



**PRESTAR RESOURCES BERHAD**

198401010527 (123066-A)



2024

ANNUAL REPORT • LAPORAN TAHUNAN

# CONTENTS

<b>1</b>	<b>NOTICE OF ANNUAL GENERAL MEETING</b>
<b>7</b>	<b>CORPORATE INFORMATION</b>
<b>8</b>	<b>GROUP FINANCIAL HIGHLIGHTS</b>
<b>9</b>	<b>CORPORATE STRUCTURE</b>
<b>10</b>	<b>BOARD OF DIRECTORS' PROFILE</b>
<b>15</b>	<b>PROFILE OF KEY SENIOR MANAGEMENT</b>
<b>18</b>	<b>MANAGEMENT DISCUSSION AND ANALYSIS</b>
<b>23</b>	<b>SUSTAINABILITY STATEMENT</b>
<b>57</b>	<b>CORPORATE GOVERNANCE OVERVIEW STATEMENT</b>
<b>71</b>	<b>ADDITIONAL COMPLIANCE INFORMATION</b>
<b>72</b>	<b>STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL</b>
<b>74</b>	<b>AUDIT COMMITTEE REPORT</b>
<b>76</b>	<b>STATEMENT OF DIRECTORS' RESPONSIBILITY</b>
<b>78</b>	<b>DIRECTORS' REPORT</b>
<b>84</b>	<b>STATEMENT BY DIRECTORS</b>
<b>84</b>	<b>STATUTORY DECLARATION</b>
<b>85</b>	<b>INDEPENDENT AUDITORS' REPORT</b>
<b>88</b>	<b>STATEMENTS OF FINANCIAL POSITION</b>
<b>90</b>	<b>STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME</b>
<b>92</b>	<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>
<b>94</b>	<b>STATEMENT OF CHANGES IN EQUITY</b>
<b>96</b>	<b>STATEMENTS OF CASH FLOWS</b>
<b>100</b>	<b>NOTES TO THE FINANCIAL STATEMENTS</b>
<b>154</b>	<b>LIST OF PROPERTIES</b>
<b>155</b>	<b>STATISTICS OF SHAREHOLDINGS</b>
	<b>FORM OF PROXY</b>



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## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Fortieth Annual General Meeting (“**40th AGM**” or “**Meeting**”) of Prestar Resources Berhad (“**Company**”) will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan on Wednesday, 18 June 2025 at 10:00 a.m. for the following purposes:

### AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon.
2. To approve the payment of Directors’ fees amounting to RM277,000.00 for the financial year ended 31 December 2024. (Resolution 1)
3. To approve an amount of up to RM30,000.00 as benefits payable to the Non-Executive Directors from 19 June 2025 to the next Annual General Meeting of the Company to be held in 2026. (Resolution 2)
4. To re-elect Mr. Jason Toh Jin Hin, who retires pursuant to Clause 103 of the Company’s Constitution and being eligible, has offered himself for re-election. (Resolution 3)
5. To re-elect the following Directors, who retire by rotation pursuant to Clause 118 of the Company’s Constitution, and being eligible, have offered themselves for re-election:
  - (a) Mr. Toh Yew Seng; (Resolution 4)
  - (b) Dato’ Siew Mun Wai; and (Resolution 5)
  - (c) Dato’ Quah Thain Khan. (Resolution 6)
6. To pass the following ordinary resolution to appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration: (Resolution 7)

“**THAT** Crowe Malaysia PLT be and is hereby appointed as Auditors of the Company in place of the retiring Auditors, BDO PLT, to hold office until the conclusion of the next Annual General Meeting of the Company; **AND THAT** authority be and is hereby given for the Directors to determine their remuneration.”

7. As Special Businesses:

To consider and, if thought fit, with or without any modification, to pass the following resolutions, which will be proposed as ordinary resolutions:

- (a) **ORDINARY RESOLUTION NO. 1** (Resolution 8)  
 - **AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS**

“**THAT** subject to the Companies Act 2016 (“**the Act**”), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to the Act, to issue and allot shares in the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities;

**AND THAT** pursuant to Section 85 of the Act to be read together with Clause 9 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act;

**AND FURTHER THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”



**(b) ORDINARY RESOLUTION NO. 2***(Resolution 9)***- PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

**“THAT** subject to the Companies Act 2016 (**“the Act”**), provisions of the Company’s Constitution, Bursa Malaysia Securities Berhad (**“Bursa Malaysia Securities”**) Main Market Listing Requirements and any other relevant authorities, approval be and is hereby given for the Company, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities upon such terms and conditions as the Directors of the Company may in their absolute discretion deem fit and expedient in the interests of the Company (**“Share Buy-Back Mandate”**) provided that:

- (i) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company at any point of time pursuant to the Share Buy-Back Mandate shall not exceed ten per centum (10%) of the total number of issued ordinary shares of the Company for the time being;
- (ii) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its own ordinary shares shall not exceed the Company’s retained profits at the time of purchase(s);
- (iii) the authority conferred by this resolution will be effective immediately upon the passing of this ordinary resolution and will continue to be in force until:
  - (a) the conclusion of the next Annual General Meeting (**“AGM”**) of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at the general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
  - (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
  - (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier;
- (iv) the shares so purchased by the Company pursuant to the Share Buy-Back Mandate be retained as treasury shares which may be distributed as dividends and/or resold on Bursa Malaysia Securities and/or cancelled and/or transfer for the purposes of or under an employees’ share scheme or as purchase consideration and/or be dealt with by the Directors of the Company in the manners allowed by the Act;

**AND THAT** authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to implement, finalise and give full effect to the aforesaid with full powers to assent to any condition, modification, variation and/or amendment, if any, as may be imposed by the relevant authorities and to do all such acts and things as the Directors of the Company may deem fit and expedient in the interests of the Company.”

**(c) ORDINARY RESOLUTION NO. 3***(Resolution 10)***- PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

**“THAT** subject to the Companies Act 2016 (**“the Act”**), the Constitution of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given to the Company’s subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature (**“Recurrent Related Party Transactions”**) with the related parties, as described in Part B, Section 2.3 of the circular to shareholders dated 28 April 2025 subject further to the following:

- (i) the Recurrent Related Party Transactions are in the ordinary course of business, which are necessary for day-to-day operations and are on terms not more favourable than those generally available to the public; and

## NOTICE OF ANNUAL GENERAL MEETING (cont'd)

### (c) ORDINARY RESOLUTION NO. 3

#### - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (cont'd)

- (ii) disclosure is made in the annual report breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall commence immediately upon the passing of this ordinary resolution and continue to be in force until:
  - (a) the conclusion of the first Annual General Meeting ("**AGM**") of the Company following the general meeting at which such mandate was passed, at which time it will lapse unless by a resolution passed at the meeting, the authority is renewed;
  - (b) 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 Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

**AND THAT** the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

### (d) ORDINARY RESOLUTION NO. 4

#### - PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE")

(Resolution 11)

**"THAT** subject to the Companies Act 2016 ("**the Act**"), the Constitution of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given to the Company's subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**") with the related parties, as described in Part B, Section 2.3 of the circular to shareholders dated 28 April 2025, provided that the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on terms not more favourable than those generally available to the public;

**AND THAT** the Proposed New Shareholders' Mandate is subject to annual review, and in this respect, any authority conferred by the Proposed New Shareholders' Mandate shall only continue to be in force until:

- (ii) the conclusion of the first Annual General Meeting ("**AGM**") of the Company following the general meeting at which such mandate was passed, at which time it will lapse unless by a 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 Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

**AND FURTHER THAT** the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

## NOTICE OF ANNUAL GENERAL MEETING (cont'd)

8. To transact any other ordinary business for which due notice shall have been given.

### BY ORDER OF THE BOARD

CHUA SIEW CHUAN (MAICSA 0777689) (SSM PC No. 201908002648)  
CHIN MUN YEE (MAICSA 7019243) (SSM PC No. 201908002785)  
Secretaries

Kuala Lumpur  
Dated: 28 April 2025

### **Notes:**

1. With respect to deposited securities, only shareholders of the Company whose names appear in the Record of Depositors on 11 June 2025 shall be eligible to attend the Meeting.
2. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. A proxy may but does not need to be a member of the Company, and a member may appoint any person to be his/her proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing, or if such appointor is a corporation, under its common seal or under the hand of an officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. 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 of authority shall be deposited at the Company's registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof. The proxy appointment may also be lodged electronically via the Securities Services e-Portal at <https://sshsb.net.my/>. The lodging of the form of proxy will not preclude any shareholder from attending and voting at the Meeting. If you have submitted your form of proxy prior to the Meeting and subsequently wish to revoke your proxy appointment(s), please email [info@sshsb.com.my](mailto:info@sshsb.com.my) or deposit the written notice of termination of proxy authority at the Company's registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, to revoke the earlier appointed proxy (ies) before the time stipulated for holding the Meeting or at any adjournment thereof. In such an event, you should advise your proxy(ies) accordingly. All resolutions set out in this Notice of Meeting are to be voted on by poll.

## NOTICE OF ANNUAL GENERAL MEETING (cont'd)

### **Explanatory Notes:**

#### 1. Resolution 3 – Re-election of Director retiring pursuant to Clause 103 of the Constitution of the Company

Pursuant to Clause 103 of the Company's Constitution, Mr. Jason Toh Jin Hin will retire at the forthcoming 40th AGM of the Company and has expressed his intention to offer himself for re-election.

To determine Mr. Jason Toh Jin Hin's eligibility for re-election at the 40th AGM of the Company, the Board of Directors ("**Board**"), through the Nomination Committee, has conducted a review and assessment based on the fit and proper criteria, annual performance evaluation and the Board's overall assessment for the financial year ended 31 December 2024. Upon the recommendation of the Nomination Committee, the Board is satisfied with Mr. Jason Toh Jin Hin's performance and contributions and supports his re-election based on the following factors:

- (i) He continues to meet the Board's expectations in terms of character, integrity, relevant experience, competency, and commitment to his responsibilities as a Director of the Company; and
- (ii) He has demonstrated diligence and professionalism in the discharge of his duties.

#### 2. Resolutions 4, 5 and 6 – Re-election of Directors retiring by rotation pursuant to Clause 118 of the Constitution of the Company

Pursuant to Clause 118 of the Company's Constitution, Mr. Toh Yew Seng, Dato' Siew Mun Wai, and Dato' Quah Thain Khan are due to retire by rotation at the forthcoming 40th AGM of the Company. All three Directors have expressed their willingness to seek re-election.

To assess their eligibility for re-election at the 40th AGM of the Company, the Board, through the Nomination Committee, conducted a comprehensive review of each retiring Director based on the fit and proper criteria, annual performance assessment, and the Board's evaluation for the financial year ended 31 December 2024. Upon the recommendation of the Nomination Committee, the Board is satisfied with the performance and contributions of Mr. Toh Yew Seng, Dato' Siew Mun Wai, and Dato' Quah Thain Khan, and supports their re-election based on the following considerations:

- (i) Each Director continues to meet the Board's expectations in terms of character, integrity, experience, competency, and time commitment in discharging their responsibilities;
- (ii) They have exercised due care and demonstrated professionalism in the performance of their duties; and
- (iii) The Independent Non-Executive Directors have continued to demonstrate the appropriate level of independence.

#### 3. Resolution 8 - Authority to issue shares pursuant to the Companies Act 2016 ("**the Act**") and waiver of pre-emptive rights

The proposed adoption of Ordinary Resolution No. 1 is for the purpose of granting a renewed general mandate on the authority to issue shares pursuant to the Act ("**Renewed Mandate**").

The Company had been granted a general mandate on the authority to issue shares pursuant to the Act by its shareholders at the Thirty-Ninth Annual General Meeting of the Company held on 12 June 2024 ("**Previous Mandate**").

The Renewed Mandate will provide flexibility to the Company for the allotment of shares for any possible fundraising activities for the purpose of funding future investment project(s), working capital, and/or acquisition(s).

As at the date of the Notice of Meeting, no new shares in the Company were issued pursuant to the Previous Mandate, which will lapse at the conclusion of the 40th AGM of the Company.

Pursuant to Section 85(1) of the Act read together with Clause 9 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company that rank equally to the existing issued shares in the Company or other convertible securities.

## NOTICE OF ANNUAL GENERAL MEETING (cont'd)

### **Explanatory Notes:**

#### 4. Resolution 9 - Proposed renewal of share buy-back authority

The proposed adoption of Ordinary Resolution No. 2 is to renew the authority granted by the shareholders of the Company at the Thirty-Ninth Annual General Meeting of the Company held on 12 June 2024. The proposed renewal will allow the Board to exercise the power of the Company to purchase not more than ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in Bursa Malaysia Securities Berhad Main Market Listing Requirements.

#### 5. Resolution 10 - Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**")

The proposed adoption of Ordinary Resolution No. 3 is to renew the shareholders' mandate for Recurrent Related Party Transactions granted by the shareholders of the Company at the Thirty-Ninth Annual General Meeting of the Company held on 12 June 2024 ("**Renewal of Shareholders' Mandate**"). The Renewal of Shareholders' Mandate will enable the Company's subsidiaries ("**Group**") to enter into the Recurrent Related Party Transactions which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

#### 6. Resolution 11 - Proposed new shareholders' mandate for Recurrent Related Party Transactions ("**New Shareholders' Mandate**")

The proposed adoption of Ordinary Resolution No. 4, if passed, will enable the Group to enter into Recurrent Related Party Transactions which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Further information on the proposed renewal of share buy-back authority and proposed Renewal of Shareholders' Mandate and New Shareholders' Mandate are set out in the statement and circular to shareholders of the Company, respectively, which are made available on the Company's corporate website at <https://www.prestar.com.my/investor-relations>.



## CORPORATE INFORMATION



### BOARD OF DIRECTORS

**Shamsudin @  
Samad Bin Kassim**  
*Independent Non-Executive  
Chairman*

**Dato' Toh Yew Peng**  
*Group Managing Director*

**Toh Yew Seng**  
*Group Executive Director*

**Kenny Toh Jin Tat**  
*Executive Director*

**Toh Hui Yi**  
*Executive Director*

**Andy Toh Jin Hong**  
*Executive Director*

**Jason Toh Jin Hin**  
*Executive Director*

**Dato' Siew Mun Wai**  
*Independent Non-Executive  
Director*

**Dato' Quah Thain Khan**  
*Independent Non-Executive  
Director*

**Wang Eng Lon**  
*Independent Non-Executive  
Director*

#### COMPANY SECRETARIES

Chua Siew Chuan  
(MAICSA 0777689)  
(SSM PC No. 201908002648)  
Chin Mun Yee  
(MAICSA 7019243)  
(SSM PC No. 201908002785)

#### REGISTERED OFFICE

Level 7, Menara Milenium,  
Jalan Damanlela,  
Pusat Bandar Damansara,  
Damansara Heights,  
50490 Kuala Lumpur,  
Wilayah Persekutuan  
Tel. No. : 03-2084 9000  
Fax No. : 03-2094 9940/  
03-2095 0292  
Email : info@sshsb.com.my

#### REGISTRAR

Securities Services (Holdings)  
Sdn. Bhd.  
Level 7, Menara Milenium,  
Jalan Damanlela,  
Pusat Bandar Damansara,  
Damansara Heights,  
50490 Kuala Lumpur,  
Wilayah Persekutuan  
Tel. No. : 03-2084 9000  
Fax No. : 03-2094 9940/  
03-2095 0292  
Email : info@sshsb.com.my

#### AUDITORS

BDO PLT  
201906000013  
LLP0018825-LCA and AF 0206  
Chartered Accountants  
Level 8, BDO @ Menara CenTARa,  
360 Jalan Tuanku Abdul Rahman,  
50100 Kuala Lumpur,  
Wilayah Persekutuan  
Tel. No. : 03-2616 2888  
Fax No. : 03-2616 3190

#### PRINCIPAL BANKERS

Affin Bank Berhad  
AmBank (M) Berhad  
CIMB Bank Berhad  
Hong Leong Bank Berhad  
RHB Bank Berhad  
United Overseas Bank (Malaysia) Bhd

#### SOLICITORS

Lim & Yeoh  
SKRINE

#### STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia  
Securities Berhad  
Stock Code : 9873

#### WEBSITE & E-MAIL

Website : [www.prestar.com.my](http://www.prestar.com.my)  
E-mail : [info@prestar.com.my](mailto:info@prestar.com.my)

