination Committee, respectively.

Besides, he holds directorships in several private companies.

Since his appointment on 1 April 2024, Mr. Chong has attended all four (4) Board Meetings held during the financial year ended 31 December 2024.

Notes to Board of Directors' profile:-

1. Family Relationship

Save as disclosed of family relationship by Madam Chew Meu Jong, none of the Directors have any family relationship with any Director and/or major shareholder of the Company.

2. Conflict of Interest

None of the Directors has any conflict of interest or potential conflict of interest, including any interest in any competing business with the Company or its subsidiaries.

3. Conviction of Offences

None of the Directors has been convicted of any offence within the past five (5) years, other than traffic offences (if any) and no public sanctions or penalties were imposed on them by the relevant regulatory bodies during the financial year ended 31 December 2024.

4. Shareholdings

The details of the Directors' interest in the securities of the Company are set out on page 140 of the Annual Report.

CHIEF EXECUTIVE OFFICER PROFILE

IR. CHUA TIA BON

*Chief Executive Officer
74 years of age, Malaysian, Male*

Ir. Chua Tia Bon, was appointed as Chief Executive Officer of the Company on 1 February 2024.

Ir. Chua obtained a Bachelor of Science (Honours) Degree in Mechanical Engineering from University of Strathclyde, Glasgow, United Kingdom. He is a Member of Institute of Engineers, Malaysia. He is also a Professional Engineer in Mechanical Engineering, Board of Engineers, Malaysia.

In 1972, being one of the first batch of employees of the Group, he joined Lysaght Corrugated Pipe Sdn. Bhd. ("LCPSB") as Production Supervisor. He was promoted to Production Engineer in LCPSB in 1978. In 1979, he was appointed as Product Development Engineer and in 1981, as Deputy Works Manager. In 1987, he was promoted to the position of General Manager for the Lysaght Group. He has extensive experience in the expansion of manufacturing operations, development of the company's products, research and development in improvement of manufacturing equipment and processes and general functions to ensure smooth operations of the business. His responsibility further includes overseeing and managing sales and marketing of some local and overseas customers. In 1994, when the Company was listed on Bursa Malaysia, he continued his functions and responsibilities as before, a position he held until he was redesignated to Director Operations from July 2014. He was elected to the Board as Non-Independent Non-Executive Director on 30 June 2015 and was redesignated as Executive Director and Chief Executive Officer of the Company on 9 July 2015 and 1 January 2017 respectively. On 31 January 2024, he resigned as Executive Director of the Company.

Ir. Chua has a direct shareholding of 12,600 shares in the Company and indirect shareholding of 10,600 shares, deemed interest through his spouse shareholding in the Company.

He does not have any directorships in public companies and listed issuers.

He has no family relationship with any Director and/or major shareholders of the Company nor does he has any conflict of interest or potential conflict of interest, including any interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offences within the past five (5) years, other than traffic offences, if any, and no public sanctions or penalties were imposed on him by the relevant regulatory bodies during the financial year ended 31 December 2024.

KEY MANAGEMENT PROFILE

FOO KOK SENG

*Senior General Manager
71 years of age, Malaysian, Male*

Mr Foo Kok Seng joined Lysaght Galvanized Steel Bhd in 1983 as Development Engineer and was promoted to Deputy Works Manager of the Company in 1987.

Mr Foo obtained a Bachelor of Science (Honours) Degree in Mechanical Engineering from University of East London, United Kingdom. He is a Member of Institute of Engineers, Malaysia, and a Professional Engineer in Mechanical Engineering, Board of Engineers, Malaysia. He is also an Associate Member of Institution of Mechanical Engineer, United Kingdom.

Mr Foo retired from the Company in 2009 with more than 25 years of experience in the manufacturing, product development, equipment design and technical supports for international market.

In 2016, Mr Foo rejoined the Company as Senior General Manager and was redesignated as General Manager on 8 January 2021.

He was redesignated as Senior General Manager with effect from 1 February 2025 and is currently responsible for overall production organization, control and accountability of all production activities, overseeing the sales and marketing of international and some local customers. He is also responsible for the product/equipment research & development, mechanical and electrical maintenance of machinery, equipment and factory buildings.

JOHNNY CH'NG

*Area Sales Manager / Director
62 years of age, Malaysian, Male*

Mr Johnny Ch'ng joined Lysaght Corrugated Pipe (S) Pte Ltd in 1989 as Sales Executive and in 1993, he was promoted to Area Manager. In 2002, he served as Area Sales Manager in Lysaght Marketing (S) Pte Ltd. He obtained a Diploma in Building from Singapore Institute of Building.

In 2014, he was appointed as Director of Lysaght Marketing (S) Pte Ltd and his responsibilities include overseeing and managing sales and marketing in Singapore and some overseas customers.

ONG SIEW SUNG

*Chief Financial Officer
50 years of age, Malaysian, Female*

Ms Ong Siew Sung joined Lysaght Galvanized Steel Berhad in 2008 as Finance & Administration Manager. She obtained Diploma in Commerce from Tunku Abdul Rahman College in 1998 and also obtained professional Association of Chartered Certified Accountants (ACCA) qualification in 2004. She is also a Fellow member of ACCA and a member of the Malaysian Institute of Accountants.

She started her career as audit assistant in Deloitte KassimChan in 1998 and left Deloitte in 2008 as audit manager prior to joining the Company.

She was promoted to Chief Financial Officer with effect from 1 September 2018 and is currently responsible for the finance, accounting, administration and compliance functions of the Company.

KEY MANAGEMENT PROFILE

cont'd

LING KUONG LOONG

General Manager

53 years of age, Malaysian, Male

Mr Ling was appointed as General Manager for Lysaght Galvanized Steel Berhad (“LGS”) since May 2019. He holds a Bachelor of Arts (Communication) from Universiti Kebangsaan Malaysia.

He has more than 20 years of working experience with Multinational Companies such as GE Plastic, Multinail and Valmont Industries. Prior to joining LGS, he was the Country Manager for 2 units of Valmont Industries business in Malaysia, namely Webforge (KL) Sdn Bhd and Industrial Galvanizers Corporation (M) Sdn Bhd. Both companies are involved in Oil & Gas, Construction, Major Industries and Galvanizing sector. The position was responsible for the full Profit and Loss of the companies.

As General Manager of LGS, his responsibilities include overseeing and managing sales and marketing of domestic customers.

LIEW SUI KUM

Technical & Design Manager

72 years of age, Malaysian, Male

Mr Liew Sui Kum held the position of Senior Technical Manager until 2020. He was redesignated as Technical & Design Manager with effect from 11 January 2021.

He joined the company in 1985 and is principally responsible for developing in-house computer softwares distinctly configured to comply with the intricate requirements of Pole and Mast designs that conform to internationally recognized design codes and standards. His complementary duties include providing supporting technical proposals to the Sales Team during bidding stage and upon receipt of customer orders he will provide manufacturing drawings to the Production Department ensuring conscientious compliance to specification requirements.

Mr Liew holds a Bachelor of Mechanical Engineering (First Class Honours) and Master of Science (Industrial Engineering) both from the University of Singapore. He is a Registered Professional Engineer with Lembaga Jurutera Malaysia and Professional Engineers Board Singapore. He is also a member of The Institution of Engineers Malaysia (IEM), American Society of Mechanical Engineers (ASME) and The Institution of Lighting Professionals (ILP-UK).

Mr Liew Sui Kum is the elder brother of Mr Liew Swee Mio @ Liew Hoi Foo who is a substantial shareholder and brother-in-law of Madam Chew Meu Jong who is a director of the Company.

KEY MANAGEMENT PROFILE

cont'd

YAU CHAI FATT
QC/QA Manager
70 years of age, Malaysian, Female

Mr Yau Chai Fatt was appointed as a Quality Control Engineer in 1983 and was redesignated as QC/QA Manager in 1993.

Mr Yau obtained a Bachelor of Science (Honours) Degree in Applied Chemistry from Liverpool Polytechnic, United Kingdom.

From 1983 to 1992 he was involved in the Hot Dip Galvanizing Plant as a QC Engineer in control of the Chemical Laboratory, Pollution Control Plant, Quality Control of the Hot Dip Galvanized products including trouble shooting for Hot Dip Galvanizing processes and established the optimum treatment processes and Hot Dip Galvanizing parameters.

From 1993 till to date, he is in-charge of implementing the Company's Quality Control under the BS EN ISO 9001 Quality Management System, Company's Enterprise Risk Management and Pollution Control operation.

Notes to Key Senior Management's profile:-

1. Directorships

None of the above members Key Senior Management has any directorships in public companies and listed issuers.

2. Family Relationship

Save as disclosed of family relationship by Mr Liew Sui Kum, none of the above members Key Senior Management have any family relationship with any Director and/or any major shareholders of the Company.

3. Conflict of Interest

None of the above members Key Senior Management has any conflict of interest or potential conflict of interest, including any interest in any competing business with the Company or its subsidiaries.

4. Conviction of Offences

None of the above members Key Senior Management has been convicted of any offence within the past five (5) years, other than traffic offences (if any) and no public sanctions or penalties were imposed on them by the relevant regulatory bodies during the financial year ended 31 December 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) presents this Statement to provide our shareholders and investors with an overview of the corporate governance (“**CG**”) practices of the Group during the financial year ended 31 December (“**FYE**”) 2024. This overview takes guidance from the key CG principles set out in the Malaysian Code on Corporate Governance (“**MCCG**”).

This Statement is prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**MMLR**”) and is to be read in conjunction with the CG Report 2024 (“**CG Report**”) which is available on the Company’s website at www.lysaghtgalvanizedsteelbhd.com.

The CG Report provides the explanations on how the Group applied each Practice set out in the MCCG during FYE 2024.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

(a) Board Responsibilities

The Board acknowledges and fully supports the importance of corporate governance in directing and managing the businesses and affairs of the Group, and to safeguard and enhance shareholders’ value and performance of the Group on a sustainable and long term basis.

The Board determines the Group’s strategic objectives and ensures that required resources are in place for the Group to meet its objectives and to guide the Group on its short term and long term goals, providing advice, stewardship and directions on the management and business development of the Group. The Board also sets the Group’s values and standards and ensure that its obligations to the shareholders and other stakeholders are understood and fulfilled.

The roles and responsibilities of the Board are formalised in the Board Charter. The Board Charter also clearly sets all relevant governance matters and applicable limits of authority, including matters reserved for the Board and those which are expressly delegated to Board committees, the Chairman of the Board (“**Chairman**”), the Chief Executive Officer (“**CEO**”) or a nominated member of Executive Management. The Board Charter is reviewed periodically or as and when changes occur to ensure that it reflects the current needs of the Group. More information on the Board Charter can be found on the Company’s website.

In furtherance of the above and to ensure orderly and effective discharge of its functions and responsibilities, the Board has established the following Board committees:

- Audit Committee (“**AC**”)
- Nomination Committee (“**NC**”)
- Remuneration Committee (“**RC**”)
- Sustainability and Risk Management Committee (“**SRMC**”)

By leveraging the expertise of these Board committees and empowering them to provide independent insights and recommendations, the Board is better equipped to make informed decisions and navigate complex challenges in an effective and efficient manner.

The duties and power delegated to these Board committees are set out by the respective TOR as approved by the Board, which are also available on the Company’s website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

(b) Roles and Responsibilities of the Chairman and CEO

In order to foster a strong governance culture in the Group and to ensure a balance of power and authority, the roles of the Chairman and CEO are strictly separated. This is also to maintain effective supervision and accountability of the Board and Executive Management. The Chairman is responsible for Board effectiveness and to ensure that the conduct and working of the Board are in an orderly and effective manner while the CEO takes on the primary responsibility of managing the Group's businesses and resources as well as overseeing and managing the day-to-day operations of the Group.

(c) Company Secretaries

The Board members have full and unrestricted access to the Company Secretary who is a member of the Malaysian Institute of Chartered Secretaries and Administrators. In addition to the corporate secretarial administrative responsibilities, Company Secretary also advises the Board on the roles and responsibilities, corporate disclosures and compliance, corporate governance developments and practices.

(d) Strategies in Promoting Sustainability

The Board recognises the growing importance of sustainability in business and in creating long term value to stakeholders and society at large. The Company aims to integrate the principles of sustainability into the Group's strategies, policies and procedures and create a culture of sustainability within the Group and the community, with an emphasis on incorporating the economic, environmental, social and governance considerations into decision making and the delivery of outcomes.

During the year, the Terms of Reference ("TOR") for the Risk Management Committee were expanded to include the responsibility of supporting the Board in fulfilling its duties concerning the Group's sustainability strategy. This includes a focus on economic, environmental, and social aspects. As a result, the committee was renamed the Sustainability and Risk Management Committee.

More details of our sustainability activities are entailed in the Sustainability Report in this Annual Report.

(e) Board and Committee Meetings

The Board meets at least quarterly to approve, inter alia, the strategic plans and direction for the Group, the annual business plans and budgets, operational and financial performance reports and quarterly reports and to review the business performance of the Group. Senior management and/or external advisors may be invited to attend Board meetings to advise and/or furnish the Board with information and clarification needed on relevant items on the agenda to enable the Directors to arrive at a considered decision.

All Board meetings are furnished with proper agenda with due notice issued and Board papers as well as reports are prepared by the Management and circulated prior to the meetings to all Directors with sufficient time for their review for effective discussion and decision-making during the meetings. All pertinent issues discussed at the Board meetings in arriving at decisions and conclusions are properly recorded by the Company Secretary.

All Directors are encouraged to declare their time commitment to the Board and to notify the Chairman of the Board before accepting any new directorship in other public listed companies and that the new directorship would not unduly affect their time commitments and responsibilities to the Board. The Board believes that all members must be equally responsible for their overall core responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

(e) Board and Committee Meetings *cont'd*

The Board is satisfied with the level of the time commitment given by the Directors toward fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at the Board meetings during the FYE 2024, as follows:

Director	No. of meetings attended/No. of meetings held ⁽¹⁾	%
Ee Beng Guan ⁽²⁾	5/5	100
Chew Meu Jong	5/5	100
Ir. Aik Siaw Kong	5/5	100
Cheam Low Soo	5/5	100
Chong Sai Sin	5/5	100
Yeoh Sheong Lee	5/5	100
Chong Chin Look ⁽³⁾	4/4	100

⁽¹⁾ Number of meetings held during the respective director's tenure of office during FYE 2024

⁽²⁾ Redesignated as Non-Independent and Non-Executive Chairman with effect from 30 June 2024

⁽³⁾ Appointed as Independent Non-Executive Director on 1 April 2024

(f) Code of Business Ethics Policy, Whistleblower Policy and Anti-Bribery and Corruption Policy

With the core values of the Group rooted in integrity and reliability, the Group has adopted a Code of Business Ethics to govern the standards of ethics and conducts of Directors and employees. This code manages ethical business conduct, conflicts of interest and anti-corruption.

To maintain the highest standards of ethical conduct, the Group also has a formal Whistleblower Policy. As prescribed in this policy, the Board gave their assurance that employees' and third parties' identities will be kept confidential and whistle-blowers would not be at risk to any form of victimisation or retaliation from their superiors or any member of Executive Management provided that the reporting is in good faith. To ensure confidential and independent investigation of all reports, the Group has set up a dedicated email account managed solely by the Senior Independent Director. The contact email account is complaints@lysaghtmarketing.com.my.

