



LYSAGHT
Galvanized Steel Berhad



20
25

ANNUAL
REPORT



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Seventh Annual General Meeting (“47th AGM”) of **LYSAGHT GALVANIZED STEEL BERHAD** (“the Company”) will be held at Ballroom 1, Level 6, Weil Hotel, 292, Jalan Sultan Idris Shah, 30000 Ipoh, Perak Darul Ridzuan on Thursday, 11 June 2026 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 2025 together with the Directors’ and Auditors’ Reports thereon.
2. To declare a final single tier dividend of 7 sen per ordinary share for the financial year ended 31 December 2025.
3. To approve the payment of Directors’ Fees for an amount of up to RM700,000/- for the financial year ending 31 December 2026 to the Non-Executive Directors.
4. To approve the payment of the meeting allowances for an amount of up to RM170,000/- for the financial year ending 31 December 2026 to the Non-Executive Directors.
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. Ir. Aik Siaw Kong
 - ii. Mr Yeoh Sheong Lee
6. To re-elect Madam Wong Lai Wah who retire pursuant to Article 23.11 of the Company’s Constitution and who have offered herself for re-election.
7. To re-appoint KPMG PLT as Auditors of the Company for the financial year ending 31 December 2026 at such remuneration to be determined by the Directors

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4
Ordinary Resolution 5

Ordinary Resolution 6

Ordinary Resolution 7

SPECIAL BUSINESS

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

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

Ordinary Resolution 8

“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 2026 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

NOTICE OF ANNUAL GENERAL MEETING

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- (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."

9. 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 2025, if approved by shareholders at the 47th AGM, will be paid on 17 July 2026 to Depositors whose names appear in the Record of Depositors of the Company at the close of business on 3 July 2026.

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 2026 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 2026

NOTICE OF ANNUAL GENERAL MEETING

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Notes:

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 4 June 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 47th 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 47th 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 47th AGM will be put to vote by poll.*

Explanatory Notes:

1. Audited Financial Statements for the financial year ended 31 December 2025

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 25 February 2026, 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 2026 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 2026.

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

Ir. Aik Siaw Kong and Mr Yeoh Sheong Lee ("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 47th 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 47th AGM.

The Board has also through the NC carried out assessment on the independence of Mr Yeoh Sheong Lee and is satisfied that he met the criteria of independence set out in the MMLR of Bursa Malaysia Securities Berhad.

The profiles of the Retiring Directors are set out in the Directors' Profile on page 65 and 66 of the Annual Report 2025.

5. Ordinary Resolution 6 – Re-election of Director Pursuant to Article 23.11 of the Company's Constitution

Article 23.11 of the Company's Constitution expressly states that the Board shall have the power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election but shall not taken into account in determining the Directors who are to retire by rotation at that meeting.

Madam Wong Lai Wah ("Madam Wong") was appointed as an Independent Non-Executive Director of the Company on 1 August 2025. Madam Wong, who retires in accordance with Article 23.11 of the Company's Constitution and being eligible, has offered herself for re-election at the 47th AGM.

The Board had through the NC carried out assessment on Madam Wong and agreed that she met the criteria of character, experience, integrity, competence and time commitment in discharging her roles as director of the Company and her 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 47th AGM.

The Board has also through the NC carried out assessment on the independence of Madam Wong and is satisfied that she met the criteria of independence set out in the MMLR of Bursa Malaysia Securities Berhad.

The profile of Madam Wong is set out in the Directors' Profile on page 67 of the Annual Report 2025.

6. Ordinary Resolution 8 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolution 8, 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 2026. 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 2026 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 47th Annual General Meeting of the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ee Beng Guan
Non-Independent Non-Executive Chairman

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

Yeoh Sheong Lee
*Senior Independent Non-Executive Director
(redesignated as Senior Independent
Non-Executive Director on 1 August 2025)*

Chong Chin Look
Independent Non-Executive Director

Wong Lai Wah (appointed on 1 August 2025)
Independent Non-Executive Director

AUDIT COMMITTEE

Yeoh Sheong Lee (Chairman)
(redesignated on 1 August 2025)
Chong Chin Look
Wong Lai Wah (appointed on 1 August 2025)

NOMINATION COMMITTEE

Yeoh Sheong Lee (Chairman)
(redesignated on 1 August 2025)
Cheam Low Soo
Wong Lai Wah (appointed on 1 August 2025)

REMUNERATION COMMITTEE

Chew Meu Jong (Chairman)
Ir. Aik Siaw Kong, ^{KMN}
Chong Chin Look

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

Ir. Aik Siaw Kong, ^{KMN} (Chairman)
Ee Beng Guan
Cheam Low Soo

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@sshsb.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

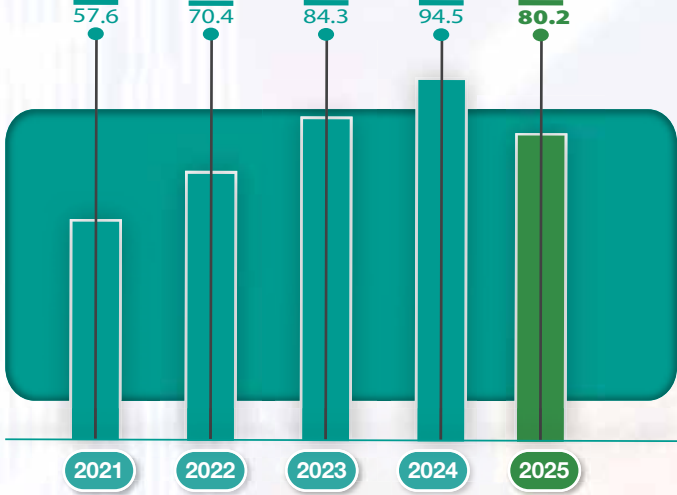
Standard Chartered Bank Malaysia Bhd.

STOCK EXCHANGE LISTING

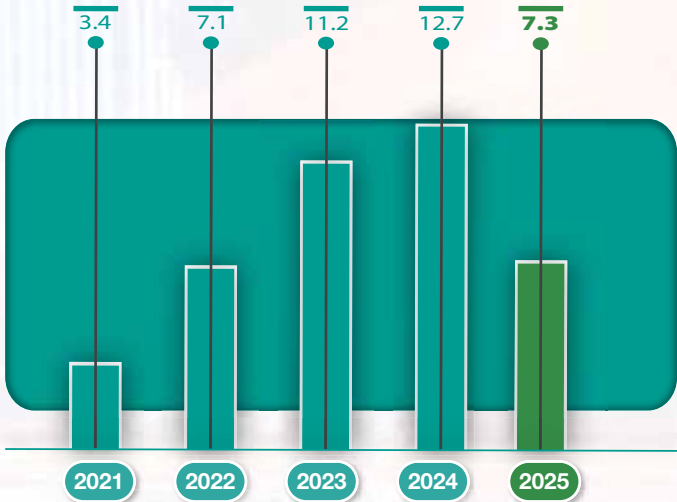
Main Market of Bursa Malaysia Securities Berhad
Stock Name : LYSAGHT
Stock Code : 9199

FINANCIAL HIGHLIGHTS

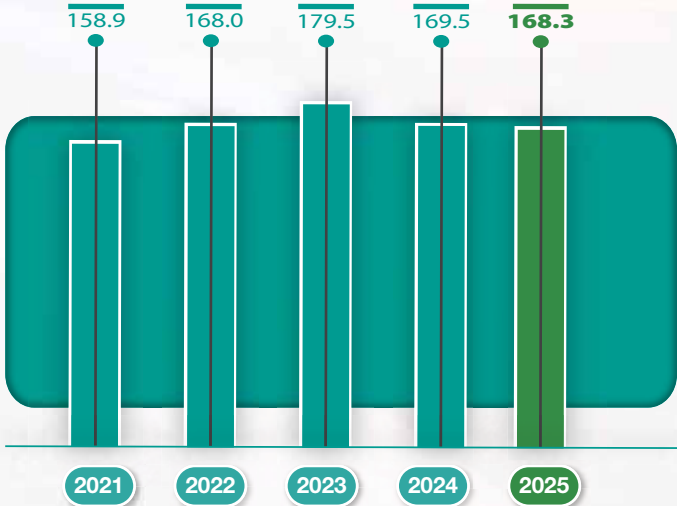
REVENUE (RM'Mil)



PROFIT AFTER TAX (RM'Mil)



SHAREHOLDERS' FUND (RM'Mil)



CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, it is my privilege to present the Annual Report and Financial Statements of Lysaght Galvanized Steel Berhad ("Lysaght") for the financial year ended ("FYE") 31 December 2025.

The year 2025 was marked by a dynamic operating environment, both globally and domestically, presenting opportunities and challenges that tested the resilience and adaptability of businesses across industries. Against this backdrop, Lysaght remained committed to delivering value to our shareholders, maintaining operational discipline, and strengthening our position as a leading provider of high-quality galvanized steel solutions in Malaysia and the region.

OPERATING ENVIRONMENT

The global economy in 2025 experienced a period of moderation and uncertainty, influenced by trade tensions, tariff adjustments, and cautious business sentiment. While some of the more extreme tariff measures were tempered through subsequent agreements, volatility persisted throughout the year. Temporary factors that supported economic activity in the first half of 2025, such as front-loading of demand, gradually dissipated as the year progressed.

According to the International Monetary Fund ("IMF") World Economic Outlook, global growth is projected to slow slightly from 3.3% in 2024 to 3.2% in 2025, reflecting a more measured expansion amid evolving trade and policy dynamics.

(Source : <https://www.imf.org/en/publications/weo/issues/2025/10/14/world-economic-outlook-october-2025>)

For the manufacturing and construction sectors, including the steel industry, the year was characterised by cost volatility and cautious investment sentiment. Prices of key commodities, particularly zinc, experienced fluctuations during the year, directly impacting production and input costs for the Group. Higher zinc prices increased the cost of raw materials for galvanized products, which in turn put pressure on gross margins and overall profitability, especially on fixed-price contracts where cost increases cannot be fully passed on to customers.

In addition, movements in crude oil prices affected logistics and energy costs, while foreign exchange volatility, notably the strengthening of the Ringgit against the US Dollar and Singapore Dollar, created mixed effects. It reduced the cost of imported raw materials but also tempered export competitiveness. Collectively, these factors influenced both the timing of orders and the pricing of products in domestic and international markets.

Domestically, Malaysia's economy demonstrated notable resilience, supported by strong household spending, sustained private and public sector investment, and government-led infrastructure initiatives. The economy expanded by 5.2% in 2025, up from 5.1% in 2024, driven by ongoing projects in utilities, transportation, and telecommunications. These developments provided structural support for demand in galvanized steel products, including lighting columns, transmission towers, telecommunication masts, and structural steel solutions.

(Source: https://www.bnm.gov.my/-/qb25q4_en_pr)

Despite external headwinds and cost pressures, the Group remained focused on operational efficiency, prudent financial management, and mitigating the impact of commodity price volatility through careful procurement, inventory management, and strategic pricing.

FINANCIAL PERFORMANCE

Given the backdrop of volatile commodity costs and foreign exchange movements, the Group recorded revenue of RM80.2 million for FYE 2025, a decrease of RM14.3 million or 15.1% from RM94.5 million in FYE 2024. The reduction in revenue was influenced by timing of orders, cautious market sentiment, and the moderating export demand due to a stronger Ringgit.

CHAIRMAN'S STATEMENT

cont'd

The increase in raw material costs placed additional pressure on gross margins. As a result, profit before tax ("PBT") declined to RM9.1 million, down RM6.7 million or 42.6% from RM15.8 million in FYE 2024.

While these external factors affected profitability, the Group continued to implement disciplined cost management, operational efficiency initiatives, and strategic procurement practices to mitigate the impact of commodity price volatility. Despite these challenges, Lysaght's resilient domestic operations, ongoing infrastructure projects, and continued focus on core competencies enabled the Group to maintain stable performance and position itself for sustainable growth in the coming years.

FORWARD LOOKING

Globally, economic growth is projected to remain steady at approximately 3.3% in 2026. While headwinds from shifting trade policies, geopolitical tensions, and currency volatility persist, these are expected to be partly offset by continued investments in technology, supportive fiscal and monetary policies, and the adaptability of the private sector.

(Source : <https://www.imf.org/en/publications/weo/issues/2026/01/19/world-economic-outlook-update-january-2026>)

The ongoing focus on infrastructure development, industrial automation, and productivity enhancement is expected to sustain demand for construction materials, including galvanized steel products, which form the backbone of transmission towers, lighting columns, telecommunication masts, and structural steel solutions.

At the domestic level, Malaysia's economy is expected to remain resilient in 2026, with GDP projected to expand between 4.0% and 4.5% according to projections by the Ministry of Finance. Growth is expected to be driven by continued progress of multi-year investment projects, implementation of catalytic initiatives under national master plans and the Thirteenth Malaysia Plan (13MP), as well as sustained demand for electrical and electronic (E&E) exports.

Public infrastructure projects, utilities upgrades, and transportation and telecommunications expansion are expected to maintain stable demand for steel products. The tourism recovery under Visit Malaysia Year 2026 will also indirectly support construction activity, particularly in urban and commercial developments.

(Source: https://www.bnm.gov.my/-/qb25q4_en_pr)

Despite these supportive factors, the Group anticipates a challenging operating environment in 2026. The ongoing war is creating economic instability by disrupting global oil supplies and trade routes, leading to higher energy prices, rising inflation, and widespread financial uncertainty. Volatility in steel, zinc, and crude oil prices, together with foreign exchange fluctuations may affect raw material costs, export competitiveness, and overall profitability. Competition from lower-cost and lower-quality products also remains a factor in certain domestic and regional markets.

Nevertheless, Lysaght remains well-positioned to navigate these uncertainties. Its diversified product portfolio, focus on high-quality galvanized steel solutions, long-standing relationships with key industrial and construction partners, and disciplined operational and financial management provide a solid foundation to capture opportunities arising from infrastructure projects, public utilities, and industrial development initiatives. The Group will continue to prioritise efficiency, strategic procurement, and innovation to sustain growth and enhance long-term shareholder value.

A detailed review of the Group's financial and operational performance is provided in the "**Management Discussion and Analysis of Business Operations and Financial Performance**" section of this Annual Report.

CHAIRMAN'S STATEMENT

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DIVIDEND

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

In addition to the final dividend payout of 7 sen for FYE 2024 on 17 July 2025, the Group declared an interim single-tier dividend of 8 sen per share for FYE 2025, which was distributed on 29 September 2025. The Board of Directors is pleased to propose a final single-tier dividend of 7 sen per ordinary share for FYE 2025, subject to the approval of shareholders at the forthcoming Annual General Meeting.

This brings the total declared dividend for FYE 2025 to 15 sen per share. This reflects the Group's commitment to operational excellence, strong cash generation, and sustainable returns for shareholders.

The Board remains dedicated to delivering attractive and consistent dividend yields while maintaining financial prudence. Our disciplined approach ensures a careful balance between rewarding shareholders and reinvesting in the business to support sustainable long-term growth.

ACKNOWLEDGEMENT

On behalf of the Board, I extend my deepest gratitude to our shareholders for their continued trust and support, which remain a driving force behind our success. I also wish to thank our employees for their dedication and hard work, which have been instrumental in strengthening the Group's resilience and achievements.

We acknowledge our business partners, advisors, and government and regulatory agencies for their guidance and support throughout FYE 2025. I also wish to express appreciation to our former Director, Mr. Chong Sai Sin, for his contributions and dedication during his tenure, and to welcome Madam Wong Lai Wah to the Board. We are confident that her expertise will enrich our strategic discussions and decision-making.

Finally, I extend my sincere appreciation to my fellow Directors for their unwavering 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

22 April 2026

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 under the Companies Act, 1965, as a private limited company. Its origins trace back to Lysaght Corrugated Pipe Sdn. Bhd., established in 1972 as a joint venture between John Lysaght (Australia) Ltd., United Engineers Ltd., Singapore, and a consortium of Malaysian entrepreneurs.

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

Over more than four decades, Lysaght has established itself as a leading manufacturer and supplier of galvanized steel products in Malaysia and the wider ASEAN region, supported by robust engineering capabilities and internationally recognised quality management systems.

Market Position, Brands and Product Portfolio

Lysaght’s products play a critical role in infrastructure, construction, utilities, and telecommunications projects. Its offerings are marketed under the registered trade names **LYCORPOLE®** and **Safe-T-Pole®**, reflecting the Company’s commitment to durability, design excellence, and application versatility.

Key product categories include:

- Street Lighting Columns and High Mast Lighting Columns – engineered to comply with international environmental and safety standards
- Antenna Masts and Telecommunication Poles – supporting the growing digital and 5G infrastructure in Malaysia and the region
- Stadium and Recreational Poles – for sports complexes, golf courses, and urban facilities
- Customized Tubular Structures – including supports for overhead power transmission lines, substation equipment, and other mission critical installations

Lysaght serves both domestic and international markets, with distribution and customer engagement managed through its wholly owned subsidiaries, Lysaght Marketing Sdn. Bhd. in Malaysia and Lysaght Marketing (S) Pte. Ltd. in Singapore. These subsidiaries ensure effective market reach, customer engagement, and post-sales support, strengthening long-term client relationships.

Strategic Capabilities and Operational Strengths

Engineering and Quality Assurance

Lysaght’s in house design and engineering teams are central to its competitive advantage, ensuring that products are optimised for performance, safety, and cost efficiency. The Group’s focus on value engineering and customised solutions enables it to meet increasingly complex project specifications.

The Company’s manufacturing processes are certified to ISO 9001:2015, underscoring its sustained commitment to global quality standards and operational excellence. Notably, Lysaght’s Street Light Columns and High Mast Steel Lighting Columns have achieved global recognition, certified by SIRIM QAS International Sdn. Bhd. and compliant with:

- 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

These certifications highlight Lysaght’s adherence to rigorous safety, reliability, and performance benchmarks.

MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

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Customer-Centric Support

Customer satisfaction is reinforced through comprehensive technical support across the project lifecycle, from conceptual design advice to on-site guidance and post-sales service. This consultative approach distinguishes Lysaght in competitive markets where engineering reliability and solution flexibility are increasingly valued.

Market Adaptability

The growing preference for tailored, project-specific solutions, particularly in infrastructure, smart city development, and 5G-enabled telecommunications, underscores Lysaght's proactive adaptation of production capabilities and design competencies. The Company continuously invests in process enhancements, technology adoption, and engineering talent development to ensure responsiveness to evolving customer and market demands.

YEAR-ON-YEAR FINANCIAL REVIEW

In 2025, the global economy was shaped by persistent uncertainties, including trade tensions, tariff adjustments, and cautious business sentiment. The steel industry experienced significant cost volatility, driven by fluctuating prices of key commodities such as zinc. Movements in crude oil prices further impacted logistics and energy costs, while foreign exchange fluctuations reduced the cost of imported raw materials but tempered export competitiveness. Collectively, these factors influenced both the timing of orders and the pricing of products across domestic and international markets.

Domestically, Malaysia's economy demonstrated notable resilience, supported by robust household spending, sustained private and public sector investment, and government-led infrastructure initiatives. These developments provided structural support for demand in galvanized steel products, including lighting columns, transmission towers, telecommunication masts, and structural steel solutions.

Against this backdrop, the Group recorded revenue of RM80.2 million for the financial year ended ("FYE") 31 December 2025, representing a decrease of RM14.3 million, or 15.1%, from RM94.5 million in FYE 2024. The decline in revenue was primarily driven by the timing of orders, cautious market sentiment, and moderating export demand due to a stronger Ringgit.

The increase in raw material costs further compressed gross margins. Consequently, profit before tax ("PBT") declined to RM9.1 million, a reduction of RM6.7 million, or 42.6%, from RM15.8 million in the prior year.

Despite these challenges, Lysaght remains committed to sustaining financial resilience and operational excellence. Through proactive monitoring of market trends, strategic investments, and customer-focused innovation, the Group continues to position itself for long-term value creation. By leveraging emerging opportunities in the infrastructure and construction sectors, Lysaght aims to maintain profitability and deliver sustained returns to stakeholders.

Our financial performance	Audited	Audited	Variance	
	FYE 2025	FYE 2024	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	80,229	94,469	-14,240	-15.1
Gross profit ("GP")	20,190	26,052	-5,862	-22.5
Profit before tax ("PBT")	9,096	15,847	-6,751	-42.6
Profit after tax ("PAT")	7,340	12,688	-5,348	-42.2
GP margin (%)	25.2%	27.6%		-2.4
PBT margin (%)	11.3%	16.8%		-5.5
PAT margin (%)	9.1%	13.4%		-4.3

MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

cont'd

Revenue by country	Audited FYE 2025	Audited FYE 2024	Variance	
	RM'000	RM'000	RM'000	%
Malaysia	45,400	47,001	-1,601	-3.4
Singapore	24,420	39,027	-14,607	-37.4
New Zealand	7,090	5,979	1,111	18.6
Others	3,319	2,462	857	34.8
Revenue	80,229	94,469	-14,240	-15.1

Revenue

For FYE 2025, the Group recorded revenue of RM80.2 million, representing a decline of RM14.3 million, or 15.1%, compared to RM94.5 million in FYE 2024.

The decline was primarily driven by a significant reduction in revenue from Singapore, which fell sharply by RM14.6 million, or 37.4%, due to weaker market demand from project delays and the impact of a stronger Ringgit on export competitiveness.

Revenue from Malaysia remained relatively stable at RM45.4 million, a modest decline of RM1.6 million, or 3.4%, reflecting resilience in the domestic market. Continued government-led infrastructure projects, such as road lighting, power transmission, and urban development initiatives, alongside steady private sector demand, provided structural support for the Group's core product segments, including galvanized poles, lighting columns, and telecommunication masts.

In contrast, revenue from New Zealand and other international markets increased by 18.6% and 34.8%, respectively. Growth in these markets underscores the Group's successful diversification strategy, demonstrating its ability to leverage emerging opportunities, capture new clients, and mitigate reliance on a single geographic region.

Gross profit and margin

For FYE 2025, the Group's gross profit declined to RM20.2 million, down 22.5% from RM26.1 million in FYE 2024, reflecting a corresponding decrease in gross profit margin to 25.2% from 27.6% in the prior year.

The contraction was mainly driven by lower average selling prices for masts products amid competitive market conditions, and the impact of commodity fluctuations. Rising costs of key raw materials, particularly zinc, further increased production costs despite ongoing operational efficiencies.

To address these pressures, the Company continued to implement cost management measures, including process optimization, tighter inventory control, and more efficient procurement practices, to help preserve margins.

Profit before tax

For FYE 2025, the Group's PBT declined to RM9.1 million, representing a 42.6% decrease, or RM6.7 million, from RM15.8 million in FYE 2024. The PBT margin contracted by 5.5 percentage points, from 16.8% in FYE 2024 to 11.3% in FYE 2025. This decline was largely attributable to the reduction in gross profit, which was impacted by lower average selling prices for masts products and rising raw material costs.

Despite these challenges, the Group maintained disciplined cost management and operational efficiency initiatives, which helped to partially mitigate the impact on overall profitability. The Company's focus on value-engineered solutions, strategic pricing, and market diversification provides a solid foundation for sustaining profitability in a volatile business environment.

MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

cont'd

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

Following the decline in PBT, the Group reported a net profit of RM7.3 million, down 42.2% or RM5.4 million from RM12.7 million in FYE 2024. This corresponded to basic earnings per share of 17.65 sen, a decrease of 12.87 sen from 30.52 sen in the prior year.

Liquidity, capital resources and gearing

Our cash flow from/(used in)	Audited	Audited	Variance	
	FYE 2025	FYE 2024	RM'000	%
	RM'000	RM'000	RM'000	
Operating activities	8,997	11,856	-2,859	-24.11
Investing activities	-11,991	10,039	-22,030	-219.44
Financing activities	-6,584	-20,554	13,970	67.97
Net changes in cash and cash equivalent	-9,578	1,341	-10,919	-814.2

As of 31 December 2025, the Group's cash and cash equivalents decreased by RM9.6 million to RM71.5 million, compared with RM81.1 million as of 31 December 2024. Cash and cash equivalents comprise cash and bank balances, excluding fixed deposits with maturities exceeding three months.

The Group generated positive cash flow before changes in working capital of RM9.4 million for FYE 2025. Changes in working capital contributed RM0.1 million, reflecting:

- A RM2.0 million decrease in trade and other receivables, in line with lower revenue.
- A RM0.4 million reduction in trade and other payables, driven by lower cost of goods sold.
- A RM1.5 million increase in inventories, attributable to higher finished goods and work-in-progress.

After accounting for income tax payments of RM2.6 million and interest received of RM2.1 million, net cash inflow from operating activities was RM9.0 million.

Net cash outflow from investing activities amounted to RM12.0 million, primarily due to:

- RM17.1 million spent on the outright purchase of leasehold lands with buildings, which was approved by shareholders on 4 July 2025.
- RM5.1 million net cash inflow from lower withdrawal of fixed deposits with maturities exceeding three months, from RM7.6 million in the prior year.

Net cash outflow from financing activities was RM6.6 million, mainly due to dividend payments of RM6.3 million and lease payments of RM0.3 million.

The Group funds its operations through a combination of internal and external sources. Internally, funds are primarily sourced from shareholders' equity and operating cash flow, while externally, the Group utilises supplier credit terms. The Group remained debt-free as of 31 December 2025.

There were no contracted capital commitments as of 31 December 2025. Management is confident that the Group has sufficient working capital to support current and foreseeable operational requirements.

Beyond the factors mentioned, the Group is 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 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 2025, 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

Looking ahead to 2026, global demand for infrastructure steel solutions is expected to remain resilient, supported by continued investments in telecommunications networks, power transmission infrastructure, and smart city developments.

One of the key growth drivers is the global rollout of 5G networks, which continues to progress as governments and telecommunications operators expand digital connectivity and data capacity. The global telecom towers market is projected to reach approximately USD 48.7 billion in 2026, supported by increasing mobile data consumption and the need for denser network infrastructure to support 5G connectivity.

(Source: <https://www.businessresearchinsights.com/market-reports/telecom-towers-market-120654>)

In parallel, rising urbanisation and digitalisation are driving the expansion of broadband networks, power distribution systems and smart infrastructure, all of which require durable and reliable structural solutions such as steel poles, monopoles and telecommunication towers. The global utility poles market is expected to continue growing steadily, supported by grid modernisation initiatives, increasing electricity demand and the expansion of broadband connectivity.