#### AUDIT COMMITTEE

**Dato' Siew Mun Wai**  
*Chairman*

**Dato' Quah Thain Khan**  
*Member*

**Wang Eng Lon**  
*Member*

#### NOMINATION COMMITTEE

**Wang Eng Lon**  
*Chairman*

**Shamsudin @ Samad Bin Kassim**  
*Member*

**Dato' Siew Mun Wai**  
*Member*

**Dato' Quah Thain Khan**  
*Member*

#### REMUNERATION COMMITTEE

**Dato' Quah Thain Khan**  
*Chairman*

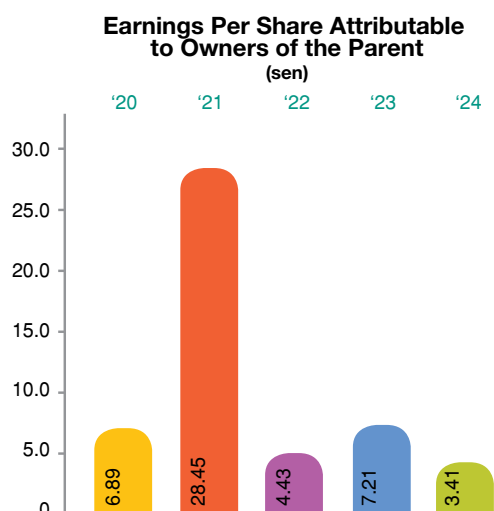
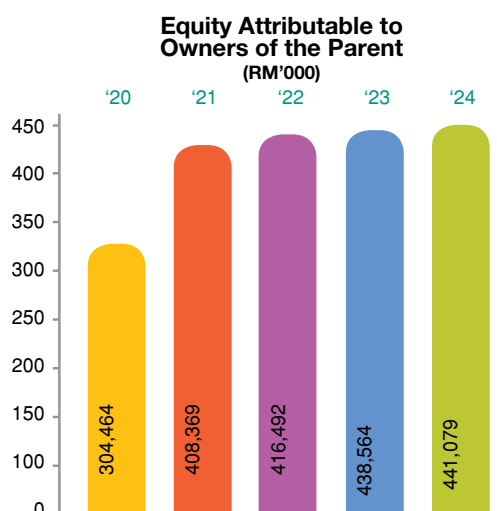
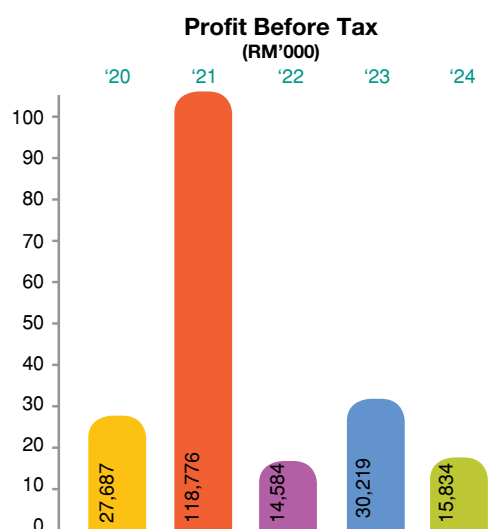
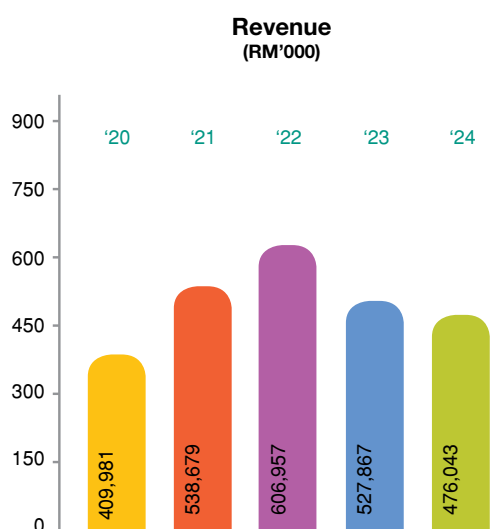
**Shamsudin @ Samad Bin Kassim**  
*Member*

**Dato' Siew Mun Wai**  
*Member*

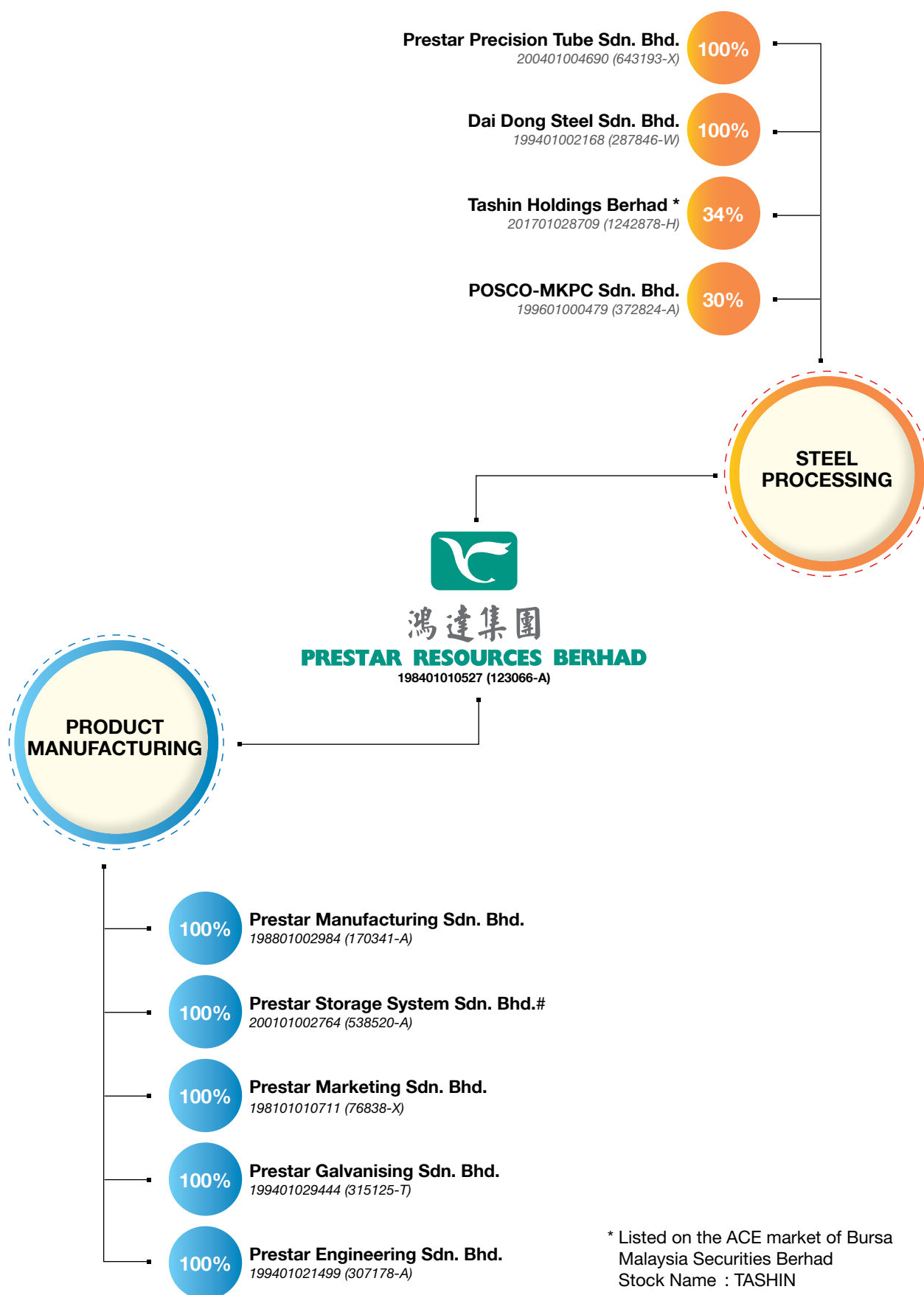
**Wang Eng Lon**  
*Member*

## GROUP FINANCIAL HIGHLIGHTS

(RM'000)	2020	2021	2022	2023	2024
Revenue	409,981	538,679	606,957	527,867	476,043
Profit before tax	27,687	118,776	14,584	30,219	15,834
Profit attributable to owners of the parent	22,238	95,196	15,191	25,898	12,255
Total Assets	509,288	772,630	652,630	583,650	562,280
Equity attributable to owners of the parent	304,464	408,369	416,492	438,564	441,079
EBITDA# #Earnings before interests, depreciation, tax and amortisation	43,396	134,304	32,028	44,439	28,949
Net assets per share *(RM)	1.57	1.19	1.22	1.22	1.23
Earnings per share *(sen) * attributable to owners of the parent	6.89	28.45 <sup>^</sup>	4.43	7.21	3.41
<sup>^</sup> Earnings per share, adjusted to reflect completion of Bonus Issue and Private Placement for comparative purpose.					



## CORPORATE STRUCTURE



\* Listed on the ACE market of Bursa  
Malaysia Securities Berhad  
Stock Name : TASHIN  
Stock Code : 0211

# With Representative office in Bangkok,  
Thailand

## BOARD OF DIRECTORS' PROFILE

### SHAMSUDIN @ SAMAD BIN KASSIM

*INDEPENDENT NON-EXECUTIVE CHAIRMAN*  
Appointed to the Board on 1 September 2020

Aged | 78  
Gender | Male  
Nationality | Malaysian  
Member | Nomination Committee and  
Remuneration Committee

**Encik Shamsudin @ Samad Bin Kassim** ("Encik Samad") holds a Bachelor of Economics from the University of Malaya and a Master in Public and International Affairs (MPIA) from the University of Pittsburg, United States of America ("USA"). He attended all four (4) Board meetings held in the financial year ended 31 December 2024.

Encik Samad started his career as an Assistant Secretary in the Ministry of Works in 1970 and later as an Economist in the Highway Planning Unit in 1973. In 1974, he was appointed Assistant Director of the Services Division in the Public Services Department. He left the Public Services Department in 1979 and became Senior Assistant Secretary in the Ministry of International Trade and Industry ("MITI"). In 1989, he was posted to Vienna, Austria, as the Trade Commissioner of MITI. In 1996, he was appointed the Director of MITI (Industry Division) in Kuala Lumpur. In 2000, he was appointed as Chief Executive Officer ("CEO") of the Small and Medium Industries Development Corporation (SMIDEC) until his retirement in 2001.

Encik Samad has no family relationship with any Director and/or major shareholder of the Company. He sits on the Board of Ingress Corporation Berhad, a non-public listed company.

### DATO' TOH YEW PENG

*GROUP MANAGING DIRECTOR*  
Appointed to the Board on 12 July 1984

Aged | 72  
Gender | Male  
Nationality | Malaysian

**Dato' Toh Yew Peng** ("Dato' Toh") is one of the founders of Prestar Resources Berhad ("Prestar" or "Company") Group ("the Group"). He attended all four (4) Board meetings held in the financial year ended 31 December 2024. He is not a member of any Board Committee of the Company.

Dato' Toh ventured into business after completing his secondary education. He has been the Group Managing Director of the Company since 1984 and is responsible for the strategic development and overall growth, profitability, and management of the Group.

Dato' Toh travels extensively to keep abreast with the latest developments in the industry and constantly assesses new market prospects and opportunities for the Group.

Dato' Toh sits on the Board of Tashin Holdings Berhad ("Tashin"), a public company listed on the ACE Market of Bursa Malaysia Securities Berhad. He is also the Director of Prestar's and Tashin's subsidiaries and several other private limited companies.

Dato' Toh is a major shareholder of the Company and the brother of Mr. Toh Yew Keat, a major shareholder of the Company, and Mr. Toh Yew Seng ("Mr. YS Toh"), Group Executive Director of the Company.



## BOARD OF DIRECTORS' PROFILE (cont'd)

### TOH YEW SENG

*GROUP EXECUTIVE DIRECTOR*

Appointed to the Board on 31 January 1986

Aged | 63  
Gender | Male  
Nationality | Malaysian

**Mr. Toh Yew Seng** ("Mr. YS Toh") was appointed as the Group Executive Director of the Company in 1986, and prior to that, he was the General Manager of the Company from 1984 to 1985. He attended three (3) out of four (4) Board meetings held in the financial year ended 31 December 2024. He is not a member of any Board Committee of the Company.

Mr. YS Toh obtained his Bachelor of Arts majoring in Business Administration from Tunghai University, Taiwan. He has more than thirty (30) years of experience in various operations, including sales and marketing, operation and production, administration, and project management.

Currently, Mr. YS Toh is mainly involved in overseeing and managing the manufacturing activities of the Group at Rawang's production complex, where he is responsible for the overall planning and formulating of operation and manufacturing strategies as well as supply chain management.

Mr. YS Toh sits on the Board of Tashin, a public company listed on the ACE Market of Bursa Malaysia Securities Berhad. He is also the Director of Prestar's and Tashin's subsidiaries and several other private limited companies.

Mr. YS Toh is the brother of Mr. Toh Yew Keat, a major shareholder of the Company, and Dato' Toh, the Group Managing Director and major shareholder of the Company.

### KENNY TOH JIN TAT

*EXECUTIVE DIRECTOR*

Appointed to the Board on 1 October 2020

Aged | 49  
Gender | Male  
Nationality | Malaysian

**Mr. Kenny Toh Jin Tat** ("Mr. Kenny Toh") holds a Bachelor in Business Administration from the University of Texas A&M, USA. He attended all four (4) Board meetings held in the financial year ended 31 December 2024. He is not a member of any Board Committee of the Company.

Previously, Mr. Kenny Toh managed the export and operation functions of Prestar Manufacturing Sdn. Bhd. for eight (8) years since 1999 prior to his secondment to Prestar Industries (Vietnam) Co. Ltd. ("Prestar Vietnam"). He was the General Manager/Director of Prestar Vietnam from 2008 to 2011 to spearhead the manufacturing activities of Prestar Vietnam.

Mr. Kenny Toh was appointed as the Executive Director of Prestar Precision Tube Sdn. Bhd. ("PPTSB") on 3 January 2012. He is currently responsible for the overall management and profitability of PPTSB – Carbon Steel Pipes division.

Mr. Kenny Toh does not sit on the Board of other public companies and public listed companies.

Mr. Kenny Toh is the brother of Mr. Jason Toh Jin Hin ("Mr. Jason Toh"), the Executive Director of the Company, and the son of Mr. Toh Yew Keat, a major shareholder of the Company.

## BOARD OF DIRECTORS' PROFILE (cont'd)

### TOH HUI YI

*EXECUTIVE DIRECTOR*

Appointed to the Board on 10 April 2023

Aged | 35  
Gender | Female  
Nationality | Malaysian

**Ms. Toh Hui Yi** ("Ms. HY Toh") holds a Bachelor of Food Science and Technology from Monash University, Australia. She attended all four (4) Board meetings held in the financial year ended 31 December 2024. She is not a member of any Board Committee of the Company.

Ms. HY Toh joined Prestar Engineering Sdn. Bhd. ("PESB") in 2014. Prior to that, she worked in a multinational company and a local company involving the distribution of food ingredients. She started as a Sales Executive at PESB and was promoted to Sales Manager in 2019. She has more than ten (10) years of experience in sales and marketing in road furniture. In March 2023, she was promoted to Executive Director of PESB, responsible for sales and business operations.

Ms. HY Toh has no immediate family relationship with any Director and/or major shareholder of the Company. She does not sit on the Board of any public companies or public listed companies.

### ANDY TOH JIN HONG

*EXECUTIVE DIRECTOR*

Appointed to the Board on 1 August 2023

Aged | 47  
Gender | Male  
Nationality | Malaysian

**Mr. Andy Toh Jin Hong** ("Mr. Andy Toh") holds a Bachelor in Business Administration from the University of Texas A&M, USA. He attended all four (4) Board meetings held in the financial year ended 31 December 2024. He is not a member of any Board Committee of the Company.

Mr. Andy Toh began his career with Chiho Hardware Sdn. Bhd. overseeing the business operation in Penang. He has more than twenty (20) years of business experience in household hardware and storage systems. He joined Prestar Storage System Sdn. Bhd. ("PSSSB") in 2008 as Assistant Production Manager and was subsequently promoted to Sales Manager in 2012. He was appointed as the Sales Director of PSSSB on 1 June 2016. He is currently responsible for the sales, shipping, export, design, and engineering department of PSSSB.

Mr. Andy Toh has no immediate family relationship with any Director and/or major shareholder of the Company. He does not sit on the Board of any public companies or public listed companies.

## BOARD OF DIRECTORS' PROFILE (cont'd)

### JASON TOH JIN HIN

#### EXECUTIVE DIRECTOR

Appointed to the Board on 1 September 2024

Aged | 43  
Gender | Male  
Nationality | Malaysian

**Mr. Jason Toh Jin Hin** ("Mr. Jason Toh") attended one (1) Board meeting since his appointment to the Board during the financial year ended 31 December 2024. He is not a member of any Board Committee of the Company.

Mr. Jason Toh ventured into business after completing his secondary education. He joined the Group in 2002 and was formerly attached to POSCO-MKPC Sdn. Bhd., a 30%-owned associate company of Prestar. He has vast experience in the field of sales and marketing. He was appointed as the Executive Director of PPTSB on 1 December 2014 and is currently responsible for the sales and marketing activities of PPTSB – Carbon Steel Pipes division.

Mr. Jason Toh does not sit on the Board of other public companies and public listed companies.

Mr. Jason Toh is the brother of Mr. Kenny Toh, the Executive Director of the Company, and the son of Mr. Toh Yew Keat, a major shareholder of the Company.

### DATO' SIEW MUN WAI

#### INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to the Board on 16 June 2022

Aged | 67  
Gender | Male  
Nationality | Malaysian  
Chairman | Audit Committee  
Member | Nomination Committee and Remuneration Committee

**Dato' Siew Mun Wai** ("Dato' Edward Siew") is a Fellow Member of the Institute of Chartered Accountants in England & Wales ("ICAEW"), a Business Finance Professional (ICAEW) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA). He attended all four (4) Board meetings held in the financial year ended 31 December 2024.

After completing his ICAEW with over eight (8) years of public practice in London, Dato' Edward Siew returned to Malaysia and worked briefly for a local bank until he was recruited to join HSBC in its Hong Kong headquarters. This was followed by over twenty-six (26) years of international expatriation in C-suite roles at the L'Oreal Group and the Ciba-Geigy (now known as Novartis) Group, managing their subsidiaries in Melbourne, Seoul, Paris, Bangkok, Singapore, Jakarta, Taipei, and Hong Kong. He was on the Boards of these subsidiaries, representing the public listed parent company's interests.

Following his repatriation to Malaysia on the Talent Corp program, Dato' Edward Siew was the Acting Global CEO/Global Chief Financial Officer of Crabtree & Evelyn London until its divestment. From 2011 to 2014, he was an Independent Director and Audit Committee Chairman of an ASX-listed junior mining company. He was Vice-Chairman of the Taipei English School, a Board member of the Taipei European Schools, an Associate Faculty Member of the Othman Yeop Abdullah Graduate School of Business at Universiti Utara Malaysia, a current member of the Sunway University Business School Industry Advisory Board and a pro-bono guest speaker at various local Universities and the Malaysian Institute of Corporate Governance.

