

LYSAGHT GALVANIZED STEEL BERHAD

Registration Number: 197901002195 (46426-P)

(Incorporated in Malaysia)

Minutes of the Forty-Sixth (46th) Annual General Meeting (“AGM”) of Lysaght Galvanized Steel Berhad 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.

PRESENT

Mr Ee Beng Guan (Chairman)
Mr Chong Sai Sin (Senior Independent Non-Executive Director)
Madam Chew Meu Jong
Ir Aik Siaw Kong
Mr Cheam Low Soo
Mr Yeoh Sheong Lee
Mr Chong Chin Look
Shareholders and proxies as per attendance list

IN ATTENDANCE

Ms Lim Chien Joo (Company Secretary)
Mr Chua Tia Bon (Chief Executive Officer)
Ms Ong Siew Sung (Chief Financial Officer)
Mr Chew Beng Hong (KPMG PLT)

BY INVITATION

Mr Thomas Lim (KPMG PLT)
Ms Maegan Tan (KPMG PLT)
Mr Lai Weng Chong (AD-Consult Sdn. Bhd.)

NOTICE

The Chairman welcomed the shareholders, corporate representatives, proxies and guests to the Meeting.

The Chairman informed the Meeting that the Board and also the Company Secretary, External Auditors, Chief Executive Officer and Chief Financial Officer of the Company were also present at the Meeting.

He then informed the Meeting that there were 17 shareholders present at the commencement of the Meeting. He added that 19 valid proxy forms had been received from 19 shareholders.

There being a quorum, he declared the Meeting duly convened at 10:00 a.m.

The Chairman informed the Meeting that pursuant to Paragraph 8.29A of the Main Market Listing Requirements, all resolutions set out in the notice of the Meeting would be put to vote by poll. As the Chairman of Meeting, he proceeded to demand for a poll pursuant to Article 20.5 of the Company’s Constitution in respect of all resolutions.

The Chairman further informed the Meeting that the Company has 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. He added that the polling would be conducted upon completion of the deliberation of all items to be transacted at the 46th AGM.

Since the notice convening the Meeting in relation to the resolutions proposed at this meeting has been sent to all shareholders within the prescribed period, with the permission of the Meeting, it was taken as read.

The Chairperson informed that the shareholder, Mr Chan Fung Han had via email dated 11 June 2025 addressed to the Board of Directors ["Board"] raised several questions in relation to the Company's 46th Annual General Meeting.

The questions were read out by Mr Chan Fung Han and replied by the Board, Management and Auditors as follows:

Q1. What are the top 3 problems, challenges, or risks that the Group is currently facing, and what are the strategies in place by the Group to respond to them?

Reply: a) Rising raw commodity costs for steel and zinc due to inflation and global supply chain issues. The Group's strategy is to secure long-term supply contracts and diversify suppliers geographically.
b) Global competitors affect prices of poles and masts and the recent tariffs imposed by America do not help. The Group's strategy is to differentiate through quality and compliance.
c) Difficulty in retaining skilled welders. The Group's strategy is to implement training programs and increase automation if possible.

Q2. What is the reason for the revenue from the New Zealand market decreased by RM2.8 million in FY2024?

Reply: There was a change of Government in New Zealand in 4th quarter 2023 and the present Government has been slowing down infrastructure projects.

Q3. In both the Annual Report 2024 and the Q1 FY2025 announcement, it is mentioned that there is an increase in the average selling price. What is the % of increase in average selling price in FY2024 and Q1 FY2025, and whether such a trend of increasing average selling price is sustainable?

Reply: The selling price depends on the consumers' appetite and the percentage of increase in selling price is movable. The Group will endeavour to manage the selling price at all times.

Q4. It is unclear from the latest quarterly results announcement in explaining why the revenue had decreased by 16%. Could the Board and Management please further elaborate and explain the reason(s) to the shareholders?

Reply: The decrease in revenue for Q1 FY2025 was mainly due to the expiry of a long-term contract in the ASEAN region by end June 2025. The Company is currently negotiating with contractors for future supply of poles and masts.

Q5. What is the impact of the minimum monthly wage of RM1,700 effective 1 February 2025 to the Group's profit level?

Reply: The minimum monthly wage RM1,700 has immaterial impact to the Group's profit level.

Q6. Corruption-related training - the Group successfully completed an anti-corruption training program for all new recruits. How about the existing employees whether they also received the annual refresher anti-corruption training?

Reply: Existing employees are currently being progressively given refresher anti-corruption training.