Galvanised steel structures are increasingly preferred in these applications due to their high strength, corrosion resistance, long service life and lower lifecycle maintenance requirements, making them suitable for modern infrastructure projects in both urban and rural environments. In particular, steel poles and monopoles are gaining wider adoption in telecommunications networks and smart city infrastructure due to their structural efficiency and adaptability.

Regionally, Asia-Pacific is expected to remain the fastest-growing market, driven by rapid urban development, expanding telecommunications infrastructure and ongoing investments in power grid modernisation.

(Source: <https://www.businesswebwire.com/steel-utility-poles-market-size/>)

Singapore has raised its GDP growth forecast for 2026 to 2%–4%, following a stronger-than-expected finish to 2025. This upgrade reflects the expectation that GDP growth in major economies will moderate as the effects of U.S. tariffs work through the global economy.

Domestically-oriented sectors, particularly construction and infrastructure development, are projected to continue expanding, supported by ongoing public residential developments and civil engineering projects. These initiatives are expected to sustain demand for infrastructure components such as lighting columns, steel poles and structural support systems, which are essential for urban infrastructure, transportation networks and utilities.

(Source : <https://www.mti.gov.sg/newsroom/mti-upgrades-2026-gdp-growth-forecast-to--2-0-to-4-0-per-cent-/>)

At the domestic level, Malaysia's economy is projected to remain resilient in 2026, with GDP growth estimated at 4.0%–4.5% according to projections by the Ministry of Finance. This growth is expected to be driven by the continued progress of multi-year investment projects, implementation of key initiatives under national master plans and the Thirteenth Malaysia Plan (13MP), as well as sustained demand for electrical and electronic (E&E) exports.

Public infrastructure projects, utilities upgrades, and expansion in transportation and telecommunications are expected to maintain steady demand for steel products. The tourism recovery under Visit Malaysia Year 2026 is also likely to indirectly support construction activity, particularly in urban and commercial developments.

(Source: https://www.bnm.gov.my/-/qb25q4_en_pr)

Amidst an increasingly complex operating environment, the Group remains committed to resilience and strategic adaptability. Key challenges expected to shape the business landscape include:

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

MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

cont'd

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

At the same time, the Group is committed to strengthening its brand presence and delivering exceptional product and service quality to sustain a competitive edge. Strategic priorities include:

- Expanding the product portfolio.
- Growing the customer base.
- Proactively pursuing new business opportunities.

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

SUSTAINABILITY REPORT

ABOUT THIS REPORT

Lysaght Galvanized Steel Berhad (“**Lysaght**” or “**the Company**”), together with its subsidiaries (collectively referred to as “**the Group**”), is pleased to present its Sustainability Report for the financial year ended (“**FYE**”) 31 December 2025.

This Report outlines the Group’s sustainability strategy, guiding principles, key initiatives, and performance for FYE 2025. It addresses the material sustainability issues identified through our materiality assessment, which are most relevant to our stakeholders. The Report also provides updates on the Group’s ongoing sustainability efforts across core business units and operations, demonstrating the progress made toward fulfilling our sustainability commitments. These efforts reflect our continued focus on integrating sustainable practices and generating long-term value for all stakeholders.

Our approach to sustainability continues to evolve in response to emerging challenges and opportunities. Recognising that sustainability is a continuous journey, we remain committed to enhancing our strategies to ensure meaningful contributions to both society and the environment.

REPORTING FRAMEWORKS AND STANDARDS

This Report has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”), with reference to the Bursa Malaysia Sustainability Reporting Guide (3rd Edition) as a key framework. Additionally, this Report has been prepared with reference to the United Nations Sustainable Development Goals (“**UN SDGs**”).



REPORTING SCOPE AND BOUNDARIES

This Report covers the reporting period from 1 January 2025 to 31 December 2025, and it includes comparative historical data where relevant and available to provide context and continuity in our disclosure.

The scope of this Report encompasses the sustainability performance and progress of Lysaght and its subsidiaries, including the Group’s headquarters and all operations in Malaysia and Singapore. The Report excludes the activities of associate companies and joint ventures, which are not under the direct operational control of the Group.

SUSTAINABILITY REPORT

cont'd

INDEPENDENT ASSURANCE

To ensure the accuracy, objectivity, and transparency of the information presented in this Report, a limited independent assurance review was undertaken by CAS Consulting Services Sdn. Bhd. on the specific sustainability indicators listed below:

- Anti-corruption
- Human rights
- Employee management
- Diversity, equity & inclusion
- Water Management
- Health and Safety

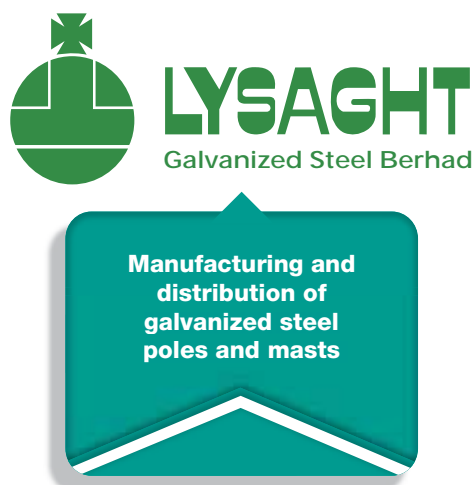
A summary of the assurance scope, approach, and key findings is provided at the conclusion of this Report.

FEEDBACK ON THE REPORT

As part of our ongoing commitment to continuous improvement, we aim to enhance the depth, accuracy, and transparency of our sustainability reporting with each annual cycle. We greatly value the perspectives of our stakeholders and welcome any questions, feedback, or suggestions that may contribute to the refinement of our sustainability practices and disclosures. Stakeholders are encouraged to share their input via email at lysaghtg@lysaghtmarketing.com.my.

ABOUT US

Lysaght was incorporated in 1979 and listed on the Main Market of Bursa Securities in 1994. The Company began its operations in the manufacturing of corrugated steel pipes, guardrails, and highway furniture. Over time, Lysaght diversified into the design and manufacturing of poles, masts, transmission poles, transmission and telecommunication towers, as well as substation structures.



SUSTAINABILITY REPORT

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OUR SUSTAINABILITY APPROACH

SUSTAINABILITY FRAMEWORK

Our sustainability framework is structured around four core pillars: Economic, Environmental, Social and Governance, and is closely aligned with the Company’s identified material matters. This holistic approach enables us to consistently address our key sustainability priorities in a balanced and integrated manner. As we deepen our understanding of how best to align our business objectives with the broader global sustainability agenda, the framework will be regularly reviewed and refined to ensure its continued relevance, effectiveness, and responsiveness to emerging challenges and opportunities.



COMMITMENT TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Lysaght is committed to advancing the UN SDGs as part of our broader sustainability agenda. We recognise the importance of these global goals in addressing critical economic, environmental, and social challenges, and have taken deliberate steps to align our strategies and operations with selected SDGs that are most relevant to our business and stakeholders. Through our initiatives and performance across our key sustainability pillars, we aim to contribute meaningfully to the achievement of these goals while fostering long-term value for society and the environment.

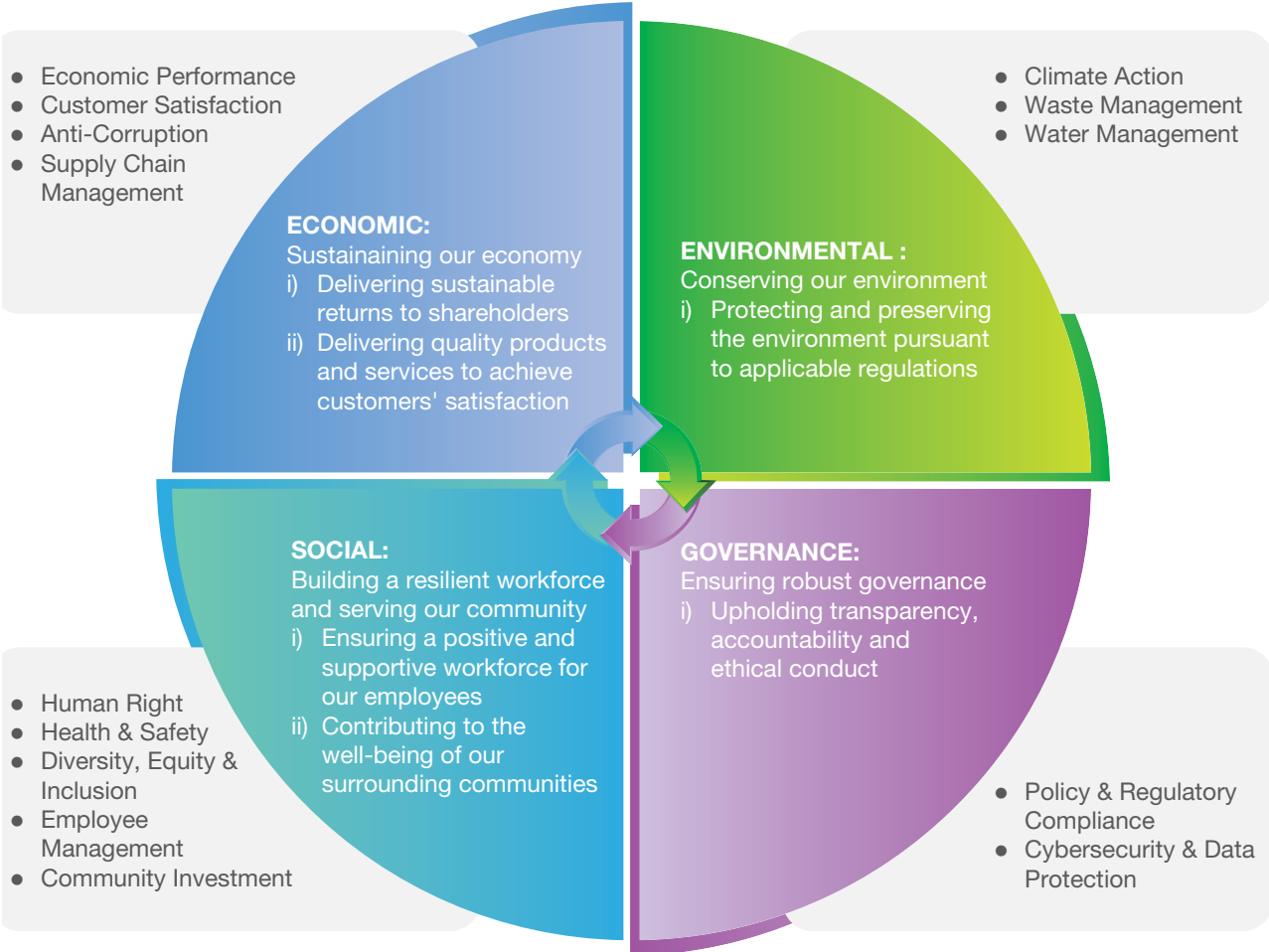
SUSTAINABILITY REPORT

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SUSTAINABILITY POLICY

As Lysaght continues to grow, our commitment to sustainability remains unwavering. We have established a clear and purposeful sustainability philosophy that guides economic, strategic, and operational decision-making across the Group.

Sustainability is deeply embedded in our corporate culture and is a key driver of our long-term value creation. We are committed to operating in a manner that is safe, responsible, and sustainable, ensuring that our growth does not come at the expense of environmental or social wellbeing.



SUSTAINABILITY REPORT

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SUSTAINABILITY GOVERNANCE

Lysaght’s governance structure is designed to ensure effective oversight and execution of the Group’s sustainability responsibilities through clearly defined roles, accountability mechanisms, and performance monitoring. To support our sustainability agenda, the Group has established a robust three-tiered sustainability governance framework.

1. Board of Directors

At the highest level, the Board provides strategic oversight of the Group’s overall sustainability direction, including the management of material sustainability matters and performance outcomes. The Board is responsible for embedding sustainability into the Group’s core business strategy and oversees the following key areas:

- Engagement with key stakeholders
- Materiality assessment processes
- Identification and management of sustainability-related risks and opportunities
- Communication of sustainability strategies, priorities, and targets, as well as performance against these targets, to both internal and external stakeholders

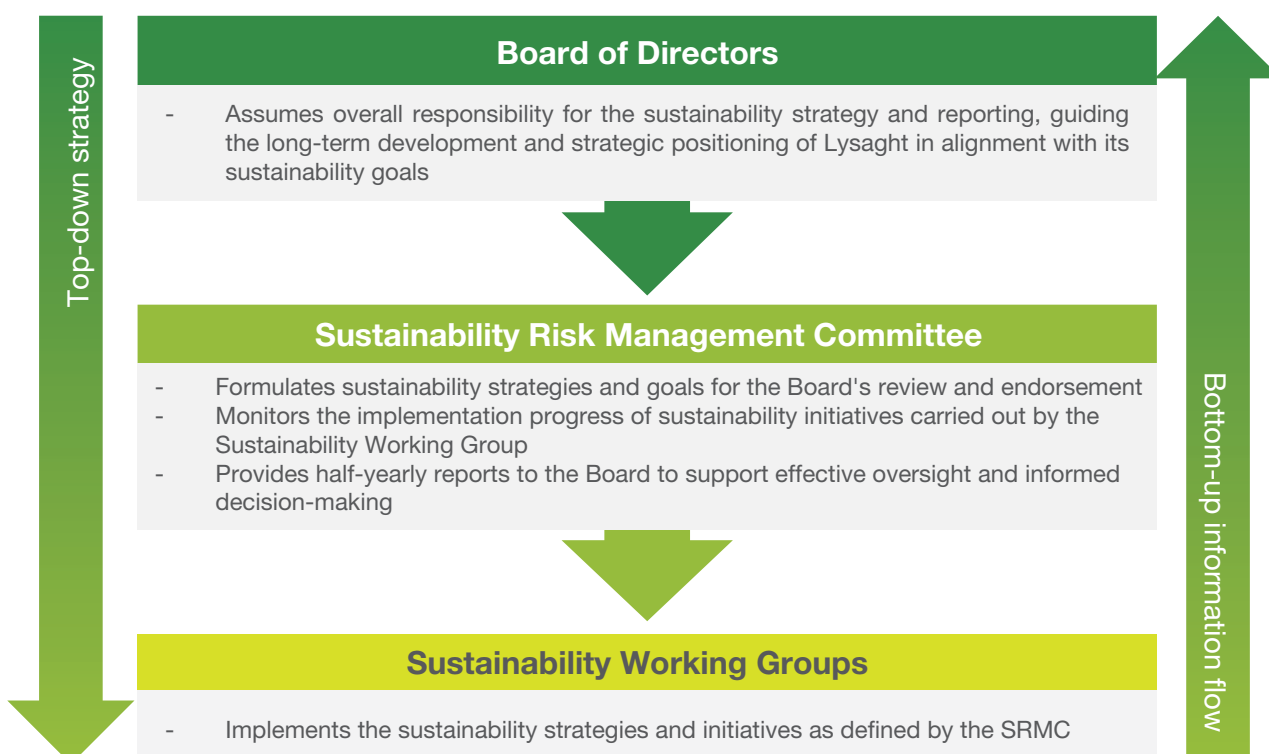
2. Sustainability Risk Management Committee

The second tier is the Sustainability Risk Management Committee (“SRMC”). The SRMC plays a pivotal role in supporting the Board by:

- Formulating sustainability strategies and goals for the Board’s endorsement
- Reviewing and advising on ongoing sustainability initiatives
- Monitoring and evaluating progress against strategic sustainability targets
- Reporting on the Group’s sustainability performance to the Board on a half-yearly basis

3. Sustainability Working Group

The third tier consists of Key Senior Management and representatives from relevant departments across the Group. This team is responsible for the implementation of sustainability strategies and initiatives. Their involvement reflects our collective commitment to embedding sustainability into day-to-day operations and decision-making processes.



SUSTAINABILITY REPORT

cont'd

To ensure accountability across all levels, annual assessments are conducted to evaluate the effectiveness of the Board and Key Senior Management in advancing the Group’s sustainability agenda. This includes reviewing progress against established sustainability targets, analysing key performance indicators (“KPIs”), and identifying areas requiring improvement. Where performance gaps or challenges are identified, targeted interventions are proposed for senior-level deliberation and decision-making.

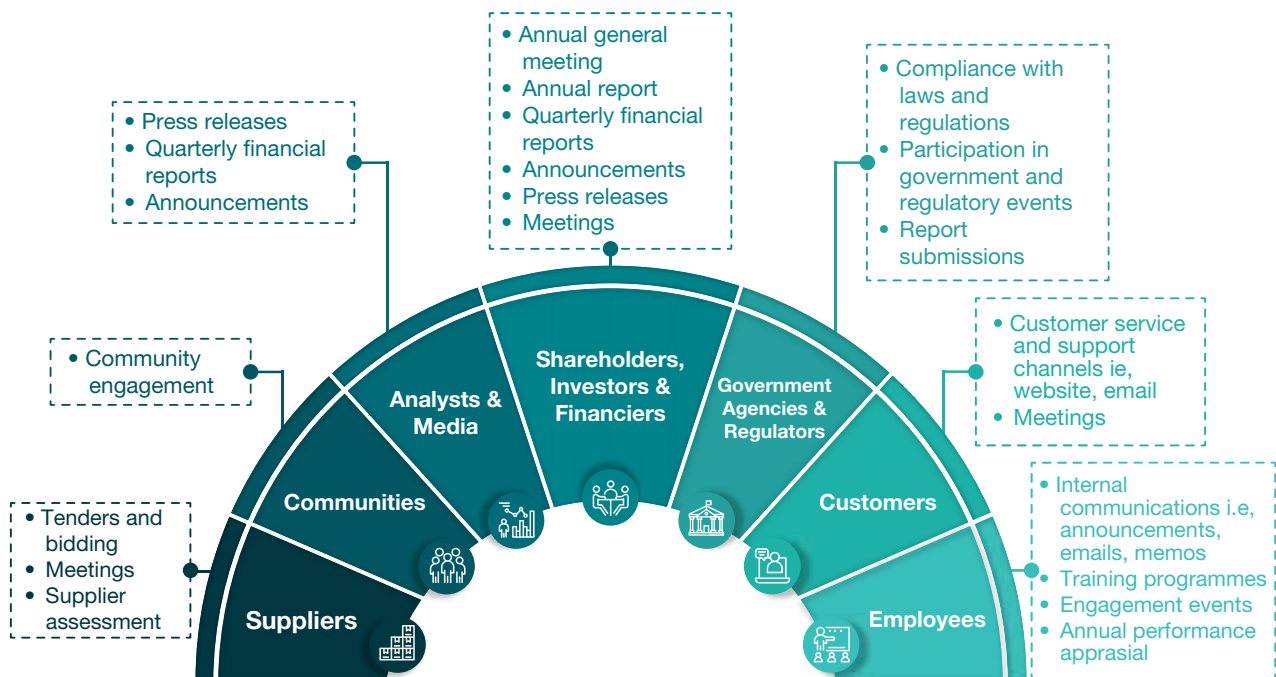
STAKEHOLDER ENGAGEMENT

Stakeholder engagement remains a fundamental component of Lysaght’s sustainability strategy and business operations. By actively considering the perspectives, expectations, and concerns of its stakeholders, Lysaght ensures that its activities, performance, and value creation efforts are aligned with stakeholder priorities.

Lysaght is committed to building an inclusive organisation that proactively addresses the diverse needs of its stakeholders. We recognise that meaningful engagement is essential to achieving long-term, sustainable growth. In identifying stakeholders, Lysaght focuses on individuals or groups who are significantly affected by or have considerable influence over the Group’s operations and presence. These stakeholders are recognised as key contributors in shaping material matters related to the Group’s sustainability priorities.

Through consistent engagement, Lysaght has gained valuable insights into stakeholder concerns and expectations, fostering a deeper understanding of their needs. This ongoing dialogue conducted through both formal and informal channels continues to inform leadership decisions, influence business strategies, and enhance the Group’s ability to deliver sustainable value.

Stakeholder feedback plays a vital role in identifying topics of material importance and clarifying stakeholder expectations. As there have been no changes to the Group’s key stakeholder groups, the stakeholder engagement table presented for FYE 2025 is a continuation from the previous financial year.



SUSTAINABILITY REPORT

cont'd

Stakeholders	Areas of Interest	Our Response	Related Material Matters
Shareholders, Investors & Financiers	<ul style="list-style-type: none"> • Business strategies and future plans • Return on investment • Financial and operational performance • Strong management and corporate governance • Sustainability initiatives 	<ul style="list-style-type: none"> • Provide timely updates on the Group's strategy and financial performance through official announcements • Uphold sound governance practices across the Group • Monitor and report sustainability performance and targets via Bursa Malaysia Environment, Social and Governance Reporting Platform 	<ul style="list-style-type: none"> • Economic Performance • Customer Satisfaction • Anti-Corruption • Cybersecurity & Data Protection • Supply Chain Management • Policy & Regulatory Compliance • Climate Action • Human Rights • Health & Safety
Government Agencies & Regulators	<ul style="list-style-type: none"> • Regulatory compliance • Corporate governance practices 	<ul style="list-style-type: none"> • Regularly review and monitor operations to ensure full compliance with applicable regulations • Adopt best practices in accordance with the Malaysian Code on Corporate Governance 	<ul style="list-style-type: none"> • Economic Performance • Policy & Regulatory Compliance • Anti-Corruption • Climate Action • Waste Management • Human Rights • Health & Safety
Customers	<ul style="list-style-type: none"> • Customer satisfaction i.e. cost optimisation, value-added services • Customer experience i.e. speed of service response, on-time delivery • Innovation in service quality and deliverables • Data privacy 	<ul style="list-style-type: none"> • Deliver high-quality and value-driven services • Maintain adherence to service and quality standards • Comply with the Personal Data Protection Act 2010 to safeguard customer information 	<ul style="list-style-type: none"> • Customer Satisfaction • Anti-Corruption • Cybersecurity & Data Protection • Policy & Regulatory Compliance • Climate Action • Waste Management • Human Rights • Health & Safety
Employees	<ul style="list-style-type: none"> • Business growth and strategic direction • Inclusive and supportive workplace • Remuneration and benefits • Career development and upskilling opportunities • Occupational safety and health 	<ul style="list-style-type: none"> • Promote transparent and consistent communication across all levels • Provide equal employment opportunities and a non-discriminatory work environment • Offer competitive remuneration and benefits packages • Support career growth through relevant upskilling and training programmes • Ensure full compliance with the Occupational Safety and Health Act (OSHA) 	<ul style="list-style-type: none"> • Human Rights • Health & Safety • Employee Management • Diversity, Equity & Inclusion • Economic Performance • Cybersecurity & Data Protection • Policy & Regulatory Compliance

SUSTAINABILITY REPORT

cont'd

Stakeholders	Areas of Interest	Our Response	Related Material Matters
Suppliers	<ul style="list-style-type: none"> • Transparency in procurement processes • Business growth opportunities • Timely payment 	<ul style="list-style-type: none"> • Ensure transparent and fair procurement practices • Make timely payments in accordance with agreed credit terms 	<ul style="list-style-type: none"> • Supply Chain Management • Anti-Corruption • Cybersecurity & Data Protection • Economic Performance
Communities	<ul style="list-style-type: none"> • Community welfare and long-term likelihood 	<ul style="list-style-type: none"> • Invest in initiatives that enhance community well-being 	<ul style="list-style-type: none"> • Climate Action • Water Management • Waste Management • Community Investment • Human Rights • Health & Safety
Analysts & Media	<ul style="list-style-type: none"> • Transparent communication of business performance and key initiatives 	<ul style="list-style-type: none"> • Ensure clear and timely communication through official announcements and media engagement 	<ul style="list-style-type: none"> • Economic Performance • Customer Satisfaction • Anti-Corruption • Cybersecurity & Data Protection • Supply Chain Management • Policy & Regulatory Compliance • Climate Action • Human Rights • Health & Safety

MATERIAL MATTERS

Materiality assessment remains a core component of our sustainability agenda, enabling us to align business planning, strategic direction, and performance management with the Group's key sustainability priorities.

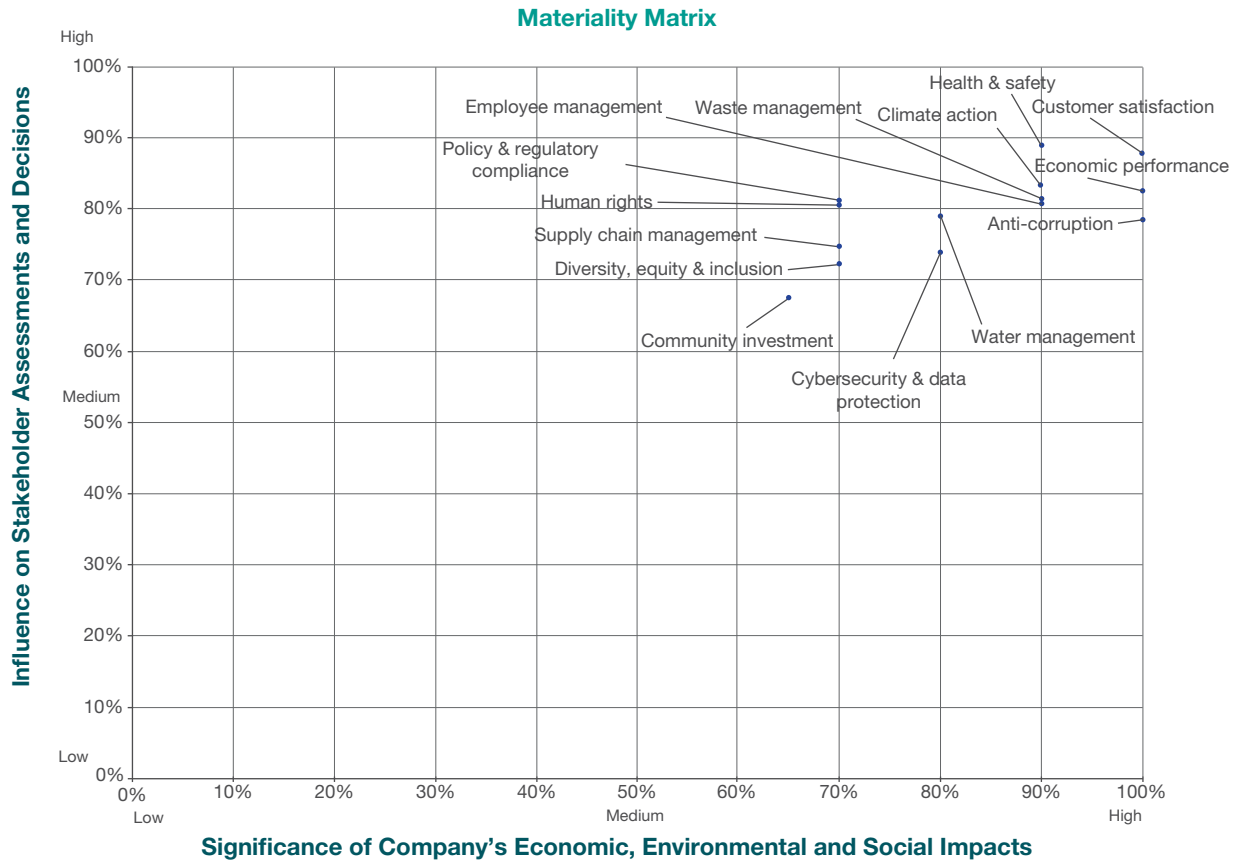
In FYE 2025, we conducted an internal review of our material matters, building on the limited-scale assessment completed in prior year. This review incorporated insights from key internal stakeholders who regularly engage with our primary stakeholder groups, helping us to better identify and prioritise the economic, environmental, social, and governance issues most relevant to our business and stakeholders. Notably, there were no changes to the top 14 material matters identified in FYE 2025.