The Group also has undertaken an intensive exercise to strengthen the bribery and corruption control framework including delivery of tone-at-the-top messages and awareness campaigns, risk assessments, undertaking control measures by enhancing our policies and procedures, compliance monitoring and enforcements, and training and communication to address the prevention of bribery and corruption, and the requirements of the Malaysian Anti-Corruption Commission's Adequate Procedures Guidelines.

The Code of Business Ethics, Whistleblower Policy and Anti-Bribery & Corruption Policy can be viewed on the Company's website.

(g) Conflict of Interest ("COI")

The Directors and Senior Management should conduct themselves with integrity, impartiality, honesty, and professionalism at all times, and to avoid any conflict arising between their role with the Group and their private interests.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

(h) Board Composition

Our NC assists our Board on matters relating to the selection and appointment of members of our Board and Board Committees, including reviewing the board size and composition.

The NC is responsible for determining the appropriate character, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse composition, backgrounds and experience in business. All Directors are expected to be individuals with integrity, high personal and professional ethics, sound business judgment, the ability and willingness to commit sufficient time to the duties of the Board.

As part of a Directors' Fit and Proper Policy adopted in 2022, which must be complied with for all appointments and re-elections of Directors to the Board, the NC will conduct comprehensive review and assessment of candidates, including checks on character and integrity, experience and competence as well as time and commitment of candidates. Upon completion of the assessment, the NC will recommend the proposed candidate to the Board. The Board will deliberate on the recommended candidate and if deemed appropriate, shall approve the appointment of candidate as a Board member. Upon the appointment of the candidate as a new Director or re-election as Director, the fit and proper declaration should be made by the new Director or re-elected Director.

In evaluating the suitability of individual Board members, the Board takes into account several factors, including skills, knowledge, expertise, experience, professionalism and time commitment to effectively discharge his or her role as a Director. Additionally, contributions, background, character, integrity and competence are considered. The Board is mindful of the importance of gender, age and ethnic diversity in the composition of the Board.

The Group is led by an experienced and diversified Board which comprises professionals from various fields to bring together a balance of skills, diversity, mix of experience and expertise in area relevant to enhance the growth of Group's business. The Directors collectively bring with them wide and varied technical, financial and legal experience to enable the Board to lead and control the Group effectively.

The Board currently has one woman among its seven members. The Board opined that given the current state of the Group's business and lifecycle, it is more important to have the right mix of skills on the Board rather than to attaining the 30% threshold as proposed in Practice 5.9 of the MCCG guidelines. Nevertheless, we will still focus on gender-balanced senior management, boardroom and workplace and hence the Board is on the lookout for potential women Directors and shall appoint additional women Directors as and when suitable candidates are identified. We will also explore ways to create a better balance in today's workplace.

The Group's Diversity Policy is set out in the Board Charter, full details of which are available on the Company's website. In this policy, the Board affirms its commitment to provide fair and equal opportunities and nurturing diversity at all levels within the Group. To this end, all persons, regardless of age, gender, ethnicity, cultural background or other personal factors, with appropriate experience and qualifications will be considered equally during recruitment, promotion, remuneration and training. The Board is also committed to workplace diversity ensuring that we value and respect our differences and that our workplace is fair, accessible, flexible and inclusive and free from discrimination.

(i) Director's Training

The Board is aware that continuous training for the Directors is vital for them in discharging their duties effectively. All Directors are encouraged to attend appropriate external training programmes to supplement their knowledge in the latest developments and issues relevant to the Group, especially in the areas of sustainability, corporate governance and regulatory requirements.

All Directors have attended the Mandatory Accreditation Programme ("MAP") Part II on sustainability, as required under the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

(i) Director's Training *cont'd*

The external training programmes, seminars and/or conferences attended by the Directors in office in FYE 2024 were as follows:

Director	Training Programmes/Seminars/Conferences
Ee Beng Guan	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading For Impact (LIP) • E-Invoicing for Law Firms • Remote Witnessing • Illegality and Public Policy in Commercial Contracts • AMLA Compliance: Key Practices for Legal Professionals Bank Negara, Malaysia
Chew Meu Jong	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading For Impact (LIP) • Webinar on Dividend Tax
Ir. Aik Siaw Kong	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading For Impact (LIP) • Bursa Academy: Conflict of Interest ("COI") and Governance of COI • KPMG Board Leadership Center Exclusive - Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024
Cheam Low Soo	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading For Impact (LIP) • Webinar on Dividend Tax
Chong Sai Sin	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading For Impact (LIP) • Financial Planning for Professional Roadshow (Physical) • MIA Forum with Practitioners • Climate Governance 101 – A Board's Guide to Effective Oversight • Preparing MPERS Compliant Financial Statements • Being Sued as an INED – A Personal Journey • MIA Webinar Series: ISA 570 (Revised) on Going Concern Assessment & Evaluation • National Tax Conference 2024 • Tax Audits, Investigations and Raids – Tips for In-house Tax Leaders • Bursa Academy: Conflict of Interest ("COI") and Governance of COI • 2025 Budget Seminar
Yeoh Sheong Lee	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading For Impact (LIP) • e-Invoice: Awareness, Compliance And Implementation Strategy • Auditing of Construction Contracts & Property Development Activities
Chong Chin Look	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading For Impact (LIP) • Malaysia Market Outlook 2024 – Propelling Malaysia Forward • Navigating the Post-Budget Landscape: Investment Opportunities in Malaysia

The Board (via the NC and with assistance of the Company Secretary) shall continue to evaluate and determine the training needs of the Directors to build their knowledge so that they can be up-to-date with the development of the Group's business and industry that may affect their roles and responsibilities.

The Board also reviewed our Group's succession plans for key and critical positions, ensuring that an emergency cover plan for critical leadership roles is in place at all times, and an adequate talent pipeline.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

(j) Activities of Nomination Committee

The Board (via the NC) evaluates the effectiveness of the Board as a whole, all committees of the Board and the contribution of each individual Director.

This evaluation which is done annually is facilitated by the Company Secretary and conducted using the evaluation forms set out in Bursa Malaysia Securities Berhad's Corporate Governance Guide covering the following aspects:

- (i) Board and Board committees
 - Board mix and composition
 - Quality of information and decision making
 - Boardroom activities
 - Board's relationship with the management
 - Environmental, social and governance issues
- (ii) Directors
 - Fit and proper
 - Contribution and performance
 - Calibre and personality
 - Independence on independent directors

As for the AC, the annual evaluation is done in two components:

- (i) The AC as a whole
 - Quality and composition
 - Skills and competencies
 - Meeting administration and conduct
- (ii) Self and peer evaluation by the AC members

Based on the evaluation carried out for FYE 2024, the NC has informed the Board that it was satisfied with the contribution and performance of each individual Director.

In ensuring the Directors to be re-elected are fit and capable to continue their position as a Director, the NC performed the fit and proper assessment in accordance with the Directors' Fit and Proper Policy of the Company.

The Board is mindful of the recommendation of the MCCG on limiting the tenure of Independent Directors to nine (9) years of service. However, the Board may, in appropriate cases and subject to the assessment of the NC on an annual basis, retain an Independent Director who has served a consecutive or cumulative term of nine (9) years to continue to serve as Independent Director subject to shareholders' approval.

On 30 June 2024, the Board re-designated Mr Ee Beng Guan as Non-Independent and Non-Executive Chairman as he had exceeded the mandatory 9 years tenure limit for Independent Directors.

As of the date of the forthcoming 46th Annual General Meeting ("AGM"), all the current Independent Directors have been in office for not more than nine years.

One-third of the Directors are required by rotation to submit themselves for re-election by shareholders at every AGM of the Company. NC also nominated the Directors who will be retiring at the forthcoming AGM and recommended to the Board for their re-election be tabled at the forthcoming AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

(k) Activities of Remuneration Committee

The Board (via the RC) will ensure that the Group's levels of remuneration commensurate with the skills and responsibilities expected of Senior Management as well as the Directors and that it must be sufficient to attract and retain talent needed to run the Group successfully. The Board, as a whole, determines the remuneration of the Directors and each individual Director is required to abstain from discussing his/her own remuneration. The RC is guided by market norms and industry practices when making recommendations for the compensation and benefits of Directors and Senior Management.

The RC's recommended remuneration for Directors and Senior Management is subject to Board's approval as it is the ultimate responsibility of the Board to approve the remuneration of the Directors and Senior Management.

In relation to the fees and allowances for Directors, it will be presented at the AGM for shareholders' approval. The details of the Group's remuneration policies and practices are included in the Board Charter which is available on the Company's website.

The aggregate remuneration paid or payable to the Directors and CEO by the Group and the Company during FYE 2024 is disclosed as follows:

		Fees	Allowance	Remuneration	Benefits	Other	Total
		RM'000	RM'000	RM'000	-in-kind	emoluments	RM'000
					RM'000	RM'000	RM'000
Ee Beng Guan	Non-executive non-independent Chairman	108	11	-	-	-	119
Chew Meu Jong	Non-executive non-independent director	72	11	-	-	-	83
Ir. Aik Siaw Kong	Non-executive non-independent director	72	13	-	-	-	85
Cheam Low Soo	Non-executive non-independent director	72	14	-	-	-	86
Chong Sai Sin	Senior Independent non-executive director	72	21	-	-	-	93
Yeoh Sheong Lee	Independent non-executive director	72	16	-	-	-	88
Chong Chin Look	Independent non-executive director	54	10	-	-	-	64
Ir. Chua Tia Bon	CEO	-	-	803	19	152	974

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

(a) Audit Committee

The AC currently comprises of three members, all of them are Independent Non-Executive Directors, including the Chairman. The AC Chairman is a member of the Malaysian Institute of Accountants (MIA), the Malaysian Institute of Certified Public Accountants (MICPA), Institute of Internal Auditors Malaysia (IIAM) and Chartered Tax Institute of Malaysia (CTIM). None of the current members of the AC is a former partner of the external audit firm of the Group.

The AC has policies and procedures to review, assess and monitor the performances, suitability and independence of the external auditors to safeguard the quality and reliability of audited financial statement. Prior to the commencement of the annual audit, the AC will seek confirmation from the external auditors as to their independence. This independence confirmation would be re-affirmed by the external auditors to the AC upon their completion of the annual audit. These confirmations were made pursuant to the independence guidelines of the Malaysian Institute of Accountants.

Further details on the work performed by AC in furtherance of its oversight role are set out in the AC Report on pages 78 to 80 of this Annual Report.

(b) Risk Management and Internal Control Framework

The Board fulfils its responsibilities in the risk governance and oversight functions through the SRMC via a risk management framework which adopts a structured and integrated approach in managing key business risks. This framework together with the system of internal control are designed to manage the Group's risks within its risk appetite rather than to eliminate, the risk of failure to achieve the Group's business and corporate objectives.

As for the adequacy and effectiveness of the system of internal control, it is reviewed by the AC with assistance from the internal auditors. The internal audit function is outsourced to an independent professional consulting firm to provide an independent and objective assurance on the effectiveness of governance, risk management processes and internal control system of the Group. The internal auditors' independence is maintained by reporting functionally to the Board through the AC and administratively to Executive Management. Internal audit reports which are issued have to be tabled to the AC for review and Executive Management is required to be present at the AC meetings to respond and provide feedback on the audit findings and recommended improvements. In addition, Executive Management is also required to present to the AC in meeting, status updates on significant matters and changes in key processes that could impact the Group's operations.

Based on the above, the Board is of the view that the risk management process and system of internal control were in place during FYE 2024 for identifying, evaluating and managing significant risks faced or potentially to be encountered by the Group.

Further details of the risk management and internal control framework are set out in the Statement on Risk Management and Internal Control on pages 75 to 77 of this Annual Report.

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

(a) Communication with Stakeholders

The Group engages regularly with its stakeholders at Group and/or business level, depending on the particular issue. At a Group level we engage with a variety of stakeholder groups including shareholders, investing public in general and governments, through a range of methods.

As part of daily business activities and through structured processes, our businesses routinely engage with customers, suppliers, regulators and industry bodies. Detailed information about our approach to stakeholder engagement and specific activities this year can be found on pages 21 to 22 of Sustainability Report.

The Board is committed to ensuring that communications to shareholders and the investing public in general, regarding the businesses, operations and financial performance of the Group is timely and factual and are available on an equal basis. Although the Board does not have a formalised corporate disclosure policy, the Group has in place procedures to enable it to comply strictly with the disclosure requirements of all applicable legal and regulatory requirements. Information is disseminated via annual reports, circulars /statements to shareholders, quarterly and annual financial statements, and announcements from time to time.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *cont'd*

(a) Communication with Stakeholders *cont'd*

The release of announcements and information by the Group to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) are handled by the CEO or the Company Secretary within the prescribed requirements of the MMLR and guided by the Corporate Disclosure Guide issued by Bursa Securities. As these announcements and information can be price-sensitive, they are only released after having being reviewed by the CEO and/or the Board where necessary.

The Company’s website also provides all relevant information to stakeholders and the investing community. Quarterly and annual financial statements, announcements, financial information, annual reports, and circular/statements to shareholders are uploaded onto the website for investors and the public.

Any shareholders’ queries or concerns relating to the Group may be conveyed to the Chairman or CEO at the Group’s principal place of business as detailed below:

No. 11, Jalan Majistret U1/26, Seksyen U1
Hicom-Glenmarie Industrial Park
40150 Shah Alam
Selangor Darul Ehsan
Telephone no.: +603-7880 3750
Facsimile no.: +603-7880 3720

Mr. Chong Sai Sin, the Senior Independent Director, is designated by the Board to be the contact for consultation and direct communication with shareholders on areas that cannot be resolved through the normal channels with the Chairman or CEO. He too can be contacted at the above address.

(b) Conduct of General Meetings

The AGM serves as a principal forum for the Group’s dialogue with shareholders. All shareholders are encouraged to attend the AGM, where they can participate and have the opportunity to ask questions and vote on important matters affecting the Group, including the election/re-election of Directors, business operations, and the financial performance and position of the Group.

All Directors attended the 45th AGM held on 13 June 2024. Barring unforeseen circumstances, all Directors (which include the Chairs of all mandated Board committees) will attend the forthcoming 46th AGM to address shareholders’ queries at the meeting. The external auditors will also be present at the meeting to answer shareholders’ queries regarding their audit process and report, the accounting policies adopted by the Group, and their independence.

The Group had appointed Securities Services (Holdings) Sdn. Bhd. as the Poll Administrator to conduct the polling process and Commercial Quest Sdn. Bhd. as the Independent Scrutineer to verify the results of the poll voting.

In line with Practice 13.1, the Company’s Notice of the forthcoming 46th AGM shall be given to shareholders at least 28 days prior to the meeting. With the recent amendments to Paragraph 8.27A of MMLR, which require a listed issuer to hold its general meeting at a physical venue in Malaysia, the forthcoming 46th AGM will continue to be held in a physical format.

The Minutes of the 45th AGM (including all the Questions raised at the meeting and the Answers thereto) held on 13 June 2024 was uploaded to the Company’s website on 12 July 2024 which was not later than 30 business days after the conclusion of the 45th AGM.