Q7. Why did the number of lost time injuries doubled from 5 cases in FY2023 to 10 cases in FY2024? Had the Group carried out any root cause analysis to investigate the incidents and update the standard operating procedures?

Reply: The Safety Officer conducted counselling on those employees involved in the minor work accidents, and toolbox meetings are carried out regularly to employees in factory.

Q8. Why some of the sustainability indicators are without external assurance, i.e. energy management, supply chain management, waste management, emissions management, community/society, and customer satisfaction?

Reply: All the Sustainability Indicators are progressively being assured by external auditors in forthcoming years.

Q9. The Group has RM81.1 million of cash and cash equivalent and RM7.6 million of fixed deposits, total is RM88.7 million, which is over 80% of the Group's market capitalisation. With such a high level of deposit, cash and bank balances, how can the Group better manage and utilise the funds to provide higher returns to shareholders in a sustainable manner?

Reply: The Group will endeavour and continue to improve production output by purchasing machineries if required.

Q10. What do the 'other expenses' comprise of, and why is it increased significantly from RM56,000 in FY2023 to RM811,000 in FY2024?

Reply: Increase in other expenses is mainly due to inventories written down of RM738,000 as shown in page 114 of Annual Report 2024.

Q11. The Group's acquisition of property, plant and equipment was RM354,000 and RM198,000 respectively for FY2024 and FY2023. With such a low amount of PPE acquisition, is it aligned with the Group's plan to expand the manufacturing facilities for market growth?

Reply: The Group may increase the productivity by working on more shifts with its existing manufacturing facilities, and also refer to the reply in Question 9 above.

Q12. Why is there an increase in inventories written down in FY2024 when the Group is having growth in revenue and profit margin? What are these inventories being written down?

Reply: The inventories written down mainly consist of high mast products which have been slow-moving. These inventories are still in the factory and steel products are durable products. The Group endeavour to reuse these high masts for future orders.

Q13. Why did the wages and salaries increase by RM2.6 million @ 14.5% from RM17.9 million in FY2023 to RM20.5 million in FY2024?

Reply: Employees headcount has increased from FY2023 to FY2024 and the Group pays yearly increment and bonus to all employees.

Q14. How much of the RM22.2 million of trade receivables as at year end had been collected subsequent to the year end, especially the RM16 million of past due trade receivables balance?

Reply: Approximately RM20 million has been collected from trade receivables as of May 2025.

Q15. Why are the credit impaired (more than 90 days past due) trade receivables balances not fully provided with loss allowance?

Reply: The credit impaired trade receivables more than 90 days past due of RM2.5 million was not fully provided with loss allowance due to the risk of non-recoverability of the debts is remote.

Q16. Regarding the on-going claim alleging unlawful dismissal of employment, who is the plaintiff and what was his/her last employment position within the Group?

Reply: The alleged matter, the plaintiff is Chew Mee Lee and her last employment position was Administration Manager.

Q17. Noted that 5 out of 7 of the Key Senior Management personnel are above the age of 60. What is the Nomination Committee's approach on succession planning?

Reply: The Board endeavours to identify suitable candidates for the positions.

Q18. MCCG Practice 1.4 - It is a departure due to the Mr. Chairman of the Board being invited to participate in the Audit Committee ["AC"] meetings for him to provide inputs and assists in answering questions from the AC. However, Mr. Chairman is a lawyer by training. Hence, what kind of questions, inputs and assists that you are able to answer to AC?

Reply: The AC's scope encompasses the entire operation of the Company. The Chairman, with 30 years of experience in an industrial conglomerate, is well-versed in the challenges faced by manufacturing companies and is able to provide valuable insights and solutions during AC meetings

Q19. In regard to the Proposed Acquisitions announced on 9 April 2025, both subject properties are aged buildings of approximately 40 to 45 years, and 23 to 28 years respectively. Is it really worthwhile for the Group to acquire such old buildings?

Reply: The Group will further elaborate details on the Proposed Acquisitions in the upcoming Circular to shareholders which will be announced in due course.

Q20. What are the Group's future plans in respect of the operations at the subject properties of the Proposed Acquisitions?

Reply: Same reply in Question 19 above.

Q21. In the same announcement, it is stated that the Management anticipates a need to expand the production capacity in the future. Could the Management please further elucidate to the shareholders on your plan to expand the production capacity?

Reply: Same reply in Question 19 above.

Q22. In respect of the Independent Limited Assurance Statement in the Sustainability Report, kindly clarify on the statements below by KPMG PLT as they are very confusing:

“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."

Reply: The statement in the last paragraph was in relation to the additional Sustainability Indicators not covered under the Annual Report 2024.