Looking ahead, under the National Sustainability Reporting Framework ("NSRF"), all listed issuers and large non-listed companies will be required to adopt the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("ISSB"), namely IFRS S1 and IFRS S2. These standards are designed to improve the consistency and reliability of sustainability and climate-related disclosures, thereby enhancing investor confidence and Malaysia's global competitiveness. To ensure continued relevance and regulatory compliance, we will revisit and update our materiality matrix in FYE 2026 to align with the evolving disclosure requirements.

SUSTAINABILITY REPORT

cont'd

MATERIALITY MATRIX



RISK MANAGEMENT

At Lysaght, our unwavering commitment to effective risk management is fundamental to ensuring long-term resilience, enhancing stakeholder confidence, and delivering sustainable value.

We have established a robust and comprehensive system of risk management and internal control that extends beyond financial oversight to encompass operational and compliance-related risks. This integrated approach is part of an ongoing and coordinated effort to manage, rather than eliminate, the risks that could impede the achievement of our business objectives. It also serves to minimise the potential for fraud, error, and other disruptions across the organisation.

The Group identifies and assesses sustainability-related risks and opportunities across short-term, medium-term and long-term time horizons, aligned with its strategic planning cycles. This assessment considers the potential impact on the Group's business model, operations, financial performance and long-term value creation.

- short-term (0-2 years)
- medium-term (3-5 years)
- long term (>5 years).

Short-term risks primarily relate to regulatory compliance and operational efficiency, while medium- to long-term risks include climate-related physical and transition risks, changing stakeholder expectations and evolving market demands. Correspondingly, the Group identifies opportunities to enhance operational resilience, develop sustainable offerings and strengthen its competitive position over time.

SUSTAINABILITY REPORT

cont'd

Material Matters	Time Horizon	Risks	Opportunities
Economic Performance	Short-term & Medium-term	Poor financial performance jeopardises business continuity and results in loss of investment opportunities.	Sustainable financial performance enhances stakeholder confidence, attracts long-term investment, and supports expansion into new markets.
Customer Satisfaction	Short-term & Medium-term	Failure to meet clients' expectations in product quality, delivery timelines, technical specifications, or service support could undermine trust, reduce customer retention, and result in a loss of market share in a competitive infrastructure and utilities market.	Consistently delivering high-quality, reliable, and timely galvanized steel poles and masts, supported by strong engineering capabilities and responsive customer service, strengthens client relationships, drives repeat business, and enhances Lysaght's reputation for operational excellence and reliability.
Anti-Corruption	Short-term	Corruption can tarnish reputation, cause financial losses, and reduce competitiveness.	Strong governance to combat corruption enhances credibility and provides a competitive advantage.
Supply Chain Management	Short-term & Medium-term	Reliance on limited or single supplier increases risks of disruption, quality issues, and price volatility, exposing the organisation to market changes or supplier behaviour.	Building collaborative supplier relationships based on trust and transparency fosters innovation, cost savings, and competitive advantage.
Human Rights	Short-term	Violations such as labour exploitation, discrimination, or unsafe working conditions can damage the organisation's reputation, leading to loss of stakeholder trust, negative public perception, and legal liabilities.	Demonstrating commitment to human rights and ethical practices enhances reputation, builds stakeholder trust, and attracts socially conscious consumers, investors, and partners.
Health & Safety	Short-term	Failure to address hazards can cause workplace accidents, injuries, or fatalities, resulting in human suffering, legal liabilities, and financial losses.	Prioritising health and safety foster a culture of care, trust, and respect, boosting employee morale, motivation, and engagement.
Employee Management	Medium-term	Difficulty attracting and retaining skilled employees can hinder growth and innovation, causing competitive disadvantages.	Engaged employees are more productive, committed, and loyal, leading to higher job satisfaction, retention, and organisational success.
Diversity, Equity & Inclusion	Medium-term	Exclusionary practices can cause alienation and disengagement among underrepresented groups, limiting collaboration, innovation, and productivity.	Embracing diversity and equity creates an inclusive culture where employees contribute diverse perspectives, driving innovation and creativity.

SUSTAINABILITY REPORT

cont'd

Material Matters	Time Horizon	Risks	Opportunities
Community Investment	Short-term	Failure to address social issues, economic disparities, and community grievances may lead to social unrest, protests, and opposition, causing operational disruptions, reputational damage, and regulatory scrutiny.	Strategic community investment initiatives, philanthropic donations, and social programmes enable the organisation to tackle social challenges, support underserved communities, and contribute positively to poverty alleviation, education, healthcare, and sustainable development goals.
Climate Action	Medium-term & Long-term	Increasing regulatory pressure to reduce greenhouse gas emissions may require significant investment in low-carbon infrastructure, with potential penalties for non-compliance. Climate-related events such as extreme weather or material shortages could affect manufacturing operations, logistics, and project timelines, leading to higher costs and operational inefficiencies.	By proactively adopting environmentally responsible practices such as improving energy efficiency, Lysaght can enhance its reputation as a responsible manufacturer.
Water Management	Medium-term & Long-term	Water disruptions caused by droughts, climate change, and other factors pose operational risks.	Implementing water conservation measures, water-saving technologies, and sustainable water management practices improves efficiency, reduces consumption, and minimises water-related costs and risks.
Waste Management	Medium-term & Long-term	Non-compliance with waste management regulations, environmental laws, or health and safety standards can lead to fines, legal liabilities, and reputational damage. Improper disposal of effluents, such as zinc ash, sludge, chemicals, and other hazardous materials may harm the environment and public health.	Implementing structured waste reduction, recycling, and responsible disposal practices, including proper treatment of galvanizing by-products, and compliance with hazardous waste regulations. These efforts reinforce Lysaght's commitment to sustainability and operational efficiency.
Policy & Regulatory Compliance	Short-term	Non-compliance with policies and regulations can lead to legal penalties, fines, or lawsuits, significantly affecting financial stability and reputation.	Compliance with policies and regulations fosters trust and credibility among stakeholders, including customers, investors, employees, and regulators, strengthening long-term relationships and supporting business growth.

SUSTAINABILITY REPORT

cont'd

Material Matters	Time Horizon	Risks	Opportunities
Cybersecurity & Data Protection	Short-term & Medium-term	Cyberattacks, phishing attempts, or system breaches may result in unauthorised access, data theft, or exposure of sensitive information, leading to financial loss, legal liabilities, regulatory penalties, and reputational damage.	Strengthening cybersecurity infrastructure and data protection protocols fosters trust among clients, investors, and business partners. Robust digital safeguards not only ensure regulatory compliance but also enhance brand reputation and support the secure delivery of digital advertising services.

MANAGEMENT APPROACH FOR MATERIAL MATTERS

ECONOMIC SUSTAINABILITY

At Lysaght, we view long-term economic sustainability as essential to delivering value for our stakeholders and contributing to the broader development of the communities we serve. Our business success enables us to support employment, foster entrepreneurship, strengthen local supply chains, and contribute meaningfully to national and local tax revenues.

Material Matters :

- Economic Performance
- Customer Satisfaction
- Anti-Corruption
- Supply Chain Management



ECONOMIC PERFORMANCE

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 2025, the Group generated an economic value of RM 83.7 million, a decrease from RM 99.7 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 2025 was recorded at RM 0.5 million.

SUSTAINABILITY REPORT

cont'd

	2025 RM'mil	2024 RM'mil	2023 RM'mil
Economic value generated (i.e. revenue and other income)	83.7	99.7	88.8
Economic value distributed:			
• Operating costs	51.7	59.5	54.4
• Employee wages and benefits	22.7	23.4	20.5
• Payment to providers of capital (i.e. dividend and financing cost)	6.2	19.9	2.5
• Payment to government (i.e. tax)	2.5	3.4	0.7
• Community investment	0.1	0.1	0.1
Economic value retained	0.5	(6.6)	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

Customer satisfaction is a key driver of Lysaght's long-term success. As a trusted partner in the manufacturing and distribution of galvanized steel poles and masts, we are committed to delivering high-quality products and services that meet the evolving needs of our clients and align with their project objectives.

Our approach prioritises responsiveness, reliability, innovation, and long-term relationship building. We strive to ensure that every order is delivered with precision, durability and alignment to client specifications.

Client engagement & feedback

At Lysaght, we prioritise open communication with our clients to understand their evolving needs, gather constructive feedback, and continually enhance our products and services. Key engagement initiatives include:

- Regular client meetings and project updates to ensure alignment on specifications and delivery timelines
- Post-project reviews to evaluate product performance, durability, and client satisfaction
- Feedback and satisfaction surveys to identify opportunities for improving our manufacturing and distribution processes

To manage client relationships effectively, we have established an impartial feedback mechanism that addresses customer concerns promptly and transparently. Additionally, our annual Customer Satisfaction Survey, combined with ongoing interactions with key customers, helps us maintain strong service standards and reinforces our commitment to excellence in both products and support services.

Our customer satisfaction score has steadily increased over recent years, rising from 84% in 2022 to 90% in 2023, and reaching 92% in both 2024 and 2025. This consistent upward trend reflects Lysaght's dedication to meeting customer needs and exceeding expectations across all areas of our operations, from product quality to delivery reliability. We remain focused on achieving a customer satisfaction score of 96%, demonstrating our unwavering commitment to providing superior galvanized steel poles, masts, and associated services.

	2025	2024	2023	Target
Customer Satisfaction Score	92%	92%	90%	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.

SUSTAINABILITY REPORT

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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.

As digital connectivity continues to expand, Lysaght is also strengthening its product capabilities to support the development of modern telecommunications infrastructure, including structures designed to accommodate 5G network deployment. This includes the enhancement of high-mast poles, monopoles and telecommunication towers that provide improved load-bearing capacity, durability and adaptability to support the increasing density and technical requirements of next-generation networks.

ANTI-CORRUPTION

Lysaght upholds the highest standards of business ethics, transparency, and regulatory compliance across the Group. Our commitment to anti-corruption practices is central to safeguarding the long-term interests of the company and our stakeholders, while fostering trust and confidence in our business operations.

Governance and policy framework

Our Board and Management are committed to conducting business with integrity and in full compliance with applicable laws. This commitment is guided by:

- Code of Business Ethics ("**Code**") – which outlines ethical standards and expected behaviours for all employees and Board.
- Anti-Bribery & Corruption ("**ABC**") Policy – articulates our zero-tolerance stance towards bribery and corruption. This policy is regularly reviewed to ensure alignment with the Malaysian Anti-Corruption Commission (MACC) Act 2009 and best governance practices.
- Whistleblower Policy – provides a secure and confidential channel for employees and external parties to report misconduct, unethical behaviour, or corruption-related concerns. Reports can be submitted directly to the Senior Independent Director via email or post.

All three policies are publicly available on our corporate website, ensuring transparency and accessibility for all stakeholders.

SUSTAINABILITY REPORT

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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.

	2025	2024	2023
Percentage of operations that underwent corruption risk assessments	100%	100%	100%

Corruption-related training

We believe that continuous education is critical to maintaining a culture of integrity. In the past years, we required anti-corruption training program for all new recruits. In FYE 2025, the Group conducted refresher anti-corruption training for 130 employees across all levels. The completion rates by employee category over the past three years are as follows:

Employee Category	Completion Rate	Completion Rate	Completion Rate
	2025	2024	2023
Management	82.35%	0.00%	0.00%
Executive	92.16%	6.98%	14.29%
Non-executive/Technical staff	77.78%	5.33%	26.47%
General workers	8.93%	23.38%	15.57%

Corruption incidents

We are pleased to report that as of 31 December 2025, there were zero reported incidents of bribery or corruption within Lysaght's operations.

	2025	2024	2023	Target
Number of complaints of bribery or corruptions reported	Nil	Nil	Nil	Nil

SUPPLY CHAIN MANAGEMENT

At Lysaght, we place strong emphasis on trust, transparency, and integrity in all supplier and subcontractor relationships. As a responsible business, we recognise our role in supporting a resilient and inclusive supply chain, particularly by empowering local small and medium-sized enterprises (SMEs), which are vital to Malaysia's economic recovery and long-term growth.

Quality & performance management

To ensure product and service quality, we have implemented a robust supplier management framework, which includes:

- Establishing clear product specifications and quality standards in all purchase orders
- Selecting reputable suppliers with proven track records of performance and compliance
- Requesting and testing samples prior to full-scale production
- Conducting audits and physical inspections of supplier facilities as part of ongoing due diligence
- Maintaining open communication to provide feedback and ensure continuous improvement
- Collaborating with suppliers on joint initiatives to improve product reliability and sustainability

This structured approach ensures that materials and components used in the manufacturing of our galvanized steel poles and masts meet Lysaght's high standards for durability, safety, and performance.

SUSTAINABILITY REPORT

cont'd

Ethical & responsible procurement

We are committed to fair and transparent procurement practices, working only with suppliers who operate with integrity and uphold strong ethical, social, and environmental values. Our procurement processes are designed to identify and engage the most qualified partners while promoting responsible business conduct.

Suppliers are expected to comply with our procurement requirements and demonstrate accountability across key areas, including labour practices, environmental compliance, and operational efficiency.

Prioritising local sourcing

In line with our commitment to supporting the local economy, Lysaght prioritises sourcing products and services from local suppliers wherever feasible. This approach not only reduces transport-related emissions, supporting our environmental goals, but also helps create jobs and foster economic resilience within the communities we serve.

In FYE 2025, we allocated 69% of our procurement spending to local suppliers. These partners were carefully selected based on their track record of service excellence, reliability, and ethical conduct.

	2025	2024	2023
Proportion of spending on local suppliers	69%	76%	74%

SOCIAL SUSTAINABILITY

As Lysaght continues to grow, attracting, developing, and retaining talent is essential to our long-term success. We are committed to cultivating a workplace that upholds human rights, prioritises safety and well-being, and fosters a culture of inclusivity, respect, and continuous development. These principles also guide our broader efforts to engage with and uplift the communities in which we operate.

Material Matters :

- Human Rights
- Health & Safety
- Diversity, Equity & Inclusion
- Employee Management
- Community Investment



HUMAN RIGHTS

At Lysaght, we are steadfast in our commitment to protecting and promoting the rights of every individual within our organisation. We believe in treating all employees with dignity, fairness, and respect, and in recognising the unique value each person brings.

Our leadership plays a critical role in establishing and maintaining high ethical standards, guided by a robust Code of Business Ethics that applies to all employees and external stakeholders. This ensures our operations are aligned with principles of professionalism, equality, and accountability.

We actively promote:

- Safe and fair working conditions
- Freedom of association
- Equal opportunity and non-discrimination
- Protection from harassment or unfair treatment

SUSTAINABILITY REPORT

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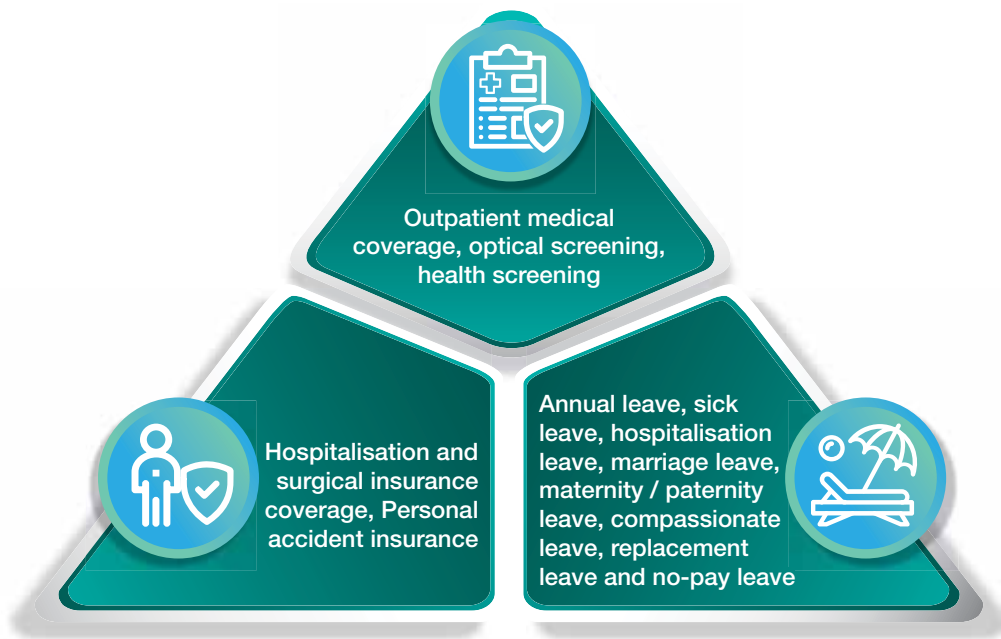
Our employment policies comply fully with Malaysia’s labour laws, including the Employment Act 1955 and the Employment (Amendment) Act 2022. We uphold strict prohibitions against child and forced labour and ensure full adherence to legal requirements on working hours and compensation.

Fair compensation & benefits

Lysaght continuously evaluates employee compensation and benefits to ensure that our people are well-supported and fairly rewarded. We comply with the Minimum Wage Order 2024, ensuring that all employees receive at least the minimum wage and fair remuneration for overtime and additional responsibilities.

A recent review of our policies confirmed alignment with the updated Minimum Wage Order 2024, which sets the minimum monthly wage at RM1,700 effective 1 February 2025, as well as other amendments to Malaysia’s employment laws. This review reaffirmed Lysaght’s commitment to legal compliance and the fair and lawful treatment of all employees.

Employee benefits include:



Grievance mechanism & whistleblowing

We maintain an open and transparent environment where all individuals, employees or external parties, can raise concerns freely and without fear of retaliation.

Our Whistleblower Policy promotes ethical conduct, protects whistleblowers, and ensures concerns are addressed fairly and confidentially. Procedures for lodging a complaint are available on the Company’s website, and reports may be directed to the Senior Independent Director via email or post for independent review.

We are committed to investigating all reports impartially, maintaining confidentiality, and providing timely redress wherever necessary. Our goal is to maintain zero incidents of human rights violations, fostering a workplace built on trust, respect, and integrity.

	2025	2024	2023	Target
Number of substantiated complaints concerning human rights violations	Nil	Nil	Nil	Nil

SUSTAINABILITY REPORT

cont'd

HEALTH & SAFETY

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 (Amendment) Act 2022 and the Malaysia Employment Act 1955. These legal frameworks form the foundation of our internal Occupational Safety and Health Policy. In addition, our Group has been certified to ISO 45001:2018 Occupational Health and Safety Management System for the design and manufacture of hot dip galvanized lighting poles and masts, antenna and power transmission poles and masts, reinforcing our commitment to a structured and internationally recognised framework for managing occupational health and safety risks. 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.
- 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 2025, 323 employees and contractors participated in safety training programs, marking a significant increase from the 85 participants in 2024. 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.

SUSTAINABILITY REPORT

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	2025	2024	2023
Number of employees and contractors trained on health and safety standards	323	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.

Key programs conducted in 2025 included:



Forklift Safety Handling Training



Emergency Response Team (ERT) and Fire Fighting Training



Chemical Handling, Workplace Hazard & PPE Training

SUSTAINABILITY REPORT

cont'd



**Safe Operation of Overhead Cranes
at Workplace Training**



**ISO 45001: 2018 Occupational Health & Safety
Management System Awareness Training**



Occupational First Aid & CPR 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.

SUSTAINABILITY REPORT

cont'd

In FYE 2025, we maintained a focus on transparency in our health and safety reporting, with key metrics closely monitored.

	2025	2024	2023
Total hours worked	763,052	766,457	751,920
Number of fatalities	Nil	Nil	Nil
Number of lost time injuries	12	10	5
LTIR	3.15	2.61	1.33

DIVERSITY, EQUITY & INCLUSION

At Lysaght, embracing diversity is not only a moral imperative but a strategic one. We recognise that a diverse workforce, encompassing differences in gender, age, race, ethnicity, religion, abilities, and sexual orientation, enhances innovation, decision-making, and resilience across our business.

Our inclusive culture values every employee’s unique perspective and experience. We are committed to providing a workplace free from discrimination, harassment, and marginalisation, where all individuals are respected, empowered, and able to thrive.

Inclusive culture and equal opportunities

We promote equity in all aspects of our operations, ensuring fair recruitment, equal pay, and merit-based progression across all levels. Performance assessments, promotions, and remuneration are based on objective key performance indicators, with no tolerance for gender or other biases.

- Wage Equity: We ensure that wages are competitive and free from gender bias.
- Merit-Based Development: Career growth is guided by clear criteria and aligned with individual performance and contribution.

Workforce snapshot

As of 31 December 2025, Lysaght employed a total of 355 employees, with women representing 12% and men 88% of the workforce. While this gender distribution aligns with industry norms, particularly in labour-intensive roles traditionally occupied by men, we are encouraged to note that women constitute 33% of our workforce when general labour positions are excluded. This demonstrates our commitment to fostering gender diversity across all levels and functions within the organisation. Moving forward, Lysaght remains dedicated to enhancing gender diversity by creating more opportunities for women throughout the company.



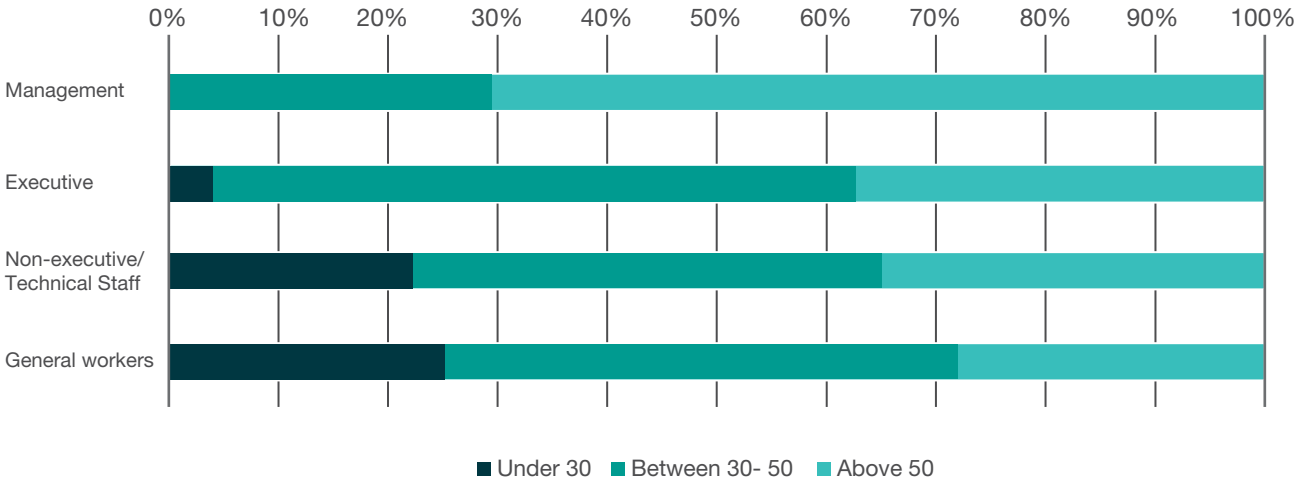
SUSTAINABILITY REPORT

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The age distribution of our workforce in 2025 demonstrates a diverse and balanced composition across all levels of the organisation. Executive is predominantly comprised of individuals aged 30–50, accounting for 59% of the group. This provides a foundation of strong leadership, supported by a depth of industry knowledge and experience. Management is predominantly over 50 years old, accounting for 71% of the group, reflecting seasoned leadership with a wealth of strategic insight.

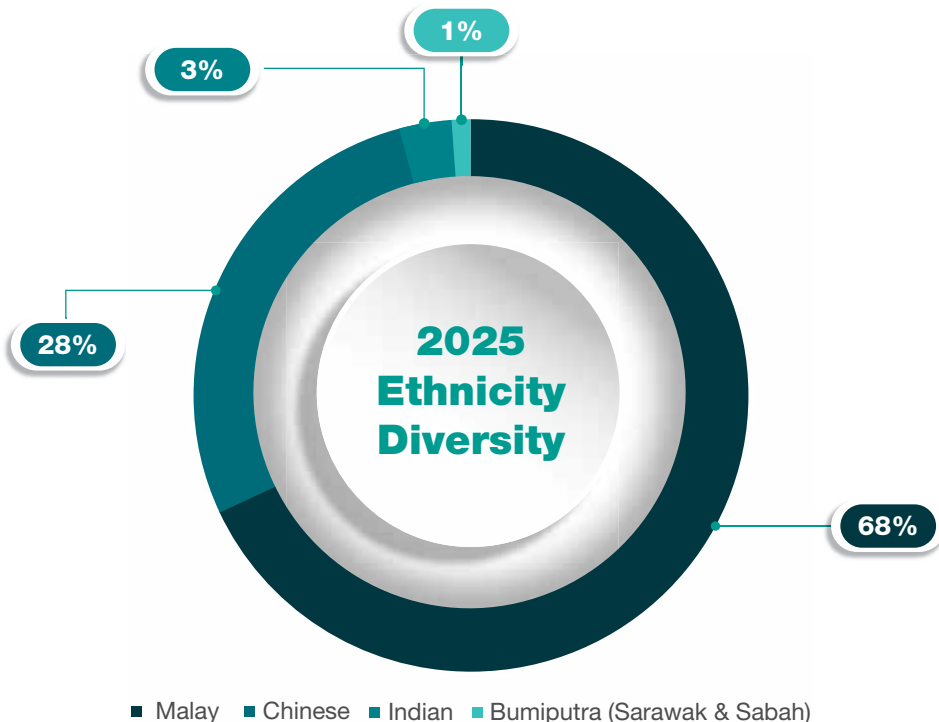
Our non-executive and technical staff are comparatively younger, with 22% under the age of 30 and 43% in the 30-50 age bracket. This balanced age profile promotes innovation, adaptability, and effective knowledge transfer, contributing to a dynamic, agile, and future-ready organisation. General workers also show a balanced profile, with 25% under 30 and 47% in the 30-50 age bracket.