KEY FOCUS AREAS AND FUTURE PRIORITIES IN KEY AREAS OF CORPORATE GOVERNANCE PRACTICES

The Board is satisfied that the Group has maintained high standards of corporate governance and strived to achieve the highest level of integrity and ethical standard, in all its business dealings.

Moving forward, the Board will continue to operationalise and improve the Company’s corporate governance practices and instil a risk and governance awareness culture and mindset throughout the organisation in the best interest of all stakeholders.

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board on 23 April 2025.

ADDITIONAL DISCLOSURE REQUIREMENTS

PURSUANT TO APPENDIX 9C OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

The Group did not carry out any fund raising corporate proposals during the financial year ended 31 December (“**FYE**”) 2024.

MATERIAL CONTRACTS

Save for the related party transactions as disclosed in Note 26 to the Financial Statements, neither the Company nor any of its subsidiary companies have entered into any material contracts which involved the Directors’ and/or major shareholders’ interests, which were still subsisting at the end of FYE 2024 or which were entered into since the end of FYE 2023.

AUDIT AND NON-AUDIT FEES

The audit fees paid or payable by the Company and the Group to the external auditors for FYE 2024 amounted to RM112,000 and RM238,623 respectively. As for non-audit fees incurred for services rendered to the Company and the Group by the external auditors or a firm or corporation affiliated to the external auditors during FYE 2024, the amount concerned was RM44,000 for the Company and the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This Statement on Risk Management and Internal Control which has been prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“**Guidelines**”) is made pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**MMLR**”).

BOARD’S RESPONSIBILITY

The Board of Directors (“**Board**”) acknowledges that risk management and internal controls are integral to corporate governance and that it is responsible for establishing a sound risk management framework and internal controls system as well as to ensure their adequacy and effectiveness. The Board recognises that the Group’s risk management framework and internal controls system are designed to manage the Group’s risks within its acceptable risk appetite, rather than to eliminate the risk of failure to achieve the Group’s business and corporate objectives. As risks are inherent in all business activities, the said framework and system provide reasonable, rather than absolute assurance against the risks of material misstatement of financial information or against financial losses and fraud or breaches of laws or regulations.

The Board confirms that there is an ongoing risk management process established to identify, evaluate and manage significant risks to mitigate the risks that may impede the achievement of the Group’s business and corporate objectives.

The review of the adequacy and effectiveness of the risk management framework and the system of internal controls is delegated by the Board to the Sustainability and Risk Management Committee (“**SRMC**”).

RISK MANAGEMENT PROCESS

The risk management framework adopts a structured and integrated approach in managing key business risks to safeguard the Group’s assets and shareholders’ interests.

The SRMC reviews the adequacy and effectiveness of the risk management process bi-annually. In this respect, it is assisted by the Chief Executive Officer (“**CEO**”) to identify and assess risks as well as to ensure that the risk management process is adequate and effective. All policies and procedures formulated to identify, measure and monitor various risk components are reviewed by the SRMC. Additionally, the SRMC reviews and assesses the adequacy of the risk management policies and ensures that the infrastructure, resources and systems are in-place for implementing the risk management process.

The Group has also drawn up an Anti-Bribery and Corruption Policy in view of the implementation of the corporate liability provision under Section 17A of the Malaysia Anti-Corruption Commission (Amendment) Act 2018, which was enforced with effect from 1 June 2020.

The members of the SRMC during the financial year ended (“**FYE**”) 31 December 2024 and as at the date of this Statement were:

Ir. Aik Siaw Kong, ^{KMN} – *Chairman (Non-Independent Non-Executive Director)*

Ee Beng Guan (*Non-Independent Non-Executive Director*)

Cheam Low Soo (*Non-Independent Non-Executive Director*) (*appointed on 16 May 2024*)

Yeoh Sheong Lee (*Independent Non-Executive Director*) (*resigned on 16 May 2024*)

The risk management process involves the key management staff in each functional or operating unit of the Group and is managed by the SRMC with assistance from the CEO. The risks identified remain the foundation in developing a risk profile and the action plans to assist Executive Management to manage and respond to these risks.

The risk management framework establishes the context of risk in relation to the Group’s business and sets out the process for risk identification, measurement and treatment with continuous monitoring, review and communication. The risks identified will then be consolidated and presented for deliberation during the half yearly SRMC meeting. In this respect, key business risks were identified or reaffirmed. Following this, Executive Management together with the SRMC developed standard operating procedures to manage these risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

RISK MANAGEMENT PROCESS *cont'd*

The Group's risk management practices are business driven and the processes in identifying, evaluating and managing significant risks facing the Group are communicated to all levels.

Appropriate mitigating activities and control procedures are also put in place to deal with any deficiencies identified.

INTERNAL CONTROL SYSTEM

The Board acknowledges the importance of the internal audit function and is committed to articulating, implementing and reviewing the Group's system of internal controls. The internal audit function has been outsourced to an independent professional service provider to assist the Board as well as the Audit Committee ("AC") in discharging their responsibilities and duties. To ensure independence, the internal auditors report directly to the AC.

The internal audit of the Group is carried out in accordance with a risk-based audit plan approved by AC. The internal audit provides an assessment of the adequacy, efficiency and effectiveness of the Group's system of internal controls. The audit findings and relevant recommended improvements are presented to the AC during their quarterly meetings. In addition, the internal auditors also perform follow-up reviews to ensure that recommendations for improvements are implemented.

The key elements of the internal controls system of the Group include:

1. An organisation structure with defined lines of responsibility, authority and accountability;
2. Approval and authority limits are imposed on Executive Management in respect of day-to-day operations as well as major non-operating transactions;
3. Formalised standard operating procedures are in place to ensure compliance with internal controls and the relevant laws and regulations;
4. Internal quality audits and periodic surveillance audits (by LLOYD's Register Quality Assurance) are conducted to provide assurance of compliance for continuous certification with ISO 9001:2015 - Quality Management System and ISO 14001:2015 - Environmental Management System;
5. The Board and the AC meet at least every quarter to discuss the Group's financial performance, business operations and strategies, corporate updates and internal audit findings, if any;
6. Management financial statements and reports are prepared monthly while consolidated reports are prepared quarterly for monitoring of actual performance by the CEO and senior management;
7. Key functions such as finance, taxation, treasury, corporate secretarial and compliance and legal matters are controlled centrally;
8. A fully independent AC comprising exclusively Independent Directors with full and unrestricted access to both internal and external auditors; and
9. The quarterly financial results and yearly audited financial statements reviewed by the AC prior to their approval by the Board.

MANAGEMENT'S RESPONSIBILITIES

The Board has reviewed the adequacy and effectiveness of the Group's risk management framework and system of internal controls for FYE 2024 and up to the date of this Statement and necessary actions have been and are being taken to remedy any significant failings or weaknesses for the period. There were no significant risk management and internal control aspects that would have resulted in any material losses or contingencies that would require disclosure in this Annual Report. The Board is of the view that the risk management process and system of internal controls are in place for the period.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

MANAGEMENT'S RESPONSIBILITIES *cont'd*

Executive Management is accountable to the Board for identifying risks relevant to the business of the Group. This would include implementing, maintaining sound risk management practices, monitoring and reporting to the Board on any significant control deficiencies as well as changes in risks that could affect the Group's objectives and performance.

The CEO and Chief Financial Officer have provided assurance to the Board that the Group's risk management process and internal controls system were operating adequately and effectively in all material aspects, and that there were no material losses incurred as a result of any deficiencies in internal controls that would require disclosure in this Annual Report.

The Board and Executive Management will continuously review and evaluate risks to ensure shareholders' interests and the Group's assets are safeguarded.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement. Their review procedures were performed in accordance with Audit and Assurance Practice Guide 3: Guidance for Auditors on the Review of Statement on Risk Management and Internal Control ("**AAPG 3**"), issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management process and system of internal controls. AAPG 3 also does not require the external auditors to consider whether the processes described to deal with the material internal control aspects of significant problems, if any, disclosed in this Annual Report will, in fact, remedy the problems.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared in all material aspects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Guidelines, nor is it factually inaccurate.

This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board dated 23 April 2025.

AUDIT COMMITTEE REPORT

The Audit Committee (“**AC**”) was established to act as a committee of the Board of Directors (“**Board**”) with the primary objective of assisting the Board in fulfilling its fiduciary duties in relation to:

- Assessing the processes in relation to the risk and control environment;
- Overseeing financial reporting and internal controls; and
- Evaluating the internal and external audit processes.

The AC is guided by its terms of reference (“**ToR**”) which can be viewed on the Company’s website at www.lysaghtgalvanizedsteelbhd.com.

Complying to Paragraph 15.20 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**MMLR**”), the Board has, through Nomination Committee, reviewed the terms of office and performance of the AC members annually through the AC Evaluation Form. The Board is satisfied that for the financial year ended 31 December (“**FYE**”) 2024, the AC members have been able to discharge their functions, duties and responsibilities in accordance with the ToR.

MEMBERSHIP AND MEETINGS

The AC is chaired by Chong Sai Sin. It comprises three Non-Executive Directors and all of whom are independent, which is in line with the Malaysian Code on Corporate Governance and the MMLR.

The members of the AC during FYE 2024 and as of the date of this Report together with their attendance record at AC meetings held during FYE 2024 are as follows:

Name	Designation	Status of Directorship	No. of meetings attended/No. of meetings held ⁽¹⁾
Chong Sai Sin ⁽²⁾	Chairman	Senior Independent Non-Executive Director	5/5
Yeoh Sheong Lee ⁽²⁾	Member	Independent Non-Executive Director	5/5
Chong Chin Look ⁽²⁾⁽³⁾	Member	Independent Non-Executive Director	2/2
Cheam Low Soo ⁽⁴⁾	Member	Non-Independent Non-Executive Director	3/3

⁽¹⁾ Number of meetings held during the respective member’s tenure of office during FYE 2024

⁽²⁾ A member of the Malaysian Institute of Accountants

⁽³⁾ Chong Chin Look appointed as a member of AC on 16 May 2024

⁽⁴⁾ Cheam Low Soo resigned as a member of AC on 16 May 2024

Whilst the AC’s ToR requires the AC to meet at least four times in a financial year, it met five times during FYE 2024. The Company Secretary who is also the secretary to the AC was in attendance during the meetings.

Executive Management, if necessary, were invited to the meetings to deliberate on matters within their purview. The external auditors are also invited to attend the AC meetings to present their audit plan and audit findings and to assist the AC in its review of the year-end financial statements.

The AC Chairman engages on a continuous basis with Executive Management, the external and internal auditors to keep abreast of matters affecting the Group. Where significant issues are noted, the AC Chairman communicates and confers with the other members, either through emails or in meetings. After each meeting, the AC Chairman reports on matters deliberated to the Board for their reference and notation. Matters reserved for the Board’s approval are tabled at Board meetings. The Company Secretary documents the decisions made and actions required and forward them to Executive Management for their action.

AUDIT COMMITTEE REPORT

cont'd

SUMMARY OF ACTIVITIES

The following activities were carried out by the AC in the discharge of its functions and duties to meet its responsibilities during FYE 2024:

(a) Financial Results

- Reviewed and recommended the quarterly financial results of the Group (including announcements) and the annual financial statements of the Group and Company for Board's approval.
- Reviewed and advised on the accuracy of the annual financial statements to ensure they present a true and fair view of the Group's and the Company's financial position and performance.
- Deliberated on significant matters raised by the external auditors including financial reporting issues, significant judgements made by Executive Management, any significant and unusual events or transactions and management's reports and updates on actions recommended by the external auditors for improvement.

(b) External Audit

- Reviewed and approved the external auditors' scope of work and audit plan prior to commencement of the annual audit.
- Analysed and reviewed the proposed external audit fees for approval of the Board.
- Analysed and reviewed the non-audit fees and related costs in respect of non-audit services rendered by the external auditors to ensure that their independence is not impaired.
- Reviewed and discussed with the external auditors, significant matters arising from the audit, significant judgements made by Executive Management and compliance with accounting standards and other legal and regulatory requirements and how all these matters are dealt with and the audit report, and reported the same to the Board.
- Evaluated the performance, suitability and independence of the external auditors and recommended their re-appointment to the Board for approval.
- Met twice during FYE 2024 with the external auditors without the presence of Executive Management to have a frank and candid dialogue, and to exchange free and honest views and opinions.

(c) Internal Audit

- Reviewed and approved the internal audit plan and the internal auditors' scope of work.
- Reviewed and discussed with the internal auditors, their audit findings and issues arising during the course of audit.
- Reviewed the adequacy and effectiveness of corrective actions taken by Executive Management on all significant matters raised by the internal auditors.
- Reviewed and recommended the proposed internal auditors' fees to the Board for approval.
- Evaluated the competency of the internal auditors and their resources to address the risk areas set out in their audit plan.
- Met the internal auditors to have a frank and candid dialogue, and to exchange free and honest views and opinions.

(d) Related Party Transactions ("RPTs") and Recurrent Related Party Transactions ("RRPTs")

- Reviewed the RPTs and RRPTs of the Company on a quarterly basis.
- Reviewed the Circular to Shareholders in relation to the Proposed New Shareholders' Mandate for RRPTs of a revenue or trading nature before recommending the same to the Board for approval. The shareholders have approved the Proposed New Shareholders' Mandate on 13 June 2024.

(e) Conflict of Interest ("COI")

- Reviewed the 'COI Declaration Form' submitted on a half yearly basis by each Director and Key Senior Management for the purpose of identifying, evaluating, disclosure/reporting, monitoring, maintaining and managing COI situations.
- Reported to the Board that no COI was identified and disclosed based on the declarations received.

AUDIT COMMITTEE REPORT

cont'd

SUMMARY OF ACTIVITIES *cont'd*

The following activities were carried out by the AC in the discharge of its functions and duties to meet its responsibilities during FYE 2024: *cont'd*

(f) **Annual Report**

- Reviewed and issued this Report for inclusion in the Annual Report.
- Reviewed the Statement on Risk Management and Internal Control, Corporate Governance Overview Statement and Management Discussion and Analysis of Business Operations and Financial Performance on behalf of the Board for inclusion in the Annual Report and the Corporate Governance Report.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional consulting firm to assist the AC in discharging their responsibilities and duties. The role of the internal audit function is to undertake independent regular and systematic reviews of the system of internal controls so as to provide reasonable assurance that such systems continue to operate satisfactory and effectively in the Group.

The internal auditors present their audit reports which include their findings and recommendations for improvements to the AC for its review and deliberation. The AC also appraised the adequacy of the comments, actions and measures to be taken by Executive Management in resolving the audit issues reported and recommended for further improvement. The internal auditors also carried out follow-up review to monitor the implementation of the said action plans and measures for reporting to the AC.

For FYE 2024, the internal audit scope covered the review of the adequacy and effectiveness of the system of internal controls of the following processes:

- Work in Progress Recording and Reporting
- Review on Recurrent Related Party Transactions & Singapore's Operation

Recommendation for improvement has been put forward for the Board and AC's consideration.

The total costs paid or payable for the internal audit function for FYE 2024 was RM32,000.