Q23. How does KPMG ensure its independence for both audit services and limited assurance engagement on Selected Sustainability Indicators for the financial year ended 31 December 2024?

Reply: KPMG performs annual independence declaration. Limited assurance engagements do not involve the financial statements and are considered separate from the audit, further supporting the firm's independence.

Mr Chee Sai Mun presented his enquiries to the Board and his enquiries were addressed by the Board and Management as follows:

Q1. Does the Board have any plans or strategies overcome the rising cost of sales and economic challenges for the next 5 years?

Reply: The Board actively pursues business opportunities that it believes are in the interest of the Company. The Senior Management constantly applies the 5M management system to manage various business costs. At the same time, the Senior Management is also working to expand into markets outside Malaysia.

Q2. Is the increase in sales of scrap due to wastage or inefficiency in production?

Reply: Zinc ash and dross are byproducts of the galvanizing process and the Company can recover part of the cost by selling them as scrap. In the case of steel, a certain amount of wastage is inevitable during the manufacturing process.

Q3. What is the reason for the significant increase in repair and maintenance expenses as compared to the previous financial year?

Reply: These expenses included the repair and maintenance of CNC equipment, which have proven to be costly. The age of the CNC equipment ranged from 4-5 years to over 20 years.

1. Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon

The Chairman proceeded with the first item of the Agenda and tabled to the Meeting, the Audited Financial Statements of the Group and the Company for financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon.

The Chairman informed the Meeting that the said Audited Financial Statements were laid at the Annual General Meeting in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion purpose only and as such, there is no requirement for the shareholders to approve them and thereafter, the matter would not be put forward for voting.

He continued and said that nevertheless, the Board and KPMG PLT would be pleased to answer any questions on the Audited Financial Statements.

There being no further queries, the Chairman declared that the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon were received and noted.

2. Ordinary Resolution 1 - To declare a final single tier dividend of 7 sen per ordinary share for the financial year ended 31 December 2024

The Chairman informed the Meeting that Ordinary Resolution 1 is to declare a final single tier dividend of 7 sen per ordinary share for the financial year ended 31 December 2024.

Mr Chew Hew Kwang proposed the motion "THAT a final single tier dividend of 7 sen per ordinary share for the financial year ended 31 December 2024 be approved."

The motion was duly seconded by Mr Chee Sai Mun and the Chairman put the motion to vote by poll.

3. Ordinary Resolution 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

The Chairman informed the Meeting that Ordinary Resolution 2 is 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.

Madam Yow Sop Ping proposed the motion "THAT 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 be approved."

The motion was duly seconded by Mr Chee Sai Mun and the Chairman put the motion to vote by poll.

4. Ordinary Resolution 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

The Chairman informed the Meeting that Ordinary Resolution 3 is 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.

Datuk Koh Seng Kiat proposed the motion "THAT 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 be approved."

The motion was duly seconded by Mr Chee Sai Mun and the Chairman put the motion to vote by poll.

5. Ordinary Resolution 4 - To re-elect Madam Chew Meu Jong as Director of the Company pursuant to Article 23.4 of the Company's Constitution

The Chairman informed the Meeting that Ordinary Resolution 4 is to re-elect Madam Chew Meu Jong as Director of the Company who retires pursuant to Article 23.4 of the Company's Constitution and had offered herself for re-election.

The profile of Madam Chew Meu Jong was provided to the shareholders on page 58 of the 2024 Annual Report.

Mr Chew Hew Kwang proposed the motion “THAT Madam Chew Meu Jong who retires pursuant to Article 23.4 of the Company’s Constitution, be and is hereby re-elected as Director of the Company.”

The motion was duly seconded by Datuk Koh Seng Kiat and the Chairman put the motion to vote by poll.

6. Ordinary Resolution 5 - To re-elect Mr Cheam Low Soo as Director of the Company pursuant to Article 23.4 of the Company’s Constitution

The Chairman informed the Meeting that Ordinary Resolution 5 is to re-elect Mr Cheam Low Soo as Director of the Company who retires pursuant to Article 23.4 of the Company’s Constitution and has offered himself for re-election.

The profile of Mr Cheam Low Soo was provided to the shareholders on page 59 of the 2024 Annual Report.

Datuk Koh Seng Kiat proposed the motion “THAT Mr Cheam Low Soo who retires pursuant to Article 23.4 of the Company’s Constitution, be and is hereby re-elected as Director of the Company.”

The motion was duly seconded by Mr Lim Fong Boon and the Chairman put the motion to vote by poll.