2025 Age Diversity by Employee Group



Ethnic & local representation

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.



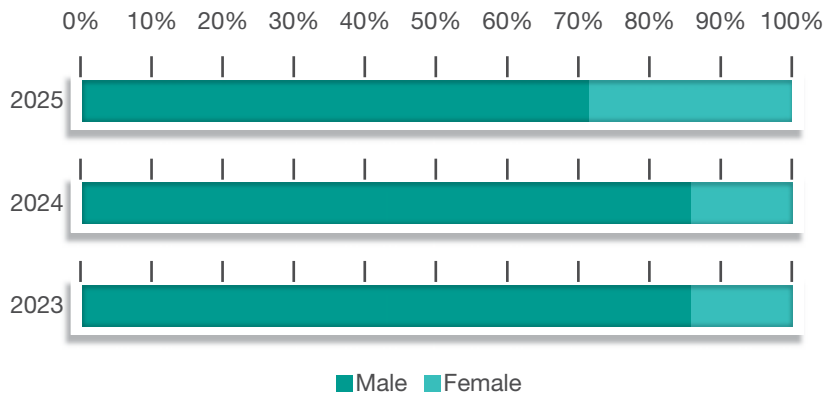
SUSTAINABILITY REPORT

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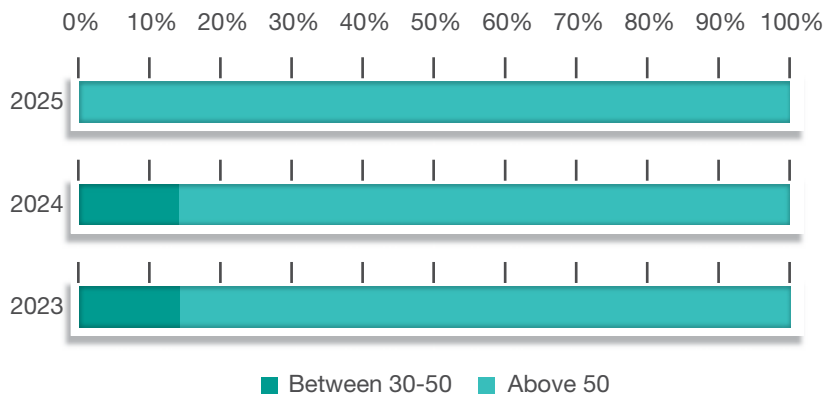
Board diversity

The Board of the holding company currently comprises seven members, with female representation having increased from one to two Directors. While the Board recognises the importance of achieving gender balance, it emphasises that, given the Group’s business status and lifecycle, prioritising the right mix of skills remains paramount over strictly adhering to the 30% threshold outlined in Practice 5.9 of the MCCG guidelines. Nonetheless, there is an ongoing commitment to enhancing gender diversity in senior management, the boardroom, and across the workplace. Consequently, the Board continues to actively seek and appoint qualified women Directors as suitable candidates are identified. Efforts are also underway to explore further ways to improve gender balance throughout the organisation.

Board Diversity by Gender



Board Diversity by Age



EMPLOYEE MANAGEMENT

At Lysaght, our employees are our greatest asset. We are committed to fostering a positive, supportive, and safe work environment where everyone feels valued and respected. By ensuring equal access to opportunities for growth, development, and well-being, we create a workplace that empowers individuals and strengthens our business for long-term success.

SUSTAINABILITY REPORT

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Talent acquisition & onboarding

Our goal at Lysaght is to nurture and advance the professional growth of our existing workforce, providing ample opportunities for career progression within the company. We are committed to maximizing the potential of our internal talent pool, ensuring that our team members have the resources and support they need to thrive and advance their careers.

When external recruitment is necessary, our Human Resources team applies fair and structured selection processes to attract candidates whose skills and values align with our organisational goals. New employees are supported through a structured onboarding programme, which helps them integrate smoothly into the company and understand our culture, values, and operational standards from day one.

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 2025, we remain committed to investing in training and development programmes, utilising both physical and online channels. A total of 3,245 training hours were recorded, making a significant 99% increase from 1,631 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	Total hours of training
	2025	2024	2023
Management (Note 1)	325	329	119
Executive	863	588	434
Non-executive/Technical staff	987	490	140
General workers	1,070	224	378
Total	3,245	1,631	1,071
	2025	2024	2023
Overall average training hours per employee (hours)	9	5	3

Note 1: Management includes non-key management personnel.

SUSTAINABILITY REPORT

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Performance management & compensation

Our performance culture is built around being result-oriented, accountable, collaborative, and commitment to shared success. KPIs are established for both the business and individual employees to ensure alignment with our strategic goals.

We conduct annual year-end performance reviews to provide constructive feedback, recognise achievements, and identify each employee's development needs and career aspirations. This ongoing dialogue helps drive continuous improvement and professional growth.

Outstanding performance is recognised through bonuses and promotions, rewarding exceptional results and exemplary behaviour. We also benchmark our remuneration packages regularly to ensure they remain competitive within the industry and are aligned with local market standards.

Succession planning

We recognise the importance of strong leadership continuity. Our Nomination Committee oversees the Group's human capital strategy and succession planning, focusing on leadership development and internal talent readiness. Managerial staff receive targeted training to support their progression into future leadership roles.

Employee engagement

Lysaght fosters a culture of engagement and inclusion through a variety of initiatives, including team-building activities. These initiatives help create a positive, supportive, and inclusive workplace where employees feel valued and empowered.

In FYE 2025, employee engagement activities included a Bowling Tournament, providing staff with an opportunity to connect, collaborate, and strengthen team spirit outside of the workplace.



Employee retention & attribution

In 2025, our attrition rate was 10%, slightly lower than the 11% reported in the previous year, mainly driven by reduced 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	Total numbers of new hires	Total numbers of new hires
	2025	2024	2023
Management	1	Nil	Nil
Executive / Non-executive	11	7	6
General workers	22	54	25
Total	34	61	31

Employee Category	Total numbers of employee turnover	Total numbers of employee turnover	Total numbers of employee turnover
	2025	2024	2023
Management	1	Nil	Nil
Executive / Non-executive	7	7	4
General workers	26	33	29
Total	34	40	33

	2025	2024	2023
New hire rates (%)	10%	17%	9%
Turnover rates (%)	10%	11%	10%

Below is an overview of the proportion of temporary staff within our workforce across the reporting periods. Temporary staff play a vital role in our operational model, particularly by supporting project-based and specialised functions. This approach provides the Group with the flexibility to scale resources in line with market demand. While temporary staff complement our permanent workforce, we remain committed to treating all individuals engaged by the Group fairly and in accordance with our labour practices and standards.

	2025	2024	2023
Percentage of employees that are contractors or temporary staff	24%	29%	22%

COMMUNITY INVESTMENT

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 RM41,202 worth of monetary donations to primary school 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 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.

	2025	2024	2023
Total amount invested where the target beneficiaries are external	41,202	65,616	69,887
Total number of beneficiaries of the investment in communities (number of organisations)	12	11	12

SUSTAINABILITY REPORT

cont'd

ENVIRONMENTAL SUSTAINABILITY

Climate change remains one of the most critical global challenges, posing long-term risks to businesses across all sectors. As a company operating in the manufacturing and distribution of galvanized steel poles and masts, Lysaght recognises that its operations, including steel processing, galvanizing activities, and logistics, have environmental impacts that must be managed responsibly. Lysaght is committed to reducing its environmental footprint and actively adopts strategies to enhance operational resilience, ensure regulatory compliance, and support the broader transition to a low-carbon economy. The Company’s environmental initiatives focus on improving performance in key areas such as energy efficiency, emissions management, waste reduction, and water conservation.

Material Matters :

- Climate Action
- Waste Management
- Water Management



CLIMATE ACTION

As part of its commitment to environmental sustainability, climate action is a key focus area for Lysaght. Given the energy-intensive nature of steel manufacturing and galvanizing processes, the Company recognises the importance of managing and reducing its greenhouse gas emissions and overall carbon footprint across its operations and supply chain.

Greenhouse gas emissions (“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.

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.

	2025 emissions (tCO ₂ e)	2024 emissions (tCO ₂ e)
Total Emissions by Scope		
Scope 1 – Direct emissions from sources owned by the Company	1,795	1,754
Scope 2 – Indirect emissions from the electricity consumption from the grid	1,273	1,194
Scope 3 – Indirect emissions for business travel and employee commuting	260	248
Total	3,328	3,196

SUSTAINABILITY REPORT

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Scope 1 emissions

The GHG inventory for Scope 1 emissions in FYE 2025 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 1,646 tCO₂e in 2025 (2024: 1,603 tCO₂e). 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 CO ₂ e / unit)	2025 usage	2024 usage	2025 emissions (kg CO ₂ e)	2024 emissions (kg CO ₂ e)
Diesel	L	2.68	614,250	598,220	1,646,190	1,603,230
LPG (Merit Gas)	kg	2.95	3,650	1,950	10,768	5,753
LPG (BHP Bullet)	kg	2.95	21,707	31,441	64,036	92,750
Acetylene	m ³	3.04	2,360	751	7,174	2,284
Argosshield	m ³	1.55	25,212	18,986	39,079	29,428
Oxygen	m ³	1.1	16,982	12,234	18,680	13,457
Argomig	m ³	2.65	2,606	1,476	6,906	3,911
Ferrolinx	m ³	2	956	1,491	1,912	2,983
Total					1,794,745	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)
- Argosheild: 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)

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)	2025 usage	2024 usage	2023 usage
Electricity	kWh	0.758	1,679,097	1,574,882	1,411,319
			2025 emissions (kg CO₂e)	2024 emissions (kg CO₂e)	2023 emissions (kg CO₂e)
			1,272,756	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))

SUSTAINABILITY REPORT

cont'd

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 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.
- *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 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.

Below is the employee commuting data for FYE 2025.

Mode of transportation	Emission factor (kg CO ₂ e / unit)	2025 distance travelled ⁽²⁾ (km)	2024 distance travelled ⁽²⁾ (km)	2025 emissions (kg CO ₂ e)	2024 emissions (kg CO ₂ e)
Car	0.1645	830,576	758,840	136,630	124,829
Motorcycle	0.11367	1,075,064	1,068,232	122,203	121,426
Bus	0.15	5,368	5,368	805	805
Train	0.02	17,568	17,568	351	351
Bicycle	0	976	976	0	0
Total				259,989	247,411

⁽²⁾ Distance Travelled (km) = (Home to Work Distance × 2) × 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.

SUSTAINABILITY REPORT

cont'd

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 2025, Lysaght's business travel emissions were primarily driven by long-haul flights. Travel to Singapore remained a key destination, contributing 194 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⁾	2025 distance of trips (km)	2024 distance of trips (km)	2025 emissions (kg/CO ₂ /km) ⁽³⁾	2024 emissions (kg/CO ₂ /km) ⁽³⁾
Ipoh	Singapore	1,920	2,880	194	330
Singapore	Brisbane	0	12,280	0	758
Kuala Lumpur	Singapore	0	592	0	78
Total				194	1,166

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

(4) Inclusive of round-trip flights

WATER MANAGEMENT

The growing issue of water scarcity is a global concern, driven by factors such as climate change, inefficient water management, and contamination. As water shortages and supply interruptions become more common, Lysaght is committed to mitigating the risks associated with water scarcity by implementing effective water management strategies across all operations.

Although our manufacturing and galvanization processes are less water-intensive compared to some other industries, water is still required during certain stages of galvanization, particularly for surface preparation and rinsing. The amount of water used can vary depending on the scale of operations and specific process parameters.

Water efficiency

To minimise our environmental impact and promote sustainable water practices, we have implemented the following measures:

- Progressively installation of low-flow taps and dual-flush toilet systems in our office facilities to reduce daily water consumption.
- Regular checks are conducted to detect and repair leaks promptly, preventing unnecessary water loss.
- Staff are encouraged to use water responsibly through periodic reminders and awareness campaigns as part of our wider sustainability engagement.

In 2025, Lysaght consumed 22.6 megalitres of water, compared to 22.4 megalitres in 2024. While water usage increased slightly, the Company remains committed to using water efficiently and maintaining sustainable water management practices across its operations.

	2025 megalitres	2024 megalitres	2023 megalitres
Water usage	22.6	22.4	20.7

SUSTAINABILITY REPORT

cont'd

WASTE MANAGEMENT



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.

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.

	2025 MT	2024 MT	2023 MT
Total waste generated	254.0	242.3	234.2
Total waste recovered	244.9	251.4	222.7
	2025 %	2024 %	2023 %
Recovery rate	96%	104%	95%

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.

SUSTAINABILITY REPORT

cont'd

In FYE 2023, we generated 234.2 MT of waste and recovered 222.7 MT, achieving a 95% 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, reflecting cut-off adjustments in waste reporting.

Similarly, in FYE 2025, we generated 254.0 MT of waste and recovered 244.9 MT, achieving 96% recovery rate, with the remaining 9.1 MT scheduled for recovery in FYE 2026.

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 and contractors 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.

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 Zn 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.

	Zn Kettle Chimney mg/m ³	Boiler Chimney mg/m ³	Powder Coating Oven Chimney mg/m ³
2025			
NOx	ND*	ND*	ND*
SOx	ND*	ND*	ND*
PM	0*	0*	0*

SUSTAINABILITY REPORT

cont'd

2024	Zn Kettle Chimney mg/m ³	Boiler Chimney mg/m ³	Powder Coating Oven Chimney mg/m ³
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

ND = Not Detectable

0 = Less than 1mg/m³

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

GOVERNANCE SUSTAINABILITY

At Lysaght, we are committed to the highest standards of corporate governance and ethical conduct. This commitment is demonstrated through our strict compliance with relevant laws and regulations, alongside continuous efforts to foster a culture of transparency, accountability, and integrity throughout the organisation.

In today’s increasingly digital environment, we recognise the critical importance of protecting data and maintaining stakeholder trust. To this end, we have established robust cybersecurity and data protection measures to safeguard sensitive information, comply with regulatory requirements, and ensure the privacy and security of all those we serve.

Material Matters :

- Policy & Regulatory Compliance
- Cybersecurity & Data Protection



POLICY & REGULATORY COMPLIANCE

Regulatory compliance remains a cornerstone of our sustainability strategy. By prioritising ethical business practices, Lysaght enhances stakeholder confidence, strengthens risk resilience, and supports long-term value creation. Conversely, non-compliance may result in regulatory sanctions, legal liabilities, reputational damage, and operational setbacks.

To mitigate these risks, we closely monitor the regulatory landscape and maintain strong internal systems to ensure continued compliance.

Corporate governance policies

Our governance practices are guided by the Malaysian Code on Corporate Governance 2021 and Bursa Malaysia’s Main Market Listing Requirements. These frameworks form the foundation of our corporate conduct, helping to ensure that we operate with integrity and in the best interests of our stakeholders. Further details are available in our Corporate Governance Statement on pages 72 to 83 of this Annual Report.

SUSTAINABILITY REPORT

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Legal & regulatory oversight

Lysaght routinely reviews its legal register to ensure alignment with evolving laws and standards. Our internal compliance mechanisms enable us to assess regulatory performance, identify gaps, and implement timely improvements. This proactive approach supports effective risk management and reinforces our commitment to responsible business practices.

CYBERSECURITY & DATA PROTECTION

As Lysaght continues to strengthen its manufacturing capabilities and digitalisation of operations, the importance of robust cybersecurity and data protection has become increasingly critical. Operating in an environment that relies on digital systems for design, production planning, inventory management, supply chain coordination, and customer engagement, the Company recognises that safeguarding information assets is essential to business continuity, regulatory compliance, and stakeholder trust.

Unauthorized internal or external access to Lysaght's information systems presents a material risk, potentially resulting in data breaches, operational disruptions, intellectual property loss, or manipulation of production and logistics processes. Such incidents could adversely affect operational efficiency, compromise sensitive customer and commercial information, and damage the Company's reputation and reliability as a trusted manufacturing partner.

To mitigate these risks, Lysaght has implemented a cybersecurity framework focused on strengthening the resilience of our IT infrastructure, digital assets, and internal networks. Our approach emphasises proactive monitoring, regular reviews, and alignment with industry best practices to ensure a secure and reliable digital environment for our stakeholders.

Our data handling and storage practices are aligned with the Personal Data Protection Act (PDPA) 2010, ensuring that all personal and sensitive data is managed securely and lawfully.

Cyber hygiene is promoted internally through mandatory cybersecurity awareness training, simulated phishing exercises, and regular employee engagement on data protection best practices. Our IT and compliance teams work closely together to monitor threats, address emerging vulnerabilities, and enhance our security framework.

In FYE 2025, there were no reported incidents of customer data breaches or violations of privacy regulations, underscoring our commitment to data security and responsible digital operations.

	2025	2024	2023	Target
Number of substantiated complaints concerning breaches in customer privacy or data loss	Nil	Nil	Nil	Nil

MOVING FORWARD

At Lysaght, sustainability is not just a guiding principle; it is central to our identity and informs every aspect of our decision-making. We recognise that responsible practices are both a moral duty and a strategic advantage in today's dynamic business landscape.

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

As a listed issuer, Lysaght complies with the mandatory ESG disclosure requirements under Bursa Malaysia's Main Market Listing Requirements, in accordance with the enhanced Sustainability Reporting Guide (3rd Edition). The performance data table below, extracted from the ESG Reporting Platform, presents key indicators aligned with our identified material sustainability matters.

SUSTAINABILITY REPORT

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Date & Time: 2026-04-23_09:32:14
FYE 31/12/2025

Lysaght Galvanized Steel Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	82.35%	—	Internal
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	92.16%	—	Internal
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Non-executive/Technical Staff	Percentage	77.78%	—	Internal
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - General Workers	Percentage	8.93%	—	Internal
Anti-corruption	Percentage of operations assessed for corruption-related risks	Percentage	100%	—	No assurance
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	—	No assurance
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	41,202	—	No assurance
Community/Society	Total number of beneficiaries of the investment in communities	Number	12	—	No assurance
Diversity	Percentage of employees by age group, for each employee category - Management Under 30	Percentage	0%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - Management Between 30-50	Percentage	29%	—	Internal

SUSTAINABILITY REPORT

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Lysaght Galvanized Steel Berhad

BMLR Transition Period

Date & Time: 2026-04-23_09:32:14
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Percentage of employees by age group, for each employee category - Management Above 50	Percentage	71%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - Executive Under 30	Percentage	4%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - Executive Between 30-50	Percentage	59%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - Executive Above 50	Percentage	37%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - Non-executive/Technical Staff Under 30	Percentage	22%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - Non-executive/Technical Staff Between 30-50	Percentage	43%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - Non-executive/Technical Staff Above 50	Percentage	35%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - General Workers Under 30	Percentage	25%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - General Workers Between 30-50	Percentage	47%	—	Internal
Diversity	Percentage of employees by age group, for each employee category - General Workers Above 50	Percentage	28%	—	Internal

SUSTAINABILITY REPORT

cont'd

Date & Time: 2026-04-23_09:32:14
FYE 31/12/2025

Lysaght Galvanized Steel Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Percentage of employees by gender, for each employee category - Management Male	Percentage	88%	—	Internal
Diversity	Percentage of employees by gender, for each employee category - Management Female	Percentage	12%	—	Internal
Diversity	Percentage of employees by gender, for each employee category - Executive Male	Percentage	47%	—	Internal
Diversity	Percentage of employees by gender, for each employee category - Executive Female	Percentage	53%	—	Internal
Diversity	Percentage of employees by gender, for each employee category - Non-executive/Technical Staff Male	Percentage	78%	—	Internal
Diversity	Percentage of employees by gender, for each employee category - Non-executive/Technical Staff Female	Percentage	22%	—	Internal
Diversity	Percentage of employees by gender, for each employee category - General Workers Male	Percentage	100%	—	Internal
Diversity	Percentage of employees by gender, for each employee category - General Workers Female	Percentage	0%	—	Internal
Diversity	Percentage of directors by gender - Male	Percentage	71%	—	Internal
Diversity	Percentage of directors by gender - Female	Percentage	29%	—	Internal
Diversity	Percentage of directors by age group - Under 30	Percentage	0%	—	Internal

SUSTAINABILITY REPORT

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Lysaght Galvanized Steel Berhad

BMLR Transition Period

Date & Time: 2026-04-23_09:32:14
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Percentage of directors by age group - Between 30-50	Percentage	0%	—	Internal
Diversity	Percentage of directors by age group - Above 50	Percentage	100%	—	Internal
Energy management	Total energy consumption	Megawatt	1679	—	No assurance
Health and safety	Number of work-related fatalities	Number	0	—	Internal
Health and safety	Lost time incident rate ("LTIR")	Rate	315	—	Internal
Health and safety	Number of employees trained on health and safety	Number	323	—	Internal
Labour practices and standards	Total hours of training by employee category - Management	Hours	325	—	Internal
Labour practices and standards	Total hours of training by employee category - Executive	Hours	863	—	Internal
Labour practices and standards	Total hours of training by employee category - Non-executive/Technical Staff	Hours	987	—	Internal
Labour practices and standards	Total hours of training by employee category - General Workers	Hours	1070	—	Internal
Labour practices and standards	Percentage of employees that are contractors or temporary staff	Percentage	24%	—	Internal
Labour practices and standards	Total number of employee turnover by employee category - Management	Number	1	—	Internal
Labour practices and standards	Total number of employee turnover by employee category - Executive and Non-executive/Technical Staff	Number	7	—	Internal
Labour practices and standards	Total number of employee turnover by employee category - General Workers	Number	26	—	Internal

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-23_09:32:14

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Lysaght Galvanized Steel Berhad
BMLR Transition Period

Date & Time: 2026-04-23_09:32:14
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labour practices and standards	Number of substantiated complaints concerning human rights violations	Number	0	—	Internal
Supply chain management	Proportion of spending on local suppliers	Percentage	69%	—	No assurance
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	No assurance
Water	Total volume of water used	Megalitres	22.6	—	Internal
Waste management	Total waste generated	Metric tonnes	254	—	No assurance
Waste management	Total waste diverted from disposal	Metric tonnes	244.9	—	No assurance
Waste management	Total waste directed to disposal	Metric tonnes	0	—	No assurance
Emissions management	Scope 1 emissions in tonnes of CO2e	Metric tonnes	1795	—	No assurance
Emissions management	Scope 2 emissions in tonnes of CO2e	Metric tonnes	1273	—	No assurance
Emissions management	Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	260	—	No assurance
Customer Satisfaction	Customer Satisfaction Score	Percentage	92%	—	No assurance

SUSTAINABILITY REPORT

cont'd

INDEPENDENT ASSURANCE

In strengthening the credibility of our reporting, this Sustainability Report has been subjected to an independent assurance by our internal auditor in accordance with International Standard on Assurance Engagement (“ISAE”) 3000 for selected indicators for the FYE 2025 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 Information for the financial year ended 31 December 2025 has not been prepared, in all material respects, in accordance with the Reporting 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 (megalitres)	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 58 to 63 of the Annual Report.

SUSTAINABILITY REPORT

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ADDITIONAL INFORMATION – INDEPENDENT LIMITED ASSURANCE REPORT



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PRIVATE & CONFIDENTIAL

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Malaysia.

Independent Limited Assurance Report on Selected Subject Matter Information in the Lysaght Galvanized Steel Berhad’s Sustainability Report 2025

CAS Consulting Services Sdn. Bhd. (“CAS”) has been engaged by Lysaght Galvanized Steel Berhad (“Lysaght”) to perform an independent limited assurance engagement on selected material sustainability indicators (hereinafter referred to as the “Subject Matter Information”) as reported Lysaght in its Sustainability Report for the financial year ended 31 December 2025. This report is produced in accordance with the terms of our engagement letter dated 27th November 2025 for the purpose of reporting to the Directors of Lysaght Galvanized Steel Berhad.

Identified Subject Matter Information

The following information collectively known as Subject Matter Information on which we provided limited assurance consists of:

The Subject Matter Information	Scope
1. Percentage of Employees by Gender and Age Group, for each Employee Category (%)	The data was obtained for the following entities: 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd
2. Percentage of Directors by Gender and Age Group (%)	The data was obtained for the following entities: 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd
3. Total Number of Employee Turnover by Employee Category (No.)	The data was obtained for the following entities: 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd

SUSTAINABILITY REPORT

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Identified Subject Matter Information (Cont'd)

The Subject Matter Information	Scope
4. Percentage of Employees that are Contractors or Temporary Staff (%)	The data was obtained for the following entities: <ol style="list-style-type: none"> 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd
5. Number of Substantiated Complaints Concerning Human Rights Violations (No.)	The data was obtained for the following entities: <ol style="list-style-type: none"> 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd
6. Total Volume of Water Used (Megalitres)	Total water consumptions were received for the following entities: <ol style="list-style-type: none"> 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd
7. Total Hours of Training by Employee Category	The data was obtained for the following entities: <ol style="list-style-type: none"> 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd
8. Percentage of Employees who have received Anti-Corruption Training by Employee Category (%)	The data was obtained for the following entities: <ol style="list-style-type: none"> 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd
9. Number of Employees Trained on Health and Safety Standards (No.)	The data was obtained for the following entities: <ol style="list-style-type: none"> 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd

SUSTAINABILITY REPORT

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Identified Subject Matter Information (Cont'd)

The Subject Matter Information	Scope
10.Number of Work-Related Fatalities (No.)	The data was obtained for the following entities: <ol style="list-style-type: none"> 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd
11.Lost Time Incident Rate (LTIR)	The data was obtained for the following entities: <ol style="list-style-type: none"> 1. Lysaght Galvanized Steel Berhad 2. Lysaght Marketing Sdn Bhd 3. Lysaght Marketing (S) Pte Ltd

Our assurance was with respect to the financial year ended 31 December 2025 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Lysaght Galvanized Steel Berhad’s Sustainability Report 2025 and, therefore, do not express any conclusion thereon.