Chong Sai Sin
Chairman of Audit Committee
23 April 2025

STATEMENT ON DIRECTORS' RESPONSIBILITY

PURSUANT TO PARAGRAPH 15.26(a) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The Board of Directors ("**Board**") of the Company is required by the Companies Act 2016 ("**Act**") to make a statement expressing an opinion on the financial statements. The Board is of the opinion that the financial statements for the financial year ended 31 December 2024 have been drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at the end of the financial year and of their financial performance and cash flows for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act.

In preparing the financial statements, the Board has:

- reviewed the accounting policies and ensured that they were consistently applied; and
- in cases where judgements and estimates were made, the judgements and estimates concerned were based on reasonableness and prudence.

The Board has relied on the Group's risk management process and system of internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This Statement of Directors' Responsibility is made in accordance with a resolution of the Board dated 23 April 2025.

DIRECTORS' REPORT

for the year ended 31 December 2024

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 Company is principally engaged in the manufacturing of galvanized steel products whilst the principal activities of the subsidiaries are stated in Note 4 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

HOLDING COMPANIES

The Company is a subsidiary of Lysaght (Malaysia) Sdn. Bhd., which is incorporated in Malaysia. The Directors regarded CKH And LIK Family Sdn. Bhd. and Chew Bros (M) Sdn. Bhd., both are incorporated in Malaysia, as the Company's ultimate holding company and penultimate holding company, respectively, during the financial year and until the date of this report.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 4 to the financial statements.

RESULTS

	GROUP RM	COMPANY RM
Profit for the year attributable to:		
Owners of the Company	12,688,417	13,753,627

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in Note 19 to the financial statements.

DIVIDENDS

Since the end of the previous financial year, the amount of dividends paid by the Company were as follows:

- (i) In respect of the financial year ended 31 December 2023 as reported in the Directors' Report of that year:
 - a final single tier dividend of 5 sen per ordinary share totalling RM2,079,000 declared on 29 April 2024 and paid on 24 July 2024.
- (ii) In respect of the financial year ended 31 December 2024:
 - an interim single tier dividend of 8 sen per ordinary share totalling RM3,326,400 declared on 15 August 2024 and paid on 27 September 2024; and
 - a special single tier dividend of 35 sen per ordinary share totalling RM14,553,000 declared on 14 November 2024 and paid on 9 December 2024.

DIRECTORS' REPORT

for the year ended 31 December 2024
cont'd

DIVIDENDS *cont'd*

The final single tier dividends recommended by the Directors in respect of the financial year ended 31 December 2024 is 7 sen per ordinary share amounting to RM2,910,600, which is subject to shareholders' approvals at the forthcoming Annual General Meeting ("AGM") of the Company.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Ee Beng Guan
Chew Meu Jong
Chong Sai Sin
Ir. Aik Siaw Kong
Cheam Low Soo
Yeoh Sheong Lee
Chong Chin Look (Appointed on 1 April 2024)
Chua Tia Bon (Resigned on 31 January 2024)

The person who is a director of the subsidiary of the Company during the financial year (not including those directors listed above) is Johnny Ch'ng.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 31.12.2024
	At 1.1.2024	Bought	(Sold)	
Direct interest in the Company				
Chong Sai Sin	-	2,000	-	2,000
Yeoh Sheong Lee	100	-	-	100
Deemed interest in the Company				
Chew Meu Jong*	22,957,200	-	-	22,957,200
Ultimate holding company CKH And LIK Family Sdn. Bhd.				
Chew Meu Jong**	1	-	-	1

* indirect interest of 31,500 shares deemed through spouse and indirect interest of 22,925,700 shares deemed through Lysaght (Malaysia) Sdn. Bhd.

** indirect interest of 1 share deemed pursuant to consolidation of shareholding following the transfer of shares (in respect of which Chew Meu Jong was not a party) in Chew Bros (M) Sdn. Bhd. to CKH And LIK Family Sdn. Bhd.

None of the other Directors holding office at 31 December 2024 had any interest in the shares of the Company and of its related corporations during the financial year.

DIRECTORS' REPORT

for the year ended 31 December 2024
cont'd

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors of the Company in respect of the financial year ended 31 December 2024 are as follows:

	From the Company
	RM
Directors of the Company:	
Fees	522,000
Allowances	96,500
	<u>618,500</u>

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

ISSUE OF SHARES AND DEBENTURES

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

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amounts of indemnity sum insured and insurance premium paid for the Directors and officers of the Company were RM10,000,000 and RM24,390 respectively. There was no indemnity given to, or insurance effected, for auditors of the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- (i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- (ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

DIRECTORS' REPORT

for the year ended 31 December 2024
cont'd

OTHER STATUTORY INFORMATION *cont'd*

At the date of this report, the Directors are not aware of any circumstances:

- (i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- (ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- (iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- (i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- (ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

SUBSEQUENT EVENT

Significant event subsequent to the end of the reporting period is as disclosed in Note 25 to the financial statements.

DIRECTORS' REPORT

for the year ended 31 December 2024
cont'd

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and of the Company during the year are as follows:

	GROUP	COMPANY
	RM	RM
KPMG PLT	194,000	156,000
Other auditors	88,623	-
	<u>282,623</u>	<u>156,000</u>

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

EE BENG GUAN
Director

CHONG SAI SIN
Director

Date: 23 April 2025

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2024

	Note	GROUP		COMPANY	
		2024	2023	2024	2023
		RM	RM	RM	RM
Assets					
Property, plant and equipment	2	26,767,722	27,794,742	26,678,091	27,751,890
Right-of-use assets	3	11,680,569	12,076,750	9,101,192	9,140,303
Goodwill		7,871	7,871	-	-
Investments in subsidiaries	4	-	-	128,561	128,561
Deferred tax assets	5	246,576	246,957	-	-
Total non-current assets		38,702,738	40,126,320	35,907,844	37,020,754
Inventories	6	28,133,620	31,053,607	27,700,038	30,807,022
Trade and other receivables	7	21,875,661	20,713,232	996,322	496,229
Contract assets	8	9,047	88,074	-	-
Current tax assets		608,498	822,504	419,545	678,338
Fixed deposits placed with licensed banks	9	7,592,404	14,736,024	5,177,607	3,232,779
Cash and cash equivalents	9	81,122,970	79,789,543	33,003,639	36,426,942
Total current assets		139,342,200	147,202,984	67,297,151	71,641,310
Total assets		178,044,938	187,329,304	103,204,995	108,662,064
Equity					
Share capital	10	41,580,000	41,580,000	41,580,000	41,580,000
Other reserves	11	7,130,532	9,938,261	-	-
Retained earnings		120,754,380	128,024,363	54,730,623	60,935,396
Total equity attributable to owners of the Company		169,464,912	179,542,624	96,310,623	102,515,396
Liabilities					
Lease liabilities		31,392	151,785	31,392	151,785
Deferred tax liabilities	5	1,130,000	1,424,000	1,130,000	1,424,000
Total non-current liabilities		1,161,392	1,575,785	1,161,392	1,575,785
Lease liabilities		520,149	237,860	520,149	237,860
Tax payable		713,843	845,711	-	-
Trade and other payables	12	5,245,662	4,613,067	5,212,831	4,333,023
Contract liabilities	8	938,980	514,257	-	-
Total current liabilities		7,418,634	6,210,895	5,732,980	4,570,883
Total liabilities		8,580,026	7,786,680	6,894,372	6,146,668
Total equity and liabilities		178,044,938	187,329,304	103,204,995	108,662,064

The notes on pages 94 to 130 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

GROUP	Note	← Attributable to owners of the Company →				Total RM
		Share capital RM	Capital reserve RM	Translation reserve RM	Retained profits RM	
At 1 January 2023		41,580,000	499,998	6,690,097	119,270,727	168,040,822
Total comprehensive income for the year		-	-	2,748,166	11,248,436	13,996,602
Dividends to owners of the Company	19	-	-	-	(2,494,800)	(2,494,800)
At 31 December 2023/ 1 January 2024		41,580,000	499,998	9,438,263	128,024,363	179,542,624
Total comprehensive income for the year		-	-	(2,807,729)	12,688,417	9,880,688
Dividends to owners of the Company	19	-	-	-	(19,958,400)	(19,958,400)
At 31 December 2024		41,580,000	499,998	6,630,534	120,754,380	169,464,912
		Note 10	Note 11	Note 11		

The notes on pages 94 to 130 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

COMPANY	Note	Distributable		Total RM
		Share capital RM	Retained earnings RM	
At 1 January 2023		41,580,000	58,697,809	100,277,809
Total comprehensive income for the year		-	4,732,387	4,732,387
Dividends to owners of the Company	19	-	(2,494,800)	(2,494,800)
At 31 December 2023/1 January 2024		41,580,000	60,935,396	102,515,396
Total comprehensive income for the year		-	13,753,627	13,753,627
Dividends to owners of the Company	19	-	(19,958,400)	(19,958,400)
At 31 December 2024		41,580,000	54,730,623	96,310,623

Note 10

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2024

	Note	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from operating activities					
Profit before tax		15,847,158	13,805,731	15,566,666	5,726,675
Adjustments for:					
Impairment loss on trade receivables		272,715	159,979	-	-
Dividend income		-	-	(7,000,000)	-
Depreciation of right-of-use assets	3	966,512	965,900	763,387	763,333
Depreciation of property, plant and equipment	2	1,376,292	1,324,919	1,355,787	1,310,971
Interest expense	15	32,908	13,949	32,908	13,949
Loss/(Gain) on disposal of property, plant and equipment		3,014	(13,617)	3,014	(13,207)
Interest income	14	(3,102,676)	(2,648,243)	(1,584,042)	(1,010,029)
Inventories written down	6	738,155	136,299	738,155	136,299
Property, plant and equipment written off		1	21,676	1	21,676
Forfeiture of advance payments from customers	8	(13,003)	(389,158)	-	-
Unrealised loss/(gain) on foreign exchange, net		11,816	18,985	(2,547)	210
Operating profit before changes in working capital		16,132,892	13,396,420	9,873,329	6,949,877
Changes in working capital:					
Contract assets		79,027	(19,650)	-	-
Inventories		2,181,832	12,479,188	2,368,829	12,254,364
Trade and other receivables		(4,283,661)	(4,492,500)	(546,316)	347,189
Trade and other payables		635,142	950,831	882,354	(226,194)
Contract liabilities		437,726	(374,282)	-	-
Cash generated from operations		15,182,958	21,940,007	12,578,196	19,325,236
Net tax (paid)/refunded		(3,327,331)	(745,364)	(1,848,246)	780,448
Net cash from operating activities		11,855,627	21,194,643	10,729,950	20,105,684

The notes on pages 94 to 130 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2024
cont'd

	Note	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from investing activities					
Acquisition of property, plant and equipment	2	(354,400)	(198,533)	(287,183)	(187,830)
Dividend received		-	-	7,000,000	-
Proceeds from disposal of property, plant and equipment		2,180	13,620	2,180	13,210
Interest received		3,247,311	2,497,259	1,630,266	916,950
Withdrawal/(Placement) of fixed deposits placed with licensed banks		7,143,620	(5,833,795)	(1,944,828)	(2,087,717)
Net cash from/(used in) investing activities		10,038,711	(3,521,449)	6,400,435	(1,345,387)
Cash flows from financing activities					
Dividends paid	19	(19,958,400)	(2,494,800)	(19,958,400)	(2,494,800)
Payment of lease liabilities	A	(562,380)	(574,615)	(562,380)	(574,615)
Interest paid	A	(32,908)	(13,949)	(32,908)	(13,949)
Net cash used in financing activities		(20,553,688)	(3,083,364)	(20,553,688)	(3,083,364)
Net increase/(decrease) in cash and cash equivalents		1,340,650	14,589,830	(3,423,303)	15,676,933
Effect of foreign exchange rate changes		(7,223)	(19,420)	-	-
Cash and cash equivalents at 1 January		79,789,543	65,219,133	36,426,942	20,750,009
Cash and cash equivalents at 31 December	9	81,122,970	79,789,543	33,003,639	36,426,942

The notes on pages 94 to 130 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2024
cont'd

Notes to the statement of cash flows

A. Cash outflows for leases as a lessee

	Note	GROUP		COMPANY	
		2024	2023	2024	2023
		RM	RM	RM	RM
Included in net cash from operating activities					
Payment relating to short-term leases	17	(167,720)	(167,520)	(167,720)	(167,520)
Included in net cash from financing activities					
Payment of lease liabilities		(562,380)	(574,615)	(562,380)	(574,615)
Interest paid	15	(32,908)	(13,949)	(32,908)	(13,949)
Total cash outflows for leases		(763,008)	(756,084)	(763,008)	(756,084)

B. Reconciliation of movements of liabilities to cash flows arising from financing activities

GROUP/COMPANY	Lease liabilities RM
At 1 January 2023	547,460
Net changes from financing cash flows	(574,615)
Remeasurement	416,800
At 31 December 2023/1 January 2024	389,645
Net changes from financing cash flows	(562,380)
Remeasurement	724,276
At 31 December 2024	551,541

The notes on pages 94 to 130 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Lysaght Galvanized Steel Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

No.11, Jalan Majistret U1/26
Seksyen U1
Hicom-Glenmarie Industrial Park
40150 Shah Alam
Selangor Darul Ehsan

Registered office

Suite 13.03, 13th Floor
Menara Tan & Tan
207 Jalan Tun Razak
50400 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”).

The Company is principally engaged in the manufacturing of galvanized steel products whilst the principal activities of the subsidiaries are stated in Note 4 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

The Company is a subsidiary of Lysaght (Malaysia) Sdn. Bhd., which is incorporated in Malaysia. The Directors regarded CKH And LIK Family Sdn. Bhd. and Chew Bros (M) Sdn. Bhd., both are incorporated in Malaysia, as the Company’s ultimate holding company and penultimate holding company, respectively, during the financial year and until the date of this report.

These financial statements were authorised for issue by the Board of Directors on 23 April 2025.

1. BASIS OF PREPARATION

1.1 Statement of compliance

The financial statements of the Group have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

NOTES TO THE FINANCIAL STATEMENTS

cont'd

1. BASIS OF PREPARATION *cont'd*

1.1 Statement of compliance *cont'd*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026 except for amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* which are not applicable to the Group.
- from the annual period beginning on 1 January 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The Group and the Company do not plan to apply Amendments to MFRS 128, *Investments in Associates and Joint Ventures* that are effective for annual periods beginning on or after a date yet to be confirmed as they are not applicable to the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

1. BASIS OF PREPARATION *cont'd*

1.1 Statement of compliance *cont'd*

The initial application of the abovementioned accounting standards and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group except as mentioned below:

MFRS 18, *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.
- Management-defined performance measures (“MPMs”) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of adopting MFRS 18.

1.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

1.3 Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency. All financial information is presented in RM unless otherwise stated.