7. Ordinary Resolution 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

The Chairman informed the Meeting that Ordinary Resolution 6 is 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.

The Chairman informed the Meeting that Mr Chew Beng Hong from KPMG PLT was present to deal with any queries that the Meeting may have on this Agenda.

Mr Chan Fung Han presented his enquiry to the Board and his enquiry was addressed by Mr Chong Sai Sin as follows:

Q1. What is the reason for the significant increase in both audit and non-audit fees?

Reply: The increase in both audit and non-audit fees is primarily due to inflation and a shortage of audit resources. Most audit firms are facing issue in maintaining its talent and resources. The scope of work of the auditors have also increased with the enhanced compliance. The Board is making a concerted effort to manage rising audit costs while maintaining good working relationship with the auditors.

Mr Chee Sai Mun presented his enquiry to the Board and his enquiry was addressed by Mr Chong Sai Sin as follows:

Q2. Why is the subsidiary in Singapore not audited by KPMG?

Reply: KPMG Singapore had quoted an unreasonably high audit fee, hence the Board decided to retain the current auditors for its subsidiary in Singapore.

There being no queries, Datuk Koh Seng Kiat proposed the motion “THAT KPMG PLT be and are hereby re-appointed as Auditors of the Company for the financial year ending 31 December 2025 at such remuneration to be determined by the Directors.”

The motion was duly seconded by Mr Chee Sai Mun and the Chairman put the motion to vote by poll.

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

The Chairman informed the Meeting that Ordinary Resolution 7 is to consider and, if thought fit, to pass Ordinary Resolution 7 with regards to Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“Proposed Renewal of Shareholders’ Mandate”).

The Chairman informed the Meeting that interested Directors, interested Major Shareholders and Persons Connected to the interested Directors and interested Major Shareholders shall abstain from voting on the resolution. An interested Directors or interested Major Shareholders must also ensure that the Persons Connected to them abstain from voting in respect of their direct and/or indirect shareholdings on the resolution.

The details of the proposed renewal of shareholders’ mandate are set out in Circular to Shareholders dated 30 April 2025.

There being no further queries, Mr Chew Hew Kwang proposed the motion “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
- (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."

The motion was duly seconded by Mr Chee Sai Mun and the Chairman put the motion to vote by poll.

The Chairman then advised the Meeting that there was no notice lodged in relation to any other business and as such, he shall invite the Poll Administrator to brief the Meeting on the polling process.

The Poll Administrator briefed the Meeting on the polling process and the Chairman then adjourned the Meeting at 10:50 a.m. for polling on the resolutions for the day.

The Meeting resumed at 11:30 a.m. for the declaration of poll voting results. The Chairman informed the Meeting that he received the duly verified poll voting results from the appointed Independent Scrutineer and the results of the poll were as follows:

Ordinary Resolution	Voted For			Voted Against		
	No. of Shareholders	No. of shares	% of Voted Shares	No. of Shareholders	No. of shares	% of Voted Shares
Resolution 1	36	31,752,401	100.0000	0	0	0.0000
Resolution 2	30	23,878,701	75.2028	6	7,873,700	24.7972
Resolution 3	30	23,878,701	75.2028	6	7,873,700	24.7972
Resolution 4	30	23,878,701	99.9996	1	100	0.0004
Resolution 5	30	23,878,701	75.2028	6	7,873,700	24.7972
Resolution 6	36	31,752,401	100.0000	0	0	0.0000
Resolution 7	28	921,501	99.9891	1	100	0.0109

Based on the poll voting results, the Chairman declared that Ordinary Resolutions 1 to 7 were carried and RESOLVED:-

Ordinary Resolution 1 "THAT a final single tier dividend of 7 sen per ordinary share for the financial year ended 31 December 2024 be approved."

Ordinary Resolution 2 "THAT 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 be approved."

Ordinary Resolution 3 "THAT 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 be approved."

Ordinary Resolution 4 "THAT Madam Chew Meu Jong who retires pursuant to Article 23.4 of the Company's Constitution, be and is hereby re-elected as Director of the Company."

Ordinary Resolution 5 "THAT Mr Cheam Low Soo who retires pursuant to Article 23.4 of the Company's Constitution, be and is hereby re-elected as Director of the Company."

Ordinary Resolution 6 “THAT KPMG PLT be and are hereby re-appointed 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 “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
- (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.”

There being no other business, the Meeting closed at 11:35 a.m. with a vote of thanks to the Chairman.

CONFIRMED AS CORRECT

CHAIRMAN

12 June 2025