Management’s Responsibility

Management of Lysaght is responsible for the preparation of the Subject Matter Information included in the Lysaght’s Sustainability Report 2025 in accordance with the Reporting Criteria.

This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in the Lysaght’s Sustainability Report 2025 as well as the design, implementation and maintenance of internal control relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by Lysaght which are reasonable in the circumstances.

Practitioners Responsibility

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Selected Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Selected Sustainability Information.

SUSTAINABILITY REPORT

cont'd



Practitioners Responsibility (Cont'd)

As part of a limited assurance engagement in accordance with *International Standard on Assurance Engagement* (“ISAE”) 3000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- ☒ Determine the suitability in the circumstances of the Group’s use of Reporting Criteria as the basis for the preparation of the Selected Sustainability Information.
- ☒ Perform risk assessment procedures, including an understanding of internal controls relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group’s internal control.
- ☒ Design and perform procedures responsive to where material misstatements are likely to arise in the Selected Sustainability Information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, and may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.

Inherent limitations

Our conclusion is based on historical information and the projection of any information or conclusion in the attached report to any future periods would be inappropriate. Our examination excludes audit procedures such as verification of all assets, liabilities and transactions and is substantially less in scope than an audit performed in accordance with International Standards on Auditing (“ISA”) and therefore provides a lower level of assurance than audit. The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement basis and can affect comparability between entities over time.

Independent and Quality Management

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 (“MIA”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies *International Standard on Quality Management 1*, 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.

Summary of Work Performed on Limited Assurance

A limited assurance engagement involves performing procedures to obtain evidence about the Selected Sustainability Information. The procedures 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



Summary of Work Performed on Limited Assurance (Cont'd)

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the Selected Sustainability Information, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- ▶ Evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by the Group.
- ▶ Performed analytical procedures for consistency of data with trends and our expectation.
- ▶ Performed limited substantive testing on a sampling basis on transactions included in the Selected Sustainability Information of the Group, which involved agreeing data points to/from source information to check that the underlying subject matter had been appropriately measured or evaluated, recorded, collated and reported.
- ▶ Checked mathematical formulas, practices and default values used in the Selected Sustainability Information against the Group's Reporting Criteria; and
- ▶ Evaluated the appropriateness of the description and presentation of the Selected Sustainability Information based on the Reporting Criteria.

Our assurance procedures specifically did not extend to the remaining parts of the Sustainability Report 2025 and the information included therein, other than the Selected Sustainability Information, nor did our procedures consider the financial information extracted from the audited financial statements of the Group and used in the preparation of the Selected Sustainability Information.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information contained in the Sustainability Report for the financial year ended 31 December 2025 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

Basis for Conclusion

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

SUSTAINABILITY REPORT

cont'd



Restriction on Distribution and Use and Disclaimer of Liability to the Third Parties and for Any Other Purposes

This report, including the conclusion, has been prepared solely for the Board of Directors of Lysaght Galvanized Steel Berhad in accordance with the agreement between us, in connection with the performance of an independent limited assurance engagement on the Subject Matter Information as reported by Lysaght Galvanized Steel Berhad in its Sustainability Report 2025 and should not be used or relied upon for any other purposes. We consent to the inclusion in this report in the Lysaght's Sustainability Report 2025 to be disclosed in respect for the financial year ended 31 December 2025, to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Subject Matter Information in connection with the preparation of Lysaght's Sustainability Report 2025 for the financial year ended 31 December 2025. Accordingly, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come. Any reliance on this report by any third party is entirely at its own risk.

Yours faithfully,

CAS Consulting Services Sdn. Bhd.
Selangor Darul Ehsan

Date: 22nd April 2026

DIRECTORS' PROFILE



EE BENG GUAN

*Chairman/Non-Independent Non-Executive Director
70 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 seven (7) Board Meetings held during the financial year ended 31 December 2025.



CHEW MEU JONG

*Non-Independent Non-Executive Director
70 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 seven (7) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE

cont'd

IR. AIK SIAW KONG, KMN

*Non-Independent Non-Executive Director
75 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 an advisor 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 seven (7) Board Meetings held during the financial year ended 31 December 2025.

CHEAM LOW SOO

*Non-Independent Non-Executive Director
74 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 seven (7) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE

cont'd

YEOH SHEONG LEE

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

Mr. Yeoh Sheong Lee, was appointed to the Board as Independent Non-Executive Director on 1 April 2023. On 1 August 2025, he was appointed as the Senior Independent Non-Executive Director of the Company. He was redesignated as the Chairman of our Audit and Nomination Committees on 1 August 2025.

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 seven (7) Board Meetings held during the financial year ended 31 December 2025.

CHONG CHIN LOOK

*Independent Non-Executive Director
62 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 ("Bonia") Group of Companies as a Financial Controller, where he was responsible for the overall financial and corporate functions of Bonia and its subsidiaries.

In 1994, Mr. Chong was appointed as a Director of Bonia 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 Bonia, 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.

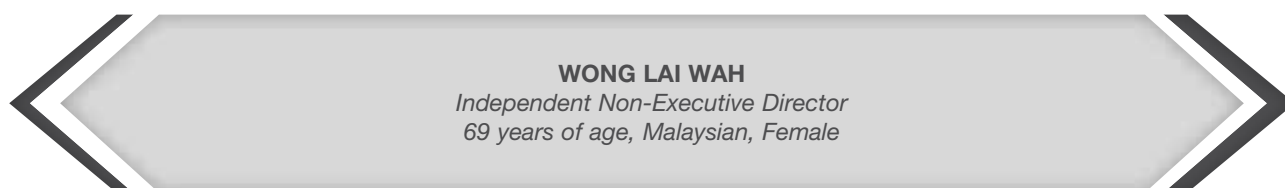
He is also on the Board of TSA Group Berhad as an Independent Non-Executive Director, the Chairman of its Audit and Risk Management Committee, and a member of its Remuneration Committee and Nomination Committee, respectively.

Besides, he holds directorships in several private companies.

Mr. Chong has attended all seven (7) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE

cont'd



Madam Wong Lai Wah, was appointed to the Board as Independent Non-Executive Director on 1 August 2025. She was appointed as a member of the Audit and Nomination Committees on 1 August 2025.

Madam Wong was a fellow member of the Association of Chartered Certified Accountants, United Kingdom and a member of the Malaysian Institute of Accountants.

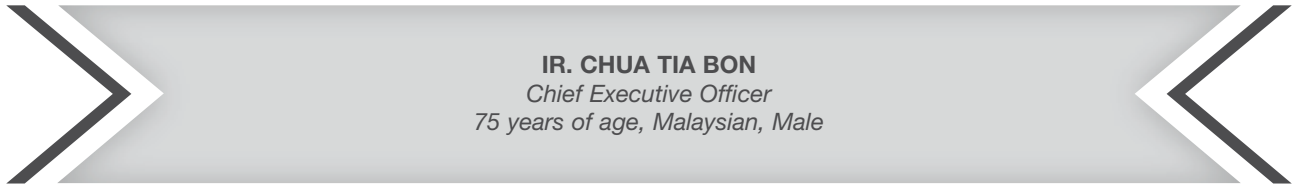
Most of Madam Wong's career years was with Ernst & Young ("EY"). She joined EY in the early 1980s and was involved in areas of assurance, taxation, finance and corporate finance. She retired from the firm as a partner in 2011.

Since her appointment on 1 August 2025, Madam Wong has attended all two (2) Board Meetings held during the financial year ended 31 December 2025.

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 2025.
4. **Shareholdings**
The details of the Directors' interest in the securities of the Company are set out on page 156 of the Annual Report.

CHIEF EXECUTIVE OFFICER PROFILE



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's shareholdings 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 2025.

KEY MANAGEMENT PROFILE

FOO KOK SENG

*Senior General Manager
72 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

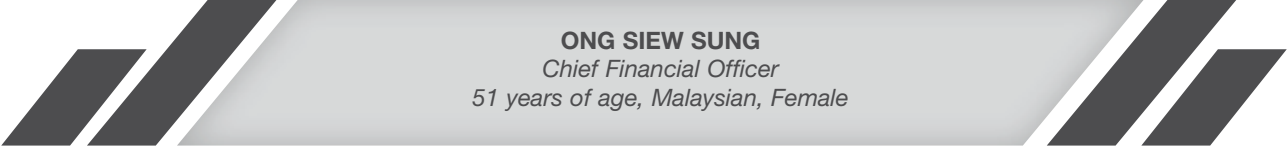
*Area Sales Manager / Director
63 years of age, Malaysian, Male*

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.

KEY MANAGEMENT PROFILE

cont'd




ONG SIEW SUNG
Chief Financial Officer
51 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.



LING KUONG LOONG
General Manager
54 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.

KEY MANAGEMENT PROFILE

cont'd

LIEW SUI KUM

*Technical & Design Manager
73 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.

YAU CHAI FATT

*QC/QA Manager
71 years of age, Malaysian, Male*

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 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) is committed to upholding high standards of corporate governance in line with the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”).

This Corporate Governance Overview Statement provides a summary of the Company’s corporate governance practices for the financial year ended (“FYE”) 31 December 2025 with reference to the three (3) key principles of good corporate governance as set out under Paragraph 15.25 (1) and Paragraph 3.1A of Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“MMLR”), namely :

- A. Board leadership and effectiveness**
- B. Effective audit and risk management**
- C. Integrity in corporate reporting and meaningful relationship with stakeholders**

Throughout the review period, the Board has applied and complied with the principles and recommendations of the MCCG 2021, reflecting its continued commitment to transparency, accountability, and sound governance practices. A more comprehensive disclosure of the Company’s corporate governance practices is set out in the Corporate Governance Report, which is available on the Company’s website at www.lysaghtgalvanizedsteelbhd.com.

Our Governance Structure

The Company’s governance framework is anchored on the Terms of Reference (“TOR”) of the Board Committees, which define the roles, responsibilities, and scope of authority across the organisation. The governance structure has been designed to establish the right balance of authority, empowerment, and accountability, ensuring effective oversight while supporting operational efficiency.

This structured governance model enables the Board to pursue sustainable value creation while promoting a corporate culture grounded in ethics, integrity, and accountability.

The Board regularly reviews the governance framework to ensure it remains appropriate and aligned with evolving corporate governance standards and regulatory compliance.

The diagram below provides an overview of the Company’s governance structure:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

Board Charter and Board Committees

The Board is accountable to shareholders for the management and overall performance of the Group. It maintains full and effective control of the Company and assumes responsibility for the Group's corporate governance, strategic direction, and long-term sustainability. In fulfilling its role, the Board seeks to balance the achievement of key business objectives with the creation of long-term shareholder value.

Significant decisions affecting the Group's operations are reserved for the Board. In carrying out its duties, the Board is guided by the Board Charter, which outlines its roles, composition, responsibilities, powers, committees, and meeting procedures. The governance principles within the Board Charter shape the Board's conduct and provide direction for the Group's strategic initiatives. The Board Charter is reviewed periodically, or as needed, to ensure it remains aligned with the Group's evolving needs. Further details on the Board Charter are available on the Company's website.

To support effective governance and decision-making, the Board has established the following committees:

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

These committees provide independent insights and recommendations, enabling the Board to make informed decisions and address complex challenges efficiently. Each committee operates under its own TOR, assisting the Board in fulfilling its fiduciary duties. The Chairman of the Board does not chair any of the committees.

Company Secretary

The Board is supported by a qualified and experienced Company Secretary, who provides guidance and keeps the Board regularly informed on matters of good governance, board policies and procedures, administrative matters, and corporate compliance. All Directors have unrestricted access to the advice and services of the Company Secretary, whose appointment and removal is determined by the Board as a whole.

The Company Secretary ensures that the Board is fully updated on regulatory requirements and developments in corporate governance that impact the duties and responsibilities of the Directors, as well as the obligations of the Company as a public-listed entity.

To maintain professional competency, the Company Secretary attends training programs and seminars conducted by relevant regulatory bodies, ensuring up-to-date knowledge of statutory and regulatory requirements, including the MMLR of Bursa Securities.

Chairman and CEO

To promote a strong governance culture and ensure a balance of power and authority within the Group, the roles of the Chairman and Chief Executive Officer (“CEO”) are strictly separated. This separation reinforces effective oversight and accountability between the Board and management.

The Chairman is responsible for the effectiveness of the Board, ensuring that its conduct and proceedings are orderly and efficient. The CEO, on the other hand, assumes primary responsibility for managing the Group's businesses and resources, overseeing the day-to-day operations, and implementing the Group's strategic objectives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

1. Board Responsibilities *cont'd*

Board and Committee Meetings

The Board meets at least quarterly to consider and approve, among other matters, the Group's strategic plans and direction, annual business plans and budgets, operational and financial performance reports, and quarterly reports. Additional meetings may be convened when urgent or important decisions are required between scheduled meetings. Relevant management and/or external advisors may be invited to attend Board meetings to provide advice, information, or clarification on agenda items, enabling Directors to make informed decisions.

Board meetings are conducted with proper agendas issued in advance, and board papers and reports are prepared by management and circulated to all Directors with sufficient time for review. The notices of meetings and agenda are sent to the Directors electronically at least one week in advance and board meeting papers are delivered to the Directors in hard copies at least five business days prior to board meetings. This ensures effective discussion and decision-making during meetings. All significant issues deliberated and the decisions reached are accurately recorded by the Company Secretary.

Directors are encouraged to declare their time commitments to the Board and to inform the Chairman before accepting any new directorship in other public-listed companies. This is to ensure that additional appointments do not unduly affect their responsibilities and time commitment to the Board. The Board believes that all members share equal responsibility for fulfilling their core duties.

The Board is satisfied with the time commitment demonstrated by its members in discharging their duties, as reflected in the attendance record for FYE 2025:

Director		No. of Meetings Attended / No. of Meeting Held ⁽¹⁾	%
Ee Beng Guan	Non-Independent Non-Executive Chairman	7/7	100%
Chew Meu Jong	Non-Independent Non-Executive Director	7/7	100%
Ir. Aik Siaw Kong	Non-Independent Non-Executive Director	7/7	100%
Cheam Low Soo	Non-Independent Non-Executive Director	7/7	100%
Yeoh Sheong Lee	Senior Independent Non-Executive Director	7/7	100%
Chong Chin Look	Independent Non-Executive Director	7/7	100%
Wong Lai Wah ⁽²⁾	Independent Non-Executive Director	2/2	100%
Chong Sai Sin ⁽³⁾	Senior Independent Non-Executive Director	5/5	100%

⁽¹⁾ Number of meetings held during the respective Director's tenure of office during FYE 2025

⁽²⁾ Appointed as Independent Non-Executive Director on 1 August 2025

⁽³⁾ Resigned as Senior Independent Non-Executive Director on 16 June 2025

Information and Support for Directors

All Directors have unrestricted access to all relevant Company information, management, and may seek independent professional advice at the Company's expense, subject to prior consultation with the Chairman, whenever necessary to discharge their duties effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

1. Board Responsibilities *cont'd*

Code of Business Ethics, Whistleblower Policy, and Anti-Bribery & Corruption Policy

Guided by the Group's core values of integrity and reliability, the Board has adopted a Code of Business Ethics to govern the standards of ethical conduct for Directors and employees. The code addresses ethical business practices, conflicts of interest, and anti-corruption measures.

To uphold the highest standards of ethical conduct, the Group has implemented a formal Whistleblower Policy. Under this policy, the Board ensures that the identities of employees and third parties making reports are kept strictly confidential, and that whistle-blowers are protected from victimisation or retaliation, provided that reports are made in good faith. For independent and confidential handling of reports, the Group has established a dedicated email account, complaints@lysaghtmarketing.com.my, managed solely by the Senior Independent Director.

The Group has established the Anti-Bribery & Corruption Policy to express its strong stance against any form of bribery and corruption. The policy outlines the key principles that the Group believes in and provides guidance on how to handle situations related to bribery, improper solicitation, and other corrupt activities that may arise in the course of business. The aim of the policy is to ensure that the Group operates with integrity and honesty, and that all employees are aware of their responsibilities in maintaining this standard.

The Code of Business Ethics, Whistleblower Policy, and Anti-Bribery & Corruption Policy are available for reference on the Company's website.

Strategies in Promoting Sustainability-Related Risks and Opportunities

The Board has ultimate responsibility for the Group's sustainability agenda and provides oversight over the integration of sustainability considerations into the Group's corporate strategy. This is aimed at balancing stakeholders' interests while ensuring that the Group pursues responsible growth and delivers long-term value.

In view of the increasing emphasis placed on sustainability by stakeholders and its significance in shaping the Group's strategy and operations, the Board has delegated oversight of sustainability matters to the SRMC.

Further details on the Group's sustainability initiatives and performance are set out in the Sustainability Report within this Annual Report.

2. Board Composition

The NC assists the Board in matters relating to the selection and appointment of Directors and members of the Board Committees, including the review of the Board's size and composition.

The NC is responsible for determining the appropriate mix of character, skills and experience for the Board as a whole and for individual Directors, with the objective of achieving a Board with diverse backgrounds and business experience. All Directors are expected to be individuals of integrity with high personal and professional ethics, sound business judgement, and the ability and willingness to devote sufficient time and commitment to the discharge of their duties.

The Board comprises individuals of high integrity and calibre who possess a sound understanding of the Group's business and a broad range of skills, knowledge and experience. These Directors contribute their expertise to policy formulation and decision-making, thereby providing effective oversight, strategic guidance and constructive challenge.

The Board is currently chaired by a Non-Independent Non-Executive Director ("NED") and comprises seven (7) Directors, of whom three (3) are Independent NEDs. The Group exceeds the minimum requirement of one-third independent directors under the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

2. Board Composition *cont'd*

During the financial year under review, the Board was further strengthened with the appointment of a new female Independent NED. This appointment enhances gender diversity and broadens the range of perspectives, skills and experience on the Board, in line with the Company's commitment to diversity and inclusive governance.

Conflict of Interest ("COI")

Directors and senior management are expected to conduct themselves with integrity, impartiality, honesty, and professionalism at all times, and to avoid any conflicts between their roles within the Group and their personal interests.

To uphold the highest standards of integrity and transparency, Directors must ensure that their personal or business interests do not interfere with their responsibilities to the Group. They are required to avoid any situation that could give rise to an actual or perceived conflict of interest.

Prior to any significant Board decision, the Chairman ensures that Directors confirm the absence of any personal conflicts in relation to the matters under discussion. If a conflict is identified, the Director in question will be excused from the discussion, and the conflict will be formally declared and recorded.

Board Diversity

In evaluating the suitability of individual Board members, the Board considers several factors, including skills, knowledge, expertise, experience, professionalism, and time commitment required to effectively discharge their role as a Director. Contributions, background, character, integrity, and competence are also taken into account. The Board is mindful of the importance of gender, age, and ethnic diversity in shaping a well-rounded and effective Board.

The Group is led by an experienced and diversified Board comprising professionals from various fields, bringing together a balanced mix of skills, experience, and expertise relevant to driving the growth of the Group's business. Collectively, the Directors possess a wide range of technical, financial, and legal experience, enabling the Board to provide effective leadership, oversight, and control of the Group.

During the financial year under review, the Board appointed a female Independent NED, increasing the number of women on the Board from one (1) to two (2). This appointment has improved female representation on the Board, bringing it closer to the 30% target suggested in Practice 5.9 of the MCGG 2021 guidelines. The Board continues to prioritise gender balance in senior management, the boardroom, and the workplace and remains committed to identifying and appointing additional qualified women directors when suitable candidates are available.

The Group's Diversity Policy, as set out in the Board Charter and available on the Company's website, underscores the Board's commitment to providing fair and equal opportunities and nurturing diversity at all levels within the Group. Under this policy, all individuals, regardless of age, gender, ethnicity, cultural background, or other personal factors, with appropriate experience and qualifications, are considered equally in matters of recruitment, promotion, remuneration, and training. The Board also remains committed to ensuring a workplace that values and respects differences, is fair, accessible, flexible, inclusive, and free from discrimination.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

3. Nomination Committee

The Board has established a NC to assist and provide recommendations to the Board on matters relating to the appointment and re-appointment of Directors, Board composition, Directors' training programmes, and the evaluation of the effectiveness of the Board, Board Committees and individual Directors. The full details of the NC's duties and responsibilities are set out in its TOR, which are available on the Company's website.

The NC comprises exclusively NEDs, with a majority being Independent NEDs, and is chaired by an Independent NED. The Committee meets as and when required, and at least once a year. During the financial year under review, two (2) meetings were held, with the attendance as follows:

Director		No. of Meetings Attended / No. of Meeting Held ⁽¹⁾	%
Yeoh Sheong Lee ⁽²⁾	Chairman, Senior Independent Non-Executive Director	2/2	100%
Cheam Low Soo	Member, Non-Independent Non-Executive Director	2/2	100%
Wong Lai Wah ⁽³⁾	Member, Independent Non-Executive Director	0/0	N/A
Chong Sai Sin ⁽⁴⁾	Chairman, Senior Independent Non-Executive Director	2/2	100%

⁽¹⁾ Number of meetings held during the respective Director's tenure of office during FYE 2025

⁽²⁾ Redesignated as Chairman of Nomination Committee on 1 August 2025

⁽³⁾ Appointed as member of Nomination Committee on 1 August 2025

⁽⁴⁾ Resigned as Chairman of Nomination Committee on 16 June 2025

Activities of Nomination Committee

The Board, through the NC, evaluates the effectiveness of the Board as a whole, all Board Committees, and the contribution of each individual Director. This evaluation is conducted annually, facilitated by the Company Secretary, using evaluation forms aligned with Bursa Securities Corporate Governance Guide. The assessment covers the following aspects:

(i) Board and Board Committees

- Board mix and composition
- Quality of information and decision-making
- Boardroom activities
- Board's relationship with Management
- Environmental, social, and governance issues

(ii) Individual Directors

- Fit and proper criteria
- Contribution and performance
- Calibre and personality
- Independence (for Independent Directors)

For the AC, the annual evaluation comprises two components:

(i) The AC as a whole

- Quality and composition
- Skills and competencies
- Meeting administration and conduct

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

3. Nomination Committee *cont'd*

(ii) Self and peer evaluation

- **Assessment by individual AC members**

Based on the evaluation carried out for FYE 2025, the NC reported to the Board that it was satisfied with the contribution and performance of each Director.

During the financial year, the NC convened a meeting to deliberate on the appointment of a new Director, including the assessment of the candidate's suitability, experience, and fit with the existing Board composition, prior to making its recommendation to the Board.

To ensure that Directors proposed for re-election are fit and capable to continue in their roles, the NC conducts a fit and proper assessment in accordance with the Company's Directors' Fit and Proper Policy.

The Board is mindful of the MCCG 2021 recommendation to limit the tenure of Independent Directors to nine (9) years. However, in appropriate cases and following an annual assessment by the NC, the Board may retain an Independent Director who has served a consecutive or cumulative term of nine (9) years, subject to NC's recommendation and shareholders' approval. Otherwise an Independent Director may continue to serve on the Board beyond nine (9) years upon being re-designated as a Non-Independent Director. Independent Director of more than twelve (12) years must resign or be re-designated as a Non-Independent Director.

During the financial year under review, Mr Chong Sai Sin resigned upon the completion of his nine-year tenure as an Independent NED. As of the date of the forthcoming 47th Annual General Meeting ("AGM"), all current Independent Directors have served for not more than nine (9) years.

In accordance with the Company's Constitution, one-third of the Directors are required to submit themselves for re-election by shareholders at each AGM. The NC has reviewed and nominated the Directors who will retire at the forthcoming AGM and recommended their re-election to the Board for tabling at the AGM.

Pursuant to the Directors' Fit and Proper Policy adopted in 2022, which applies to all appointments and re-elections of Directors, the NC undertakes a comprehensive assessment of candidates, including evaluations of character and integrity, experience and competence, as well as time commitment. Upon completion of the assessment, the NC will recommend suitable candidates to the Board for consideration. The Board will then deliberate and, where appropriate, approve the appointment or re-election. All newly appointed or re-elected Directors are required to make a fit and proper declaration upon their appointment or re-election.

Directors' Professional Development and Trainings

The Board recognises that continuous training is essential for Directors to discharge their duties effectively. All Directors are encouraged to participate in relevant external training programmes to enhance their knowledge on emerging developments and issues pertinent to the Group, particularly in areas such as sustainability, corporate governance, and regulatory requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

3. Nomination Committee *cont'd*

(ii) Self and peer evaluation *cont'd*

- **Assessment by individual AC members *cont'd***

In addition, Directors participated in various external training programmes, seminars, and conferences to further develop their skills and knowledge. The key programmes attended by Directors in office as at the end of FYE 2025 are summarised as follows:

Director	Course Title
Ee Beng Guan	<ul style="list-style-type: none"> • Leading Corporate Litigation Judgments of 2024 • AMLA Compliance Training • Demystifying Family Office in Malaysia • Artificial Intelligence and The Law – UK, EU, and Malaysia • National and Malaysia Day Forum
Chew Meu Jong	<ul style="list-style-type: none"> • Tax and Business Summit 2025
Ir. Aik Siaw Kong	<ul style="list-style-type: none"> • Current Issue in Risk Management • New Disclosure Requirements for Shariah Screening
Cheam Low Soo	<ul style="list-style-type: none"> • Tax and Business Summit 2025
Yeoh Sheong Lee	<ul style="list-style-type: none"> • ISRS 4400 (Revised) AUP, and ISRS 4410 (Revised) Compilation Engagement • A Comprehensive Review of Latest Developments in MPERS • MPERS Financial Reporting - What To Look Out For • Common Audit Deficiencies and Lessons from Regulatory Finding
Chong Chin Look	<ul style="list-style-type: none"> • Anti-Bribery and Anti-Corruption • Transfer Pricing & Tax Corporate Governance Seminar 2025 • CGS International & ASEAN Malaysia 2025 - ASEAN BUSINESS FORUM 2025 (From Vision to Reality: ASEAN Partnerships Fuelling Sustainable Growth)
Wong Lai Wah ⁽¹⁾	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part I • Mandatory Accreditation Programme Part II: Leading For Impact
Chong Sai Sin ⁽²⁾	<ul style="list-style-type: none"> • MIA Forum with Practitioners • MIA Webinar Series: Managing Income Tax Audit Challenges Effectively – A Practical Approach with Case Studies • Transfer Pricing: Revised Scope, Requirements & Audit Approach • E-Invoicing in Malaysia – Introduction and Implementation

⁽¹⁾ Appointed as Independent Non-Executive Director on 1 August 2025

⁽²⁾ Chong Sai Sin resigned as Senior Independent Non-Executive Director on 16 June 2025

The Board, through the NC and with the assistance of the Company Secretary, will continue to evaluate and identify the training needs of Directors to ensure they remain up to date with developments in the Group's business and industry, and are equipped to effectively discharge their roles and responsibilities.