Dato' Edward Siew has no family relationship with any Director and/or major shareholder of the Company. He also sits on the Boards of Malton Berhad and Karex Berhad as an Independent Non-Executive Director and an Executive Director of a private company operating a premium grocery brand. He chairs the Remuneration Committees of Karex Berhad and is a member of their Audit, Risk Management, and Employees' Share Option Scheme Committees. He is also a member of the Audit and Nomination Committees of Malton Berhad.

## BOARD OF DIRECTORS' PROFILE (cont'd)

### DATO' QUAH THAIN KHAN

*INDEPENDENT NON-EXECUTIVE DIRECTOR*  
Appointed to the Board on 1 October 2022

Aged	67
Gender	Male
Nationality	Malaysian
Chairman	Remuneration Committee
Member	Audit Committee and Nomination Committee

**Dato' Quah Thain Khan** ("Dato' Quah") holds a Master in Business Administration ("MBA") from Cranfield School of Management, United Kingdom ("UK"), and a Bachelor of Engineering (Honours) from Monash University, Australia. He attended three (3) out of four (4) Board meetings held in the financial year ended 31 December 2024.

In 2018, Dato' Quah was appointed by Malaysia's Minister of Human Resources as the Deputy Chairman of Pembangunan Sumber Manusia Berhad, the government-linked company responsible for managing the Human Resources Development Fund, and served till 2020.

Prior to that, Dato' Quah was with Hong Leong Group from 2004 till his retirement in 2018, where his last position was Group Managing Director of Hume Industries Berhad, following roles as a Board member of Hong Leong Industries Berhad and Managing Director of the subsidiary company.

Before that, Dato' Quah was with Lafarge Malaysia Berhad from 1993 to 2004, where he sat on the Board and was promoted to CEO in 2000. He then became the President and CEO from 2002 to 2004, following several earlier general management positions.

From 1981 to 1988, Dato' Quah had technical, commercial, and managerial roles early in his career. He became a management consultant from 1988 to 1993 and was also based in Singapore, Hong Kong, and Australia.

Dato' Quah has no family relationship with any Director and/or major shareholder of the Company. He does not sit on the Board of other public companies or public listed companies.

### WANG ENG LON

*INDEPENDENT NON-EXECUTIVE DIRECTOR*  
Appointed to the Board on 10 April 2023

Aged	64
Gender	Male
Nationality	Malaysian
Chairman	Nomination Committee
Member	Audit Committee and Remuneration Committee

**Mr. Wang Eng Lon** ("Mr. Wang") holds a Bachelor of Science in Computer Science (Honours) from the Universiti Sains Malaysia, post graduate qualification in Certified Diploma in Accounting and Finance (CDipAF) from the Association of Chartered Certified Accountants (ACCA) and an MBA from University of Strathclyde, UK. He attended all four (4) Board meetings held in the financial year ended 31 December 2024.

Mr. Wang is an accomplished Information Technology ("IT") professional with extensive experience and strong management expertise in both end-user and IT vendor environments with over thirty-five (35) years of professional IT working experience in various diverse industries in banking, IT service provider, distribution, and trading industry. He was the Head of IT Infrastructure Management and Technology Platform Services at Affin Bank Berhad from May 2017 until his retirement in June 2021.

Prior to that, Mr. Wang has spent about ten (10) years in several service delivery leadership positions as Delivery Project Executive at the International Business Machines Global Delivery Center, the Vice President of Facility Management Services at Silverlake Group/QR Retail Automation (Asia) Sdn. Bhd. (QRRR) and Vice President of Delivery at Strateq Data Centre Sdn. Bhd. (formerly known as Kompakar). He has also held several leadership positions in the banking industry at two (2) other local banks and started his early career as an application systems developer.

Mr. Wang does not have any family relationship with any Director and/or major shareholder of the Company. He does not sit on the Board of other public companies or public listed companies.

### ADDITIONAL INFORMATION ON THE BOARD

#### Conflict of Interest or Potential Conflict of Interest

None of the Directors of the Company has any actual or potential conflict of interest, including any interest in businesses that compete with the Company or its subsidiaries.

#### List of convictions for offences within the past five (5) years and public sanction or penalty imposed by the relevant regulatory bodies

None of the Directors of the Company has been convicted for offences (excluding traffic offences) within the past five (5) years, and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2024.





## PROFILE OF KEY SENIOR MANAGEMENT

**DATO' TOH YEW PENG**  
*Group Managing Director*

**KENNY TOH JIN TAT**  
*Executive Director*

**ANDY TOH JIN HONG**  
*Executive Director*

**TOH YEW SENG**  
*Group Executive Director*

**TOH HUI YI**  
*Executive Director*

**JASON TOH JIN HIN**  
*Executive Director*

The above key senior management is also a member of the Board of Directors of Prestar Resources Berhad ("Prestar" or "Company"). Their profiles are set out in the Board of Directors' Profile of this Annual Report.

### TOH POH KHUAN

EXECUTIVE DIRECTOR,  
PRESTAR MARKETING SDN. BHD. ("PMKTG")

Aged | 76  
Gender | Female  
Nationality | Malaysian

**Ms. Toh Poh Khuan** ("Ms. Toh") ventured into business after completing her secondary education. She has been the Finance Director of PMktg since 1981 and is responsible for the day-to-day operations of PMktg in the Northern region of Peninsular Malaysia. She was appointed as the Executive Director of PMktg on 20 September 1985.

Ms. Toh is the sister of Mr. Toh Yew Keat, a major shareholder of the Company, Dato' Toh Yew Peng, the Group Managing Director and major shareholder of the Company, and Mr. Toh Yew Seng, the Group Executive Director of the Company. She sits on the Board of several private limited companies. She does not sit on the Board of any public companies or public listed companies.

### TOH YEW KAR

EXECUTIVE DIRECTOR,  
PRESTAR ENGINEERING SDN. BHD. ("PESB")

Aged | 66  
Gender | Male  
Nationality | Malaysian

**Mr. Toh Yew Kar** ("Mr. YK Toh") ventured into business after completing his Pre-University studies at Taylor's College. Prior to his involvement in the Prestar Group, he obtained substantial experience and exposure in sales and marketing with a trading company in Osaka, Japan.

Mr. YK Toh was appointed as Group Executive Director of the Company on 12 July 1984 involved in materials handling equipment, general hardware marketing, and highway guardrail business activities. He retired from the Board of the Company in June 2023 and focused on PESB's business as its Executive Director.

Mr. YK Toh is the father of Ms. Toh Hui Yi, the Executive Director of the Company, the brother of Mr. Toh Yew Keat, a major shareholder of the Company, Dato' Toh Yew Peng, the Group Managing Director and major shareholder of the Company, and Mr. Toh Yew Seng, the Group Executive Director of the Company. He sits on the Board of several private limited companies. He does not sit on the Board of any public companies or public listed companies.

## PROFILE OF KEY SENIOR MANAGEMENT (cont'd)

### ALAN TOH JIN JOO

*EXECUTIVE DIRECTOR,  
PRESTAR PRECISION TUBE SDN. BHD.  
("PPTSB") AND DAI DONG STEEL SDN. BHD.  
("DDSSB")*

Aged | 48  
Gender | Male  
Nationality | Malaysian

**Mr. Alan Toh Jin Joo** ("Mr. Alan Toh") holds a Bachelor Degree in Science from the University of Texas A&M, United States of America. He started his work as an Information Technology Manager at Prestar Group in 2003. He was subsequently attached to the production and sales department of PPTSB – Automotive Tubes division. He was appointed the Executive Director of PPTSB and DDSSB on 1 December 2014. He is currently responsible for the sales and marketing activities of PPTSB – Automotive Tubes division and DDSSB.

Mr. Alan Toh is the son of Dato' Toh Yew Peng, the Group Managing Director and major shareholder of the Company. He does not sit on the Board of any public companies or public listed companies.

### IAN TOH JIN HU

*EXECUTIVE DIRECTOR,  
PMKTG*

Aged | 43  
Gender | Male  
Nationality | Malaysian

**Mr. Ian Toh Jin Hu** ("Mr. Ian Toh") completed his Diploma in Business Administration from Inti College, Penang.

Mr. Ian Toh started his career with Chiho Hardware Sdn. Bhd., as a Sales Executive in Penang. He later joined Prestar Group in 2007 as Plant Executive in Prestar Manufacturing Sdn. Bhd. ("PMSB"). He was then seconded to Prestar Industries (Vietnam) Co. Ltd. ("Prestar Vietnam") as Plant Manager from 2008 to 2011, responsible for the manufacturing and operation activities of Prestar Vietnam.

Mr. Ian Toh was transferred to PMktg in 2012 as an Operation Manager and was subsequently promoted to Assistant General Manager in 2018. He was appointed as the Executive Director of PMktg in August 2023. He is currently responsible for the overall management and profitability of PMktg.

Mr. Ian Toh is the brother of Mr. Andy Toh Jin Hong, the Executive Director of the Company. He does not sit on the Board of any public companies or public listed companies.

### THEN KWEE HONG

*ASSISTANT GENERAL MANAGER,  
GROUP HUMAN RESOURCES AND  
ADMINISTRATION, PRESTAR*

Aged | 60  
Gender | Female  
Nationality | Malaysian

**Ms. Then Kwee Hong** ("Ms. Then") holds a Diploma in Human Resource Management from the University of Malaya. She joined Prestar Group in 2001 and was appointed Assistant General Manager, Group Human Resources and Administration on 1 May 2016. She has more than twenty (20) years of experience in human resource management and is currently responsible for the human resource, administration, safety, and security affairs of the Prestar Group.

Ms. Then has no family relationship with any Director and/or major shareholder of the Company. She does not sit on the Board of any public companies or public listed companies.

### SIOW KAM WAH

*GENERAL MANAGER,  
PESB*

Aged | 46  
Gender | Male  
Nationality | Malaysian

**Mr. Siow Kam Wah** ("Mr. Siow") holds a Diploma in Commerce (Management Accounting) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) ("TARUMT"). He joined PESB in September 2018 as General Manager. He has more than twenty (20) years of experience in Sales and Marketing and Managerial positions. He is currently responsible for the business operations and profitability of PESB and overseeing the sales team.

Mr. Siow has no family relationship with any Director and/or major shareholder of the Company. He does not sit on the Board of any public companies or public listed companies.

## PROFILE OF KEY SENIOR MANAGEMENT (cont'd)

### KONG HONG LIM

ASSISTANT GENERAL MANAGER,  
PPTSB

Aged | 55  
Gender | Male  
Nationality | Malaysian

**Mr. Kong Hong Lim** ("Mr. Kong") holds a Diploma in Technology (Material Engineering) from TARUMT. He joined Prestar Industries Sdn. Bhd. in May 1994 as a Production Executive. He was subsequently transferred to PMSB and promoted to Plant Manager in 2001. He has more than twenty-five (25) years of experience in the manufacturing field. Currently, he is the Assistant General Manager for the Manufacturing division of PPTSB, overseeing the production, quality assurance and quality control, maintenance and warehousing operations and responsible for Prestar Group's operation improvement.

Mr. Kong has no family relationship with any Director and/or major shareholder of the Company. He does not sit on the Board of any public companies or public listed companies.

### CHOY JING YI

GROUP FINANCIAL CONTROLLER,  
PRESTAR

Aged | 54  
Gender | Female  
Nationality | Malaysian

**Ms. Choy Jing Yi** ("Ms. Choy") graduated from TARUMT with a Diploma in Commerce (Financial Accounting). She is a fellow member of the Association of Chartered Certified Accountants (ACCA), United Kingdom, and a Chartered Accountant (CA) of the Malaysian Institute of Accountants (MIA).

Ms. Choy joined the Prestar Group in 2001 as an Accountant in Prestar Steel Pipes Sdn. Bhd., and was subsequently promoted to Senior Finance Manager in PPTSB. She was promoted to Group Financial Controller of Prestar Group in September 2022, handling all finance, accounting, information technology, and corporate matters of Prestar Group.

Before joining the Prestar Group, Ms. Choy had more than seven (7) years of working experience in audit, tax, and secretarial functions in audit firms.

Ms. Choy has no family relationship with any Director and/or major shareholder of the Company. She does not sit on the Board of any public companies or public listed companies.

Save as disclosed above, none of the key senior management has:

- (a) any actual or potential conflict of interest, including any interest in businesses that compete with the Company or its subsidiaries;
- (b) any conviction for offences (other than traffic offences, if any) within the past five (5) years; and
- (c) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS



The global steel market in 2024 exhibited a mixed performances across regions, with major markets such as China and the European Union experiencing declines while India recorded growth. These trends were shaped by economic slowdowns, geopolitical tensions, and industry-specific challenges. However, oversupply and heightened competition, mainly driven by capacity expansions in China and Southeast Asia, are expected to put pressure on margins and weaken consumer confidence. Besides, trade flow distortions, geopolitical tensions, and volatility in raw material prices further exacerbate industry uncertainties. Additionally, monetary policies set by the Federal Open Market Committee (FOMC) continued to influence emerging market currencies, including the Malaysian Ringgit, where high interest rates and currency depreciation have led to increased business costs and further reduced manufacturers' competitiveness.

In Malaysia, the steel industry experienced moderate growth, primarily supported by government-led infrastructure projects and a recovering construction sector. However, profitability remained under pressure due to rising raw material and energy costs, increased competition from low-cost imports, particularly from China,

and stricter environmental regulations. Furthermore, shifts in global trade patterns pose the risk of surplus steel being redirected to Malaysia, which would add further challenges for local manufacturers.

Despite these challenges, Prestar Resources Berhad ("the Company") and its subsidiaries ("the Group") reported a profit before tax ("PBT") of RM15.83 million for the financial year ended 31 December 2024 ("FYE 2024"), representing a 47.6% decrease from the previous financial year ("FYE 2023"). To mitigate these impacts, the Group has undertaken a series of strategic initiatives, including optimising operational efficiency, diversifying product portfolio, refining procurement strategies, and strengthening inventory management. Through disciplined cost control, improved working capital management, and reduced borrowings, the Group aims to enhance financial resilience and sustain its long-term growth.

Looking ahead, the Group remains committed to driving growth with resilience and adaptability. Through a combination of innovation, strategic expansion, and operational excellence, we aim to strengthen our market position and effectively navigate industry challenges.

The key financial highlights of the Group for FYE 2024 as compared to FYE 2023 are as follows:

RM'000	FYE 2024	FYE 2023	Variance	Variance (%)
<b>Revenue</b>	476,043	527,867	(51,824)	(9.8%)
<b>Profit before Tax</b>	15,834	30,219	(14,385)	(47.6%)
<b>Profit attributable to owners of the parent</b>	12,255	25,898	(13,643)	(52.7%)
<b>Total assets</b>	562,280	583,650	(21,370)	(3.7%)
<b>Equity attributable to owners of the parent</b>	441,079	438,564	2,515	0.6%
<b>Net assets per share (RM)</b>	1.23	1.22	0.01	0.8%
<b>Basic earnings per share (sen)</b>	3.41	7.21	(3.80)	(52.7%)
<b>Diluted earnings per share (sen)</b>	3.41	7.21	(3.80)	(52.7%)



## MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

### a) Revenue

For FYE 2024, the Group recorded revenue of RM476.0 million, reflecting a 9.8% decline from RM527.9 million in the prior year. This reduction was mainly due to intense price competition stemming from a global steel oversupply, which suppressed selling prices. Additionally, cautious market sentiment led to softer demand, while fluctuations in raw material costs, geopolitical uncertainties, and adverse exchange rate movements created further headwinds for revenue growth.

### b) Profit Before Tax

The Group's PBT for FYE 2024 decreased by 47.6% to RM15.8 million from RM30.2 million in the previous year, mainly due to ongoing market pressures and narrowing profit margins. The global steel oversupply heightened price competition, leading to lower selling prices and adversely affecting profitability. Furthermore, rising costs of raw materials and energy, currency depreciation, and intensified competition further eroded margins, contributing to the decline in profits.

### c) Total Assets

The Group remained committed to strengthening working capital management and enhancing operational efficiency through strategic procurement initiatives, process optimisation, and stringent cost control measures.

During the financial year under review, inventories declined by 27.9%, from RM119.1 million in FYE 2023 to RM85.9 million in FYE 2024, demonstrating enhanced inventory turnover and more efficient, demand-oriented stock management.

Trade and other receivables decreased by 12.2%, from RM109.8 million in FYE 2023 to RM96.4 million in FYE 2024, reflecting stricter credit controls and proactive collection measures.

As a result of the Group's continued focus on financial prudence and operational efficiency, total assets declined by 3.7%, from RM583.7 million in FYE 2023 to RM562.3 million in FYE 2024.

### d) Cash Flow and Liquidity

The Group's cash and bank balances increased to RM29.3 million as of FYE 2024 from RM25.8 million as of FYE 2023, supported by strong operating cash flow, prudent financial management, and cost-saving measures. Consequently, total borrowings declined by 35.0% from RM100.3 million in FYE 2023 to RM65.2 million in FYE 2024, reflecting reduced financing needs due to optimised inventory levels and disciplined financial strategies.



The gearing ratio for FYE 2024 was further strengthened to 0.15 from 0.23 in FYE 2023, reflecting the Group's continued efforts in loan reduction and financial optimisation. The Group consistently upholds a prudent and well-managed gearing ratio, ensuring compliance with debt covenants imposed by the financial institutions while supporting operational and strategic growth needs.

### e) Dividend

The Company paid an aggregate of 1.5 sen cash dividends in respect of FYE 2024 on the following dates:

- i. 23 December 2024: 1.0 sen per share first single-tier interim dividend with a total payment of RM3.591 million.
- ii. 26 March 2025: 0.5 sen per share second single-tier interim dividend with a total payment of RM1.795 million.