1.4 Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 5 – Deferred tax assets
- Note 6 – Inventories write-down
- Note 21.4.1 – Measurement of expected credit loss (“ECL”)

NOTES TO THE FINANCIAL STATEMENTS

cont'd

2. PROPERTY, PLANT AND EQUIPMENT

GROUP	Freehold land RM	Buildings and electrical installation RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment and renovation RM	Capital work-in- progress RM	Total RM
At 1 January 2023	9,457,959	18,874,586	34,378,540	1,451,457	2,282,271	812,049	67,256,862
Additions	-	-	8,400	91,321	14,295	84,517	198,533
Disposals	-	-	-	(119,054)	(48,138)	-	(167,192)
Written off	-	-	(552,039)	-	(39,434)	(21,664)	(613,137)
Transfers	-	-	868,646	-	-	(868,646)	-
Effect of movements in exchange rates	-	-	-	22,484	25,323	-	47,807
At 31 December 2023/ 1 January 2024	9,457,959	18,874,586	34,703,547	1,446,208	2,234,317	6,256	66,722,873
Additions	-	-	94,920	-	203,417	56,063	354,400
Disposals	-	-	-	-	(66,692)	-	(66,692)
Written off	-	-	-	-	(5,260)	-	(5,260)
Transfers	-	-	62,319	-	-	(62,319)	-
Effect of movements in exchange rates	-	-	-	(21,810)	(24,869)	-	(46,679)
At 31 December 2024	9,457,959	18,874,586	34,860,786	1,424,398	2,340,913	-	66,958,642

NOTES TO THE FINANCIAL STATEMENTS

cont'd

2. PROPERTY, PLANT AND EQUIPMENT *cont'd*

	Freehold land RM	Buildings and electrical installation RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment and renovation RM	Capital work-in- progress RM	Total RM
GROUP <i>cont'd</i>							
Accumulated depreciation							
At 1 January 2023	-	5,460,448	29,385,521	1,421,002	2,047,434	-	38,314,405
Depreciation for the year	-	377,492	872,585	27,838	47,004	-	1,324,919
Disposal	-	-	-	(119,052)	(48,137)	-	(167,189)
Written off	-	-	(552,036)	-	(39,425)	-	(591,461)
Effect of movements in exchange rates	-	-	-	22,484	24,973	-	47,457
At 31 December 2023/ 1 January 2024	-	5,837,940	29,706,070	1,352,272	2,031,849	-	38,928,131
Depreciation for the year	-	377,492	915,742	23,413	59,645	-	1,376,292
Disposal	-	-	-	-	(61,498)	-	(61,498)
Written off	-	-	-	-	(5,259)	-	(5,259)
Effect of movements in exchange rates	-	-	-	(21,810)	(24,936)	-	(46,746)
At 31 December 2024	-	6,215,432	30,621,812	1,353,875	1,999,801	-	40,190,920
Carrying amounts							
At 1 January 2023	9,457,959	13,414,138	4,993,019	30,455	234,837	812,049	28,942,457
At 31 December 2023/ 1 January 2024	9,457,959	13,036,646	4,997,477	93,936	202,468	6,256	27,794,742
At 31 December 2024	9,457,959	12,659,154	4,238,974	70,523	341,112	-	26,767,722

NOTES TO THE FINANCIAL STATEMENTS

cont'd

2. PROPERTY, PLANT AND EQUIPMENT *cont'd*

COMPANY	Freehold land RM	Buildings and electrical installation RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment and renovation RM	Capital work-in- progress RM	Total RM
Cost							
At 1 January 2023	9,457,959	18,874,585	34,334,061	1,008,301	1,041,169	812,050	65,528,125
Additions	-	-	8,400	91,322	3,592	84,516	187,830
Disposals	-	-	-	(119,054)	(18,300)	-	(137,354)
Written off	-	-	(552,039)	-	(39,434)	(21,664)	(613,137)
Transfers	-	-	868,646	-	-	(868,646)	-
At 31 December 2023/ 1 January 2024	9,457,959	18,874,585	34,659,068	980,569	987,027	6,256	64,965,464
Additions	-	-	94,920	-	136,200	56,063	287,183
Disposals	-	-	-	-	(23,951)	-	(23,951)
Written off	-	-	-	-	(5,260)	-	(5,260)
Transfers	-	-	62,319	-	-	(62,319)	-
At 31 December 2024	9,457,959	18,874,585	34,816,307	980,569	1,094,016	-	65,223,436

NOTES TO THE FINANCIAL STATEMENTS

cont'd

2. PROPERTY, PLANT AND EQUIPMENT *cont'd*

	Freehold land RM	Buildings and electrical installation RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment and renovation RM	Capital work-in- progress RM	Total RM
COMPANY <i>cont'd</i>							
Accumulated depreciation							
At 1 January 2023	-	5,460,448	29,341,042	977,847	852,078	-	36,631,415
Depreciation for the year	-	377,492	872,585	27,838	33,056	-	1,310,971
Disposals	-	-	-	(119,052)	(18,299)	-	(137,351)
Written off	-	-	(552,036)	-	(39,425)	-	(591,461)
At 31 December 2023/ 1 January 2024	-	5,837,940	29,661,591	886,633	827,410	-	37,213,574
Depreciation for the year	-	377,492	915,742	23,413	39,140	-	1,355,787
Disposals	-	-	-	-	(18,757)	-	(18,757)
Written off	-	-	-	-	(5,259)	-	(5,259)
At 31 December 2024	-	6,215,432	30,577,333	910,046	842,534	-	38,545,345
Carrying amounts							
At 1 January 2023	9,457,959	13,414,137	4,993,019	30,454	189,091	812,050	28,896,710
At 31 December 2023/ 1 January 2024	9,457,959	13,036,645	4,997,477	93,936	159,617	6,256	27,751,890
At 31 December 2024	9,457,959	12,659,153	4,238,974	70,523	251,482	-	26,678,091

NOTES TO THE FINANCIAL STATEMENTS

cont'd

2. PROPERTY, PLANT AND EQUIPMENT *cont'd*

2.1 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated depreciation rate for the current and comparative periods are as follows:

Buildings and electrical installation	2%
Plant and machinery	10% to 20%
Motor vehicles	20%
Furniture, fittings and office equipment	10%
Renovation	20%

3. RIGHT-OF-USE ASSETS

GROUP	Land RM	Premises RM	Total RM
At 1 January 2023	8,947,270	3,505,465	12,452,735
Remeasurement	-	416,800	416,800
Depreciation for the year	(193,005)	(772,895)	(965,900)
Effect of movements in exchange rates	-	173,115	173,115
At 31 December 2023/1 January 2024	8,754,265	3,322,485	12,076,750
Remeasurement	-	724,276	724,276
Depreciation for the year	(193,006)	(773,506)	(966,512)
Effect of movements in exchange rates	-	(153,945)	(153,945)
At 31 December 2024	8,561,259	3,119,310	11,680,569

NOTES TO THE FINANCIAL STATEMENTS

cont'd

3. RIGHT-OF-USE ASSETS *cont'd*

COMPANY	Land RM	Premises RM	Total RM
At 1 January 2023	8,947,270	539,566	9,486,836
Remeasurement	-	416,800	416,800
Depreciation for the year	(193,005)	(570,328)	(763,333)
At 31 December 2023/1 January 2024	8,754,265	386,038	9,140,303
Remeasurement	-	724,276	724,276
Depreciation for the year	(193,006)	(570,381)	(763,387)
At 31 December 2024	8,561,259	539,933	9,101,192

The parcels of leasehold land of the Group and the Company are depreciated over the lease terms of 63 to 85 years. Included in premises of the Group is leasehold office space with carrying amount of RM2,579,377 (2023: RM2,936,447) depreciated over the lease term of 26 years. The Company leases two factory buildings from related companies that run for 2 years with option to renew the leases after that date.

3.1 Extension option

The leases of factory buildings contain extension option exercisable by the Company up to 2 years before the end of the contracted period. Management seeks not to include the extension option in the remeasurement of the leases as the management is not reasonably certain the extension option will be exercised.

Subsequent to the end of the reporting period, on 9 April 2025, the Company entered into two conditional sale and purchase agreements to acquire the buildings (see Note 25).

3.2 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(c) Recognition exemption

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

4. INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2024 RM	2023 RM
Unquoted shares at cost	128,561	128,561

NOTES TO THE FINANCIAL STATEMENTS

cont'd

4. INVESTMENTS IN SUBSIDIARIES *cont'd*

Details of the subsidiaries are as follows:

Name of entities	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024	2023
Direct subsidiary				
Lysaght Marketing Sdn. Bhd.	Malaysia	Trading in galvanized steel poles, masts and related products.	100%	100%
Indirect subsidiary				
Lysaght Marketing (S) Pte. Ltd. ^{#^}	Singapore	Trading in galvanized lighting columns and high masts, gantries, transmission and telecommunication towers, power poles and general lattice structures.	100%	100%

Not audited by member firms of KPMG PLT

^ *Held through Lysaght Marketing Sdn. Bhd.*

4.1 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. DEFERRED TAX ASSETS/(LIABILITIES)

5.1 Recognised deferred tax assets/(liabilities)

Deferred tax assets/(liabilities) are attributable to the following:

	← Assets →		← (Liabilities) →		← Net →	
	2024	2023	2024	2023	2024	2023
	RM	RM	RM	RM	RM	RM
GROUP						
Property, plant and equipment	-	-	(1,433,000)	(1,689,000)	(1,433,000)	(1,689,000)
Unutilised tax losses	-	147,000	-	-	-	147,000
Provisions	550,576	362,957	-	-	550,576	362,957
Others	-	2,000	(1,000)	-	(1,000)	2,000
Tax assets/(liabilities)	550,576	511,957	(1,434,000)	(1,689,000)	(883,424)	(1,177,043)
Set-off of tax	(304,000)	(265,000)	304,000	265,000	-	-
Net tax assets/(liabilities)	246,576	246,957	(1,130,000)	(1,424,000)	(883,424)	(1,177,043)
COMPANY						
Property, plant and equipment	-	-	(1,428,000)	(1,684,000)	(1,428,000)	(1,684,000)
Unutilised tax losses	-	147,000	-	-	-	147,000
Provisions	299,000	111,000	-	-	299,000	111,000
Others	-	2,000	(1,000)	-	(1,000)	2,000
Tax assets/(liabilities)	299,000	260,000	(1,429,000)	(1,684,000)	(1,130,000)	(1,424,000)
Set-off of tax	(299,000)	(260,000)	299,000	260,000	-	-
Net tax liabilities	-	-	(1,130,000)	(1,424,000)	(1,130,000)	(1,424,000)

NOTES TO THE FINANCIAL STATEMENTS

cont'd

5. DEFERRED TAX ASSETS/(LIABILITIES) *cont'd*

5.2 Movement in temporary differences during the year

	At 1.1.2023		Recognised in profit or loss (Note 16)		Effect of movements in exchange rates		At 31.12.2023/1.1.2024		Recognised in profit or loss (Note 16)		Effect of movements in exchange rates		At 31.12.2024	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
GROUP														
Property, plant and equipment	(1,967,000)		278,000	-	(1,689,000)		256,000	-	(1,433,000)					
Unutilised tax losses	380,000		(233,000)	-	147,000		(147,000)	-	-					
Unabsorbed capital allowances	815,000		(815,000)	-	-		-	-	-					
Provisions	357,564		5,000	393	362,957		188,000	(381)	550,576					
Others	3,000		(1,000)	-	2,000		(3,000)	-	(1,000)					
	(411,436)		(766,000)	393	(1,177,043)		294,000	(381)	(883,424)					
COMPANY														
Property, plant and equipment	(1,962,000)		278,000	-	(1,684,000)		256,000	-	(1,428,000)					
Unutilised tax losses	380,000		(233,000)	-	147,000		(147,000)	-	-					
Unabsorbed capital allowances	815,000		(815,000)	-	-		-	-	-					
Provisions	106,000		5,000	-	111,000		188,000	-	299,000					
Others	3,000		(1,000)	-	2,000		(3,000)	-	(1,000)					
	(658,000)		(766,000)	-	(1,424,000)		294,000	-	(1,130,000)					

The Directors are of the view that the recognised deferred tax assets are realisable as the subsidiaries have been profitable in the current and past years and it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The deductible temporary differences do not expire under current tax legislation.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

6. INVENTORIES

	Note	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Raw materials		13,281,939	13,497,123	13,281,939	13,497,123
Work-in-progress		5,322,414	6,491,749	5,322,414	6,491,749
Finished goods		8,756,888	10,507,018	8,323,306	10,260,433
Production supplies		772,379	557,717	772,379	557,717
		<u>28,133,620</u>	<u>31,053,607</u>	<u>27,700,038</u>	<u>30,807,022</u>
Recognised in profit or loss:					
Inventories recognised as cost of sales		65,727,571	59,761,704	60,158,099	52,563,326
Inventories written down	a	<u>738,155</u>	<u>136,299</u>	<u>738,155</u>	<u>136,299</u>

Note a

Management considers future demands and ageing analysis of inventories to arrive at the best estimate of the net realisable value of the inventories. Such evaluation process requires significant judgement and may affect the carrying amount of the inventories at the end of the reporting period.

6.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is calculated using the weighted average method except for production supplies which is determined on the first-in-first-out method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

7. TRADE AND OTHER RECEIVABLES

	Note	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Trade					
Trade receivables		21,005,600	19,945,319	47,084	-
Amount due from a subsidiary	a	-	-	317,842	-
Amount due from a related company	a	39,968	32,865	39,968	32,865
		<u>21,045,568</u>	<u>19,978,184</u>	<u>404,894</u>	<u>32,865</u>
Non-trade					
Other receivables		191,845	63,505	16,350	45,850
Interest income receivable		241,417	386,052	199,947	153,723
Deposits	b	305,781	285,491	284,081	263,791
Prepayments		91,050	-	91,050	-
		<u>830,093</u>	<u>735,048</u>	<u>591,428</u>	<u>463,364</u>
		<u>21,875,661</u>	<u>20,713,232</u>	<u>996,322</u>	<u>496,229</u>

Note a

The amounts due from a subsidiary and a related company arise from trade transactions are unsecured, interest free and repayable within the credit term of 60 days (2023: 60 days).

NOTES TO THE FINANCIAL STATEMENTS

cont'd

7. TRADE AND OTHER RECEIVABLES *cont'd*

Note b

Included in deposits of the Group and the Company is RM110,510 (2023: RM110,510), which are utilities deposits for rental of factory buildings from related companies.

8. CONTRACT ASSETS/(LIABILITIES)

GROUP	Note	2024 RM	2023 RM
Contract assets	a	9,047	88,074
Contract liabilities	b	(938,980)	(514,257)

Note a

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for sales of goods. Contract assets are transferred to receivables when the rights become unconditional.

Note b

Contract liabilities represent advance consideration received from certain customers for sales of galvanised products, which revenue is recognised upon transfer of goods.