The Board also reviews the Group's succession plans for key and critical positions, ensuring that emergency cover arrangements are in place for critical leadership roles at all times and that a robust talent pipeline is maintained.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

4 Remuneration Committee

The RC was established to assist the Board in formulating and reviewing remuneration policies and procedures to ensure that the Group is able to attract, motivate, and retain suitably qualified Directors and senior management. Full details of the functions and duties of the RC are set out in its TOR, which are available on the Company's website.

The Committee meets as and when required, and at least once a year. During the financial year under review, two (2) meetings were held, with the attendance as follows:

Director	No. of Meetings Attended / No. of Meeting Held ⁽¹⁾	%
Chew Meu Jong Chairman, Non-Independent Non-Executive Director	2/2	100%
Ir. Aik Siaw Kong Member, Non-Independent Non-Executive Director	2/2	100%
Chong Chin Look Member, Independent Non-Executive Director	2/2	100%

⁽¹⁾ Number of meetings held during the respective Director's tenure of office during FYE 2025

Activities of Remuneration Committee

The Board, through the RC, ensures that the Group's remuneration levels are commensurate with the skills, experience, and responsibilities expected of senior management and Directors. Remuneration is set at a level sufficient to attract, motivate, and retain the talent necessary for the successful management of the Group.

The Board determines the remuneration of Directors, with each individual Director required to abstain from discussions concerning their own remuneration. In performing its duties, the RC is guided by prevailing market norms and industry practices when making recommendations on the compensation and benefits of Directors and senior management.

Remuneration recommended by the RC for Directors and senior management is subject to the Board's approval, as it remains the Board's ultimate responsibility to approve these arrangements.

With regard to Directors' fees and allowances, such proposals are presented at the AGM for shareholders' approval. Comprehensive details of the Group's remuneration policies and practices are outlined in the Board Charter, which is accessible on the Company's website.

The aggregate remuneration paid or payable to the Directors and CEO by the Group and the Company for the FYE 2025 is disclosed as follows:

	Fees RM'000	Allowance RM'000	Remuneration RM'000	Benefits- in-kind RM'000	Other emoluments RM'000	Total RM'000
Ee Beng Guan	120.0	15.5	-	-	-	135.5
Chew Meu Jong	84.0	15.5	-	-	-	99.5
Ir. Aik Siaw Kong	84.0	16.0	-	-	-	100.0
Cheam Low Soo	84.0	17.5	-	-	-	101.5
Yeoh Sheong Lee	84.0	23.5	-	-	-	107.5
Chong Chin Look	84.0	21.5	-	-	-	105.5
Wong Lai Wah ⁽¹⁾	35.0	5.0	-	-	-	40.0
Chong Sai Sin ⁽²⁾	42.0	19.0	-	-	-	61.0
Ir. Chua Tia Bon	-	-	731.0	21.0	111.0	863.0

⁽¹⁾ Appointed as Independent Non-Executive Director on 1 August 2025

⁽²⁾ Resigned as Senior Independent Non-Executive Director on 16 June 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit Committee

The Chairman of the AC is not the Chairman of the Board. In addition, the AC is composed entirely of Independent NEDs. The AC Report is set out separately in this Annual Report. Full details of the Committee's duties and responsibilities are available in its TOR on the Company's website.

The AC consists of the following members:

Director

Yeoh Sheong Lee ⁽¹⁾	Chairman, Senior Independent Non-Executive Director
Chong Chin Look	Member, Independent Non-Executive Director
Wong Lai Wah ⁽²⁾	Member, Independent Non-Executive Director
Chong Sai Sin ⁽³⁾	Chairman, Senior Independent Non-Executive Director

⁽¹⁾ Redesignated as Chairman of Audit Committee on 1 August 2025

⁽²⁾ Appointed as member of Audit Committee on 1 August 2025

⁽³⁾ Resigned as Chairman of Audit Committee on 16 June 2025

Oversight of External Auditors

The Group recognises the importance of maintaining auditor independence. None of the members of the Board were former key audit partners of KPMG PLT.

The Board, through the AC, maintains a formal and transparent relationship with the External Auditors. The Committee is responsible for making recommendations on the appointment, re-appointment, or removal of External Auditors, as well as their remuneration.

The AC assesses the performance and effectiveness of the External Auditors annually, considering their qualifications, audit process effectiveness, quality of service, and independence. Prior to the commencement of the annual audit, the AC obtains confirmation from the External Auditors regarding their independence, which is reaffirmed upon completion of the audit. These confirmations are provided in accordance with the independence guidelines of the Malaysian Institute of Accountants.

Further details on the work performed by the AC in fulfilling its oversight role are set out in the AC Report within this Annual Report.

2. Risk Management and Internal Control Framework

The Board discharges its responsibilities for risk governance and oversight through the SRMC, using a risk management framework that adopts a structured and integrated approach to managing key business risks. This framework, together with the system of internal control, is 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.

The adequacy and effectiveness of the system of internal control are reviewed by the AC with assistance from the Internal Auditors. The internal audit function is outsourced to an independent professional consulting firm, providing objective assurance on the effectiveness of the Group's governance, risk management processes, and internal control systems.

The Internal Auditors maintain independence by reporting functionally to the Board through the AC. Audit reports are tabled to the AC for review, and senior management is required to attend AC meetings to respond to findings and provide feedback on recommended improvements. Additionally, senior management presents updates on significant matters and changes to key processes that could impact the Group's operations.

Based on these processes, the Board is of the view that the risk management process and system of internal control were in place during the FYE 2025 for identifying, evaluating, and managing significant risks faced, or potentially to be faced, 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 within this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

1. Communication with Stakeholders

The Group is committed to ensuring that its communication with shareholders and other stakeholders is transparent, timely, and of high quality. Recognising that different stakeholder groups have varying levels of interest in the Company, the Board seeks to engage with each group appropriately, providing prompt feedback and consulting stakeholders when making significant decisions. Detailed information on our stakeholder engagement approach and activities during the year is set out on pages 23 to 25 of the Sustainability Report.

The Board is also committed to ensuring that communications to shareholders and the investing public regarding the Group's business, operations, and financial performance are timely, factual, and disseminated on an equal basis. Although there is no formalised corporate disclosure policy, the Group has procedures in place to comply strictly with all applicable legal and regulatory requirements. Information is communicated via annual reports, circulars/statements to shareholders, quarterly and annual financial statements, and other announcements as necessary.

Announcements and information released to Bursa Securities are handled by the CEO or Company Secretary in accordance with the MMLR requirements and guided by Bursa Securities' Corporate Disclosure Guide. Price-sensitive information is only released after review by the CEO and/or the Board where necessary.

The Company's website provides relevant information to stakeholders and the investing community, including quarterly and annual financial statements, announcements, annual reports, and circulars/statements to shareholders.

Shareholders may direct queries or concerns to the Chairman or CEO at the Group's principal office:

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

The Board has designated Mr. Yeoh Sheong Lee, Senior Independent Director, as the contact for shareholders to consult directly on matters that cannot be resolved through normal channels with the Chairman or CEO. He can be reached at the above address.

2. Conduct of General Meetings

The AGM serves as the principal platform for dialogue and communication between the Company and its shareholders. Shareholders are encouraged to attend the AGM to participate, ask questions, and vote on key matters affecting the Group, including the election or re-election of Directors. The AGM also provides an opportunity for shareholders to engage directly with the Board and gain insights into the Group's business operations, financial performance, and position.

Attendance of Directors at General Meetings

The Board recognises its stewardship role in the Company and is committed to engaging with shareholders by providing constructive responses to their queries. The Board encourages shareholders' active participation at the Company's AGM and strives to ensure the presence of all Directors, Key Senior Management, and the External Auditors to address shareholders' questions.

All Directors, along with the External Auditors, attended the 46th AGM held on 12 June 2025 in person, in compliance with the MMLR to hold AGMs at a physical venue.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

2. Conduct of General Meetings *cont'd*

Attendance of Directors at General Meetings *cont'd*

The forthcoming 47th AGM will be conducted as a physical meeting to facilitate direct engagement and effective communication between the Board, Management, and shareholders.

Barring unforeseen circumstances, all Directors, including the Chairs of all mandated Board Committees, will be in attendance to address shareholders' enquiries. The External Auditors will also attend to respond to questions regarding the conduct of the audit and the preparation of the auditor's report.

Voting

The 46th AGM was conducted physically, in compliance with the MMLR which mandate AGMs to be held at a physical venue.

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

All resolutions were voted by poll in compliance with the MMLR of Bursa Securities. The Independent Scrutineer validated the votes cast prior to the Chairman announcing the results. The outcome of all resolutions was announced to Bursa Securities on the same day.

Notice of General Meetings

The Notice of the 46th AGM was issued to shareholders on 29 April 2025, more than twenty-eight (28) days prior to the meeting, in compliance with Paragraph 7.15 of the MMLR of Bursa Securities and Practice 13.1 of the MCGG. This allowed shareholders sufficient time to consider the resolutions.

The Notice was also made available on the Company's and Bursa Securities' websites. Shareholders who were unable to attend the AGM were entitled to appoint their own proxy(ies) or the Chairman as their proxy to attend and vote on their behalf.

The Chairman of the AGM ensured that shareholders and proxies were given adequate opportunity to raise questions regarding the proposed resolutions and the affairs of the Company. The Board and Management provided satisfactory responses to all queries raised.

The proceedings of the 46th AGM, including all questions and the corresponding answers, were properly minuted by the Company Secretary. The minutes, detailing key matters and concerns raised by shareholders along with the Company's responses, were published on the Company's website within 30 business days of the conclusion of the AGM.

In line with Practice 13.1, the Notice of the forthcoming 47th AGM will be provided to shareholders at least 28 days prior to the meeting.

COMPLIANCE STATEMENT

The Board is satisfied that the Group has substantially complied with the majority of the practices of the MCGG 2021 throughout the financial period. In its commitment to safeguarding the interests of shareholders and other stakeholders, the Board will continue to strengthen the application of best practices in corporate governance.

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board of Directors dated 22 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with the Main Market Listing Requirement of Bursa Malaysia Securities Berhad:

1. Utilisation of Proceeds

The Group did not carry out any fund raising corporate proposals during the financial year ended (“FYE”) 31 December 2025.

2. Audit and Non-Audit Fees

During the FYE 2025, the total audit and non-audit fees paid or payable incurred for the services rendered to the Company and the Group by the external auditors, or a firm affiliated to the external auditors are as follow:-

	The Group RM	The Company RM
Audit fees	264,746	132,000
Non-audit fees	79,400	55,400
Total	344,146	187,400

3. Material Contracts

Save as disclosed below, there were no material contracts entered into by the Group involving the interests of the Directors and major shareholders during the financial period under review.

Two (2) conditional sale and purchase agreements were entered into by the Company with the following vendors on 9 April 2025 in relation to the following acquisitions :

- Lysaght Corrugated Pipe Sdn. Bhd. – Two (2) adjoining parcels of leasehold land together with the buildings erected thereon, located at Kawasan Perindustrian Tasek, Ipoh, Perak, for a cash consideration of RM8.6 million.
- Lysaght Naco Sdn. Bhd. – One (1) parcel of leasehold land together with the buildings erected thereon, located at Kawasan Perindustrian Pengkalan II, Pusing, Perak, for a cash consideration of RM6.9 million.

The acquisitions will enable the Company to obtain full control of the properties and provide greater certainty and flexibility in undertaking its future operational plans.

Lysaght (Malaysia) Sdn. Bhd., a major shareholder of the Company, is the sole shareholder of both vendors. The following major shareholders of the Company have indirect interests in both vendors:

- Ingli Sdn. Bhd.
- Liew Swee Mio @ Liew Hoi Foo
- Chew Mee Lee
- Chew Bros (M) Sdn. Bhd.
- ChewKarHeing Sdn. Bhd.
- Yusuf Bin Jamil
- WTWT Sdn. Bhd.
- Janfreys Sdn. Bhd.
- Bina Securities & Management Sdn. Bhd.
- CKH and LIK Family Sdn. Bhd.
- Chloe Mun-Ching Ho
- Chew Meu Jong
- Deborah Mun Sook Ho
- Chew Kar Yoo @ Chew Kar Hoo

ADDITIONAL COMPLIANCE INFORMATION

cont'd

4. Recurrent Related Party Transactions of a Revenue or Trading Nature

The aggregate value of transactions conducted during FYE 2025 were as follows:

Nature of Recurrent Transactions	Related Parties	Type	Amount (RM'000)
Rental of factory buildings	Lysaght Corrugated Pipe Sdn Bhd ⁽¹⁾	Expense	220
Rental of factory buildings	Lysaght Naco Sdn Bhd ⁽²⁾	Expense	127
Transportation services	Lysaght Corrugated Pipe Sdn Bhd ⁽¹⁾	Expense	10
Fabricating expenses	Lysaght Corrugated Pipe Sdn Bhd ⁽¹⁾	Expense	520
Purchase of goods	Lysaght Corrugated Pipe (S) Pte Ltd ⁽²⁾	Expense	5,332
Powder coating services rendered	Lysaght Corrugated Pipe Sdn Bhd ⁽¹⁾	Income	186

Notes:

⁽¹⁾ Company in which a Director of the Company is also a Director and has indirect shareholdings.

⁽²⁾ Company in which a Director of the Company has indirect shareholdings.

The above recurrent related party transactions are carried out in the ordinary cause of business. The details of the recurrent related party transactions are disclosed in Note 24 of the Notes to the Financial Statements.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Lysaght Galvanized Steel Berhad (“**the Group**”) is committed to strengthening and continuously enhancing the Group’s risk management and internal control framework. In line with this commitment, the Board is pleased to present this Statement on Risk Management and Internal Control for the financial year ended (“**FYE**”) 31 December 2025.

This statement is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), and is guided by the Statement on Risk Management and Internal Control (SORMIC) : Guidelines for Directors of Listed Companies (the “**SORMIC Guide 2025**”). It outlines the nature and scope of the Group’s risk management and internal control systems and covers all operations within the Group.

BOARD’S RESPONSIBILITIES

The Board recognises that sound risk management and internal control practices are fundamental to maintaining robust corporate governance. The Board affirms its overall responsibility for establishing and maintaining an effective risk management and internal control framework to safeguard shareholders’ investments and the Group’s assets.

The Board has adopted clear terms of reference through the Board Charter and the respective Board Committees, which define roles, responsibilities, and authority levels to support effective oversight and accountability.

The Board continuously reviews the adequacy and effectiveness of the Group’s risk management and internal control systems, including compliance with applicable legal and regulatory requirements, across all business operations. This ensures alignment between the Group’s risk appetite, corporate objectives, and operational decision-making. The Board acknowledges that these systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and therefore provide reasonable, but not absolute, assurance against material misstatement of financial information, financial loss, or fraud.

To support its oversight responsibilities, the Board has delegated Sustainability and Risk Management Committee (“**SRMC**”) and Audit Committee (“**AC**”) to review and monitor the risk management process and internal control system, respectively, and ensure that appropriate frameworks, policies, and internal control mechanisms are in place and operating effectively.

While the Board retains ultimate responsibility for the Group’s risk management and internal control framework, it delegates the implementation and day-to-day operation of these systems to Management.

MANAGEMENT’S RESPONSIBILITIES

Management, led by the Chief Executive Officer (“**CEO**”) and Chief Financial Officer (“**CFO**”), is responsible for establishing and maintaining appropriate organisational structures, processes, and controls to manage the Group’s operations and risks effectively. This includes ensuring compliance with legal, regulatory, and ethical requirements.

Management supports the development, implementation, and continuous improvement of the Group’s risk management and internal control practices at the process, systems, and entity levels. Management is also responsible for ensuring that internal controls are operating effectively and are subject to regular monitoring and review, with significant risk and control matters reported to the Board and relevant Board Committees.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

RISK MANAGEMENT FRAMEWORK

The Group has established a structured risk management and internal control framework that is fully embedded within its business operations. This framework enables the identification, assessment, monitoring, and mitigation of principal risks that may affect the achievement of the Group's strategic objectives, financial performance, and regulatory compliance.

Key elements of the framework include:

- A defined risk governance structure, with clear roles and responsibilities assigned to the Board, Board Committees, Management, and operational units;
- Periodic risk assessments conducted to identify and evaluate key strategic, operational, financial, compliance, reputational risks, environmental, social, and governance ("ESG") and other sustainability risks;
- Implementation of risk mitigation controls and action plans, including policies and procedures, to manage identified risks within acceptable risk appetite levels; and
- Ongoing monitoring and reporting mechanisms to ensure that significant risks and control issues are escalated to the Board in a timely manner.

Risk registers are maintained and periodically reviewed to capture emerging risks and to ensure that mitigation strategies remain relevant and effective.

The Board, through the SRMC, reviews the adequacy and effectiveness of the Group's risk management and internal control framework bi-annually. Identified risks are consolidated by the Management and presented for deliberation during the bi-annually SRMC meetings.

The members of the SRMC during the FYE 2025, 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

The risk management framework actively involves senior management from each operating unit and is overseen by the SRMC, with support from the CEO.

THREE LINES OF DEFENCE MODEL

The Group adopts a Three Lines of Defence model to strengthen governance, risk management, and internal control:

First Line – CEO & CFO	Responsible for establishing and maintaining appropriate organisational structures, processes, and controls to manage the Group's operations and risks effectively. This includes ensuring compliance with legal, regulatory, and ethical requirements.
Second Line – Management	Supports the development, implementation, and continuous improvement of the Group's risk management and internal control practices at the process, systems, and entity levels.
Third Line – Internal Audit	Provides independent assurance on the effectiveness of risk management and internal control systems. Internal audit reports directly to the Audit Committee ("AC") to maintain independence and objectivity.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

RISK APPETITE AND MONITORING

The Group recognises that effective risk management requires a clear understanding of the level of risk that it is willing to accept in pursuit of its strategic objectives. Accordingly, the Board has established a risk management approach that balances business growth with prudent risk management practices.

Management monitors key risk exposures through periodic risk assessments and operational performance reviews. Key risk indicators and mitigation plans are monitored to ensure that risks remain within acceptable parameters and that appropriate actions are taken where necessary.

Regular updates on the Group's risk profile and mitigation strategies are presented to the SRMC and the Board to facilitate informed decision-making and to ensure continuous oversight of key risks.

KEY RISK AREAS

As a manufacturer and supplier of galvanised steel products, the Group operates in an industry characterised by evolving market conditions, operational risks, and regulatory requirements. Key risks monitored by the Group include:

Raw material price volatility	Fluctuations in global steel and zinc prices may affect production costs and profit margins. The Group manages this risk through procurement planning, supplier diversification, and pricing strategies.
Operational and production risks	Manufacturing operations involve machinery, galvanising processes, and industrial equipment that require strict operational controls. The Group implements standard operating procedures, maintenance programmes, and safety practices to ensure operational efficiency and minimise disruptions.
Supply chain and logistics risks	Disruptions in the supply chain or delays in raw material delivery may impact production schedules. The Group maintains relationships with multiple suppliers and monitors supply chain conditions to mitigate potential disruptions.
Occupational health and safety risks	Manufacturing activities involve potential safety hazards. The Group prioritises workplace safety through safety training, compliance with regulatory requirements, and continuous monitoring of safety practices.
Regulatory and environmental compliance	The Group operates in a regulated environment with requirements relating to environmental management, emissions, and workplace safety. Compliance with applicable laws and regulations is monitored to ensure adherence to statutory obligations.
Sustainability and climate-related risks	<p>Changes in environmental regulations, carbon-related policies, or industry standards may increase compliance costs or require operational adjustments. The Group monitors regulatory developments and evaluates opportunities to enhance operational efficiency and environmental performance.</p> <p>Extreme weather events, rising temperatures, or other climate-related impacts may affect production facilities, logistics networks, and supply chain reliability. The Group continuously assesses operational resilience and implements appropriate contingency measures to minimise potential disruptions.</p> <p>Increasing stakeholder expectations regarding environmental responsibility and sustainable business practices may influence the Group's reputation and market competitiveness. The Group is committed to enhancing transparency in sustainability practices and strengthening its environmental management initiatives.</p>

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

INTERNAL CONTROL SYSTEM

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

1. Organisation structure with clearly defined lines of responsibility, authority and accountability;
2. Approval and authority limits imposed on Management for day-to-day operations as well as major non-operating transactions;
3. Formalised standard operating procedures to ensure compliance with internal controls and the relevant laws and regulations;
4. Internal quality audits and periodic surveillance audits conducted by LLOYD's Register Quality Assurance to provide assurance of compliance and maintain continuous certification under ISO 9001:2015 - Quality Management System;
5. Code of Business Ethics established for all employees, providing guidance on ethical behaviour and responsible practices in daily operations;
6. Anti-Bribery and Corruption Policy implemented in line with the corporate liability provision under Section 17A of the Malaysia Anti-Corruption Commission (Amendment) Act 2018, effective 1 June 2020;
7. Whistleblower Policy enabling employees, customer, suppliers or third parties to report suspected or known misconduct, including fraud, corruption, abuse, or other unethical practices;
8. Sufficient insurance coverage for major assets classes to protect the Group's assets against risks that may result in material losses. Management conducts an annual review of insurance policies to ensure that coverage remains appropriate;
9. Board and AC oversight with meetings held at least quarterly to discuss the Group's financial performance, business operations and strategies, corporate updates and internal audit findings, if any;
10. Financial reporting and monitoring with financial statements prepared monthly and consolidated reports prepared quarterly for review by the CEO and senior management;
11. Centralised control of key functions, including finance, taxation, treasury, corporate secretarial and compliance and legal matters;
12. Fully independent AC comprising exclusively Independent Directors with full and unrestricted access to both internal and external auditors; and
13. Review of financial results, with quarterly financial results and annual audited financial statements reviewed by the AC prior to Board approval.

INTERNAL AUDIT FUNCTION

The Board recognises the importance of the internal audit function and is committed to establishing, 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 and the AC in discharging their responsibilities. To ensure independence, the internal auditors report directly to the AC.

The Group's internal audit activities are conducted in accordance with a risk-based audit plan approved by the AC. The internal audit function provides an objective assessment of the adequacy, efficiency, and effectiveness of the Group's system of internal controls. Audit findings, together with recommended improvements, are presented to the AC during quarterly meetings. In addition, the internal auditors conduct follow-up reviews to ensure that all recommended improvements are properly implemented.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

CONCLUSION

The Board has reviewed the adequacy and effectiveness of the Group's risk management framework and system of internal controls for the FYE 2025 and up to the date of this Statement. Appropriate actions have been, and continue to be, taken to address any significant failings or weaknesses identified during the period. There were no significant risk management or internal control issues that would have resulted in material losses or contingencies requiring disclosure in this Annual Report. The Board is of the view that the Group's risk management processes and internal control systems were operating effectively throughout the period.

The CEO and CFO have provided assurance to the Board that, in all material aspects, the Group's risk management processes and internal control systems were operating adequately and effectively, and that no material losses arose from any deficiencies in internal controls that would necessitate disclosure in this Annual Report.

The Board and Management will continue to monitor, review, and evaluate risks to ensure that shareholders' interests and the Group's assets are adequately safeguarded.

This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board dated 22 April 2026.

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, nor 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 Section 7 of the SORMIC Guide 2025, nor is it factually inaccurate.

AUDIT COMMITTEE REPORT

AUDIT COMMITTEE COMPOSITION AND MEETINGS

The Audit Committee (“**AC**”) was chaired by Mr Chong Sai Sin⁽³⁾ for four (4) meetings during the financial year, and subsequently by Mr Yeoh Sheong Lee⁽¹⁾ for the remaining 2 meetings for the financial year. The AC comprises three (3) members, all of them are Independent Non-Executive Directors.

The AC consists of the following members:

Director		No. of Meetings Attended / No. of Meeting Held ⁽⁴⁾	%
Yeoh Sheong Lee⁽¹⁾	Chairman, Senior Independent Non-Executive Director	6/6	100%
Chong Chin Look	Member, Independent Non-Executive Director	6/6	100%
Wong Lai Wah⁽²⁾	Member, Independent Non-Executive Director	2/2	100%
Chong Sai Sin⁽³⁾	Chairman, Senior Independent Non-Executive Director	4/4	100%

⁽¹⁾ Redesignated as Chairman of Audit Committee on 1 August 2025

⁽²⁾ Appointed as member of Audit Committee on 1 August 2025

⁽³⁾ Resigned as Chairman of the Audit Committee on 16 June 2025

⁽⁴⁾ Number of meetings held during the respective Director's tenure of office during FYE 2025

The AC Chairman, Mr Yeoh Sheong Lee has been a member of the Certified Public Accountants of Australia since 2001, a member of the Malaysian Institute of Accountants (“**MIA**”) since 2003, and has held a practicing certificate from the MIA since 2011, as well as an audit license since 2012. None of the current AC members is a former partner of the Group's external audit firm, KPMG PLT.

The composition of the AC complied with the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the practices set out in the Malaysian Code on Corporate Governance 2021 (“**MCCG 2021**”).

In accordance with its Terms of Reference (“**TOR**”), the AC is required to meet at least four times a year. During FYE 2025, the AC convened six (6) meetings. The Company Secretary, who also serves as the Secretary to the AC, was in attendance at all meetings.

At the invitation of the AC, the Chief Executive Officer (“**CEO**”), relevant members of Management, and the external and internal auditors attended the meetings to present reports on the financial results and other matters for the AC's information and/or approval.

Where significant issues arose, the AC Chairman consulted with the other members through meetings or written correspondence. Following each meeting, the AC Chairman reported the matters deliberated to the Board for its reference and notation. Matters requiring the Board's approval were tabled at Board meetings. The Company Secretary recorded the decisions made and action required and communicated them to the relevant members of Management for their action.

TERMS OF REFERENCE

The AC was established as a committee of the Board with the primary objective of assisting the Board in fulfilling its fiduciary responsibilities in relation to its oversight of the system of internal controls and financial reporting. In addition, the AC also reviews related party transactions and potential conflict of interest situations that may arise within the Group.

The AC operates in accordance with its TOR, which is available on the Company's website at www.lysaghtgalvanizedsteelbhd.com.