Currently, the Company does not have a Dividend Policy in place. However, in recognition of the continuous support of shareholders, the Board of Directors ("Board") strives to adopt a consistent approach by providing reasonable returns to shareholders while also building reserves for expansion plans and meeting the Company's liquidity needs.

## MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

### OPERATIONS REVIEW

To enhance business performance and ensure sustainability, the Group actively explores new opportunities, participates in key infrastructure projects, and implements strategic operational changes. These initiatives aim to strengthen competitiveness and market positioning.

In addition, the Group prioritises product innovation and enhancement to capture emerging market opportunities. By leveraging advanced technology, optimising existing offerings, and developing tailored solutions, the Group drives growth and strengthens market presence. Strategic partnerships, research and development (R&D) initiatives, and digital transformation further support these objectives, ensuring industry leadership.

#### i) Driving Innovation in Racking and Shelving for Warehouse Automation

As warehouse automation continues to transform the logistics and supply chain industry, our Group remains at the forefront of innovation, ensuring our racking and shelving solutions evolve to meet the changing demands of modern warehousing. We are committed to developing next-generation storage solutions that enhance efficiency, maximise space utilisation, and improve overall operational productivity.

Recognising the need for adaptable and intelligent storage systems, we continuously refine our product offerings to integrate seamlessly with automated warehouse technologies. Our modular and customisable racking solutions are designed to support automation-driven operations, providing businesses with flexible and scalable storage configurations that align with their growth and evolving logistical needs.

One of our key advancements in this direction is the supply of a Racking System for Automated Storage and Retrieval System (ASRS). This fully automated inventory handling system enables high-bay warehouses and high-density racking structures to integrate with automated cranes and robotic systems.

With cutting-edge manufacturing capabilities and deep industry expertise, we engineer and manufacture high-quality racking systems utilising certified steel materials and superior craftsmanship. Our storage solutions adhere to stringent international safety and quality standards, ensuring long-term durability and reliability. As we continue to invest in technological advancements and refine our solutions, we remain committed to collaborating with businesses to streamline operations, overcome challenges, embrace automation, and unlock new levels of efficiency in modern warehousing.

#### ii) Customer Engagement

We place strong emphasis on customer collaboration to enhance value creation, improve productivity, and optimise cost efficiency. As part of our commitment to delivering superior service, we have focused on enhancing our transportation capabilities to meet customer needs better. During the financial year under review, the Group expanded its in-house transport fleet, enabling greater control over delivery operations. This initiative significantly improved logistics efficiency, ensuring faster, more reliable product deliveries while

reducing transportation costs. These enhancements have reinforced our ability to provide prompt and seamless service to our valued customers. To further enhance customer convenience, we have expanded our digital capabilities by introducing an online platform that enables customers to place orders, track deliveries in real time, and access support services anytime, anywhere. This ensures seamless accessibility, regardless of location, allowing the customers to interact with us promptly and free from geographical constraints.

#### iii) Capital and Information and Communication Technology ("ICT") Expenditure

In FYE 2024, the Group incurred a total capital expenditure ("CAPEX") of RM10.0 million, primarily allocated to the renewal, enhancement, and expansion of machinery, facilities, and logistics assets. Additionally, a portion of the expenditure was directed toward advancements in ICT, including hardware, software, and infrastructure enhancements, aimed at strengthening operational efficiency and digital capabilities. These targeted investments align with the Group's long-term strategy to enhance productivity, optimise production capacity, and support sustainable growth in an increasingly digitalised business environment.

The breakdown of the total CAPEX amounting to RM10.0 million for FYE 2024 is as follows:

- (a) RM2.0 million was allocated for the acquisition of new machinery and expansion of facilities, including a roll forming machine, auto packing machine, electrical control system, and other related equipment to improve operational and production capacity;
- (b) RM0.8 million was utilised for the replacement and renewal of obsolete machinery and related facilities, upgrading of a computerised system, factory, and office, as well as procurement of furniture, fittings, and office equipment; and
- (c) RM7.2 million was invested in vehicles, lorries, forklifts, and trucks to enhance in-house logistics capabilities and support rental operations.

During the financial year under review, RM1.005 million was allocated to ICT-related initiatives, including infrastructure upgrades and enhancements to hardware and software, to support technological advancements and improve operational efficiency.



## MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

### MANAGING KEY RISKS

As with any business entity, the Group is subject to a range of risks inherent to its operations. While comprehensive mitigation strategies have been implemented, certain business and operational risks remain outside the Group's direct control. The Group Risk Management Committee has identified several key risks that are pertinent to take note of:



#### A. Security and Operational Risks

##### Cybersecurity Risk

Cybersecurity risk encompasses the potential for financial loss, operational disruption, or reputational damage resulting from cyber threats, such as malware attacks, information technology ("IT") system failures, or data breaches.

Email communication remains a primary gateway for cyber threats, including computer viruses, hacking attempts, and phishing scams. Without robust safeguards against spyware or ransomware, critical data may be compromised if an employee inadvertently opens an email containing a malicious attachment such as a document, PDF, spreadsheet, or image. Such incidents can lead to significant financial losses, operational downtime, and the exposure of sensitive information. To mitigate these risks, the IT department has implemented comprehensive policies governing email usage and internet access based on job functions, responsibilities, and seniority levels. Additionally, advanced security measures, including firewalls, anti-spam filters, and antivirus software, have been deployed to strengthen the Group's IT infrastructure against cyber threats.

The Group remains committed to continuous investment in IT infrastructure enhancements to address evolving cybersecurity challenges. Furthermore, the IT department conducts regular cybersecurity awareness training to educate employees on emerging threats and best practices. Employees also receive timely updates on the latest cyber risks to strengthen their vigilance. Additionally, during the year, a Vulnerability Assessment and Penetration Test (VAPT) security testing on critical IT Infrastructure was conducted by a license Cyber Security Service Provider (CSSP) to strengthen and improve the Group's cybersecurity posture. As a result of these proactive measures, no cyber incidents were reported within the Group for FYE 2024.

##### Fire Risk

Fire hazards represent a significant risk at the Group level, as multiple subsidiaries may be susceptible to such incidents. To mitigate potential losses, the Group has taken up comprehensive insurance coverage. Moreover, the Group has established and executed various preventive action plans and protective measures to safeguard its facilities against fire hazards.

Key fire preventive measures include installing fire detection and suppression systems, conducting regular fire drills, ensuring clear emergency evacuation procedures, and training employees on fire safety protocols. The Group also enforces strict compliance with fire safety regulations, maintains proper storage of flammable materials, and ensures that electrical wiring inspections are conducted regularly to prevent fire-related incidents. Throughout FYE 2024, regular inspections and maintenance of fire-fighting equipment were carried out to ensure operational readiness and compliance with safety standards.

#### B. Financial Risk

##### Credit Risk

Credit risk primarily arises from trade receivables. To manage this risk effectively, each subsidiary has implemented a structured credit assessment framework to evaluate the creditworthiness of its customers. The Group has established comprehensive credit risk management policies that incorporate dynamic risk assessment methodologies and integrate feedback from the sales team to proactively identify, monitor, and mitigate potential credit risks.

Preventive measures include establishing appropriate credit limits for customers, requiring upfront deposits from higher-risk clients, and conducting regular credit evaluations. Additionally, an advanced computerised information system enables subsidiaries to access real-time aging reports, facilitating proactive monitoring of overdue payments.

The system also facilitates early intervention strategies, such as periodic reassessment and restructuring of payment terms. Collectively, these measures enhance the Group's ability to manage and mitigate credit risk effectively.

## MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)



### MANAGING KEY RISKS (cont'd)

#### Foreign Exchange (“Forex”) Risk

Forex risk arises from fluctuations in currency exchange rates, which can impact the Group’s financial performance, particularly in transactions involving foreign currencies. Volatility in exchange rates may lead to financial losses and disrupt cash flow management.

The Group maintains a structured currency risk management framework that is regularly updated in response to financial market insights. To mitigate exchange rate fluctuations, it employs hedging strategies, continuously monitors forex markets, and integrates risk assessments into financial planning to ensure informed decision-making and financial stability.

A detailed report on the Group’s risk management and internal control framework is presented in another section of this Annual Report.

#### Environmental, Social and Governance (“ESG”) Risk

Throughout the year, no material ESG risks were identified that could significantly impact the Company’s operations or financial performance. The Company remains committed to responsible and sustainable business practices, with all ESG-related matters comprehensively addressed in the Sustainability Report, which forms part of the Annual Report.

### OUTLOOK

In 2024, Malaysia’s steel industry experienced moderate growth driven by infrastructure projects and a recovering construction sector. However, profitability remained constrained due to rising raw material costs, global oversupply, and intensified competition. Additionally, macroeconomic uncertainties, currency fluctuations, and evolving trade policies continued to pose significant challenges to the industry. For 2025, the Group anticipates several key challenges, such as exchange rate volatility, geopolitical influences on raw material costs, and potential supply chain disruptions. The introduction of U.S. tariffs on steel imports in March 2025 is likely to alter global trade dynamics and impact cost structures. Furthermore, increasing competition necessitates greater operational efficiency to sustain market share and financial stability.

In response to the abovementioned challenges, the Board is committed to adopting a prudent and strategic approaches to managing the complex business landscape. The primary focus will be on enhancing operational efficiency through cost optimisation, process improvements, and strengthening internal capabilities to improve financial resilience. Concurrently, sourcing strategies will be refined to balance a broader range of supply options while addressing the challenges posed by increased import costs that could affect business margins. Lastly, the Group will actively drive product innovation, leveraging technological advancements to meet evolving customer needs and support long-term sustainability. Despite prevailing market uncertainties, the Group remains confident in its ability to adapt and thrive through strategic initiatives focused on efficiency, resilience, and sustainable growth.



## SUSTAINABILITY STATEMENT

### INTRODUCTION

Prestar Resources Berhad (“Prestar” or “the Company”) is an investment holding Company with a rich history dating back to 1984. The Company, and its subsidiaries (“the Group”), have successfully expanded its presence across various sectors within the steel industry. The Group is involved in the manufacturing and distributing a wide range of steel products, including steel pipes, material handling equipment, storage racking systems, slitted steel coils, highway guardrails, road accessories, and other steel-related items.

The Group is committed to achieving sustainable business operations by integrating industry best practices with corporate social responsibility (“CSR”), focusing on environmental conservation and societal well-being. This commitment is reflected in our sustainability efforts for the financial year end 31 December 2024 (“FYE2024”), which will be detailed in this Sustainability Statement.



### Reporting Standards

This Sustainability Statement has been prepared in accordance with the sustainability guidelines, standards and frameworks as follows:

- Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”);
- Sustainability Reporting Guide, 3<sup>rd</sup> Edition (“SRG”) issued by Bursa Malaysia Securities;
- Global Reporting Initiative (“GRI”) 2021; and
- Malaysian Code on Corporate Governance, updated in April 2021 (“MCCG 2021”).

### Reporting Scope

This Sustainability Statement covers the Group’s sustainability activities and performance based in Malaysia for the financial period from 1 January 2024 to 31 December 2024. It focuses on Malaysian subsidiaries, contributing the most to the Group’s revenue.

The core business of the subsidiaries is described as follows:

Prestar Precision Tube Sdn Bhd	Manufacture and supply of commercial and precision steel pipes and tubes
Prestar Storage System Sdn Bhd	Manufacture, installation of all kinds of structural steel works, storage and shelving systems, and exporting of material handling equipment such as wheelbarrows, hand trucks, pallet meshes and boltless shelving, etc.
Prestar Engineering Sdn Bhd	Manufacturing, supply and install of guardrails and related products
Prestar Marketing Sdn Bhd	Importing and distributing of general hardware, tools and material handling equipment as well as a local forklifts dealer for rental and sales
Prestar Galvanising Sdn Bhd	General hot-dip galvanising of metal products and threaded items
Dai Dong Steel Sdn Bhd	Importing and trading of steel materials and general hardware products

## SUSTAINABILITY STATEMENT (cont'd)

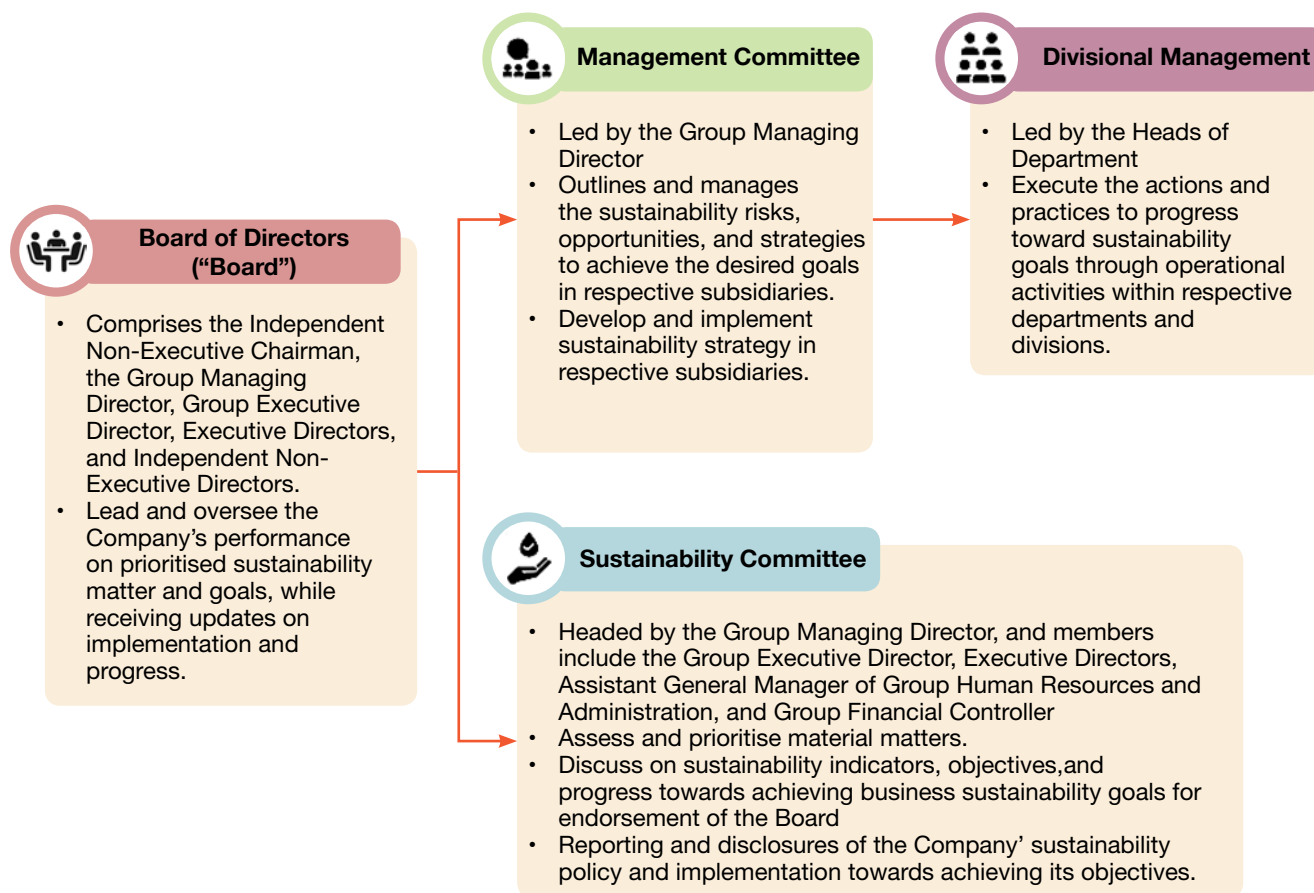
### Feedback

We welcome your feedback on this Statement and any related matters. Please send your comments, questions, or suggestions to [info@prestar.com.my](mailto:info@prestar.com.my).

### Sustainability Governance

Our dedicated leaders who oversee the Group's sustainability performance ensure that sustainability best practices are integrated into our daily operations. This is achieved by aligning goals and efforts with clear communication and reporting at every level of management, ensuring we achieve our goal of significant sustainability performance.

The structure below outlines the functions and responsibilities at each level:



During FYE2024, the Executive Directors met regularly to address critical sustainability-related topics, including revenue performance, risk management processes, anti-bribery and anti-corruption measures, procurement, and health and safety matters.

Simultaneously, the Sustainability Committee held meetings to discuss various matters to better support the Board in sustainability-related topics. The discussions covered the adoption of Materiality Matters, the Greenhouse Gases Assessment Procedure, awareness training, reporting mechanisms, and the designation of a responsible person for the assurance statement.

At the subsidiary level, the Management Committee held periodic "Kaizen Meetings" to address subsidiary-specific activities. A total of fifty-two (52) Kaizen Meetings were held throughout FYE2024, focusing on sustainability performance, corrective actions, and action plans. These meetings were supported by Operation Managers, Assistant General Manager Manufacturing, Executive Directors and Group Executive Director, ensuring alignment with corporate objectives and continuous improvement initiatives.

Divisional Management meetings were conducted on an ad hoc basis within each department to discuss action plans and performance.

## SUSTAINABILITY STATEMENT (cont'd)

### Sustainability Governance (cont'd)

In FYE2024, the Sustainability Committee convened two (2) times to prioritise sustainability material matters. The Committee reports to the Board for approval on the relevance of these prioritised matters.

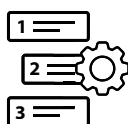
### Sustainability Policy and Focus Area

Our Sustainability Policy, which has been in place since September 2018, communicates our commitment to strong sustainability practices to all stakeholders. The following chart illustrates our focus and approach to key sustainability areas.