Significant changes to contract liabilities

	2024 RM	2023 RM
Contract liabilities at the beginning of the year recognised as revenue	428,986	797,732
Contract liabilities at the beginning of the year recognised as forfeiture income due to the advance payments are time-barred from any refund claims	13,003	389,158

9. FIXED DEPOSITS PLACED WITH LICENSED BANKS AND CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed deposits placed with licensed banks				
Fixed deposits with more than 3 months maturity period	7,592,404	14,736,024	5,177,607	3,232,779

Fixed deposits placed with licensed banks have maturity periods of 181 to 182 days (2023: 181 to 183 days). The effective interest rates per annum of the fixed deposits of the Group and of the Company range from 3.75% to 4.00% (2023: 3.40% to 4.00%) and 3.75% to 4.00% (2023: 3.70% to 3.75%) respectively.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

9. FIXED DEPOSITS PLACED WITH LICENSED BANKS AND CASH AND CASH EQUIVALENTS *cont'd*

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and cash equivalents				
Short-term deposits	63,543,181	67,074,056	30,160,030	34,093,743
Cash and bank balances	17,579,789	12,715,487	2,843,609	2,333,199
	81,122,970	79,789,543	33,003,639	36,426,942

Short-term deposits placed with licensed banks have maturity periods of 6 to 94 days (2023: 6 to 92 days). The effective interest rates per annum of the short-term deposits of the Group and of the Company during the year range from 2.70% to 3.95% (2023: 2.60% to 3.95%) and 3.75% to 3.95% (2023: 2.60% to 3.95%) respectively.

10. SHARE CAPITAL

GROUP/COMPANY

	2024		2023	
	Number of shares	Amount RM	Number of shares	Amount RM
Issued and fully paid ordinary shares with no par value				
At 1 January/31 December	41,580,000	41,580,000	41,580,000	41,580,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

11. OTHER RESERVES

GROUP	Non-distributable		
	Capital reserve RM	Translation reserve RM	Total RM
At 1 January 2023	499,998	6,690,097	7,190,095
Foreign currency translation	-	2,748,166	2,748,166
At 31 December 2023/1 January 2024	499,998	9,438,263	9,938,261
Foreign currency translation	-	(2,807,729)	(2,807,729)
At 31 December 2024	499,998	6,630,534	7,130,532

Capital reserve

Capital reserve arose from profit attributable to the shareholders capitalised by a subsidiary by way of a bonus share issue.

Translation reserve

Translation reserve represents foreign currency translation differences arising from the translation of the financial statements of a foreign subsidiary whose functional currency is different from that of the Group's presentation currency.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

12. TRADE AND OTHER PAYABLES

	Note	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Trade					
Trade payables		1,729,964	1,466,834	1,663,378	1,370,680
Amounts due to subsidiaries	a	-	-	1,021,322	814,852
Amount due to a related party	b	449,018	367,393	-	-
Amount due to a related company	c	92,889	25,672	92,889	25,672
		2,271,871	1,859,899	2,777,589	2,211,204
Non-trade					
Other payables		535,506	445,800	485,959	354,095
Accruals		2,347,135	2,130,783	1,949,283	1,767,724
Indirect tax payable		91,150	176,585	-	-
		2,973,791	2,753,168	2,435,242	2,121,819
		5,245,662	4,613,067	5,212,831	4,333,023

Note a

The amounts represent advances made by subsidiaries for the purchase of goods from the Company. The amounts are unsecured and non-interest bearing.

Note b

The amount due to a related party arose from trade purchases from a company in which a Director of the Company is deemed to have substantial financial interests. The amount is unsecured, interest free and repayable within the credit term of 60 days (2023: 60 days).

Note c

The amount due to a related company is unsecured, interest free and repayable within the credit term of 60 days (2023: 60 days).

13. REVENUE

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Revenue from contracts with customers				
- Point in time	94,070,499	83,971,361	77,050,379	65,816,630
- Overtime	398,612	351,590	365,824	321,066
	94,469,111	84,322,951	77,416,203	66,137,696

NOTES TO THE FINANCIAL STATEMENTS

cont'd

13. REVENUE *cont'd*

13.1 Disaggregation of revenue

	Sales of galvanized steel products RM	Installation services RM	Total RM
GROUP			
2024			
Primary geographical markets			
Malaysia	46,602,761	398,612	47,001,373
Singapore	39,027,526	-	39,027,526
New Zealand	5,978,568	-	5,978,568
United Arab Emirates	1,126,722	-	1,126,722
Other countries	1,334,922	-	1,334,922
Total revenue from contracts with customers	94,070,499	398,612	94,469,111
Timing of revenue recognition			
Goods transferred at a point in time	94,070,499	-	94,070,499
Services transferred overtime	-	398,612	398,612
	94,070,499	398,612	94,469,111
2023			
Primary geographical markets			
Malaysia	38,317,805	351,590	38,669,395
Singapore	33,813,726	-	33,813,726
New Zealand	8,786,620	-	8,786,620
United Arab Emirates	1,307,160	-	1,307,160
Other countries	1,746,050	-	1,746,050
Total revenue from contracts with customers	83,971,361	351,590	84,322,951
Timing of revenue recognition			
Goods transferred at a point in time	83,971,361	-	83,971,361
Services transferred overtime	-	351,590	351,590
	83,971,361	351,590	84,322,951

NOTES TO THE FINANCIAL STATEMENTS

cont'd

13. REVENUE *cont'd*

13.1 Disaggregation of revenue *cont'd*

	Sales of galvanized steel products RM	Installation services RM	Total RM
COMPANY			
2024			
Primary geographical markets			
Malaysia	48,963,625	365,824	49,329,449
Singapore	28,086,754	-	28,086,754
Total revenue from contracts with customers	77,050,379	365,824	77,416,203
Timing of revenue recognition			
Goods transferred at a point in time	77,050,379	-	77,043,291
Services transferred overtime	-	365,824	372,912
	77,050,379	365,824	77,416,203
2023			
Primary geographical markets			
Malaysia	44,353,078	321,066	44,674,144
Singapore	21,463,552	-	21,463,552
Total revenue from contracts with customers	65,816,630	321,066	66,137,696
Timing of revenue recognition			
Goods transferred at a point in time	65,816,630	-	65,816,630
Services transferred overtime	-	321,066	321,066
	65,816,630	321,066	66,137,696

NOTES TO THE FINANCIAL STATEMENTS

cont'd

13. REVENUE *cont'd*

13.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable elements in consideration
Sales of galvanized steel products (masts, poles and other related products)	Revenue is recognised at the point when the goods are delivered and accepted by the customers based on incoterms.	Credit period of 30 days to 90 days (2023: 30 days to 90 days) from invoice date or cash on delivery.	Discounts and rebates are negotiable with customers and they are provided to the customers, net with the invoiced amounts.
Installation services	Revenue is recognised over time, using an input method to measure progress towards complete satisfaction of the service.	Credit period of 30 days to 90 days (2023: 30 days to 90 days) from invoice date or cash on delivery.	Not applicable.

14. INTEREST INCOME

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Interest income of financial assets calculated using the effective interest method that is at amortised cost	3,102,676	2,648,243	1,584,042	1,010,029

15. INTEREST EXPENSE

	GROUP/COMPANY	
	2024	2023
	RM	RM
Interest expense on lease liabilities	32,908	13,949

NOTES TO THE FINANCIAL STATEMENTS

cont'd

16. TAX EXPENSE

16.1 Recognised in profit or loss

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Major components of tax expense include:				
Income tax expense				
Malaysian tax expense				
- Current year	2,846,000	978,288	2,097,000	228,288
- (Over)/Under provision in prior year	(9,914)	(13,418)	10,039	-
Foreign tax expense				
- Current year	740,070	826,384	-	-
- (Over)/Under provision in prior year	(123,415)	41	-	-
	3,452,741	1,791,295	2,107,039	228,288
Deferred tax expense (Note 5)				
- (Reversal)/Origination of temporary differences	(104,000)	1,056,000	(104,000)	1,056,000
- Overprovision in prior year	(190,000)	(290,000)	(190,000)	(290,000)
	(294,000)	766,000	(294,000)	766,000
	3,158,741	2,557,295	1,813,039	994,288

Malaysian current taxation is calculated at the Malaysian corporate statutory tax rate of 24% (2023: 24%).

Taxation for the other jurisdiction is calculated at the rate prevailing in the jurisdiction. During the current financial year, the income tax rate applicable to the subsidiary in Singapore is 17% (2023: 17%).

16.2 Reconciliation of tax expense

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit before tax	15,847,158	13,805,731	15,566,666	5,726,675
Income tax calculated using Malaysian tax rate of 24% (2023: 24%)	3,803,318	3,313,375	3,736,000	1,374,402
Effect of tax rate in foreign jurisdiction	(319,662)	(353,289)	-	-
Non-taxable income	-	(11,000)	(1,680,000)	(11,000)
Non-deductible expenses	233,755	183,635	172,000	143,000
Special deductions	(294,006)	(279,232)	(221,000)	(220,000)
Others	58,665	7,183	(14,000)	(2,114)
	3,482,070	2,860,672	1,993,000	1,284,288
(Over)/Under provision in prior year				
- Income tax	(133,329)	(13,377)	10,039	-
- Deferred tax	(190,000)	(290,000)	(190,000)	(290,000)
	3,158,741	2,557,295	1,813,039	994,288

NOTES TO THE FINANCIAL STATEMENTS

cont'd

17. PROFIT FOR THE YEAR

	Note	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Profit for the year is arrived at after charging/(crediting):					
Auditors' remunerations:					
Statutory audit fees					
- KPMG PLT		150,000	120,000	112,000	90,000
- Other auditors		88,623	73,423	-	-
Non-audit fees					
- KPMG PLT		44,000	28,000	44,000	28,000
Material expenses/(income)					
Depreciation of property, plant and equipment	2	1,376,292	1,324,919	1,355,787	1,310,971
Depreciation of right-of-use assets	3	966,512	965,900	763,387	763,333
Inventories written down	6	738,155	136,299	738,155	136,299
Impairment loss on trade receivables		272,715	159,979	-	-
Property, plant and equipment written off	1		21,676	1	21,676
Repair and maintenance expenses		1,489,280	1,002,073	1,489,280	1,002,073
Unrealised loss/(gain) on foreign exchange, net		11,816	18,985	(2,547)	210
Loss/(Gain) on disposal of property, plant and equipment		3,014	(13,617)	3,014	(13,207)
Interest income	14	(3,102,676)	(2,648,243)	(1,584,042)	(1,010,029)
Other income consists mainly of:					
- Sales of scraps, zinc ash and dross		(1,817,363)	(1,409,086)	(1,817,363)	(1,409,086)
- Realised gain on foreign exchange, net		(166,990)	(16,706)	(195,739)	(9,054)
- Dividend from a subsidiary		-	-	(7,000,000)	-
- Rental income		-	-	(120,000)	(120,000)
- Bad debt recovered		-	(7,394)	-	-
- Forfeiture of advance payments from customers	8	(13,003)	(389,158)	-	-
Personnel expenses (including key management personnel):					
- Wages and salaries		20,454,675	17,859,085	17,464,880	15,078,682
- Employees' Provident Fund		2,250,984	2,037,946	2,078,303	1,877,376
- Central Provident Fund (Singapore)		162,276	149,053	-	-
- SOCSO & EIS		235,407	203,208	219,725	188,586
- Other staff related expenses		264,529	210,339	235,042	191,587
Expenses arising from leases					
Expenses relating to short-term leases	a	167,720	167,520	167,720	167,520

Note a

The Company leases cranes with contract terms of less than 1 year. These leases are short-term. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

18. EARNINGS PER ORDINARY SHARE

(a) Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 December 2024 and 31 December 2023 was based on the Group's profit attributable to ordinary shareholders and the number of ordinary shares outstanding, calculated as follows:

	2024	2023
Profit for the year attributable to owners of the Company (RM)	12,688,417	11,248,436
Number of ordinary shares	41,580,000	41,580,000
Basic earnings per ordinary share (sen)	30.52	27.05

(b) Diluted earnings per ordinary share

There is no dilutive effect on earnings per share as the Group has no potential shares or other instruments with dilutive effects.

19. DIVIDENDS

Dividends recognised and paid by the Company were as follows:

	Sen per share	Total amount RM	Date of payment
2024			
Final single tier 2023 ordinary	5	2,079,000	24 July 2024
Interim single tier 2024 ordinary	8	3,326,400	27 September 2024
Special single tier 2024 ordinary	35	14,553,000	9 December 2024
		19,958,400	
2023			
Final single tier 2022 ordinary	3	1,247,400	14 July 2023
Interim single tier 2023 ordinary	3	1,247,400	29 September 2023
		2,494,800	

In respect of the financial year ended 31 December 2024, the Directors recommended the payment of a final single tier dividend of 7 sen per ordinary share amounting to RM2,910,600, which is subject to shareholders' approvals at the forthcoming Annual General Meeting ("AGM") of the Company.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

20. SEGMENT INFORMATION

Group

Business segments

The Group operates within a single business segment. As such, information by business segment on the Group's operation is not presented.

Geographical segments

(i) Analysis of revenue from external customers by geographical locations

Group	2024 RM	2023 RM
Malaysia	47,001,373	38,669,395
Singapore	39,027,526	33,813,726
New Zealand	5,978,568	8,786,620
United Arab Emirates	1,126,722	1,307,160
Other countries	1,334,922	1,746,050
	94,469,111	84,322,951

(ii) Analysis of non-current assets by geographical locations

Right-of-use assets	2024 RM	2023 RM
Malaysia	9,101,192	9,140,303
Singapore	2,579,377	2,936,447
	11,680,569	12,076,750
Property, plant and equipment		
Malaysia	26,721,048	27,787,205
Singapore	46,674	7,537
	26,767,722	27,794,742

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS

21.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC").

	Carrying Amount RM	AC RM
2024		
Financial assets		
GROUP		
Trade and other receivables*	21,784,611	21,784,611
Fixed deposits placed with licensed banks	7,592,404	7,592,404
Cash and cash equivalents	81,122,970	81,122,970
	110,499,985	110,499,985
COMPANY		
Trade and other receivables*	905,272	905,272
Fixed deposits placed with licensed banks	5,177,607	5,177,607
Cash and cash equivalents	33,003,639	33,003,639
	39,086,518	39,086,518
Financial liabilities		
GROUP		
Trade and other payables**	(5,154,512)	(5,154,512)
	(5,154,512)	(5,154,512)
COMPANY		
Trade and other payables	(5,212,831)	(5,212,831)
	(5,212,831)	(5,212,831)
2023		
Financial assets		
GROUP		
Trade and other receivables	20,713,232	20,713,232
Fixed deposits placed with licensed banks	14,736,024	14,736,024
Cash and cash equivalents	79,789,543	79,789,543
	115,238,799	115,238,799
COMPANY		
Financial assets		
Trade and other receivables	496,229	496,229
Fixed deposits placed with licensed banks	3,232,779	3,232,779
Cash and cash equivalents	36,426,942	36,426,942
	40,155,950	40,155,950

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.1 Categories of financial instruments *cont'd*

	Carrying Amount RM	AC RM
Financial liabilities		
GROUP		
Trade and other payables**	(4,436,482)	(4,436,482)
COMPANY		
Trade and other payables	(4,333,023)	(4,333,023)
* Exclude prepayments		
** Exclude indirect tax payable		

21.2 Net gains and losses arising from financial instruments

	2024 RM	2023 RM
Net gains/(losses) on:		
GROUP		
Financial assets at amortised cost	2,786,848	2,484,116
Financial liabilities at amortised cost	198,286	9,263
	2,985,134	2,493,379
COMPANY		
Financial assets at amortised cost	1,584,042	1,010,029
Financial liabilities at amortised cost	198,286	8,844
	1,782,328	1,018,873

21.3 Financial risk management

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

21.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposures to credit risk arise principally from the individual characteristics of each customer from its trade receivables, contract assets, amount due from a subsidiary and amounts due from related companies. There are no significant changes as compared to prior periods.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.4 Credit risk *cont'd*

21.4.1 Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. For export sales, the overseas customers are generally required to make payment in advance prior to deliveries. Normally, credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Group or the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position.