AUDIT COMMITTEE REPORT

cont'd

PERFORMANCE OF THE AUDIT COMMITTEE

The Board, through the Nomination Committee, annually reviews the terms of office and performance of the AC members using the AC Evaluation Form. For the financial year ended ("FYE") 31 December 2025, the Board is satisfied that the AC members have effectively discharged their duties and responsibilities in accordance with their TOR.

SUMMARY OF ACTIVITIES

During the FYE 2025, the AC carried out the following activities in the discharge of its functions and responsibilities:

(a) Financial Reporting

- Reviewed and recommended to the Board the Group's unaudited quarterly financial results (including announcements) and the annual audited financial statements of the Group and the Company for approval.
- Deliberated on significant matters raised by the external auditors, including financial reporting issues, significant judgements made by Management, significant and unusual transactions, and Management's updates on the implementation of the external auditors' recommendations.

(b) External Audit

- Reviewed and approved the scope of work and audit plan of the external auditors prior to the commencement of the annual audit.
- Reviewed and evaluated the proposed audit fees and recommended them to the Board for approval.
- Reviewed the non-audit fees and related costs for non-audit services rendered by the external auditors to assess that their independence and objectivity were not compromised.
- Discussed with the external auditors significant audit findings, key judgements made by Management, compliance with applicable accounting standards, and legal and regulatory requirements, as well as the audit report, and reported these matters to the Board.
- Assessed the performance, suitability and independence of the external auditors and recommended their re-appointment to the Board.
- Held two (2) private sessions with the external auditors during the FYE 2025, without the presence of Management, to facilitate open and candid discussions.

(c) Internal Audit

- Reviewed and approved the internal audit plan and scope of work.
- Reviewed and discussed with the internal auditors the audit findings and issues arising from their reviews.
- Evaluated the adequacy and effectiveness of Management's corrective actions in addressing significant audit issues.
- Reviewed and recommended the internal auditors' proposed fees to the Board for approval.
- Assessed the competency and adequacy of resources of the internal auditors to ensure effective coverage of key risk areas.
- Held meetings with the internal auditors to enable frank and open discussions.

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

- Reviewed the RPTs and RRPTs on a quarterly basis.
- Reviewed the Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate for RRPTs of a revenue or trading nature, and recommended the same to the Board for approval. The AC, together with Management, have reviewed the procedures and processes for monitoring such transactions and for ensuring that they are conducted on an arm's length basis and on normal commercial terms were adequate and robust. The Proposed Renewal of Shareholders' Mandate was approved by shareholders on 12 June 2025.
- Reviewed the Circular to Shareholders in relation to the proposed acquisition by the Company of leasehold lands, which is deemed to be an RPT, and recommended the same to the Board for approval. The AC, together with Management, have reviewed the procedures and processes for monitoring such transactions and for ensuring that they are conducted on an arm's length basis and on normal commercial terms were adequate and robust. The proposed acquisition was approved by shareholders on 4 July 2025.
- Reviewed the quarterly confirmations from directors on related party transactions.

AUDIT COMMITTEE REPORT

cont'd

SUMMARY OF ACTIVITIES *cont'd*

(e) Conflict of Interest (“COI”)

- Reviewed the half-yearly COI Declaration Forms submitted by each Director and member of Key Senior Management for the purposes of identification, evaluation, disclosure, monitoring and management of actual or potential conflict of interest situations.
- Reported to the Board that no actual or potential conflicts of interest, including interests in any competing businesses, were identified during the year.

(f) Other matters

- Reviewed the following reports and recommended to the Board for inclusion in the 2025 Annual Report:
 - (i) Corporate Governance Overview Statement
 - (ii) Corporate Governance Report
 - (iii) Jointly with the Sustainability and Risk Management Committee on the Statement on Risk Management and Internal Control

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional consulting firm, CAS Consulting Services Sdn. Bhd. (“CAS”), to assist the AC in discharging its duties. The internal audit function provides independent, regular and systematic reviews of the adequacy and effectiveness of the Group’s system of internal controls.

The independence of the internal auditors is maintained through their functional reporting line to the Board via the AC.

CAS is supported by a team of four (4) personnel with relevant qualifications and experience in internal auditing. The engagement director of CAS is Mr Kong June Hon, a Chartered Accountant of the Malaysian Institute of Accountants and a Chartered Member of the Institute of Internal Auditors Malaysia.

The internal auditors presented their audit reports, together with their findings and recommendations for improvement, to the AC for review and deliberation. The AC also assessed the adequacy of Management’s responses and action plans, and the internal auditors performed follow-up reviews to monitor the implementation of the agreed corrective measures.

For FYE 2025, the internal audit scope covered reviews on the adequacy and effectiveness of internal controls over the following areas:

- Review of Human Resources and Payroll Processing
- Technical Drawing and Engineering Design System

The internal audit of the Group was conducted in accordance with a risk-based audit plan, which was prepared in line with the International Standards for the Professional Practice of Internal Auditing and approved by the AC.

Recommendations for improvement were submitted to the AC and the Board for consideration.

The total costs incurred for the internal audit function for FYE 2025 amounted to RM27,000.

Yeoh Sheong Lee

Chairman of Audit Committee

22 April 2026

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 under 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 2025 have been properly prepared so as to present a true and fair view of the financial position of the Group and the Company as at the end of the financial year, and of their financial performance and cash flows for the financial year then ended, 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 and ensured that the accounting policies were applied consistently; and
- where judgements and estimates were made, ensured that they were based on reasonableness and prudence.

The Board is also responsible for ensuring that the Group and the Company maintain proper accounting and other records in accordance with the provisions of the Act, so as to adequately explain the transactions and financial position of the Group and the Company.

Furthermore, the Board is responsible for ensuring that Management has implemented a system of internal controls to safeguard the Group's assets against loss from unauthorised use or disposition, and to ensure that transactions are properly authorised and recorded. Such controls are necessary to enable the preparation of financial statements that are true and fair, and free from material misstatement.

This Statement of Directors' Responsibility is made in accordance with a resolution of the Board dated 22 April 2026.

DIRECTORS' REPORT

for the year ended 31 December 2025

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 2025.

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	7,340,562	2,695,267

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 2024 as reported in the Directors' Report of that year:
 - a final single tier dividend of 7 sen per ordinary share totalling RM2,910,600 recommended on 29 April 2025 and paid on 17 July 2025
- (ii) In respect of the financial year ended 31 December 2025:
 - an interim single tier dividend of 8 sen per ordinary share totalling RM3,326,400 declared on 14 August 2025 and paid on 29 September 2025

The final single tier dividend recommended by the Directors in respect of the financial year ended 31 December 2025 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.

DIRECTORS' REPORT

for the year ended 31 December 2025
cont'd

DIVIDENDS *cont'd*

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 2026.

DIRECTORS OF THE COMPANY

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

Ee Beng Guan
Chew Meu Jong
Ir. Aik Siaw Kong
Cheam Low Soo
Yeoh Sheong Lee
Chong Chin Look
Wong Lai Wah (Appointed on 1 August 2025)
Chong Sai Sin (Resigned on 16 June 2025)

The persons who are Directors of the subsidiaries of the Company during the financial year and up to the date of this report are Cheam Low Soo, Chua Tia Bon and 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 31.12.2025
	At 1.1.2025	Bought	(Sold)	
Direct interest in the Company				
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 2025 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 2025
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 2025 are as follows:

	From the Company
	RM
Directors of the Company:	
Fees	617,000
Allowances	133,500
	<u>750,500</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 RM24,850 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 2025

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 2025 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.

SIGNIFICANT EVENT

Details of significant event are disclosed in Note 25 to the financial statements.

SUBSEQUENT EVENT

Details of subsequent event are disclosed in Note 26 to the financial statements.

DIRECTORS' REPORT

for the year ended 31 December 2025
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 RM	COMPANY RM
Audit fees:		
- KPMG PLT	170,000	132,000
- Other auditors	94,746	-
Non-audit fees		
- KPMG PLT	79,400	55,400
	344,146	187,400

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

EE BENG GUAN
Director

YEOH SHEONG LEE
Director

Date: 22 April 2026

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2025

	Note	GROUP		COMPANY	
		2025	2024	2025	2024
		RM	RM	RM	RM
Assets					
Property, plant and equipment	2	32,935,017	26,767,722	32,859,733	26,678,091
Right-of-use assets	3	20,020,102	11,680,569	17,731,328	9,101,192
Goodwill		7,871	7,871	-	-
Investments in subsidiaries	4	-	-	128,561	128,561
Deferred tax assets	5	246,314	246,576	-	-
Total non-current assets		53,209,304	38,702,738	50,719,622	35,907,844
Inventories	6	29,588,742	28,133,620	29,414,934	27,700,038
Trade and other receivables	7	17,584,262	21,875,661	1,001,840	996,322
Contract assets	8	-	9,047	-	-
Current tax assets		1,095,955	608,498	678,400	419,545
Fixed deposits placed with licensed banks	9	2,511,679	7,592,404	-	5,177,607
Cash and cash equivalents	9	71,529,006	81,122,970	16,144,651	33,003,639
Total current assets		122,309,644	139,342,200	47,239,825	67,297,151
Total assets		175,518,948	178,044,938	97,959,447	103,204,995
Equity					
Share capital	10	41,580,000	41,580,000	41,580,000	41,580,000
Other reserves	11	4,825,041	7,130,532	-	-
Retained earnings		121,857,942	120,754,380	51,188,890	54,730,623
Total equity attributable to owners of the Company		168,262,983	169,464,912	92,768,890	96,310,623
Liabilities					
Lease liabilities		-	31,392	-	31,392
Deferred tax liabilities	5	1,071,000	1,130,000	1,071,000	1,130,000
Total non-current liabilities		1,071,000	1,161,392	1,071,000	1,161,392
Lease liabilities		-	520,149	-	520,149
Tax payable		429,035	713,843	-	-
Trade and other payables	12	4,978,185	5,245,662	4,119,557	5,212,831
Contract liabilities	8	777,745	938,980	-	-
Total current liabilities		6,184,965	7,418,634	4,119,557	5,732,980
Total liabilities		7,255,965	8,580,026	5,190,557	6,894,372
Total equity and liabilities		175,518,948	178,044,938	97,959,447	103,204,995

The notes on pages 107 to 144 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2025

GROUP	Note	← Attributable to owners of the Company →				Total RM
		← Non-distributable →			Distributable	
		Share capital RM	Capital reserve RM	Translation reserve RM	Retained profits RM	
At 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/ 1 January 2025		41,580,000	499,998	6,630,534	120,754,380	169,464,912
Total comprehensive income for the year		-	-	(2,305,491)	7,340,562	5,035,071
Dividends to owners of the Company	19	-	-	-	(6,237,000)	(6,237,000)
At 31 December 2025		41,580,000	499,998	4,325,043	121,857,942	168,262,983
		Note 10	Note 11	Note 11		

The notes on pages 107 to 144 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2025

COMPANY	Note	Share capital RM	Distributable Retained earnings RM	Total RM
At 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 2024/1 January 2025		41,580,000	54,730,623	96,310,623
Total comprehensive income for the year		-	2,695,267	2,695,267
Dividends to owners of the Company	19	-	(6,237,000)	(6,237,000)
At 31 December 2025		41,580,000	51,188,890	92,768,890

Note 10

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2025

Note	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities				
Profit before tax	9,096,095	15,847,158	3,465,471	15,566,666
Adjustments for:				
Net (gain)/loss on impairment of financial instruments	(73,703)	272,715	-	-
Dividend income	-	-	-	(7,000,000)
Depreciation of right-of-use assets	3 829,940	966,512	635,247	763,387
Depreciation of property, plant and equipment	2 1,490,818	1,376,292	1,471,838	1,355,787
Interest expense	15 9,835	32,908	9,835	32,908
(Gain)/Loss on disposal of property, plant and equipment	(10,498)	3,014	(10,498)	3,014
Gain on early termination of lease	(6,714)	-	(6,714)	-
Interest income	14 (1,937,235)	(3,102,676)	(1,014,038)	(1,584,042)
Inventories written down	6 -	738,155	-	738,155
Property, plant and equipment written off	10	1	10	1
Forfeiture of advance payments from customers	8 (21,775)	(13,003)	-	-
Unrealised loss/(gain) on foreign exchange, net	20,673	11,816	2,039	(2,547)
Operating profit before changes in working capital				
Changes in working capital:	9,397,446	16,132,892	4,553,190	9,873,329
Contract assets	9,047	79,027	-	-
Inventories	(1,455,122)	2,181,832	(1,714,896)	2,368,829
Trade and other receivables	1,971,276	(4,190,070)	(170,091)	(535,572)
Trade and other payables	(266,706)	635,142	(1,093,752)	882,354
Contract liabilities	(136,425)	437,726	-	-
Cash generated from operations				
	9,519,516	15,276,549	1,574,451	12,588,940
Net tax paid	(2,567,371)	(3,327,331)	(1,088,059)	(1,848,246)
Interest received	2,045,403	3,128,868	1,128,664	1,594,670
Net cash from operating activities				
	8,997,548	15,078,086	1,615,056	12,335,364

The notes on pages 107 to 144 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2025
cont'd

	Note	GROUP		COMPANY	
		2025	2024	2025	2024
		RM	RM	RM	RM
Cash flows from investing activities					
Acquisition of property, plant and equipment	2	(7,659,585)	(354,400)	(7,653,492)	(287,183)
Acquisition of leasehold land	3	(9,472,502)	-	(9,472,502)	-
Dividend received		-	-	-	7,000,000
Proceeds from disposal of property, plant and equipment		10,500	2,180	10,500	2,180
Interest received		49,946	24,852	49,946	24,852
Withdrawal/(Placement) of fixed deposits placed with licensed banks		5,080,725	7,143,620	5,177,607	(1,944,828)
Net cash (used in)/from investing activities		(11,990,916)	6,816,252	(11,887,941)	4,795,021
Cash flows from financing activities					
Dividends paid	19	(6,237,000)	(19,958,400)	(6,237,000)	(19,958,400)
Payment of lease liabilities	A	(337,708)	(562,380)	(337,708)	(562,380)
Interest paid	A	(9,835)	(32,908)	(9,835)	(32,908)
Net cash used in financing activities		(6,584,543)	(20,553,688)	(6,584,543)	(20,553,688)
Net (decrease)/increase in cash and cash equivalents		(9,577,911)	1,340,650	(16,857,428)	(3,423,303)
Effect of foreign exchange rate changes		(16,053)	(7,223)	(1,560)	-
Cash and cash equivalents at 1 January		81,122,970	79,789,543	33,003,639	36,426,942
Cash and cash equivalents at 31 December	9	71,529,006	81,122,970	16,144,651	33,003,639

The notes on pages 107 to 144 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2025
cont'd

Notes to the statements of cash flows

A. Cash outflows for leases as a lessee

	Note	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
Included in net cash from operating activities:					
Payment relating to short-term leases	17	(104,411)	(167,720)	(104,411)	(167,720)
Included in net cash used in financing activities:					
Payment of lease liabilities		(337,708)	(562,380)	(337,708)	(562,380)
Interest paid	15	(9,835)	(32,908)	(9,835)	(32,908)
Total cash outflows for leases		(451,954)	(763,008)	(451,954)	(763,008)

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

GROUP/COMPANY	Lease liabilities RM
At 1 January 2024	389,645
Net changes from financing cash flows	(562,380)
Remeasurement	724,276
At 31 December 2024/1 January 2025	551,541
Net changes from financing cash flows	(337,708)
Early termination of lease	(213,833)
At 31 December 2025	-

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 2025 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 22 April 2026.

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 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*

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 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

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 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 and amendments 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

1. BASIS OF PREPARATION *cont'd*

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		Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment and renovation		Capital work-in-progress RM	Total RM
		RM	RM			RM	RM		
At 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/ 1 January 2025	9,457,959	18,874,586	34,860,786	1,424,398	2,340,913	-	66,958,642		
Additions	-	7,215,117	146,595	280,000	17,873	-	7,659,585		
Disposals	-	-	-	(111,000)	-	-	(111,000)		
Written off	-	-	-	-	(37,496)	-	(37,496)		
Effect of movements in exchange rates	-	-	-	(14,920)	(17,404)	-	(32,324)		
At 31 December 2025	9,457,959	26,089,703	35,007,381	1,578,478	2,303,886	-	74,437,407		

NOTES TO THE FINANCIAL STATEMENTS

cont'd

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

GROUP	Freehold land	Buildings and electrical installation	Plant and machinery	Motor vehicles	Furniture, fittings and office equipment and renovation	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM
Accumulated depreciation							
At 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
Disposals	-	-	-	-	(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 2024/1 January 2025	-	6,215,432	30,621,812	1,353,875	1,999,801	-	40,190,920
Depreciation for the year	-	465,733	907,734	60,746	56,605	-	1,490,818
Disposals	-	-	-	(110,998)	-	-	(110,998)
Written off	-	-	-	-	(37,486)	-	(37,486)
Effect of movements in exchange rates	-	-	-	(14,921)	(15,943)	-	(30,864)
At 31 December 2025	-	6,681,165	31,529,546	1,288,702	2,002,977	-	41,502,390
Carrying amounts							
At 1 January 2024	9,457,959	13,036,646	4,997,477	93,936	202,468	6,256	27,794,742
At 31 December 2024/1 January 2025	9,457,959	12,659,154	4,238,974	70,523	341,112	-	26,767,722
At 31 December 2025	9,457,959	19,408,538	3,477,835	289,776	300,909	-	32,935,017

NOTES TO THE FINANCIAL STATEMENTS

cont'd

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

COMPANY	Freehold land RM	Buildings and electrical installation		Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment and renovation RM	Capital work-in- progress RM	Total RM
		RM	RM					
Cost								
At 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/ 1 January 2025	9,457,959	18,874,585	34,816,307	980,569	1,094,016	-	65,223,436	
Additions	-	7,215,117	146,595	280,000	11,780	-	7,653,492	
Disposals	-	-	-	(111,000)	-	-	(111,000)	
Written off	-	-	-	-	(20,119)	-	(20,119)	
At 31 December 2025	9,457,959	26,089,702	34,962,902	1,149,569	1,085,677	-	72,745,809	

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							
Accumulated depreciation							
At 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/ 1 January 2025	-	6,215,432	30,577,333	910,046	842,534	-	38,545,345
Depreciation for the year	-	465,733	907,734	60,746	37,625	-	1,471,838
Disposals	-	-	-	(110,998)	-	-	(110,998)
Written off	-	-	-	-	(20,109)	-	(20,109)
At 31 December 2025	-	6,681,165	31,485,067	859,794	860,050	-	39,886,076
Carrying amounts							
At 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/ 1 January 2025	9,457,959	12,659,153	4,238,974	70,523	251,482	-	26,678,091
At 31 December 2025	9,457,959	19,408,537	3,477,835	289,775	225,627	-	32,859,733

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 rates 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 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 2024/1 January 2025	8,561,259	3,119,310	11,680,569
Addition	9,472,502	-	9,472,502
Early termination of lease	-	(207,119)	(207,119)
Depreciation for the year	(302,433)	(527,507)	(829,940)
Effect of movements in exchange rates	-	(95,910)	(95,910)
At 31 December 2025	17,731,328	2,288,774	20,020,102

NOTES TO THE FINANCIAL STATEMENTS

cont'd

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

COMPANY	Land RM	Premises RM	Total RM
At 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 2024/1 January 2025	8,561,259	539,933	9,101,192
Addition	9,472,502	-	9,472,502
Early termination of lease	-	(207,119)	(207,119)
Depreciation for the year	(302,433)	(332,814)	(635,247)
At 31 December 2025	17,731,328	-	17,731,328

During the financial year, the Company acquired two parcels of leasehold land, with factory buildings erected thereon, as disclosed in Note 25. The parcels of leasehold land of the Group and the Company are depreciated over the lease terms of 31 to 85 years (2024: 63 to 85 years). The Group leases a premise, which is a leasehold office space with carrying amount of RM2,288,774 (2024: RM2,579,377) depreciated over the lease term of 26 years.

3.1 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.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

4. INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2025	2024
	RM	RM
Unquoted shares at cost	128,561	128,561

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2025	2024
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 and liabilities are attributable to the following:

	← Assets →		← (Liabilities) →		← Net →	
	2025	2024	2025	2024	2025	2024
	RM	RM	RM	RM	RM	RM
GROUP						
Property, plant and equipment	-	-	(1,378,000)	(1,433,000)	(1,378,000)	(1,433,000)
Provisions	554,314	550,576	-	-	554,314	550,576
Others	-	-	(1,000)	(1,000)	(1,000)	(1,000)
Tax assets/(liabilities)	554,314	550,576	(1,379,000)	(1,434,000)	(824,686)	(883,424)
Set-off of tax	(308,000)	(304,000)	308,000	304,000	-	-
Net tax assets/(liabilities)	246,314	246,576	(1,071,000)	(1,130,000)	(824,686)	(883,424)
COMPANY						
Property, plant and equipment	-	-	(1,373,000)	(1,428,000)	(1,373,000)	(1,428,000)
Provisions	303,000	299,000	-	-	303,000	299,000
Others	-	-	(1,000)	(1,000)	(1,000)	(1,000)
Tax assets/(liabilities)	303,000	299,000	(1,374,000)	(1,429,000)	(1,071,000)	(1,130,000)
Set-off of tax	(303,000)	(299,000)	303,000	299,000	-	-
Net tax liabilities	-	-	(1,071,000)	(1,130,000)	(1,071,000)	(1,130,000)

NOTES TO THE FINANCIAL STATEMENTS

cont'd

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

5.2 Movement in temporary differences during the year

	At 1.1.2024		Recognised in profit or loss (Note 16)		Effect of movements in exchange rates		At 31.12.2024/1.1.2025		Recognised in profit or loss (Note 16)		Effect of movements in exchange rates		At 31.12.2025	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
GROUP														
Property, plant and equipment	(1,689,000)		256,000	-	-	(1,433,000)	55,000	-	-	-	(1,378,000)			
Unutilised tax losses	147,000		(147,000)	-	-	-	-	-	-	-	-			
Provisions	362,957		188,000	(381)	(381)	550,576	4,000	(262)	(262)		554,314			
Others	2,000		(3,000)	-	-	(1,000)	-	-	-	-	(1,000)			
	(1,177,043)		294,000	(381)	(381)	(883,424)	59,000	(262)	(262)		(824,686)			
COMPANY														
Property, plant and equipment	(1,684,000)		256,000	-	-	(1,428,000)	55,000	-	-	-	(1,373,000)			
Unutilised tax losses	147,000		(147,000)	-	-	-	-	-	-	-	-			
Provisions	111,000		188,000	-	-	299,000	4,000	-	-	-	303,000			
Others	2,000		(3,000)	-	-	(1,000)	-	-	-	-	(1,000)			
	(1,424,000)		294,000	-	-	(1,130,000)	59,000	-	-	-	(1,071,000)			

The Directors are of the view that the recognised deferred tax assets are realisable as the Company and its 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

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6. INVENTORIES

	Note	GROUP		COMPANY	
		2025	2024	2025	2024
		RM	RM	RM	RM
Raw materials		10,232,530	13,281,939	10,232,530	13,281,939
Work-in-progress		6,761,481	5,322,414	6,761,481	5,322,414
Finished goods		11,606,423	8,756,888	11,432,615	8,323,306
Production supplies		988,308	772,379	988,308	772,379
		<u>29,588,742</u>	<u>28,133,620</u>	<u>29,414,934</u>	<u>27,700,038</u>
Recognised in profit or loss:					
Inventories recognised as cost of sales		59,443,207	67,608,993	53,258,197	62,001,555
Inventories written down	a	-	738,155	-	738,155

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	
		2025	2024	2025	2024
		RM	RM	RM	RM
Trade					
Trade receivables		15,924,656	20,240,461	100	47,084
Amount due from a subsidiary	a	-	-	194,096	317,842
Amount due from a related company	a	47,518	39,968	47,518	39,968
Retention sums	b	696,478	765,139	-	-
		<u>16,668,652</u>	<u>21,045,568</u>	<u>241,714</u>	<u>404,894</u>
Non-trade					
Other receivables		80,398	191,845	9,150	16,350
Interest income receivable		83,303	241,417	35,375	199,947
Deposits	c	130,891	305,781	109,191	284,081
Advance payment to suppliers		538,223	90,650	538,223	90,650
Prepayments		82,795	400	68,187	400
		<u>915,610</u>	<u>830,093</u>	<u>760,126</u>	<u>591,428</u>
		<u>17,584,262</u>	<u>21,875,661</u>	<u>1,001,840</u>	<u>996,322</u>

NOTES TO THE FINANCIAL STATEMENTS

cont'd

7. TRADE AND OTHER RECEIVABLES *cont'd*

Note a

The amounts due from a subsidiary and a related company are unsecured, interest free and repayable within the credit term of 60 days (2024: 60 days).

Note b

The retention sums are interest-free, unsecured and be repayable within the next 12 months.

Note c

In prior year, deposits of the Group and the Company comprised RM110,510, representing utilities deposits for rental of factory buildings from its related companies. These utilities deposits were refunded upon completion of the outright purchase of factory buildings in July 2025, as disclosed in Note 25.

Included in the remaining deposits of the Group and the Company are RM121,391 and RM103,391 (2024: RM121,391 and RM103,391), respectively, which relate to utilities deposits for the factory and office

8. CONTRACT ASSETS/(LIABILITIES)

GROUP	Note	2025 RM	2024 RM
Contract assets	a	-	9,047
Contract liabilities	b	(777,745)	(938,980)

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

	2025 RM	2024 RM
Contract liabilities at the beginning of the year recognised as revenue	900,028	428,986
Contract liabilities at the beginning of the year recognised as forfeiture income due to the advance payments are time-barred from any refund claims	21,775	13,003

NOTES TO THE FINANCIAL STATEMENTS

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

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed deposits placed with licensed banks				
Fixed deposits with more than 3 months maturity period	2,511,679	7,592,404	-	5,177,607

Fixed deposits placed with licensed banks have maturity periods of 182 days (2024: 181 to 182 days). The effective interest rate per annum of the fixed deposits of the Group and of the Company is at 3.60% (2024: 3.75% to 4.00%).

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash and cash equivalents				
Short-term deposits	59,656,716	63,543,181	13,738,446	30,160,030
Cash and bank balances	11,872,290	17,579,789	2,406,205	2,843,609
	71,529,006	81,122,970	16,144,651	33,003,639

Short-term deposits placed with licensed banks have maturity periods of 5 to 93 days (2024: 6 to 94 days). The effective interest rates per annum of the short-term deposits of the Group and of the Company during the year range from 0.95% to 3.60% (2024: 2.70% to 3.95%) and 2.20% to 3.50% (2024: 3.75% to 3.95%), respectively.