### Sustainability Focus



## Operational Strategy



### Measurable Objectives and Reporting

The Senior Management team discusses with the Executive Directors, on an annual basis, the measurable objectives and progress towards achieving business sustainability for subsequent endorsement by the Board

## SUSTAINABILITY STATEMENT (cont'd)

### Sustainability Governance (cont'd)

#### Policies for Good Governance

Prestar blends traditional ethical principles with modern business strategies. To ensure all stakeholders uphold our commitment to ethical conduct, integrity, and moral behaviour, we have established group-wide policies. Key governance policies are highlighted below:



Anti-Bribery and Anti-Corruption Policy



Whistleblowing Policy



Conflict of Interest Policy



Directors' Fit and Proper Policy



Code of Conduct and Ethics for Directors



Gender Diversity Policy



Remuneration Policy

### Stakeholder Management

At Prestar, we actively engage with our stakeholders, recognising their input as essential to our sustainable business operations. We value their perspectives and incorporate them into our business strategies, as detailed below:

Key Stakeholders	Areas of Interest	Channels of Engagement	Frequency of Engagement	Our Response
Shareholders and Investors	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Return on investment</li> <li>Corporate governance</li> <li>Sustainability management</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Extraordinary general meetings</li> <li>Corporate announcements – e.g., Quarterly results</li> <li>Media releases</li> <li>Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Periodically</li> <li>Yearly</li> </ul>	<ul style="list-style-type: none"> <li>Emphasis on integrity of corporate governance through Anti-Bribery and Anti-Corruption Policy</li> <li>Monitoring of sustainability performance and targets</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Good product quality</li> <li>Timely delivery</li> </ul>	<ul style="list-style-type: none"> <li>Daily engagements</li> <li>Site visits</li> <li>Briefings</li> <li>Advertisement and media releases</li> <li>Surveys</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> </ul>	<ul style="list-style-type: none"> <li>Deliver orders in a timely manner by managing the production and supply of products using JERP software</li> <li>Adherence to quality standard ISO 9001:2015 Quality Management System</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Anti-Bribery and Anti-Corruption awareness</li> <li>Sustainable and fair procurement practices</li> </ul>	<ul style="list-style-type: none"> <li>Regular briefings</li> <li>Visits</li> <li>Supplier evaluation and registration</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> </ul>	<ul style="list-style-type: none"> <li>Emphasis on Anti-Bribery and Anti-Corruption Policy</li> <li>Ensure due diligence assessment and fulfilment of supplier assessment criteria</li> </ul>

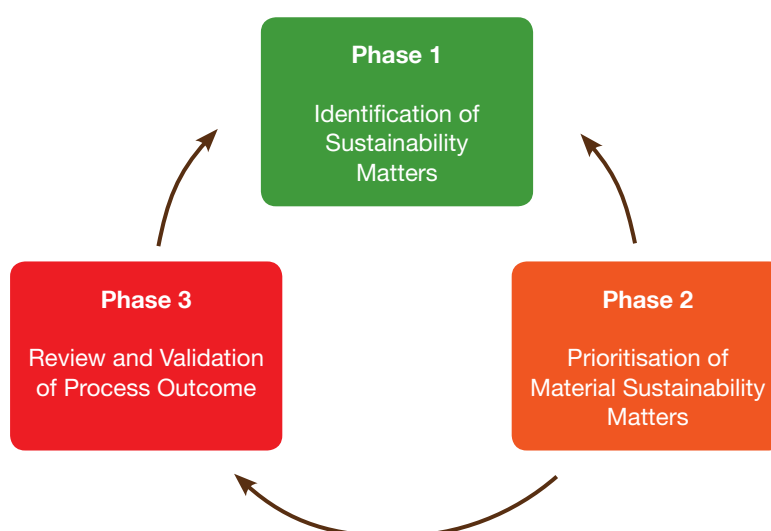
## SUSTAINABILITY STATEMENT (cont'd)

### Stakeholder Management (cont'd)

Key Stakeholders	Areas of Interest	Channels of Engagement	Frequency of Engagement	Our Response
Local authorities, Municipalities, Regulators and Government Ministries	<ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>Corporate governance</li> <li>Standards and certifications</li> </ul>	<ul style="list-style-type: none"> <li>Compliance efforts</li> <li>Regular visits</li> <li>Events</li> <li>Media releases</li> </ul>	<ul style="list-style-type: none"> <li>Periodically</li> </ul>	<ul style="list-style-type: none"> <li>Adherence to governmental laws, regulations and standards</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Work-life balance</li> <li>Safe work environment</li> <li>Career advancement and personal development</li> </ul>	<ul style="list-style-type: none"> <li>Performance evaluations</li> <li>Training and development</li> <li>Meetings and briefings</li> <li>Compensation and benefits</li> <li>Corporate and community activities</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> </ul>	<ul style="list-style-type: none"> <li>Flexible work practice</li> <li>Compliance with the Occupational Safety and Health Act 1994 through an established safety and health management system</li> <li>Provision of educational training that helps in the development of skill, knowledge, and career advancement</li> </ul>

### Sustainability Material Matters

Economic, environmental, and social material issues are pivotal to our stakeholder value creation. We prioritise these issues by evaluating their relevance, aligning them with our business strategy, and addressing stakeholder expectations. In accordance with Bursa Malaysia Securities' SRG standards, we identify and prioritise sustainability issues based on stakeholder interests and comprehensive risk assessments. Regular reviews are conducted to ensure these issues are addressed through effective action plans.

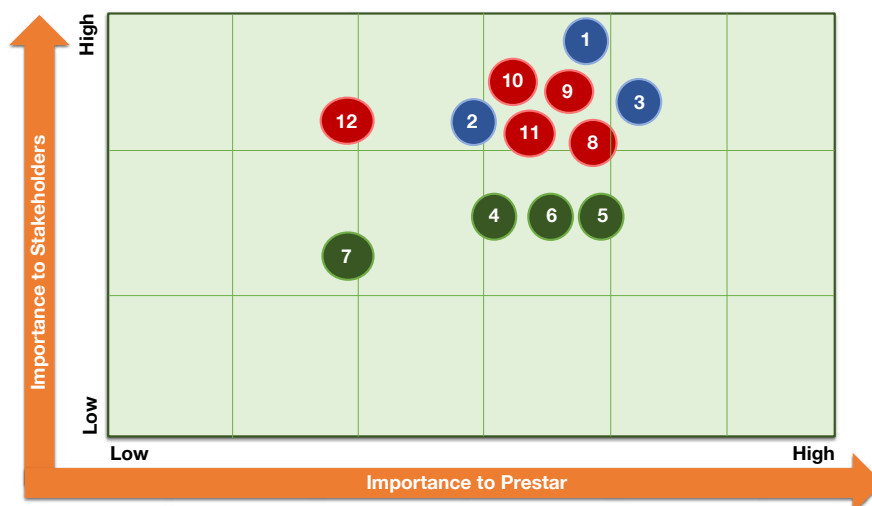




## SUSTAINABILITY STATEMENT (cont'd)

### Sustainability Material Matters (cont'd)

These steps streamline the Group's approach to managing environmental compliance and improve its ability to track and monitor progress.



Economic

Environmental

Social

1. Anti-Bribery and Anti-Corruption
2. Whistleblowing
3. Supply Chain Management

4. Energy Management
5. Emission
6. Waste Management
7. Water Management

8. Health and Safety
9. Labour Practices and Standards
10. Data Privacy and Security
11. Diversity and Equal Opportunities
12. Community Engagement

### Sustainability Highlights for FYE2024

# Zero



Bribery and Corruption Cases in FYE2024



Received ISO 9001:2015 Quality Management System Accreditation for 5 subsidiaries



# 4,209,455 kW/h

Generated from solar panel system

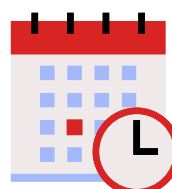
# 11%

Reduced water consumption



# RM 42,760

Contributed through community engagement activities



# 9.81

Average training hours per employee

## SUSTAINABILITY STATEMENT (cont'd)

### Risk, Opportunity and Management Action Plans

Through our materiality assessment, we have identified significant sustainability risks and opportunities for our business and stakeholders, allowing us to develop proactive strategies to address them.

Below is a summary of the opportunities and risks associated with our material topics, along with our plans to address them.

Material Topics	Risks	Opportunities	Impact on the Key Stakeholders	Management Action Plan
Anti-Bribery and Anti-Corruption	<ul style="list-style-type: none"> <li>Corruption risk</li> </ul>	<ul style="list-style-type: none"> <li>Enhance corporate governance practices</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Customers</li> <li>Employees</li> <li>Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Implement effective corporate governance practices in business operations</li> <li>Awareness communication on anti-bribery and anti-corruption to stakeholders</li> </ul>
Whistleblowing	<ul style="list-style-type: none"> <li>Reputational risk</li> </ul>	<ul style="list-style-type: none"> <li>Increase corporate governance compliance</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Customers</li> <li>Employees</li> <li>Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Communication on the Company's ethics to stakeholders</li> <li>Carry out corruption risk assessment</li> <li>Whistleblowing Policy in place to encourage and protect whistleblower</li> <li>Provide a dedicated independent channel for whistleblowers</li> </ul>
Supply Chain Management	<ul style="list-style-type: none"> <li>Inconsistent performance of suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Diversify the network of suppliers both locally and internationally</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers</li> <li>Customers</li> </ul>	<ul style="list-style-type: none"> <li>Enhance suppliers selection criteria and assessment</li> <li>Source for alternative suppliers to ensure stable supply with competitive pricing</li> <li>Ensure quality and prompt delivery through clear communication of expectation</li> </ul>
Energy Management	<ul style="list-style-type: none"> <li>Environmental risk</li> </ul>	<ul style="list-style-type: none"> <li>Reliance on renewable energy sources and contribution to reduction in carbon emission</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Customers</li> <li>Suppliers</li> <li>Employees</li> <li>Local authorities, Municipalities, Regulators, and Government Ministries</li> </ul>	<ul style="list-style-type: none"> <li>Use of solar energy for cost reduction</li> </ul>
Emission	<ul style="list-style-type: none"> <li>Safety, health and environmental risks</li> <li>Non-compliance with environmental laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Keep emissions below allowable limits</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Customers</li> <li>Suppliers</li> <li>Employees</li> <li>Local authorities, Municipalities, Regulators and Government Ministries</li> </ul>	<ul style="list-style-type: none"> <li>Engagement of a licensed third party to test emission level</li> <li>Deploy appropriate tools and equipment to filter and/or purify air</li> </ul>

## SUSTAINABILITY STATEMENT (cont'd)

### Risk, Opportunities and Management Action Plans (cont'd)

Material Topics	Risks	Opportunities	Impact on the Key Stakeholders	Management Action Plan
Waste Management	<ul style="list-style-type: none"> <li>Safety, health and environmental risks</li> <li>Non-compliance with environmental laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Increased operational efficiency due to reduced cost</li> <li>Engaged in recycling efforts for cost reduction and green initiative</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Customers</li> <li>Suppliers</li> <li>Employees</li> <li>Local authorities, Municipalities, Regulators, and Government Ministries</li> </ul>	<ul style="list-style-type: none"> <li>Engage in recycling efforts</li> <li>Continue statutory practices in managing waste</li> </ul>
Water Management	<ul style="list-style-type: none"> <li>Environmental risk</li> </ul>	<ul style="list-style-type: none"> <li>Cost saving benefits</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Customers</li> <li>Suppliers</li> <li>Employees</li> <li>Local authorities, Municipalities, Regulators, and Government Ministries</li> </ul>	<ul style="list-style-type: none"> <li>Create water conservation awareness within the Group</li> <li>Implement water management plans to reclaim, treat, recycle, and reuse processed water</li> </ul>
Health and Safety	<ul style="list-style-type: none"> <li>Safety and health risks</li> <li>Non-compliance to Occupational Safety and Health laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Reduce Lost Time Injury ("LTI")</li> <li>Safe workplace</li> <li>Enhance productivity</li> </ul>	<ul style="list-style-type: none"> <li>Employees</li> <li>Local authorities, Municipalities, Regulators and Government Ministries</li> <li>Suppliers</li> <li>Customers</li> </ul>	<ul style="list-style-type: none"> <li>Create health and safety awareness for employees</li> <li>Regular safety and health checks at work sites</li> <li>Take effective corrective actions to minimise safety and health risks</li> </ul>
Labour Practices and Standards	<ul style="list-style-type: none"> <li>Non-compliance with labour laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Positive workplace and organisational culture</li> </ul>	<ul style="list-style-type: none"> <li>Employees</li> <li>Local authorities, Municipalities, Regulators, and Government Ministries</li> </ul>	<ul style="list-style-type: none"> <li>Organise employee engagement activities</li> </ul>
Data Privacy and Security	<ul style="list-style-type: none"> <li>Cybersecurity risk</li> <li>Leaking of private information</li> </ul>	<ul style="list-style-type: none"> <li>Improved cyber and confidential data safety</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Employees</li> <li>Customers</li> <li>Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen information technology ("IT") security measures</li> <li>Cybersecurity awareness for employees</li> </ul>
Diversity and Equal Opportunities	<ul style="list-style-type: none"> <li>Lack of talented employees</li> <li>Employee retention</li> </ul>	<ul style="list-style-type: none"> <li>Contribution to branding and innovation through various ideas, skills, and knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Employees</li> </ul>	<ul style="list-style-type: none"> <li>Non-discriminative hiring practices</li> <li>Enhance succession planning and remuneration practices</li> </ul>
Community Engagement	<ul style="list-style-type: none"> <li>Non-compliance to laws and regulations</li> <li>Reputational risk</li> </ul>	<ul style="list-style-type: none"> <li>Build a reputation as a sustainable industrial leader</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> </ul>	<ul style="list-style-type: none"> <li>Community engagement and well-being activities with the local community</li> </ul>

## SUSTAINABILITY STATEMENT (cont'd)

### 1.0 ECONOMIC

Environmental, Social and Governance ("ESG") Areas	Sustainability Target	FYE2024 Performance
Anti-Bribery and Anti-Corruption	<ul style="list-style-type: none"> <li>100% of newly recruited employees received anti-bribery and anti-corruption training</li> <li>100% of operations assessed for corruption-related risk</li> <li>Zero incident corruption</li> </ul>	<ul style="list-style-type: none"> <li>100% of newly recruited employees received anti-bribery and anti-corruption training</li> <li>100% of operations assessed for corruption-related risk</li> <li>Zero incident corruption</li> </ul>
Whistleblowing	<ul style="list-style-type: none"> <li>Zero whistleblowing case</li> </ul>	<ul style="list-style-type: none"> <li>Zero whistleblowing case</li> </ul>
Supply Chain Management	<ul style="list-style-type: none"> <li>43% local supplier spending</li> </ul>	<ul style="list-style-type: none"> <li>39% local supplier spending</li> </ul>

At Prestar, we are committed to generating financial value while driving economic growth. By building a strong economic presence, we not only shape a prosperous future for our Group but also empower the communities we serve.

### 1.1 ANTI-BRIBERY AND ANTI-CORRUPTION

Prestar is committed to ethical and moral standards, prioritising our ethical reputation. We maintain a zero-tolerance policy for bribery and corruption. We are pleased to report zero incidents of bribery and corruption from the financial year ended 31 December 2022 ("FYE2022") to FYE2024.

The following are the measures implemented to prevent bribery and corruption:



#### Implementation of Anti-Bribery and Anti-Corruption Policy

- Established on 1 June 2020



#### Declaration of Conflict of Interest

- To be declared by new Directors and employees
- Renewal of declaration once every two (2) years
- Last declaration was made in April 2024
- Conflict of interest declaration to be signed by new suppliers
- Due diligence assessment is conducted for new suppliers



#### Trainings, Briefings and Reminders

- New employees are given training on anti-bribery and anti-corruption during induction program
- Reminder emails on anti-bribery and anti-corruption are sent to employees periodically
- Reminder on Anti-Bribery and Anti-Corruption Policy and its availability in the Group's website is indicated on purchase order



#### Code of Conduct and Ethics for Directors and Employee Handbook

- Guidelines for Directors to uphold ethics at all times
- Principles of the Code of Conduct and Ethics are infused in the Employee Handbook for best business ethics
- Conflict of interest clause has been included in the Board Charter and Code of Ethics and Conduct of Work for Directors and employees

The Conflict of Interest Policy was adopted by the Board on 29 May 2024. The Conflict of Interest Policy is available on our corporate website at [www.prestar.com.my](http://www.prestar.com.my).

## SUSTAINABILITY STATEMENT (cont'd)

### 1.1 ANTI-BRIBERY AND ANTI-CORRUPTION (cont'd)

The following shows the percentage of employees who received anti-bribery and anti-corruption training for FYE2022, the financial year ended 31 December 2023 ("FYE2023") and FYE2024:

Employee Category	FYE2022	FYE2023	FYE2024
Management	5%	3%	13%
Executive	14%	28%	20%
Non-Executive	13%	8%	8%

\* The statistic reflects newcomers who received anti-bribery and anti-corruption trainings during onboarding introduction, it basically means all the newcomers (replacement and new recruit) were provided with the training.

Given that production shop floor non-executive employees do not interact with external parties, anti-bribery and anti-corruption training was deemed role-specific to administrative non-executive employees.

The Anti-Bribery and Anti-Corruption Policy is available on our corporate website at [www.prestar.com.my](http://www.prestar.com.my).

We are committed to maintaining our record of zero bribery and corruption cases in the upcoming reporting period.

### 1.2 WHISTLEBLOWING

We are dedicated to instilling the values of integrity, honesty, and discipline in our employees. Every member of the Group is encouraged to report any unethical behaviour, including bribery, corruption, fraudulent behaviour, financial misappropriation, or any other actions that could harm the Group's reputation. The Group ensures protection for all whistleblowers in compliance with the Whistleblower Protection Act 2010.