Concentration of credit risk

The exposure of credit risk for trade receivables (stated at gross) and contract assets as at the end of the reporting period by geographic region was:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Malaysia	15,391,340	10,305,816	47,084	-
Singapore	6,614,152	10,747,398	-	-
New Zealand	175,910	-	-	-
Hong Kong	62,120	101,370	-	-
	22,243,522	21,154,584	47,084	-

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.4 Credit risk *cont'd*

21.4.1 Trade receivables and contract assets *cont'd*

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 90 days.

The Group adopts the simplified approach and uses an allowance matrix to measure ECLs of trade receivables, whereby invoices which are past due 90 days will be considered as credit impaired.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

For contracts with customers involved in construction projects, as there are only a few customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

GROUP	Gross carrying amount	Loss allowance	Net balance
2024	RM	RM	RM
Current (not past due)	6,231,218	(34,536)	6,196,682
1 - 30 days past due	5,257,293	(31,150)	5,226,143
31 - 60 days past due	4,174,140	(29,822)	4,144,318
61 - 90 days past due	2,980,611	(39,026)	2,941,585
	18,643,262	(134,534)	18,508,728
Credit impaired			
More than 90 days past due	3,200,695	(703,776)	2,496,919
Individually impaired	399,565	(390,565)	9,000
	22,243,522	(1,228,875)	21,014,647

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.4 Credit risk *cont'd*

21.4.1 Trade receivables and contract assets *cont'd*

Recognition and measurement of impairment losses cont'd

GROUP	Gross carrying amount	Loss allowance	Net balance
2023	RM	RM	RM
Current (not past due)	6,929,681	(56,135)	6,873,546
1 - 30 days past due	7,294,250	(43,019)	7,251,231
31 - 60 days past due	2,121,194	(72,603)	2,048,591
61 - 90 days past due	3,409,243	(96,839)	3,312,404
	19,754,368	(268,596)	19,485,772
Credit impaired			
More than 90 days past due	1,117,335	(569,714)	547,621
Individually impaired	282,881	(282,881)	-
	21,154,584	(1,121,191)	20,033,393

GROUP	2024	2023
Stated at net:	RM	RM
Trade receivables	21,005,600	19,945,319
Contract assets	9,047	88,074
	21,014,647	20,033,393

The Group and Company did not impair in respect of the remaining credit impaired trade receivables during the year as risk of non-recoverability of the remaining exposure is remote.

The movements in the allowance for impairment in respect of trade receivables during the year are shown below.

GROUP	Lifetime ECL RM	Individually impaired RM	Total RM
At 1 January 2023	791,300	290,010	1,081,310
Net remeasurement of loss allowance	47,010	112,969	159,979
Amounts written off	-	(127,300)	(127,300)
Effect of movements in exchange rates	-	7,202	7,202
At 31 December 2023/1 January 2024	838,310	282,881	1,121,191
Net remeasurement of loss allowance	-	272,715	272,715
Amounts written off	-	(165,031)	(165,031)
At 31 December 2024	838,310	390,565	1,228,875

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.4 Credit risk *cont'd*

21.4.2 Cash and cash equivalents and fixed deposits placed with licensed banks

The cash and cash equivalents and fixed deposits are held with licensed banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

21.4.3 Other receivables

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented and advances to employees.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

21.4.4 Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides performance guarantee to a third party customer in connection with projects performed by a subsidiary. The Company monitors the ability of the subsidiary to service the performance on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM267,292 (2023: RM155,479) representing the outstanding due performance of the subsidiary as at the end of the reporting period.

Recognition and measurement of impairment loss

The Company did not recognise the corporate guarantee given to the subsidiary's customer as the Directors are in the view that the subsidiary is able to fulfil the contracted obligations and is unlikely that the subsidiary will default the due performance.

21.4.5 Intercompany balances

Risk management objectives, policies and processes for managing the risk

The Group and the Company have intercompany balances arising from trade transactions with its related company and subsidiary. The Group and the Company monitor the ability of its related company and subsidiary to repay the outstanding amount on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by its carrying amount in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.4 Credit risk *cont'd*

21.4.5 Intercompany balances *cont'd*

Recognition and measurement of impairment loss

Generally, the Group and the Company consider the related company and subsidiary balances have low credit risk. The Group and the Company assume that there is a significant increase in credit risk when a related company's and subsidiary's financial position deteriorates significantly. As the Group or the Company is able to determine the timing of payments of the related company's or subsidiary's balance when it is payable, the Group or Company considers the related company's or subsidiary's balance to be in default when the related company or subsidiary is not able to pay when demanded.

The Group and Company determine the probability of default for the related company's and subsidiary's balances individually using internal information available.

The Group and the Company did not recognise any allowance for impairment in respect of related company's and subsidiary's balances during the financial year as the risk of non-recovery is remote.

21.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables and lease liabilities.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities and lease liabilities as at the end of the reporting period based on undiscounted contractual payments.

GROUP	Carrying amount	Contractual interest rate	Contractual cash flows	Under one year	One to two years
	RM	% per annum	RM	RM	RM
2024					
Non-derivative financial liabilities					
Trade and other payables	5,154,512	-	5,154,512	5,154,512	-
Lease liabilities	551,541	3.10 - 4.15	563,767	532,267	31,500
	5,706,053		5,718,279	5,686,779	31,500
2023					
Non-derivative financial liabilities					
Trade and other payables	4,436,482	-	4,436,482	4,436,482	-
Lease liabilities	389,645	2.30 - 4.10	403,055	248,788	154,267
	4,826,127		4,839,537	4,685,270	154,267

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.5 Liquidity risk *cont'd*

Maturity analysis cont'd

COMPANY	Carrying amount	Contractual interest rate	Contractual cash flows	Under one year	One to two years
	RM	% per annum	RM	RM	RM
2024					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	5,212,831	-	5,212,831	5,212,831	-
Lease liabilities	551,541	3.10 - 4.15	563,767	532,267	31,500
Performance guarantee	-	-	267,292	267,292	-
	<u>5,764,372</u>		<u>6,043,890</u>	<u>6,012,390</u>	<u>31,500</u>
2023					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	4,333,023	-	4,333,023	4,333,023	-
Lease liabilities	389,645	2.30 - 4.10	403,055	248,788	154,267
Performance guarantee	-	-	155,479	155,479	-
	<u>4,722,668</u>		<u>4,891,557</u>	<u>4,737,290</u>	<u>154,267</u>

21.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's and the Company's financial position or cash flows.

21.6.1 Currency risk

The Group and the Company are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily the U.S. Dollar ("USD"), Singapore Dollar ("SGD") and New Zealand Dollar ("NZD").

Risk management objectives, policies and processes for managing the risk

The Group has not used any forward contracts to hedge against its exposure to foreign currency risk. The Group does not use any derivative financial instruments to hedge this risk. Exposure to foreign currency risk is monitored on an ongoing basis and the Group endeavours to keep the net exposure at an acceptable level.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.6 Market risk *cont'd*

21.6.1 Currency risk *cont'd*

Exposure to foreign currency risk

The Group's and the Company's exposure to foreign currency (a currency other than Ringgit Malaysia) risk, based on carrying amounts as at the end of the reporting period are as follows:

	<i>← Denominated in →</i>			
	USD RM	SGD RM	NZD RM	Total RM
GROUP				
2024				
Balances recognised in the statement of financial position				
Trade receivables	62,120	-	175,910	238,030
Cash and bank balances	151,214	-	-	151,214
Net exposure	213,334	-	175,910	389,244
2023				
Balances recognised in the statement of financial position				
Trade receivables	105,322	-	-	105,322
Cash and bank balances	450,964	-	-	450,964
Net exposure	556,286	-	-	556,286
COMPANY				
2024				
Balances recognised in the statement of financial position				
Amount due to a subsidiary	-	(1,021,322)	-	(1,021,322)
Net exposure	-	(1,021,322)	-	(1,021,322)
2023				
Balances recognised in the statement of financial position				
Cash and cash equivalents	1,812	-	-	1,812
Amount due to a subsidiary	-	(57,591)	-	(57,591)
Net exposure	1,812	(57,591)	-	(55,779)

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.6 Market risk *cont'd*

21.6.1 Currency risk *cont'd*

Currency risk sensitivity analysis

Foreign currency risk arises from the Group's and the Company's monetary financial assets and financial liabilities primarily denominated in USD, SGD and NZD. There is no other material exposure to foreign currency risk and hence sensitivity analysis will only be presented for the abovementioned exposures.

A 3% (2023: 3%) strengthening of respective functional currencies of the Group entities against following foreign currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	← Profit or Loss →			
	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
<i>Functional currency/Foreign currency</i>				
RM/USD	(2,175)	(4,272)	-	(41)
RM/SGD	-	-	23,286	1,313
RM/NZD	(4,011)	-	-	-
SGD/USD	(2,937)	(9,088)	-	-

A 3% (2023: 3%) weakening of respective functional currencies of the Group entities against following foreign currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

21.6.2 Interest rate risk

The Group's and the Company's exposure to interest rate is minimal. Interest earning financial assets are mainly fixed deposits placed with licensed banks that generate interest income. Interest bearing financial liabilities is lease liabilities. The fluctuation in interest rates, if any, is not expected to have a material impact on the financial performance of the Group and of the Company. Short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group entities closely monitor the interest rate trends and decisions in respect of the fluctuations of interest rates. The Group entities place deposits with reputable licensed banks to generate interest income. The Group entities manage their interest rate risk by placing such balances on varying maturities and interest rate terms.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.6 Market risk *cont'd*

21.6.2 Interest rate risk *cont'd*

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-earning and interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets				
- Fixed deposits placed with licensed banks	7,592,404	14,736,024	5,177,607	3,232,779
- Short-term deposits (included in cash and cash equivalents)	63,543,181	67,074,056	30,160,030	34,093,743
	71,135,585	81,810,080	35,337,637	37,326,522
Financial liabilities				
- Lease liabilities	551,541	389,645	551,541	389,645
	551,541	389,645	551,541	389,645

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

21.7 Fair value information

The carrying amounts of cash and cash equivalents, fixed deposits placed with licensed banks, trade and other receivables, inter-company balances, trade and other payables reasonably approximate their fair values due to the relatively short term nature of these instruments.

22. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023.

The Group and the subsidiaries are not subject to any externally imposed capital requirements.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. For the years ended 31 December 2024 and 31 December 2023, the Group has zero gearing.

There was no change in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

23. CONTINGENT LIABILITIES

- a. Upon the commencement of the Company's civil suit against Macsteel International Far East Limited ("Macsteel") in the High Court of Malaya (the "High Court"), the Company had applied for an interlocutory injunction against Macsteel to injunct Macsteel from proceeding with the arbitration in Hong Kong. Thereafter, Macsteel had applied to the High Court for a stay of proceedings pursuant to the Arbitration Act 2005 for the suit before the High Court to be stayed while parties resolve the dispute by way of arbitration.

On 20 October 2021, the Company's application for an interlocutory injunction was allowed while Macsteel's application for a stay of proceedings was dismissed. Following the decision of the High Court, Macsteel is prevented from proceeding with the arbitration initiated in Hong Kong pending disposal of the suit before the High Court. However, Macsteel had then appealed against the decisions of the High Court to the Court of Appeal (the "Appeal"). On 15 August 2022, the Appeal was heard and the Court of Appeal dismissed the Appeal.

On 13 September 2022, Macsteel filed 3 notices of motion to the Federal Court for leave to appeal against the decision of the Court of Appeal for dismissing the Appeal. Macsteel's motion before the Federal Court was fixed for hearing on 16 February 2023 and the Federal Court had dismissed Macsteel's motion for leave to appeal to the Federal Court.

As Macsteel had exhausted all rights to appeal, Macsteel applied to the High Court to amend their Defence to include a Counterclaim against the Company and its related company, Lysaght Corrugated Pipe Sdn Bhd. Macsteel counterclaims for breach of contract of USD1,555,656 against the series of contracts allegedly entered into between Macsteel and the Company. Macsteel's amendment application was allowed and the Company had filed its Defence to counterclaim. The case is rescheduled for trial in June 2025.

The above claim has not been provided for in the financial statements as based on the advice obtained from the Company's solicitor, the Board of Directors are of the opinion that the likelihood of Macsteel succeeding its claim is low.

- b. There is a claim alleging unlawful dismissal of employment pursuant to Section 20 Industrial Relations Act 1967 within the Ministry of Human Resources' Industrial Relations Department following the cessation of employment on 1 January 2020 against a subsidiary of the Company. The Group maintains that the Claimant's employment was terminated by effluxion of time.

The matter was referred to the Industrial Court and trial proceeded in March 2022, April 2022, November 2022, December 2022, November 2023 and July 2024. The trial has not concluded and is scheduled to continue on 6 May 2025 and 7 May 2025.

The potential financial exposure has not been provided for in the financial statements as based on the advice obtained from the Company's solicitor, the Board of Directors are of the opinion that the Company has a reasonably good chance of success.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

24. RELATED PARTIES

Significant related party transactions

Related party transactions have been entered in the normal course of business under negotiated terms. The balances related to the below transactions are shown in Notes 7 and 12.

The significant related party transactions of the Group and the Company are shown below.

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Transactions with subsidiaries				
Rental income of office	-	-	120,000	120,000
Sales of galvanized products	-	-	77,242,042	65,892,971
Payment settled on behalf by the Company	-	-	22,177	32,017
Payment on behalf by subsidiaries	-	-	(2,823,041)	(2,874,980)
Dividend income	-	-	7,000,000	-

Transactions with related companies

Rental of factory buildings	(595,288)	(588,564)	(595,288)	(588,564)
Transportation services	(11,250)	-	(11,250)	-
Fabricating expenses	(392,279)	(47,205)	(392,279)	(47,205)
Powder coating services rendered	103,184	174,644	103,184	174,644

Significant transactions with a related party in which a Director of the Company is deemed to have substantial financial interests, are as follows:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Transactions with a related party				
Purchase of goods	4,940,806	5,777,381	-	-
Key management personnel				
Directors of the Company				
Executive Director				
- Remuneration	-	823,140	-	823,140
- Employees' Provident Fund	-	156,400	-	156,400
- Benefit-in-kind	-	20,525	-	20,525
Non-executive Directors				
- Fees	522,000	487,600	522,000	487,600
- Allowances	96,500	102,500	96,500	102,500
Director of a subsidiary				
- Salaries and other emoluments	799,417	751,991	-	-
Other key management personnel				
- Salaries and other emoluments	2,859,166	1,719,411	2,859,166	1,719,411

NOTES TO THE FINANCIAL STATEMENTS

cont'd

24. RELATED PARTIES *cont'd*

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

25. SUBSEQUENT EVENT

In current and past years, the Company rented factory buildings from its related companies, as disclosed in Notes 3 and 24 to the financial statements.