10. SHARE CAPITAL

GROUP/COMPANY

	← 2025 →		← 2024 →	
	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.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

11. OTHER RESERVES

GROUP	← Non-distributable →		
	Capital reserve	Translation reserve	Total
	RM	RM	RM
At 1 January 2024	499,998	9,438,263	9,938,261
Foreign currency translation	-	(2,807,729)	(2,807,729)
At 31 December 2024/1 January 2025	499,998	6,630,534	7,130,532
Foreign currency translation	-	(2,305,491)	(2,305,491)
At 31 December 2025	499,998	4,325,043	4,825,041

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.

12. TRADE AND OTHER PAYABLES

	Note	GROUP		COMPANY	
		2025	2024	2025	2024
		RM	RM	RM	RM
Trade					
Trade payables		1,791,740	1,729,964	1,779,956	1,663,378
Amount due to a related party	a	382,106	449,018	-	-
Amount due to a related company	b	168,158	92,889	168,158	92,889
		2,342,004	2,271,871	1,948,114	1,756,267
Non-trade					
Other payables		497,557	535,506	378,576	485,959
Accruals		2,015,408	2,347,135	1,615,724	1,949,283
Indirect tax payable		123,216	91,150	-	-
Amount due to a subsidiary	c	-	-	177,143	1,021,322
		2,636,181	2,973,791	2,171,443	3,456,564
		4,978,185	5,245,662	4,119,557	5,212,831

Note a

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 (2024: 60 days).

NOTES TO THE FINANCIAL STATEMENTS

cont'd

12. TRADE AND OTHER PAYABLES *cont'd*

Note b

The amount due to a related company is unsecured, interest free and repayable within the credit term of 60 days (2024: 60 days).

Note c

This amount is unsecured, interest-free and repayable on demand.

13. REVENUE

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers				
- Point in time	79,890,188	94,070,499	63,879,828	77,050,379
- Over time	339,377	398,612	308,524	365,824
	80,229,565	94,469,111	64,188,352	77,416,203

13.1 Disaggregation of revenue

	Sales of galvanized steel products RM	Installation services RM	Total RM
	GROUP		
2025			
Primary geographical markets			
Malaysia	45,060,213	339,377	45,399,590
Singapore	24,420,021	-	24,420,021
New Zealand	7,089,594	-	7,089,594
Other countries	3,320,360	-	3,320,360
Total revenue from contracts with customers	79,890,188	339,377	80,229,565
Timing of revenue recognition			
Goods transferred at a point in time	79,890,188	-	79,890,188
Services transferred over time	-	339,377	339,377
	79,890,188	339,377	80,229,565

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
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
Other countries	2,461,644	-	2,461,644
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 over time	-	398,612	398,612
	94,070,499	398,612	94,469,111
COMPANY			
2025			
Primary geographical markets			
Malaysia	49,950,809	308,524	50,259,333
Singapore	13,929,019	-	13,929,019
Total revenue from contracts with customers	63,879,828	308,524	64,188,352
Timing of revenue recognition			
Goods transferred at a point in time	63,879,828	-	63,879,828
Services transferred over time	-	308,524	308,524
	63,879,828	308,524	64,188,352
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	-	77,050,379
Services transferred over time	-	365,824	365,824
	77,050,379	365,824	77,416,203

NOTES TO THE FINANCIAL STATEMENTS

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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 element 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 (2024: 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 (2024: 30 days to 90 days) from invoice date or cash on delivery.	Not applicable.

14. INTEREST INCOME

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Interest income of financial assets calculated using the effective interest method that is at amortised cost	1,937,235	3,102,676	1,014,038	1,584,042

15. INTEREST EXPENSE

	GROUP/COMPANY	
	2025	2024
	RM	RM
Interest expense on lease liabilities	9,835	32,908

NOTES TO THE FINANCIAL STATEMENTS

cont'd

16. TAX EXPENSE

16.1 Recognised in profit or loss

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Major components of tax expense include:				
Current tax expense				
Malaysia tax expense				
- Current year	1,502,000	2,846,000	852,000	2,097,000
- (Over)/Under provision in prior year	(8,789)	(9,914)	(22,796)	10,039
Foreign tax expense				
- Current year	443,969	740,070	-	-
- Over provision in prior year	(122,647)	(123,415)	-	-
	1,814,533	3,452,741	829,204	2,107,039
Deferred tax expense (Note 5)				
- Reversal of temporary differences	(64,000)	(104,000)	(64,000)	(104,000)
- Under/(Over) provision in prior year	5,000	(190,000)	5,000	(190,000)
	(59,000)	(294,000)	(59,000)	(294,000)
	1,755,533	3,158,741	770,204	1,813,039

Malaysia current taxation is calculated at the Malaysian corporate statutory tax rate of 24% (2024: 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% (2024: 17%).

16.2 Reconciliation of tax expense

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Profit before tax	9,096,095	15,847,158	3,465,471	15,566,666
Income tax calculated using Malaysian tax rate of 24% (2024: 24%)	2,183,349	3,803,318	832,000	3,736,000
Effect of tax rate in foreign jurisdiction	(194,328)	(319,662)	-	-
Non-taxable income	-	-	-	(1,680,000)
Non-deductible expenses	296,554	233,755	171,000	172,000
Special deductions	(283,523)	(294,006)	(222,000)	(221,000)
Others	(120,083)	58,665	7,000	(14,000)
	1,881,969	3,482,070	788,000	1,993,000
(Over)/Under provision in prior year				
- Income tax	(131,436)	(133,329)	(22,796)	10,039
- Deferred tax	5,000	(190,000)	5,000	(190,000)
	1,755,533	3,158,741	770,204	1,813,039

NOTES TO THE FINANCIAL STATEMENTS

cont'd

17. PROFIT FOR THE YEAR

	Note	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
Profit for the year is arrived at after charging/(crediting):					
Auditors' remunerations:					
Audit fees					
- KPMG PLT		170,000	150,000	132,000	112,000
- Other auditors		94,746	88,623	-	-
Non-audit fees					
- KPMG PLT		79,400	93,500	55,400	71,500
Material expenses/(income)					
Depreciation of property, plant and equipment	2	1,490,818	1,376,292	1,471,838	1,355,787
Depreciation of right-of-use assets	3	829,940	966,512	635,247	763,387
Inventories written down	6	-	738,155	-	738,155
Net (gain)/loss on impairment of financial instruments		(73,703)	272,715	-	-
Realised loss on foreign exchange		107,301	98,472	63,268	69,723
Repair and maintenance expenses		1,418,567	1,489,280	1,418,567	1,489,280
Interest income		(1,937,235)	(3,102,676)	(1,014,038)	(1,584,042)
Other income consists mainly of:					
- Sales of scraps, zinc ash and dross		(1,211,383)	(1,817,363)	(1,211,383)	(1,817,363)
- Realised gain on foreign exchange		(151,017)	(265,462)	(151,017)	(265,462)
- Dividend from a subsidiary		-	-	-	(7,000,000)
- Rental income		-	-	(120,000)	(120,000)
- Forfeiture of advance payments from customers	8	(21,775)	(13,003)	-	-
Personnel expenses (including key management personnel):					
- Wages and salaries		20,010,372	20,454,675	17,213,673	17,464,880
- Employees' Provident Fund		1,915,220	2,250,984	1,769,530	2,078,303
- Central Provident Fund (Singapore)		152,449	162,276	-	-
- SOCSO & EIS		247,618	235,407	230,418	219,725
- Other staff related expenses		361,330	264,529	327,182	235,042
Expenses/(Income) arising from leases					
Expenses relating to short-term leases	a	104,411	167,720	104,411	167,720
Gain on early termination of lease		(6,714)	-	(6,714)	-

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

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18. EARNINGS PER ORDINARY SHARE

(a) Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 December 2025 and 31 December 2024 was based on the Group's profit attributable to ordinary shareholders and the number of ordinary shares outstanding, calculated as follows:

	2025	2024
Profit for the year attributable to owners of the Company (RM)	7,340,562	12,688,417
Number of ordinary shares	41,580,000	41,580,000
Basic earnings per ordinary share (sen)	17.65	30.52

(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
2025			
Final single tier 2024 ordinary	7	2,910,600	17 July 2025
Interim single tier 2025 ordinary	8	3,326,400	29 September 2025
		<u>6,237,000</u>	
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
		<u>19,958,400</u>	

In respect of the financial year ended 31 December 2025, 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 2026.

NOTES TO THE FINANCIAL STATEMENTS

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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

	2025	2024
	RM	RM
Malaysia	45,399,590	47,001,373
Singapore	24,420,021	39,027,526
New Zealand	7,089,594	5,978,568
Other countries	3,320,360	2,461,644
	80,229,565	94,469,111

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

	2025	2024
	RM	RM
Right-of-use assets		
Malaysia	17,731,328	9,101,192
Singapore	2,288,774	2,579,377
	20,020,102	11,680,569
Property, plant and equipment		
Malaysia	32,896,703	26,721,048
Singapore	38,314	46,674
	32,935,017	26,767,722

NOTES TO THE FINANCIAL STATEMENTS

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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
2025		
Financial assets		
GROUP		
Trade and other receivables*	17,501,467	17,501,467
Fixed deposits placed with licensed banks	2,511,679	2,511,679
Cash and cash equivalents	71,529,006	71,529,006
	<u>91,542,152</u>	<u>91,542,152</u>
COMPANY		
Trade and other receivables*	933,653	933,653
Cash and cash equivalents	16,144,651	16,144,651
	<u>17,078,304</u>	<u>17,078,304</u>
Financial liabilities		
GROUP		
Trade and other payables**	<u>(4,854,969)</u>	<u>(4,854,969)</u>
COMPANY		
Trade and other payables	<u>(4,119,557)</u>	<u>(4,119,557)</u>
2024		
Financial assets		
GROUP		
Trade and other receivables*	21,875,261	21,875,261
Fixed deposits placed with licensed banks	7,592,404	7,592,404
Cash and cash equivalents	81,122,970	81,122,970
	<u>110,590,635</u>	<u>110,590,635</u>

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
2024		
Financial assets		
COMPANY		
Trade and other receivables*	995,922	995,922
Fixed deposits placed with licensed banks	5,177,607	5,177,607
Cash and cash equivalents	33,003,639	33,003,639
	39,177,168	39,177,168
Financial liabilities		
GROUP		
Trade and other payables**	(5,154,512)	(5,154,512)
COMPANY		
Trade and other payables	(5,212,831)	(5,212,831)
	(5,212,831)	(5,212,831)
* <i>Exclude prepayments</i>		
** <i>Exclude indirect tax payable</i>		

21.2 Net gains and losses arising from financial instruments

	2025 RM	2024 RM
Net gains/(losses) on:		
GROUP		
Financial assets at amortised cost	1,948,271	2,786,848
Financial liabilities at amortised cost	85,710	198,286
	2,033,981	2,985,134
COMPANY		
Financial assets at amortised cost	1,014,038	1,584,042
Financial liabilities at amortised cost	85,710	198,286
	1,099,748	1,782,328

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

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.

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.

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*

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	
	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	11,661,104	15,391,340	100	47,084
Singapore	5,327,128	6,614,152	-	-
New Zealand	91,759	175,910	-	-
Other countries	696,315	62,120	-	-
	17,776,306	22,243,522	100	47,084

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.

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

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
	RM	RM	RM
2025			
Current (not past due)*	7,811,448	(150,486)	7,660,962
1 - 30 days past due	4,140,478	(118,040)	4,022,438
31 - 60 days past due	2,509,628	(101,592)	2,408,036
61 - 90 days past due	1,665,339	(164,847)	1,500,492
	16,126,893	(534,965)	15,591,928
Credit impaired			
More than 90 days past due	1,332,551	(303,345)	1,029,206
Individually impaired	316,862	(316,862)	-
	17,776,306	1,155,172	16,621,134
2024			
Current (not past due)*	6,996,357	(34,536)	6,961,821
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
	19,408,401	(134,534)	19,273,867
Credit impaired			
More than 90 days past due	2,435,556	(703,776)	1,731,780
Individually impaired	399,565	(390,565)	9,000
	22,243,522	(1,228,875)	21,014,647
GROUP			
		2025	2024
		RM	RM
Stated at net:			
Trade receivables		15,924,656	20,240,461
Retention sums		696,478	765,139
Contract assets		-	9,047
		16,621,134	21,014,647

* Include retention sums

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

As at the end of the reporting period, the Company's trade receivables are not past due and not impaired. The Group 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 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 2024/1 January 2025	838,310	390,565	1,228,875
Net remeasurement of loss allowance	-	(73,703)	(73,703)
At 31 December 2025	838,310	316,862	1,155,172

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 Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provided performance guarantee to a third party customer in connection with projects performed by a local subsidiary. The letter of performance guarantee expired as at the end of the reporting period.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounted RM267,292 represented the outstanding due performance of the subsidiary at 31 December 2024.

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.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.4 Credit risk *cont'd*

21.4.4 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

21.5 Liquidity risk *cont'd*

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.

	Carrying amount	Contractual interest rate	Contractual cash flows	Under one year	One to two years
	RM	% per annum	RM	RM	RM
GROUP					
2025					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	4,854,969	-	4,854,969	4,854,969	-
2024					
<i>Non-derivative financial liabilities</i>					
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
	<u>5,706,053</u>		<u>5,718,279</u>	<u>5,686,779</u>	<u>31,500</u>
COMPANY					
2025					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	4,119,557	-	4,119,557	4,119,557	-
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>

NOTES TO THE FINANCIAL STATEMENTS

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

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.

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:

GROUP	←————— <i>Denominated in</i> —————→			Total RM
	USD RM	SGD RM	NZD RM	
2025				
Balances recognised in the statement of financial position				
Trade receivables	84,565	611,750	91,759	788,074
Cash and bank balances	1,646,084	-	-	1,646,084
Contract liabilities	(456,456)	-	-	(456,456)
Other payables	(292,001)	-	-	(292,001)
Net exposure	982,192	611,750	91,759	1,685,701
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

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 cont'd

COMPANY	<i>Denominated in</i>			Total RM
	USD RM	SGD RM	NZD RM	
2025				
Balances recognised in the statement of financial position				
Amount due from a subsidiary	-	194,096	-	194,096
Cash and bank balances	527,930	-	-	527,930
Net exposure	527,930	194,096	-	722,026
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)

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% (2024: 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.

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 cont'd

	← Profit or Loss →			
	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Functional currency/Foreign currency				
RM/USD	(11,848)	(2,175)	(12,037)	-
RM/SGD	(13,948)	-	(4,425)	23,286
RM/NZD	(2,092)	(4,011)	-	-
SGD/USD	(11,517)	(2,937)	-	-

A 3% (2024: 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	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets				
- Fixed deposits placed with licensed banks	2,511,679	7,592,404	-	5,177,607
- Short-term deposits (included in cash and cash equivalents)	59,656,716	63,543,181	13,738,446	30,160,030
	62,168,395	71,135,585	13,738,446	35,337,637
Financial liabilities				
- Lease liabilities	-	551,541	-	551,541
	-	551,541	-	551,541

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 2025 and 31 December 2024.

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 2025 and 31 December 2024, 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 trial had commenced in March 2026 and the court has fixed dates in May and July 2026 to continue the hearings.

Based on the opinion obtained from the Company's solicitor, the Board of Directors are of the opinion that the counterclaim by Macsteel lacks merit and the Company has a good chance of defending the counterclaim.

- b. There was 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 subsidiary maintained that the Claimant's employment was terminated by effluxion of time. The matter was referred to the Industrial Court.

During the year, the parties have since mutually resolved the matter and the Claimant withdrew the case with no liberty to file afresh.

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	
	2025 RM	2024 RM	2025 RM	2024 RM
Transactions with subsidiaries				
Rental income of office	-	-	120,000	120,000
Sales of galvanized products	-	-	63,891,111	77,242,042
Payment on behalf by subsidiaries	-	-	(1,190,301)	(2,823,041)
Dividend income	-	-	-	7,000,000
Transactions with related companies				
Rental of factory buildings	(347,543)	(595,288)	(347,543)	(595,288)
Transportation services	(10,500)	(11,250)	(10,500)	(11,250)
Fabricating expenses	(519,947)	(392,279)	(519,947)	(392,279)
Powder coating services rendered	186,113	103,184	186,113	103,184
Transactions with a related party *				
Purchase of goods	5,331,692	4,940,806	-	-
Key management personnel				
Directors of the Company				
<i>Non-executive Directors</i>				
- Fees	617,000	522,000	617,000	522,000
- Allowances	133,500	96,500	133,500	96,500
Director of a subsidiary				
- Salaries and other emoluments	707,007	799,417	-	-
Other key management personnel **				
- Salaries and other emoluments	2,704,480	2,859,166	2,704,480	2,859,166

* Significant transactions with a related party in which a Director of the Company is deemed to have substantial financial interests.

** 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.

NOTES TO THE FINANCIAL STATEMENTS

cont'd

25. SIGNIFICANT EVENT

In current and past years, the Company rented factory buildings from its related companies, Lysaght Naco Sdn. Bhd. and Lysaght Corrugated Pipe Sdn. Bhd.

Pursuant to the approval of the shareholders of the Company at the Extraordinary General Meeting held on 4 July 2025, the Company completed its outright purchase of two parcels of leasehold land, together with the above factory buildings erected thereon, for total consideration of RM15.5 million.

26. SUBSEQUENT EVENT – CONFLICT IN THE MIDDLE EAST

The ongoing conflict in the Middle East, including disruptions around the Strait of Hormuz, continues to create uncertainties in the global market. The circumstances have primarily led to crude supply disruption, higher energy cost, higher transportation cost and potential delay or shortage in certain raw materials. The scale of this current conflict is unprecedented and continues to evolve. The effect of this subsequent event will have on the Group and the Company and its financial impact, if any, cannot be reliably determined as at the date of these financial statements were authorised for issue.

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 100 to 144 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 2025 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

YEOH SHEONG LEE
Director

Date: 22 April 2026

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 100 to 144 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 22 April 2026.

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 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 100 to 144.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the 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"), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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 (RM80,229,565)

Refer to Note 13 – Revenue.

The key audit matter

Revenue recognised for the financial year ended 31 December 2025 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 (including anti-fraud controls) over the recognition of revenue and test these controls for operating effectiveness.
- Assessed contracts with customers such as purchase orders, confirmation orders and invoices, and the performance obligations included therein.
- Inspected sales invoices and evidence of delivery of goods on sales transactions for the samples selected by MUS (sampling tool) and consider material transactions with related parties 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 revenue are recorded in the correct financial year.
- Evaluated, on sampling basis, whether credit notes issued after reporting date are recognised in the correct accounting period.
- Searched for unusual journal entries posted to revenue account and inspect 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 subsidiary 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: 22 April 2026

CHEW BENG HONG

Approval Number: 02920/02/2028 J

Chartered Accountant

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah Screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

	Remarks	GROUP	
		2025	2024
		RM	RM
Total Income			
Revenue		80,229,565	94,469,111
Other income		1,463,958	2,088,314
Interest income		1,937,235	3,102,676
Total		83,630,758	99,660,101
Total Assets		175,518,948	178,044,938

(B) Business Activities

	Remarks	GROUP	
		2025	2024
		RM	RM
Shariah Non-Compliant Activities			
Interest income		1,390,102	2,405,304
Total		1,390,102	2,405,304

(C) Component of Financial Position

(i) Cash Component

	Remarks	GROUP	
		2025	2024
		RM	RM
Islamic Account / Instruments			
Cash in hand		8,028	48,554
Deposits with licensed bank		8,937,170	18,504,843
Total		8,945,198	18,553,397

	Remarks	GROUP	
		2025	2024
		RM	RM
Conventional Account / Instruments			
Cash at bank (exclude cash in hand)		11,864,262	17,531,235
Deposits with licensed bank		53,231,225	52,630,742
Total		65,095,487	70,161,977

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

cont'd

(C) Component of Financial Position *cont'd*

(ii) Debt Component

		GROUP	
		2025	2024
Islamic Financing	Remarks	RM	RM
Current		N/A	N/A
Non-current		N/A	N/A
Total		N/A	N/A

		GROUP	
		2025	2024
Conventional Borrowing	Remarks	RM	RM
Current		N/A	N/A
Non-current		N/A	N/A
Total		N/A	N/A

LIST OF PROPERTIES

as at 31 December 2025

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	39	1,704,526	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	31	2,057,809	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	53	9,476,460	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	13	4,563,330	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	9	1,012,156	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	31	11,293,593	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	13	2,288,774	6.12.2012
Plot 3 & 55, Medan Tasek, Tasek Industrial Estate, Ipoh, Perak Darul Ridzuan, Malaysia	Industrial Land With Factory Building	Office and Factory	193,638 sq ft	Leasehold 99 years expiring on 11.10.2064	40	9,167,661	4.7.2025
No. 47, Jalan Johan 2/4, Kawasan Perindustrian Pengkalan II, 31550 Pusing, Perak Darul Ridzuan, Malaysia	Industrial Land With Factory Building	Office and Factory	97,705 sq ft	Leasehold 60 years expiring on 6.5.2056	28	7,322,290	4.7.2025

SHAREHOLDING DISTRIBUTION SCHEDULE

as at 3 April 2026

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	1.17	330	0.00
100 to 1,000	272	18.64	165,563	0.40
1,001 to 10,000	974	66.76	3,414,907	8.21
10,001 to 100,000	176	12.06	4,230,800	10.18
100,001 to less than 5% of issued shares	18	1.23	4,413,900	10.62
5% and above of the issued shares	2	0.14	29,354,500	70.60
TOTAL	1,459	100.0	41,580,000	100.00

THIRTY LARGEST SHAREHOLDERS

as at 3 April 2026

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	504,200	1.21
5	Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Lee Kin Kheong (E-IMO)</i>	360,300	0.87
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	HSBC Nominees (Asing) Sdn. Bhd. <i>Exempt an for Bank Julius Baer & Co. Ltd. (Singapore BCH)</i>	212,000	0.51
11	Ng Sey Hoe	201,800	0.49
12	Tan Aik Choon	187,700	0.45
13	Bina Securities & Management Sdn. Bhd.	172,200	0.41
14	Goh Eng Ngai	172,100	0.41
15	Lim Khuan Eng	165,000	0.40
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	Kwan Chee Tong	107,600	0.26
20	Liew Ing Shian	102,000	0.25
21	RHB Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Yee Lee Ying</i>	95,900	0.23
22	Tan Thian Chai	92,900	0.22
23	Lai Shwu Yan	87,300	0.21
24	Tew Kok Kian	85,200	0.20
25	Chan Heng Koon	84,000	0.20
26	Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Au Yoke Ying (E-IMO)</i>	70,500	0.17
27	Teoh Ah Yet	67,900	0.16
28	Ong Yoke Meng	64,000	0.15
29	Teh Chong Yan	60,800	0.15
30	Alliancegroup Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Chan Long Kong (800852)</i>	59,100	0.14
	Total	34,536,000	83.06

SUBSTANTIAL SHAREHOLDERS

as at 3 April 2026

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	Chew Meu Jong	-	-	22,957,200 ^{*6}	55.21
13	Deborah Mun Sook Ho	-	-	22,925,700 ^{*7}	55.14
14	Chew Kar Yoo @ Chew Kar Hoo	-	-	22,925,700 ^{*7}	55.14
15	Chloe Mun-Ching Ho	-	-	22,925,700 ^{*7}	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. and her spouse's shareholdings in the Company
- *7 Deemed interest in Lysaght (Malaysia) Sdn. Bhd. through CKH And LIK Family Sdn. Bhd.

DIRECTORS' SHAREHOLDINGS

as at 3 April 2026

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	Chew Meu Jong	-	-	22,957,200 ^{*1}	55.21
3	Ir. Aik Siaw Kong	-	-	-	-
4	Cheam Low Soo	-	-	-	-
5	Yeoh Sheong Lee	100	0.00	-	-
6	Chong Chin Look	-	-	-	-
7	Wong Lai Wah	-	-	-	-

Notes:

*1 Deemed interest in Lysaght (Malaysia) Sdn. Bhd. through CKH And LIK Family Sdn. Bhd. and her spouse's shareholdings in the Company

KEY SENIOR MANAGEMENT SHAREHOLDINGS

as at 3 April 2026

KEY SENIOR MANAGEMENT SHAREHOLDINGS

No.	Name of Key Senior Management	Direct Shareholdings		Indirect Shareholdings	
		No. of Shares	%	No. of Shares	%
1	Chua Tia Bon	12,600	0.03	10,600 ^{*1}	0.03
2	Foo Kok Seng	-	-	-	-
3	Johnny Ch'ng	-	-	-	-
4	Ong Siew Sung	-	-	-	-
5	Ling Kuong Loong	-	-	-	-
6	Liew Sui Kum	-	-	-	-
7	Yau Chai Fatt	-	-	-	-

Notes:

*1 Deemed interest through his spouse's shareholdings in the Company

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-Seventh Annual General Meeting ("47th AGM") of the Company to be held at Ballroom 1, Level 6, Weil Hotel, 292, Jalan Sultan Idris Shah, 30000 Ipoh, Perak Darul Ridzuan on Thursday, 11 June 2026 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 2025.	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 2026 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 2026 to the Non-Executive Directors.	Ordinary Resolution 3		
4.	To re-elect Ir. Aik Siaw Kong as Director of the Company pursuant to Article 23.4 of the Company's Constitution.	Ordinary Resolution 4		
5.	To re-elect Mr Yeoh Sheong Lee as Director of the Company pursuant to Article 23.4 of the Company's Constitution.	Ordinary Resolution 5		
6.	To re-elect Madam Wong Lai Wah as Director of the Company pursuant to Article 23.11 of the Company's Constitution.	Ordinary Resolution 6		
7.	To re-appoint KPMG PLT as Auditors of the Company for the financial year ending 31 December 2026 at such remuneration to be determined by the Directors.	Ordinary Resolution 7		
SPECIAL BUSINESS				
8.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	Ordinary Resolution 8		

(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 _____, 2026

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 4 June 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 47th 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 47th 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 47th AGM will be put to vote by poll.



www.lysaghtmarketing.com



LYSAGHT GALVANIZED STEEL BERHAD
(Registration No. 197901002195 (46426-P))

No 11, Jalan Majistret U1/26, Seksyen U1,
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