We are committed to safeguarding the confidentiality of both the reported issue and the whistleblower's identity to the greatest extent possible in accordance with legal requirements and practical considerations.

Any parties with concerns can disclose them through the following channels:



Email:  
Audit Committee Chairman  
[whistleblow@prestar.com.my](mailto:whistleblow@prestar.com.my)



Post:  
Audit Committee Chairman of Prestar Resources Berhad  
c/o Securities Services (Holdings) Sdn. Bhd.  
Level 7, Menara Milenium, Jalan Damanlela,  
Pusat Bandar Damansara, Damansara Heights,  
50490 Kuala Lumpur, Malaysia

The Whistleblowing Policy and Guidelines is available on our corporate website at [www.prestar.com.my](http://www.prestar.com.my).

The Group did not receive any whistleblowing complaints from FYE2022 to FYE2024.

### 1.3 SUPPLY CHAIN MANAGEMENT

At Prestar, our supply chain management encompasses every step, from sourcing raw materials to delivering finished products and services to our customers. We are dedicated to optimising each stage of the process to ensure efficient product delivery, cost-effective procurement practices, and guaranteed customer satisfaction. These efforts are integral to our business growth and demonstrate our unwavering commitment to excellence in supply chain management.



## SUSTAINABILITY STATEMENT (cont'd)

### 1.3 SUPPLY CHAIN MANAGEMENT (cont'd)

#### Procurement and Supplier Management

At Prestar, all new suppliers undergo an evaluation based on the following criteria:

- Competency
- Capacity
- Performance Consistency
- Quality
- Cost
- Communication
- Internal Processes

For continuous improvement, we annually assess Approved List suppliers and contractors on product quality, technical support, payment terms, and delivery performance. While we favour Malaysian sourcing for economic support, our main focus is stakeholder value through efficient operations. We balance cost, quality, and availability to enhance efficiency and maximise value.

The total number of suppliers and the purchase amounts recorded for FYE2022 to FYE2024 were as follows:

	FYE2022		FYE2023		FYE2024	
	No. of Suppliers	Proportion of Spending	No. of Suppliers	Proportion of Spending	No. of Suppliers	Proportion of Spending
Local	255	38%	283	41%	281	39%
Overseas	62	62%	68	59%	76	61%
<b>Total</b>	<b>317</b>	<b>100%</b>	<b>351</b>	<b>100%</b>	<b>357</b>	<b>100%</b>

We are committed to supporting the local economy by sourcing materials locally whenever feasible. Local procurement aligns with our values and is often more cost-efficient. However, in FYE2024, local purchases were 22% lower compared to overseas procurement. This decline in local purchases compared to the imports was primarily due to availability of different types of material against customers' demand.

Our strong supplier relationships, with an average tenure of 21 to 31 years, demonstrate our effective supplier relationship management, built on mutual trust and continued support.

#### Inventory Management

The Group invested in a cloud-based Enterprise Resource Planning (ERP) platform, the 'JERP System', to enhance decision-making in production, ensure accurate inventory management, and improve efficiency in managing customer deliveries based on inventory levels and production rates.

#### Logistics and Transportation

Efficient logistics and transport management are key to reducing carbon emissions by minimising fuel consumption and resource use. Through optimised operations, we lower energy consumption and mitigate the environmental impact associated with transportation.

To ensure strict adherence to fleet plans, the Group's vehicles are monitored in real-time by the Indoor Sales Head using a GPS tracking system. This technology enhances route efficiency, ensures timely deliveries, and upholds safety standards. Additionally, to further optimise our logistics network, we have outsourced part of our transportation operations to third-party providers, allowing for greater flexibility and cost efficiency.

#### Product and Service Quality

Delivering exceptional products and services is fundamental to our customer value proposition. We are pleased to report that five (5) of our subsidiaries achieved ISO 9001:2015 certification in FYE2024, reinforcing our unwavering commitment to quality standards and customer satisfaction.

## SUSTAINABILITY STATEMENT (cont'd)

### 1.3 SUPPLY CHAIN MANAGEMENT (cont'd)

#### Product and Service Quality (cont'd)

ISO 9001:2015 Quality Management System Accreditation		
01		<b>Prestar Precision Tube Sdn Bhd</b> <ul style="list-style-type: none"> <li>• Manufacturing of carbon steel and other alloy pipes and tubes</li> <li>• Trading of stainless steel, carbon steel and other alloy products</li> <li>• Manufacture of ERW carbon steel tubes</li> </ul>
02		<b>Dai Dong Steel Sdn Bhd</b> <ul style="list-style-type: none"> <li>• Trading of stainless steel, carbon steel and alloy related products</li> </ul>
03		<b>Prestar Galvanising Sdn Bhd</b> <ul style="list-style-type: none"> <li>• Provision of hot-dip galvanising services</li> </ul>
04		<b>Prestar Engineering Sdn Bhd</b> <ul style="list-style-type: none"> <li>• Manufacture of highway guardrails and accessories</li> </ul>
05		<b>Prestar Storage System Sdn Bhd</b> <ul style="list-style-type: none"> <li>• Design and manufacture of MYSTAR pallet racking storage system</li> </ul>



Through the 'Kaizen' approach, we engage all departments to achieve continuous improvement. This optimises resource use, improves product and service quality, and reduces costs, aligning with our sustainability goals.

Our 24 to 28 year of average customer relationships demonstrate our commitment to excellent products and services.

## 2.0 ENVIRONMENTAL

ESG Areas	Sustainability Target	FYE2024 Performance
Energy Management	• Total energy consumption of 8,000,000 kWh	• Total energy consumption of 9,391,056 kWh
Emission	• Maintain compliance with the Emission Standard	• Maintain compliance with the Emission Standard
Waste Management	• Waste directed to disposal of 1,100 metric tonnes	• Waste directed to disposal of 692.94 metric tonnes • Waste diverted from disposal of 220.49 metric tonnes
Water Management	• Total volume of water use of 58,000 m <sup>3</sup>	• Total volume of water use of 55,879 m <sup>3</sup>

Minimising our environmental impact is a core value at Prestar. We implement strategic initiatives to reduce carbon emissions, minimise waste, and optimise resource utilisation, promoting sustainable practices that support long-term growth.

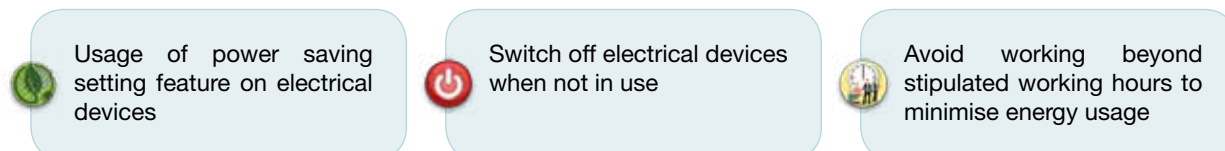
Our proactive environmental management approach protects the natural environment and enhances community well-being. Guided by this philosophy, we strive to achieve a balanced approach that fosters business success while safeguarding our planet for future generations.

## SUSTAINABILITY STATEMENT (cont'd)

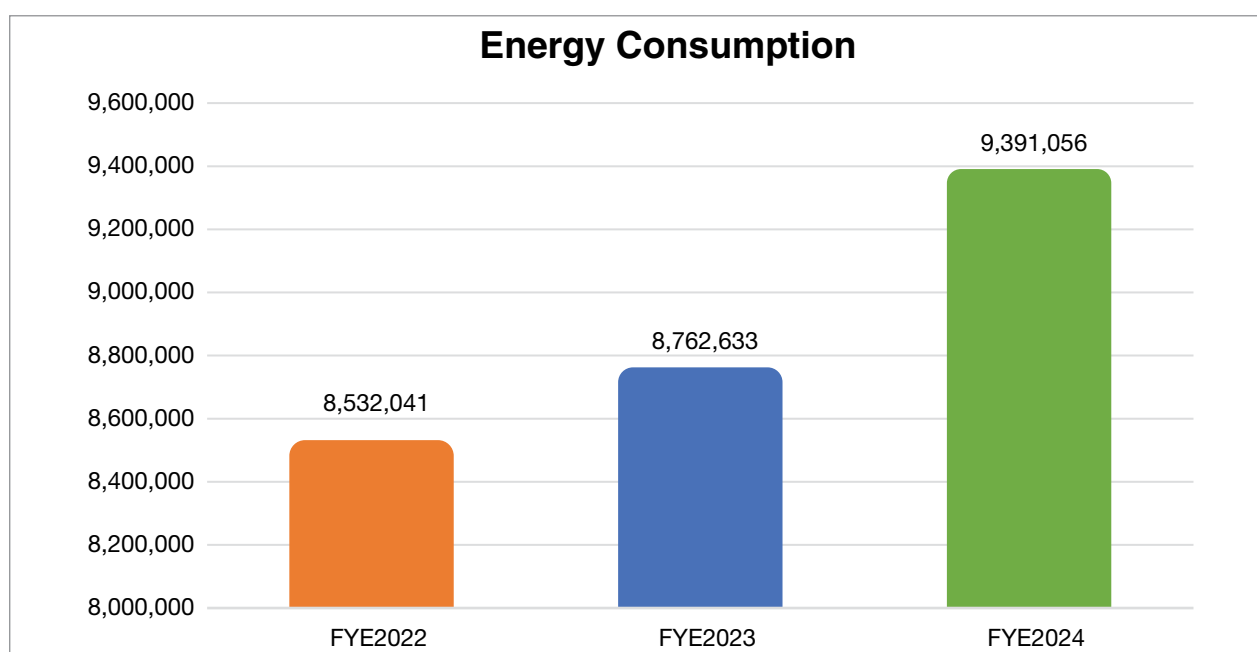
### 2.1 ENERGY MANAGEMENT

The Group acknowledges that electricity consumption is a major contributor to our overall energy emissions. In response, we are committed to implementing a range of energy-saving initiatives across our operations. As part of this commitment, we have installed solar panel systems at three (3) of our production facilities, marking a significant advancement in our efforts to reduce energy consumption.

Additionally, we have undertaken several other initiatives to decrease our overall electricity usage, as further outlined below:



The following chart shows the year-on-year energy consumption for the Group:



The energy consumption for FYE2024 reached 9,391,056 kWh, marking a 7% increase compared to FYE2023. This rise is mainly due to higher production volumes across the Group, reflecting increased operational activity. While this growth in output is positive from a business perspective, we remain committed to improving energy efficiency and sustainability. To ensure optimal performance, we carry out regular maintenance, including thorough cleaning to enhance efficiency and energy output.

The reported figure for this year differs slightly from the previous year's annual report as we were in the process of collecting data on the energy generated and consumption of our newest solar panels. As of this year, the Group has completed the data collection and is prepared to report its findings.

#### Total Energy Consumption

Detail	FYE2022	FYE2023	FYE2024
Total energy consumption (kWh)	8,532,041	8,762,633	9,391,056
Electrical consumption (kWh)	6,500,439	5,658,643	6,268,864
Solar energy consumption (kWh)	2,031,602	3,103,990	3,122,192
Energy intensity (energy/kg)	0.0402	0.0384	0.0408

The Group invested resources to establish sustainable electricity sources that not only help conserve the environment but also contribute to cost reductions in energy consumption.

## SUSTAINABILITY STATEMENT (cont'd)

### 2.1 ENERGY MANAGEMENT (cont'd)

#### Total Energy Consumption (cont'd)

The table below provides a summary of the energy usage and cost savings generated by the solar panel systems installed at the three (3) production facilities owned by the Group:

Detail	FYE2022	FYE2023	FYE2024
Solar Energy Generated <b>(c=a+b)</b>	2,788,644 kWh	4,257,132 kWh	4,209,455 kWh
Energy Export to Tenaga Nasional Berhad ("TNB") <b>(a)</b>	757,042 kWh	1,153,142 kWh	1,087,263 kWh
Solar Energy Consumption <b>(b)</b>	2,031,602 kWh (73% usage)	3,103,990 kWh (73% usage)	3,122,192 kWh (74% usage)

Detail	FYE2022	FYE2023	FYE2024
Saving from Own Consumption of Solar-Generated Energy	RM805,343	RM1,551,481	RM1,526,213
Saving from Export Energy to TNB	RM264,759	RM389,028	RM364,440
Total Saving	RM1,070,102	RM1,940,510	RM1,890,653

In FYE2024, the Group generated 4,209,455 kWh of renewable energy through solar panels installed at our three (3) Rawang Industrial Estate facilities. Of this, 1,087,263 kWh was exported to TNB, resulting in savings of RM364,440, while 3,122,192 kWh was consumed internally, saving RM1,526,213. The Production Department was the highest energy consumer during the year, with 74% of its energy consumption sourced from the solar energy generated, while the remaining energy produced was sold to the grid. This reflects the Group's ongoing commitment to integrating renewable energy into its operations and reducing reliance on non-renewable sources.

Overall, the Group achieved total energy cost savings of RM1,890,653, accounting for 34% of total energy expenses. However, this represents a 3% decrease from FYE2023, primarily due to an increase in energy consumption throughout the Group in FYE2024.

The total area covered by the Group's solar panel system was 16,397.93m<sup>2</sup>, with an energy utilisation rate of 74%. The following table outlines the amount of carbon dioxide reduced through the Group's use of the solar panel system:

FYE2022	FYE2023	FYE2024
2,808,026 (kg)	4,244,360 (kg)	4,196,827 (kg)

Source: iSolarCloud portal (portal for tracking efficiency of solar panel system)

### 2.2 EMISSION

#### Emission

We maintain air quality for community well-being and regulatory compliance. Our production emissions are particulate matter, metals, and gaseous substances. The table shows the Group's average emissions.

## SUSTAINABILITY STATEMENT (cont'd)

### 2.2 EMISSION (cont'd)

#### Emission (cont'd)

Emission	Average Emission for FYE2022	Average Emission for FYE2023	Average Emission for FYE2024	Environmental Quality (Clean Air) Regulations 2014 Emission Standard	Status of Compliance
Total Particulate Matter (Liquid) (mg/m <sup>3</sup> )	1.19	2.81	12.44	50	Complied
Total Particulate Matter (Solid) (mg/m <sup>3</sup> )	3.22	4.12	Not Available	150	Complied
SO <sub>2</sub> (mg/m <sup>3</sup> )	2.00	5.00	17.12	100	Complied
Chlorine (mg/m <sup>3</sup> )	0.03	0.02	0.17	32	Complied
HCl (mg/m <sup>3</sup> )	0.04	0.04	0.23	200	Complied
NO <sub>2</sub> (mg/m <sup>3</sup> )	30.88	24.93	26.34	700	Complied
Nitrogen Oxide (mg/m <sup>3</sup> )	12.89	15.31	Not Available	500	Complied
Carbon Monoxide (mg/m <sup>3</sup> )	60.59	30.91	26.61	Not Applicable	Not Applicable

The Group's average emissions for FYE2024 remained stable and well within the permissible limits of the Environmental Quality (Clean Air) Regulations 2014. Licensed third parties, Compliance Testing Resources and Provac Engineering Sdn Bhd, conducted sampling at three (3) of our subsidiaries - Prestar Galvanising Sdn Bhd, Prestar Precision Tube Sdn Bhd, and Prestar Storage System Sdn Bhd.

These subsidiaries, equipped with scrubber systems, filter bag dust collectors, oil burners, steam boilers, and ovens, undergo quarterly and annual testing as required, ensuring compliance with environmental standards.

The Group has also invested in newer, lower-emission vehicles for logistics, further reducing its carbon footprint. Additionally, investments in air pollution control systems, such as dust collector fans, contribute to a cleaner environment.

#### Total Emissions Generated

Type of Emission	Elements Involved	FYE2024
<b>Scope 1 Emissions (tCO<sub>2</sub>e)</b>	<ul style="list-style-type: none"> <li>Natural gas</li> <li>Petrol</li> <li>Diesel</li> <li>Direct discharge of carbon dioxide from the refrigerant</li> </ul>	2,006.16
<b>Scope 2 Emissions (tCO<sub>2</sub>e)</b>	<ul style="list-style-type: none"> <li>Amount of emissions reduced through solar</li> <li>Emissions from the electricity consumption</li> </ul>	4,751.80

In FYE2024, we began monitoring and reporting our total emissions as part of our commitment to sustainability. Since this is our first year tracking this indicator, there is no comparative data for FYE2022 and FYE2023. Moving forward, we will continue to refine our emissions management strategies to drive improvements in our environmental performance.