Subsequent to the end of the reporting period, on 9 April 2025, the Company entered into two (2) conditional sale and purchase agreements with its related companies, Lysaght Corrugated Pipe Sdn. Bhd. and Lysaght Naco Sdn. Bhd., to acquire the parcels of leasehold land, together with buildings erected thereon, for total purchase consideration of RM15.50 million. The proposed acquisitions are subject to the shareholders' approval at the forthcoming Extraordinary General Meeting of the Company.

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 87 to 130 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements 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 of 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

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

EE BENG GUAN

Director

CHONG SAI SIN

Director

Date: 23 April 2025

STATUTORY DECLARATION

pursuant to Section 251(1)(b) of the Companies Act 2016

I, Ong Siew Sung, NRIC: 741220-08-5658, the officer primarily responsible for the financial management of Lysaght Galvanized Steel Berhad, do solemnly and sincerely declare that the financial statements set out on pages 87 to 130 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared
by the abovenamed Ong Siew Sung,
(MIA CA: 23490)
at Ipoh in the State of Perak Darul Ridzuan
on 23 April 2025.

Ong Siew Sung

Before me:

Commissioner for Oaths
Perak Darul Ridzuan

INDEPENDENT AUDITORS' REPORT

to the members of LYSAGHT GALVANIZED STEEL BERHAD

(Registration No.: 197901002195 (46426-P))

(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Lysaght Galvanized Steel 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 87 to 130.

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 year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("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. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

Revenue recognition (RM94,469,111)

Refer to Note 13 – Revenue.

The key audit matter

Revenue recognised for the financial year ended 31 December 2024 mainly consisted of sales of galvanized steel products. We have identified revenue recognition as a key audit matter as the Group has significant volume of transactions during the year and there is a risk that revenue may be misstated. Performance obligation delivered and satisfied may not be recognised based on the dates when controls are transferred to the customers and hence, there is a risk that revenue may not be recognised in the correct accounting period.

INDEPENDENT AUDITORS' REPORT

to the members of LYSAGHT GALVANIZED STEEL BERHAD

(Registration No.: 197901002195 (46426-P))

(Incorporated in Malaysia)

cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

The key audit matter *cont'd*

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Assessed the design and implementation of key controls over the recognition of revenue and tested these controls for operating effectiveness.
- Assessed contracts with customers and relevant supporting documents such as purchase orders, confirmation orders and invoices and assessed the performance obligations included therein.
- Inspected samples of sales invoices and delivery documents on sales transactions during the year and considered material transactions with related parties during the year.
- Obtained external confirmation from one customer for the total sales transacted with this customer during the year.
- Inspected evidence for delivery of goods and sales invoices in respect of samples selected from sales of goods transacted immediately before and after the end of the reporting period to assess whether the revenue were recorded in the correct financial year.
- Evaluated whether credit notes issued before and after reporting date are recognised in the correct accounting period.
- Inspected the journal entries raised during the financial year relating to revenue to identify unexpected account pairings and inspected the underlying accounting records to evaluate the appropriateness of these journal entries.

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

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 annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, 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 MFRS Accounting Standards, 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 LYSAGHT GALVANIZED STEEL BERHAD

(Registration No.: 197901002195 (46426-P))

(Incorporated in Malaysia)

cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company 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.
- 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 gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

to the members of LYSAGHT GALVANIZED STEEL BERHAD

(Registration No.: 197901002195 (46426-P))

(Incorporated in Malaysia)

cont'd

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 4 to the financial statements.

OTHER MATTER

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.

KPMG PLT

(LLP0010081-LCA & AF 0758)

Chartered Accountants

Ipoh

Date: 23 April 2025

CHEW BENG HONG

Approval Number: 02920/02/2026 J

Chartered Accountant

LIST OF PROPERTIES

as at 31 December 2024

Location	Description	Existing Use	Approximate Land Area	Tenure	Approximate Age of Buildings (years)	Net Book Value (RM)	Date of Acquisition
Plot 66, Medan Tasek, Tasek Industrial Estate, Ipoh, Perak Darul Ridzuan, Malaysia	Industrial Land With Factory Building	Office and Factory	145,829 sq ft	Leasehold 99 years expiring on 9.10.2071	38	1,780,496	31.12.1986
Plot 89, Medan Tasek, Tasek Industrial Estate, Ipoh, Perak Darul Ridzuan, Malaysia	Industrial Land With Factory Building	Training Room and Factory	139,396 sq ft	Leasehold 99 years expiring on 1.9.2075	30	2,134,699	31.12.1994
PT 285929, Medan Tasek, Tasek Industrial Estate, Ipoh, Perak Darul Ridzuan, Malaysia	Industrial Land With Factory Building	Office and Factory	217,754 sq ft	Leasehold 99 years expiring on 8.9.2071	52	9,714,061	1.6.2002
Plot 43, Medan Tasek, Tasek Industrial Estate, Ipoh, Perak Darul Ridzuan, Malaysia	Industrial Land With Factory Building	Factory and Storage	132,311 sq ft	Leasehold 99 years expiring on 7.12.2071	12	4,673,674	1.9.2008
Plot 67, Medan Tasek, Tasek Industrial Estate, Ipoh, Perak Darul Ridzuan, Malaysia	Industrial Land With Factory Building	Factory and Storage	89,998 sq ft	Leasehold 99 years expiring on 28.10.2073	8	1,033,692	1.9.2008
No.11 Jalan Majistret U1/26, Seksyen U1, Hicom-Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia	Freehold land with office building and warehouse	Office and Warehouse	39,945 sq ft	Freehold land	30	11,341,750	20.9.2013
No. 50 Tuas Ave 11, #02-28, Singapore 639107	Leasehold office building and warehouse	Office and Warehouse	8,913 sq ft	Leasehold 99 years expiring on 31.3.2079	12	2,579,378	6.12.2012

SHAREHOLDING DISTRIBUTION SCHEDULE

as at 4 April 2025

SHARE CAPITAL

Issued and Fully Paid-up Capital	:	41,580,000 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS (AS PER THE RECORD OF DEPOSITORS)

Range of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued capital
Less than 100 Shares	17	1.14	330	0.00
100 to 1,000	274	18.44	167,663	0.40
1,001 to 10,000	998	67.16	3,500,307	8.42
10,001 to 100,000	178	11.98	4,310,300	10.37
100,001 to less than 5% of issued shares	17	1.14	4,246,900	10.21
5% and above of the issued shares	2	0.13	29,354,500	70.60
TOTAL	1,486	100.0	41,580,000	100.00

THIRTY LARGEST SHAREHOLDERS

as at 4 April 2025

LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS (AS PER THE RECORD OF DEPOSITORS)

	Name of Shareholders	No. of Shares Held	Percentage (%)
1	Lysaght (Malaysia) Sdn. Bhd.	22,925,700	55.14
2	Ingli Sdn. Bhd.	6,428,800	15.46
3	Chew Mee Lee	729,800	1.76
4	Chee Sai Mun	506,700	1.22
5	Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Lee Kin Kheong (E-IMO)</i>	355,300	0.85
6	Liew Swee Mio @ Liew Hoi Foo	344,400	0.83
7	Lee Keng Fah	283,500	0.68
8	Liew Wah Tang	268,600	0.65
9	CIMB Group Nominees (Asing) Sdn. Bhd. <i>Exempt an for DBS Bank Ltd (SFS)</i>	230,200	0.55
10	Ng Sey Hoe	201,800	0.49
11	HSBC Nominees (Asing) Sdn. Bhd. <i>Exempt an for Bank Julius Baer & Co. Ltd. (Singapore BCH)</i>	182,000	0.44
12	Bina Securities & Management Sdn. Bhd.	172,200	0.41
13	Goh Eng Ngai	170,000	0.41
14	Lim Khuan Eng	165,000	0.40
15	Tan Aik Choon	162,900	0.39
16	Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Tan Tian Sang @ Tan Tian Song (E-PPG)</i>	128,000	0.31
17	Tan Yau Lam	122,900	0.30
18	Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Chee Sai Mun (E-KLC)</i>	121,600	0.29
19	Liew Ing Shian	102,000	0.25
20	RHB Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Yee Lee Ying</i>	95,900	0.23
21	Tan Thian Chai	91,900	0.22
22	Lai Shwu Yan	87,300	0.21
23	Tew Kok Kian	85,200	0.20
24	Chan Heng Koon	72,000	0.17
25	Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Au Yoke Ying (E-IMO)</i>	70,500	0.17
26	Teoh Ah Yet	67,900	0.16
27	Kwan Chee Tong	67,100	0.16
28	Ong Yoke Meng	64,000	0.15
29	Low Keng Lan	62,400	0.15
30	Teh Chong Yan	60,800	0.15
	TOTAL	34,426,400	82.80

SUBSTANTIAL SHAREHOLDERS

as at 4 April 2025

SUBSTANTIAL SHAREHOLDERS (AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

No.	Name of Shareholders	Direct Shareholdings		Indirect Shareholdings	
		No. of Shares	%	No. of Shares	%
1	Lysaght (Malaysia) Sdn. Bhd.	22,925,700	55.14	-	-
2	Ingli Sdn. Bhd.	6,428,800	15.46	-	-
3	Liew Swee Mio @ Liew Hoi Foo	344,400	0.83	30,454,900 ^{*1}	73.24
4	Chew Mee Lee	729,800	1.76	30,069,500 ^{*2}	72.32
5	Chew Bros (M) Sdn. Bhd.	-	-	22,925,700 ^{*3}	55.14
6	ChewKarHeing Sdn. Bhd.	-	-	22,925,700 ^{*3}	55.14
7	Yusuf Bin Jamil	-	-	23,097,900 ^{*4}	55.55
8	WTWT Sdn. Bhd.	-	-	22,925,700 ^{*3}	55.14
9	Janfreys Sdn. Bhd.	-	-	23,097,900 ^{*5}	55.55
10	Bina Securities & Management Sdn. Bhd.	172,200	0.41	22,925,700 ^{*3}	55.14
11	CKH And LIK Family Sdn. Bhd.	-	-	22,925,700 ^{*3}	55.14
12	Lim lee Kuan	-	-	22,925,700 ^{*6}	55.14
13	Chew Meu Jong	-	-	22,957,200 ^{*7}	55.21
14	Deborah Mun Sook Ho	-	-	22,925,700 ^{*6}	55.14
15	Chew Kar Yoo @ Chew Kar Hoo	-	-	22,925,700 ^{*6}	55.14

Notes:

- 1 Deemed interest through Lysaght (Malaysia) Sdn. Bhd., Ingli Sdn. Bhd. and family members' direct interest in the Company
- 2 Deemed interest through Ingli Sdn. Bhd. and family members' direct and indirect interest in the Company
- 3 Deemed interest through Lysaght (Malaysia) Sdn. Bhd.
- 4 Deemed interest through Lysaght (Malaysia) Sdn. Bhd. and Bina Securities & Management Sdn. Bhd.
- 5 Deemed interest by virtue of being the holding company of Bina Securities & Management Sdn. Bhd.
- 6 Deemed interest in Lysaght (Malaysia) Sdn. Bhd. through CKH And LIK Family Sdn. Bhd.
- 7 Deemed interest in Lysaght (Malaysia) Sdn. Bhd. through CKH And LIK Family Sdn. Bhd. and her spouse's shareholdings in the Company

DIRECTORS' SHAREHOLDINGS

as at 4 April 2025

DIRECTORS' SHAREHOLDINGS (AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS)

No.	Name of Directors	Direct Shareholdings		Indirect Shareholdings	
		No. of Shares	%	No. of Shares	%
1	Ee Beng Guan	-	-	-	-
2	Chong Sai Sin	2,000	0.00	-	-
3	Chew Meu Jong	-	-	22,957,200 ^{*1}	55.21
4	Ir. Aik Siaw Kong	-	-	-	-
5	Cheam Low Soo	-	-	-	-
6	Yeoh Sheong Lee	100	0.00	-	-
7	Chong Chin Look	-	-	-	-

Notes:

*1 Deemed interest in Lysaght (Malaysia) Sdn. Bhd. through CKH And LIK Family Sdn. Bhd. and her spouse's shareholdings in the Company



FORM OF PROXY

No. of shares held	
CDS Account No.	

I/We _____ NRIC No./Passport No./Co. No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(ADDRESS)

being a member/members of LYSAGHT GALVANIZED STEEL BERHAD [Registration No. 197901002195 (46426-P)],
hereby appoint _____

_____ NRIC No./Passport No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(ADDRESS)

or failing him/her _____ NRIC No./Passport No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(ADDRESS)

or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf at the Forty-Sixth Annual General Meeting ("46th AGM") of the Company to be held at Lavender Hall, Level 3, Kinta Riverfront Hotel & Suites, Kinta Riverfront, Jalan Lim Bo Seng, 30000 Ipoh, Perak Darul Ridzuan on Thursday, 12 June 2025 at 10:00 a.m. and at any adjournment thereof.

ORDINARY BUSINESS		Resolution	FOR	AGAINST
1.	To declare a final single tier dividend of 7 sen per ordinary share for the financial year ended 31 December 2024.	Ordinary Resolution 1		
2.	To approve the payment of Directors' Fees for an amount of up to RM700,000/- for the financial year ending 31 December 2025 to the Non-Executive Directors.	Ordinary Resolution 2		
3.	To approve the payment of the meeting allowances for an amount of up to RM170,000/- for the financial year ending 31 December 2025 to the Non-Executive Directors.	Ordinary Resolution 3		
4.	To re-elect Madam Chew Meu Jong as Director of the Company pursuant to Article 23.4 of the Company's Constitution.	Ordinary Resolution 4		
5.	To re-elect Mr Cheam Low Soo as Director of the Company pursuant to Article 23.4 of the Company's Constitution.	Ordinary Resolution 5		
6.	To re-appoint KPMG PLT as Auditors of the Company for the financial year ending 31 December 2025 at such remuneration to be determined by the Directors.	Ordinary Resolution 6		
SPECIAL BUSINESS				
7.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	Ordinary Resolution 7		

(Please indicate an "X" in the space provided on how you wish to cast your vote. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

Where two (2) proxies are appointed, please indicate below the proportion of your shareholdings to be represented by each proxy.

First named proxy _____ % Second named proxy _____ %

Dated this _____ day of _____, 2025

Signature(s) of member(s)
(If shareholder is a corporation, this part should be executed under seal)

Fold this flap for sealing

Then fold here

Affix
Stamp

The Company Secretary
LYSAGHT GALVANIZED STEEL BERHAD
c/o AD-Consult Sdn. Bhd.
Suite 13.03, 13th Floor
Menara Tan & Tan
207, Jalan Tun Razak
50400 Kuala Lumpur
Malaysia

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Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 5 June 2025 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 46th AGM.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (subject to a maximum of two (2) proxies) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
3. Where the member appoints two (2) proxies to attend and vote at the 46th AGM, such appointment shall be invalid unless the member specifies the proportion of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
5. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under common seal or under the hand of an officer or attorney duly authorised.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Registered Office at Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjournment meeting at which the person named in the instrument proposes to vote.
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of this 46th AGM will be put to vote by poll.

www.lysaghtmarketing.com



LYSAGHT GALVANIZED STEEL BERHAD

(Registration No. 197901002195 (46426-P))

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Hicom-Glenmarie Industrial Park,
40150 Shah Alam, Selangor Darul Ehsan,
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