## SUSTAINABILITY STATEMENT (cont'd)

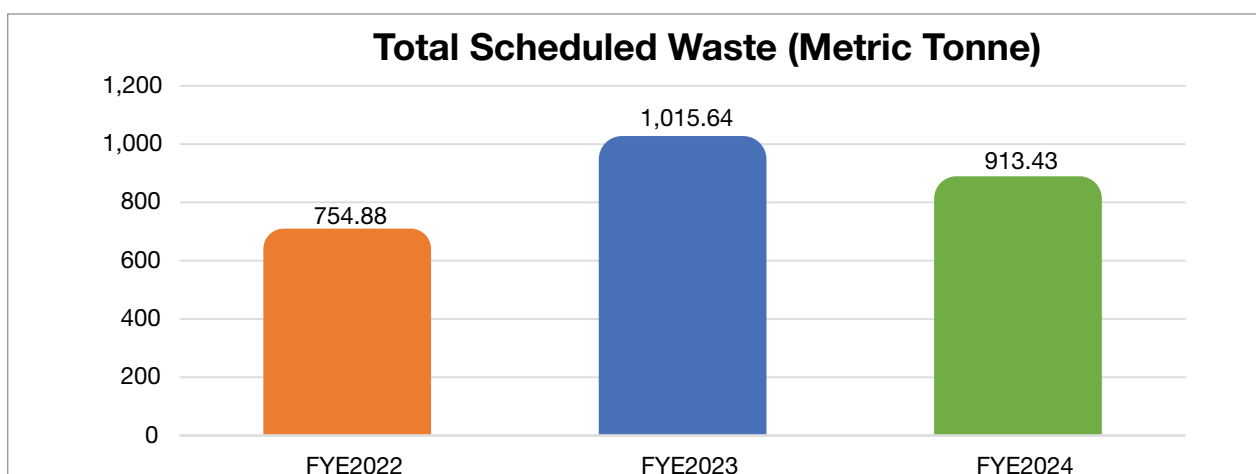
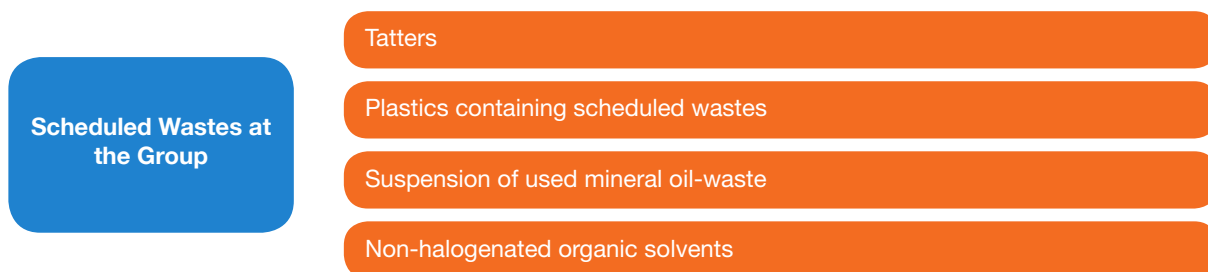
### 2.3 WASTE MANAGEMENT

The Group is committed to effective waste management to ensure compliance with environmental regulations and protect the environment.

Since 1 October 2015, we have implemented the Scheduled Wastes Management procedure, prioritising recycling and reuse to reduce waste disposal. Certified personnel, including Certified Environmental Professionals in Scheduled Waste Management (CePSWaM), oversee waste management, while Department of Environment's approved licensed waste collectors handle waste disposal from the production activities.

Type of Waste	Waste Management Approach
<b>Scheduled Waste</b>	Disposed of by Department of Environment's licensed contractors

The scheduled wastes in the Group are classified into four (4) types, listed as per the below diagram:



The total amount of scheduled waste decreased from FYE2023 to FYE2024, reflecting a 10% reduction or 913.43 metric tonnes. This decline was primarily attributed to the Group's active waste reduction measures implemented throughout the year.

The Group has enhanced its waste data tracking and is now able to present a more detailed breakdown of waste directed to disposal and diverted from disposal for the past three financial years, as shown below:

Financial Year	Waste Diverted from disposal (Metric Tonne)	Waste Directed to disposal (Metric Tonne)
FYE2022	161.90	592.98
FYE2023	288.36	727.28
FYE2024	220.49	692.94

## SUSTAINABILITY STATEMENT (cont'd)

### 2.3 WASTE MANAGEMENT (cont'd)

The Group remains committed to exploring further waste management strategies to enhance sustainability efforts as below.

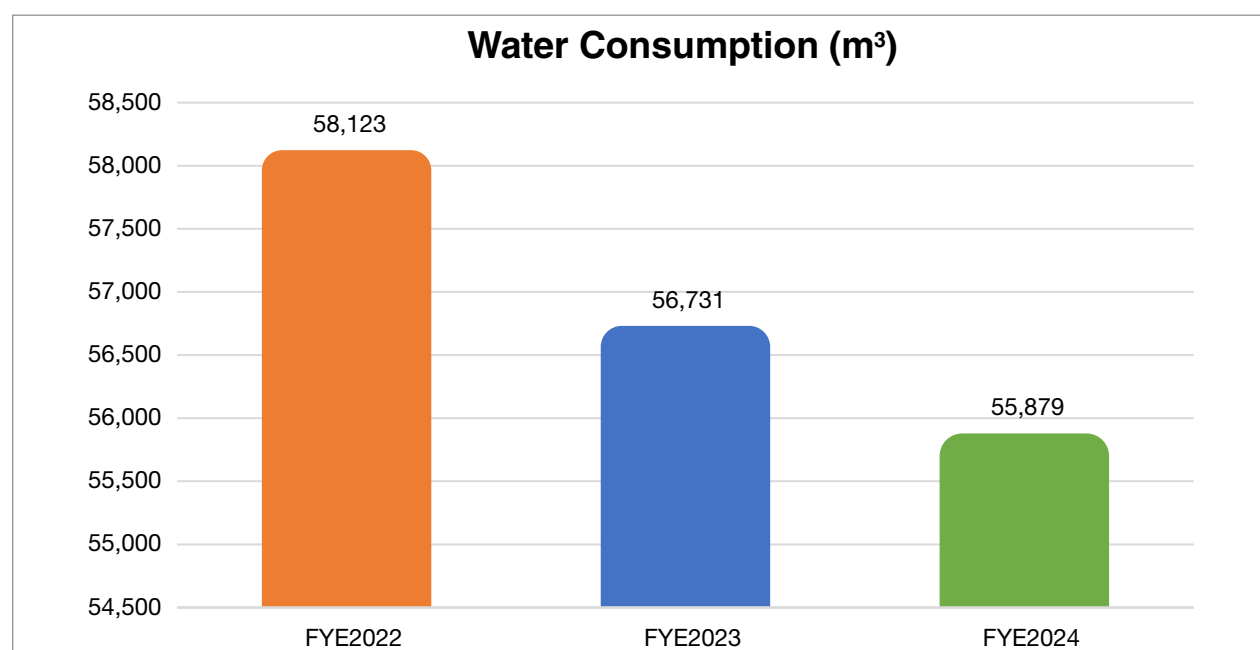
- Limiting the use of cotton gloves to one pair per employee per day.
- Providing leather gloves only for necessary production processes, such as welding and handling scrap.
- Restricting the supply of cotton rags to ten (10) pieces per machine each week.
- Separating and drying the coolant before packing it into steel drums to minimise the amount of carbon sludge produced during production.

#### Total Waste

Description	FYE2024 (Metric Tonne)
Metal chip contaminated with spent coolant	46.24
Contaminated rags and gloves	7.68
Coolant and hydraulic oil waste	1.52
Spent lubricant oil	1.17
Waste sludge	2.94
Waste acid	553.34
Zinc dross & zinc ash	220.49
Waste caustic soda	15.06
Waste solvent	40.25
Waste paint sludge	24.74

### 2.4 WATER MANAGEMENT

Clean water is a crucial resource for our business operations, particularly in the production process, such as the paint line. The quality of our products can be compromised by the use of contaminated water, which in turn impacts customer satisfaction and the Group's profitability. We are committed to using water responsibly in our operations by minimising wastage and reducing consumption, whenever possible. The water consumption figures from FYE2022 to FYE2024 are as follows:



## SUSTAINABILITY STATEMENT (cont'd)

### 2.4 WATER MANAGEMENT (cont'd)

In FYE2024, the Group's water consumption decreased by 1.5% compared to FYE2023. This reduction was primarily driven by the Group's water-saving initiatives, which enhanced efficiency across our operations. Despite an increase in production levels, our proactive conservation measures enabled us to optimise water usage, leading to an overall decrease in consumption.

#### Total Water Consumption

Detail	FYE2022	FYE2023	FYE2024
<b>Water Consumption (m<sup>3</sup>)</b>	58,123	56,731	55,879
<b>Water Intensity (Water Consumption/ kg)</b>	0.000274	0.000249	0.000243

### 3.0 SOCIAL

ESG Areas	Sustainability Target	FYE2024 Performance
Health & Safety	<ul style="list-style-type: none"> <li>Zero incident of work-related fatalities</li> <li>20 LTIR</li> <li>20% increase in employees trained</li> </ul>	<ul style="list-style-type: none"> <li>Zero incident of work-related fatalities</li> <li>19.51 LTIR</li> <li>29% increase in employees trained</li> </ul>
Labour Practices and Standards	<ul style="list-style-type: none"> <li>Maintain total hour training</li> <li>6% contract employee or temporary staff</li> <li>To match the number of new hires to the number of turnover as per current practice to maintain the supply of workforce.</li> </ul>	<ul style="list-style-type: none"> <li>Total hour training increased by 41%</li> <li>6.7% contract employee or temporary staff</li> <li>77 people resign and 115 is newly hired to replace the people and maintain supply of workforce</li> </ul>
Data Privacy & Security	<ul style="list-style-type: none"> <li>Zero incidents of customer privacy breaches</li> </ul>	<ul style="list-style-type: none"> <li>Zero incidents of customer privacy breaches</li> </ul>
Diversity and Equal Opportunity	<ul style="list-style-type: none"> <li>77:23 ratio male to female</li> <li>25% of employees are below 30</li> <li>15% of employees are above 50</li> </ul>	<ul style="list-style-type: none"> <li>78:22 ratio male to female</li> <li>25% of employees are below 30</li> <li>16% of employees are above 50</li> </ul>
Community Engagement	<ul style="list-style-type: none"> <li>RM35,000 invested in community</li> <li>8 beneficiaries in communities</li> </ul>	<ul style="list-style-type: none"> <li>RM42,760 invested in community</li> <li>10 beneficiaries in communities</li> </ul>

At Prestar, we prioritise the creation of a healthy and safe work environment, empowering employees to thrive, grow, and feel connected. We actively promote employee involvement in community engagement initiatives, cultivating a culture of care and contribution.

### 3.1 HEALTH AND SAFETY

Given the nature of our manufacturing activities, Safety and Health are paramount at Prestar. A safe and healthy work environment is essential for both preventing production losses and retaining skilled employees. We adhere to the Occupational Health and Safety Act 1994 and the Health and Safety Committee Regulations 1996.

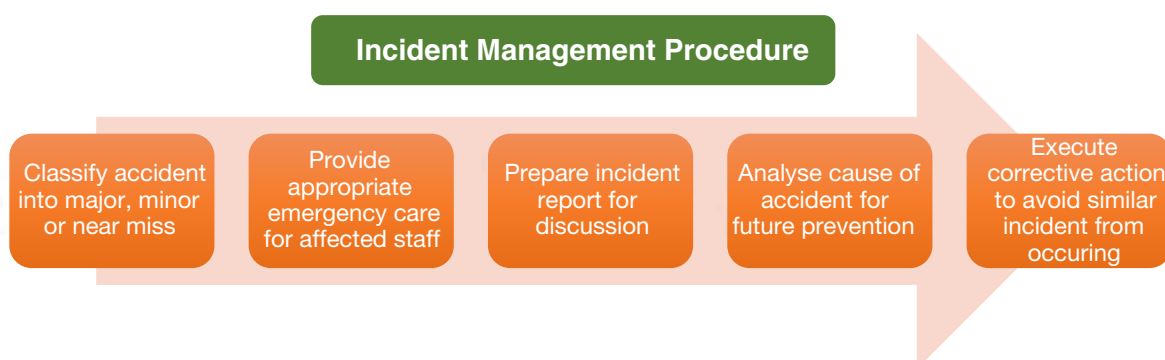
## SUSTAINABILITY STATEMENT (cont'd)

### 3.1 HEALTH AND SAFETY (cont'd)

Our subsidiaries maintain internal Safety and Health Committees that monitor, discuss, and implement solutions to address safety and health concerns. In FYE2024, these committees convened quarterly meetings to plan safety initiatives, review incidents and corrective actions, implement preventative measures, and assess their effectiveness. Corrective actions are implemented Group-wide following a thorough incident analysis. We have implemented the following steps to reduce safety and health risks:

- a. Provision of personal protective equipment (“PPE”) to ensure staff safety.
- b. Close supervision and guidance by line managers and supervisors.
- c. Employment of qualified staff to operate specialised machinery and equipment.
- d. Inspection of work sites to ensure compliance with Safety and Health Policies and Procedures.
- e. Safety briefings.
- f. Safety and Health training for employees identified by Heads of Department:
  - Emergency Response Team (ERT)
  - Use of fire extinguisher
  - Health, Safety and Environment (HSE) awareness
  - Training on handling of chemical and PPE
- g. Organising an annual fire safety drill session.

We adhere to our Incident Management Procedure for effectively handling workplace accidents and emergencies, ensuring prompt resolution through corrective actions. The following diagram outlines this procedure, designed for effective emergency response and incident analysis.



The following table shows the statistics of accidents and LTI from FYE2022 to FYE2024:

FYE2022				
	Major Accidents	Minor Accidents	Near Miss Cases	Total
Number of Accidents	6	27	3	36
LTI (Days)	134	25	Nil	159
LTI Rate	20.45			
Total Rate Incident Frequency (“TRIF”)	21.22			

FYE2023				
	Major Accidents	Minor Accidents	Near Miss Cases	Total
Number of Accidents	8	21	3	32
LTI (Days)	180	25	Nil	205
LTI Rate	25.45			
TRIF	18.00			

## SUSTAINABILITY STATEMENT (cont'd)

### 3.1 HEALTH AND SAFETY (cont'd)

The following table shows the statistics of accidents and LTI from FYE2022 to FYE2024: (cont'd)

FYE2024				
	Major Accidents	Minor Accidents	Near Miss Cases	Total
Number of Accidents	6	20	Nil	26
LTI (Days)	117	17	Nil	134
LTI Rate	19.51			
TRIF	18.91			

In FYE2024, the total number of accidents decreased to 26, and LTI days fell to 134, compared to FYE2023 where 32 accidents and 205 LTI days were reported. This reduction in the LTI rate for FYE2024 is attributed to enhanced workplace safety initiatives, stricter enforcement of safety protocols, and continuous employee training on occupational health and safety measures. These proactive efforts contributed to a safer working environment, reducing both the frequency and severity of incidents.

Most of these incidents were unexpected, resulting from safety lapses by employees. Corrective actions have been taken to address these incidents, as outlined below:



Enhanced work instructions and safety reminders



Reassignment of duty to replace with experienced staff for selected work



Provision of additional tools and equipment



New foreign staff are mentored through the "Buddy System"

We are committed to providing a safe working environment for all employees, including management, non-management, and factory workers, aiming for a zero-accident workplace. The table below shows the number of employees who received safety and health training:

Year	FYE2022	FYE2023	FYE2024
Number of employees trained	248	347	537



## SUSTAINABILITY STATEMENT (cont'd)

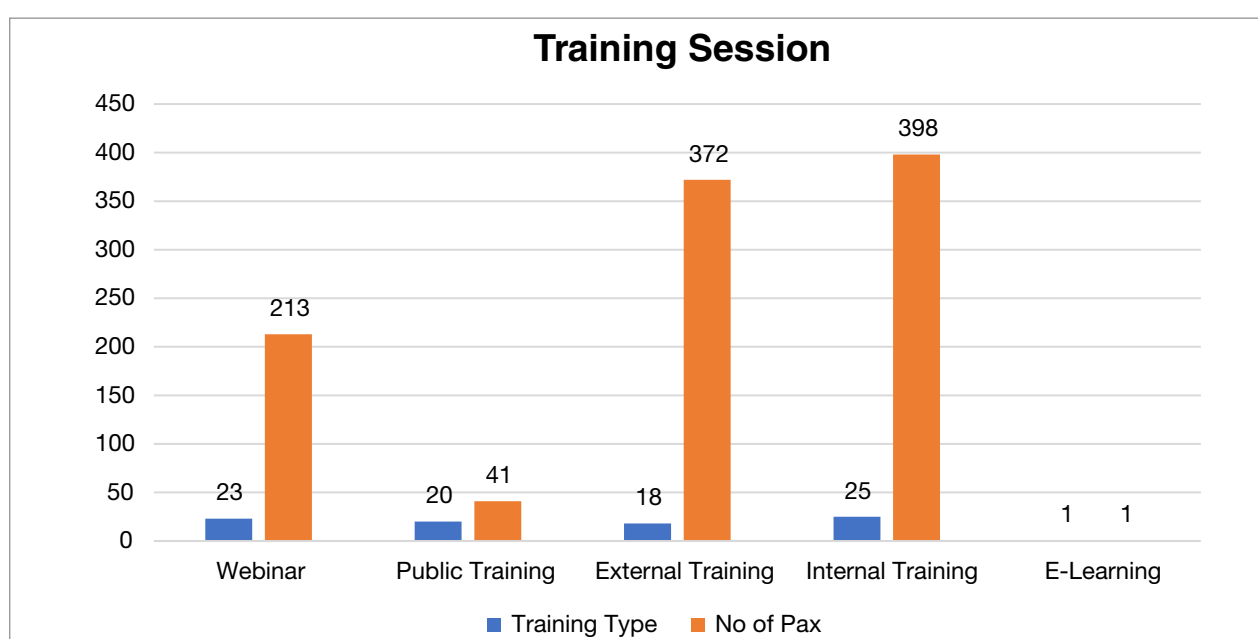
### 3.2 LABOUR PRACTICES AND STANDARDS

Practices and standards that promote employees' growth and success are keys to building a knowledgeable and skilled workforce while ensuring their retention within the organisation. Therefore, we focus on fostering a sense of belonging among employees and offering opportunities for growth through the following initiatives:

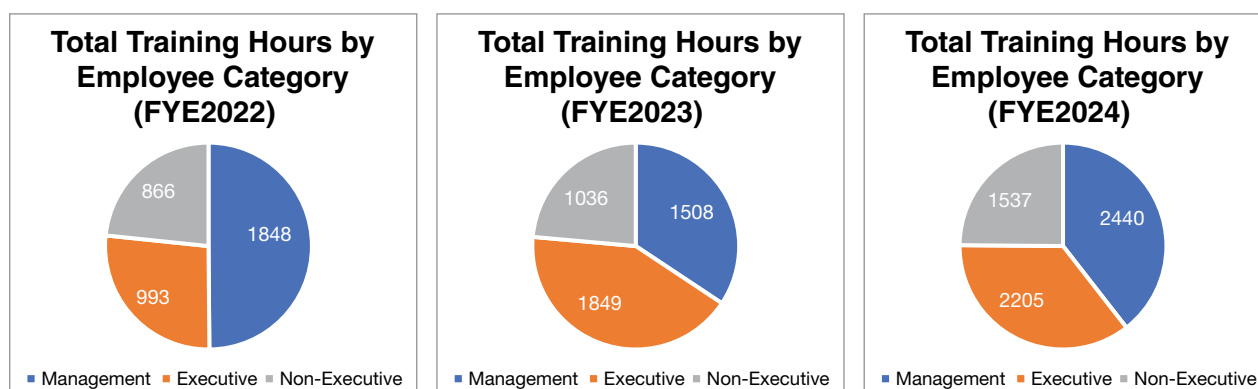
#### Training and Development

We prioritise employee learning and development to build a knowledgeable and skilled workforce capable of delivering high-quality products and services. These opportunities for growth motivate employees and align their career aspirations with our mission. Training also effectively communicates our vision, goals, and operational directives. Each division has an annual training allocation based on the training levy paid, supporting investment in both hard and soft skills.

In FYE2024, we conducted 87 training sessions, including in-house programs, public courses, and e-learning. The following table details these sessions and the number of employees who joined the above training sessions:



The following chart shows the total training hours provided to each category of employees from FYE2022 to FYE2024:



The following table shows the training hours and total training costs recorded from FYE2022 to FYE2024:

Year	Total Hours of Training	Average Training Hours Per Employee	Total Cost (RM)
FYE2022	3,707	6.04	153,801
FYE2023	4,393	7.10	164,806
FYE2024	6,182	9.81	223,304

## SUSTAINABILITY STATEMENT (cont'd)

### 3.2 LABOUR PRACTICES AND STANDARDS (cont'd)

#### Training and Development (cont'd)

The total training hours have shown a consistent increase from FYE2022 to FYE2024. In FYE2024, the average training hours per employee rose to 9.81, reflecting our commitment to developing a knowledgeable and skilled workforce that supports our dedication to quality and continuous growth.

#### Training Development

Description	FYE2022	FYE2023	FYE2024
<b>Average hours of training per year per employee by category</b>			
<b>Head of Departments and Managers (Hours)</b>	1,848	1,508	2,440
<b>Executives (Hours)</b>	993	1,849	2,205
<b>Non-Executives (Hours)</b>	866	1,036	1,537
<b>Total (Hours)</b>	3,707	4,393	6,182
<b>Average days per year per employee (Days)</b>	0.75	0.89	1.22

#### Opportunities for Internship

We offer an in-house internship program that provides students with valuable hands-on experience in the operations of a steel processing and manufacturing company. We are always on the lookout for passionate and driven new talents who can contribute to our organisational goals and sustainable business operations. As a result, students who demonstrate exceptional performance are given the opportunity to join our diverse workforce upon completing their academic program.

The table below outlines the number of interns recruited from FYE2022 to FYE2024:

Year	Number of Interns	Joined as Permanent Employee
FYE2022	1	Nil
FYE2023	5	Nil
FYE2024	2	1

#### Employee Activities

We have successfully created an employee engagement channel that enables us to understand the concerns, needs, and motivations of our workforce. One of the most effective ways to achieve this is by organising staff activities that bring together employees from various management levels. These activities foster a sense of belonging and promote sportsmanship while cultivating positive traits such as loyalty, reliability, thoughtfulness, and acceptance of diversity among employees.



Badminton Activity



Bowling Activity

## SUSTAINABILITY STATEMENT (cont'd)

### 3.2 LABOUR PRACTICES AND STANDARDS (cont'd)

#### Employee Activities (cont'd)

The Group proudly celebrated its fortieth (40th) anniversary with a grand dinner event, bringing together all employees, Board members, business partners, selected suppliers, and valued customers. It was a night of appreciation and joy, highlighted by live performances from talented singers who entertained the guests. A special moment of the evening was the presentation of long service awards, recognising the dedication and contributions of our loyal employees. The celebration was a resounding success, filled with camaraderie and gratitude, as everyone enjoyed a memorable evening together.



#### Turnover and Recruitment of Employees

The following table illustrates the summary of the total number of turnovers from FYE2022 to FYE2024:

Management Level	FYE2022	Percentage	FYE2023	Percentage	FYE2024	Percentage
<b>Management</b>	6	5%	4	6%	6	8%
<b>Executive</b>	19	17%	22	33%	22	29%
<b>Non-Executive</b>	87	78%	40	61%	49	63%
<b>Total Turnover</b>	<b>112</b>	<b>100%</b>	<b>66</b>	<b>100%</b>	<b>77</b>	<b>100%</b>

The turnover increased in FYE2024 compared to FYE2023. The total turnover figures above reflect both employees who have ended their contracts with the Group and those who have resigned.

## SUSTAINABILITY STATEMENT (cont'd)

### 3.2 LABOUR PRACTICES AND STANDARDS (cont'd)

#### Turnover and Recruitment of Employees (cont'd)

The table below shows the total number of contract employees and the total number of employees who ended their contracts in the Group from FYE2022 to FYE2024. The intake of contract staff for FYE2024 has remained consistent compared to FYE2023, with these employees engaged primarily for project-based assignments, seasonal operations, and specialised roles to meet fluctuating business demands. This strategy allows the Group to maintain flexibility in workforce management while supporting operational efficiency.

	FYE2022		FYE2023		FYE2024	
	Total Contract Employees	Total Employees Ended Contract	Total Contract Employees	Total Employees Ended Contract	Total Contract Employees	Total Employees Ended Contract
<b>Total</b>	47 (8%)	30	35 (6%)	22	42 (6.7%)	30

The Group manages the employee turnover through competitive compensation and benefits, including medical claims and flexible work hours. Employee engagement activities, such as sports and charitable events, also strengthen bonds and aid retention. We actively monitor salary rates, welfare, and benefits to remain competitive. We offer fair and similar compensation packages to both permanent and contract staff and provide a workers' hostel for contract employees.

The following table shows the total number of new hires from FYE2022 to FYE2024:

Management Level	FYE2022	Percentage	FYE2023	Percentage	FYE2024	Percentage
<b>Management</b>	4	3%	3	3%	13	11%
<b>Executive</b>	17	11%	35	35%	25	22%
<b>Non-Executive</b>	136	86%	61	62%	77	67%
<b>Total New Hire</b>	<b>157</b>	<b>100%</b>	<b>99</b>	<b>100%</b>	<b>115</b>	<b>100%</b>

#### Human Rights

We are dedicated to safeguarding the rights and well-being of our employees in line with human rights laws and regulations in Malaysia. We uphold basic human rights by offering equal employment opportunities regardless of gender, age, or ethnicity. We ensure a safe and healthy working environment with adequate facilities and proper time off from work for employees through our comprehensive Human Resources and Occupational Safety and Health practices.

The Group recorded zero human rights violations from FYE2022 to FYE2024.

## SUSTAINABILITY STATEMENT (cont'd)

### 3.3 DATA PRIVACY AND SECURITY

We place a high priority on privacy and security. To protect the sensitive information of our businesses, partners, customers, and employees, we continuously invest in advanced cybersecurity applications and software. These measures secure our internet access, emails, computers, and servers against potential threats. By implementing strong cybersecurity protocols, we reinforce trust and confidence among our stakeholders.

#### Controlled Internet Access

- Internet access given to staff is limited based on the nature of the job and position to minimise risk related to cyber exposure
- All accesses are filtered and controlled by Firewall (signatures are updated daily via Cloud). Only recorded local users are given access, and external users are blocked
- Resigned employees will be denied access to all internet systems and email accounts will be disabled

#### Established Cyber Security System and Maintenance

- Security systems such as Firewall, Anti-Spam and Antivirus are installed to eliminate cyber attacks
- Windows and security patching is done weekly
- Antivirus (Cloud) is installed for computers and notebooks and system scan runs daily. Signature update is checked and updated daily via Cloud
- Ransomware protection is enabled for computers, notebooks and servers
- An auto system request is sent to users to change their password every ninety (90) days
- Phishing, spam, and malware emails are filtered by the Anti-Spam system and reviewed by the IT department on a daily basis
- Email services are filtered by Microsoft Defender service and Microsoft 2FA security control is deployed

From FYE2022 to FYE2024, there were no incidents of intrusion, and therefore, no patching exercises due to intrusions were necessary. The Group is committed to proactive cybersecurity measures, including conducting cybersecurity training and sending email reminders with tips on cybersecurity, as well as warnings against phishing and spam messages to raise employee awareness.

Our year-on-year record from FYE2022 to FYE2024 shows zero reported incidents of data and cybersecurity breaches.

### 3.4 DIVERSITY AND EQUAL OPPORTUNITIES

We believe that workplace diversity enriches our operations by introducing diverse ideas, experiences, and a range of skills and knowledge crucial for success. We acknowledge that offering equal opportunities is vital for fostering and sustaining diversity within the Group.



## SUSTAINABILITY STATEMENT (cont'd)

### 3.4 DIVERSITY AND EQUAL OPPORTUNITIES (cont'd)

#### Gender Diversity

We are committed to increasing female representation in our workforce. While our manufacturing operations currently lead to a predominantly male workforce, we actively recruit female administrative staff and male production staff to promote gender diversity.

In FYE2024, we had 630 employees, with a 22% female to 78% male gender ratio. Gender diversity data from FYE2022 to FYE2024 is as follows:

FYE2022						
Gender	Female			Male		
Category	Management	Executive	Non-Executive	Management	Executive	Non-Executive
No. of Employees	25 (31%)	64 (53%)	51 (12%)	56 (69%)	57 (47%)	361 (88%)
Total	140 (23%)			474 (77%)		

FYE2023						
Gender	Female			Male		
Category	Management	Executive	Non-Executive	Management	Executive	Non-Executive
No. of Employees	26 (29%)	67 (54%)	51 (13%)	63 (71%)	57 (46%)	355 (87%)
Total	144 (23%)			475 (77%)		

FYE2024						
Gender	Female			Male		
Category	Management	Executive	Non-Executive	Management	Executive	Non-Executive
No. of Employees	34 (34%)	60 (48%)	46 (11%)	67 (66%)	65 (52%)	358 (89%)
Total	140 (22%)			490 (78%)		

#### Age Diversity

Age diversity is crucial for knowledge and expertise transfer within our Company. Experienced employees mentor younger colleagues, preserving valuable practices and a commitment to quality. We have maintained balanced age diversity with no significant shifts in workforce age composition.

## SUSTAINABILITY STATEMENT (cont'd)

### 3.4 DIVERSITY AND EQUAL OPPORTUNITIES (cont'd)

#### Age Diversity (cont'd)

The following chart shows employee distribution by age group and category over the past three (3) years:

Employee Category	Employees by Age Group	FYE2022	FYE2023	FYE2024
<b>Management</b>	Below 30 years old	4 (5%)	4 (5%)	1 (1%)
	30-50 years old	50 (62%)	51 (57%)	61 (60%)
	Above 50 years old	27 (33%)	34 (38%)	39 (39%)
<b>Executive</b>	Below 30 years old	23 (19%)	24 (19%)	26 (21%)
	30-50 years old	79 (65%)	77 (63%)	77 (62%)
	Above 50 years old	19 (16%)	22 (18%)	22 (17%)
<b>Non-Executive</b>	Below 30 years old	146 (35%)	125 (31%)	129 (32%)
	30-50 years old	226 (55%)	241 (59%)	237 (59%)
	Above 50 years old	40 (10%)	41 (10%)	38 (9%)

The following tables show the number of Board members in terms of gender and age categories:

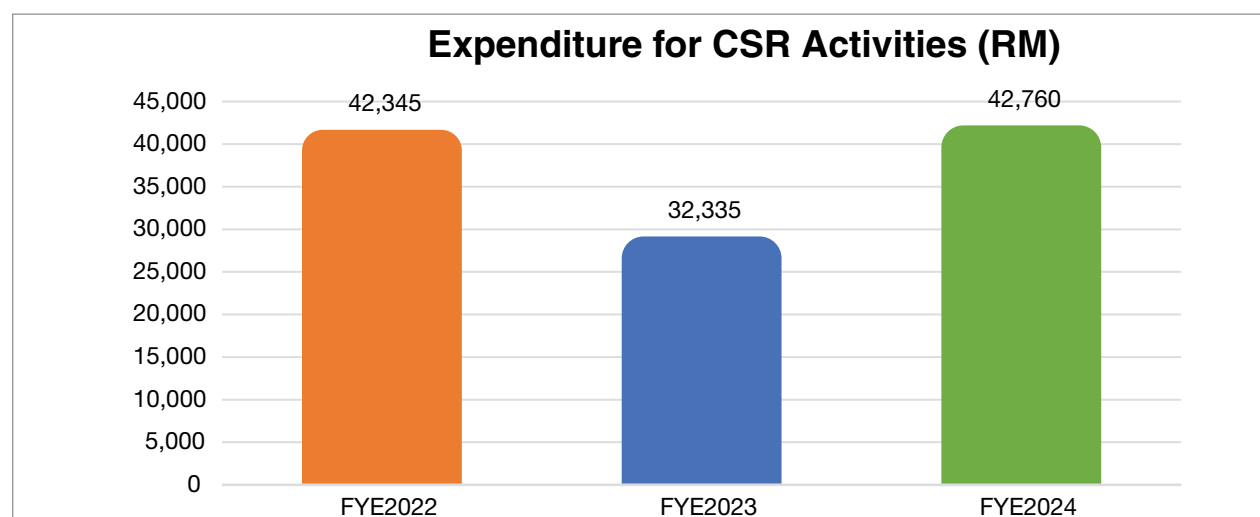
Gender	FYE2022	FYE2023	FYE2024
Male	10 (91%)	8 (89%)	9 (90%)
Female	1 (9%)	1 (11%)	1 (10%)

Description	Below 30 years old	30-50 years old	Above 50 years old
FYE2022	0 (0%)	2 (18%)	9 (82%)
FYE2023	0 (0%)	3 (33%)	6 (67%)
FYE2024	0 (0%)	4 (40%)	6 (60%)

In FYE2024, our Board composition was 90% male and 10% female, reflecting the current gender demographics in the steel manufacturing industry. We are committed to increasing female representation on the Board while maintaining age diversity, ensuring all members meet the qualifications outlined in our Director's Fit and Proper Policy (effective 22 May 2022).

### 3.5 COMMUNITY ENGAGEMENT

As part of our CSR program, we participate in community activities to foster personal connections and address community needs through service, financial contributions, and material donations. The graph below depicts the Group's year-on-year spending on these initiatives from FYE2022 to FYE2024:



## SUSTAINABILITY STATEMENT (cont'd)

### 3.5 COMMUNITY ENGAGEMENT (cont'd)

The following lists the CSR activities that the Group had undertaken for FYE2024:

No.	List of CSR Activities FYE2024
1	Back to school shopping school uniform program and lunch together with “Agabe Home” (Orang Asli) – Bukit Beruntung, Rawang
2	Berbuka Puasa Bersama “Pusat Jagaan Titian OKU Nur” – Bt 16, Rawang
3	Sponsorship for “Pertubuhan Kebajikan Chester Selangor” in support of raising funds for the reconstruction
4	Sponsorship for Club Badminton Rawang – 14th Rawang Open Badminton Tournament 2024
5	Nature Learning Activities Trip – Bring kids from Kepong Welfare Organisation to 99 Wonderland at Selayang
6	Visit to Pertubuhan Kebajikan Impian, Sentul, KL – Celebrate Mid-Autmn (Mooncake) Festival
7	Donation to a charity dinner organised by St. John
8	Blood Donation Activity
9	Visit to Pusat Jagaan Kanak-Kanak Kurang Upaya Kirtash – Deepavali celebration together
10	Christmas celebration with orphan children – Bethesta House, Bandar Country Homes, Rawang

The expenditure for FYE2024 was RM42,760, representing a 32% increase compared to FYE2023. We look forward to organising and participating in more community engagement activities in financial year ending 31 December 2025 (“FYE2025”) to further contribute to the well-being of the community.



Visit to Pusat Jagaan Titian OKU Nur



Visit to Pusat Jagaan Kanak-Kanak Kurang Upaya Kirtash

### Going Forward

As we progress, the following objectives will guide us based on our sustainability focus areas:

- Uphold the highest standards of business ethics and integrity by ensuring full compliance with all applicable laws, regulations, and industry best practices, promoting transparency and accountability in all operations.
- Maintain and enhance product and service quality through robust production processes, quality assurance, and customer-centric service, ensuring sustainable customer satisfaction and fostering responsible consumption.
- Promote inclusive social development by implementing equitable employment practices, engaging in meaningful community initiatives, and fostering a diverse and inclusive workplace that drives sustainable growth for both employees and local communities.

We are continually strengthening our sustainability governance to better track our economic, environmental, and social impact. By prioritising material matters, we create a clear focus for improvement and progress, confident that this proactive approach will support us in achieving our diverse goals.

## SUSTAINABILITY STATEMENT (cont'd)

### Performance Data and Target

The following table summarises our performance for FYE2022 to FYE2024 and our target for FYE2025:

Indicator	Unit	FYE2022	FYE2023	FYE2024	FYE2025 Target
<b>Anti-Bribery and Anti-Corruption</b>					
<b>Bursa C1(a) Percentage of new employees who have received training on anti-corruption by employee category</b>					
Management	Percentage	5	3	13	100% of management- level employees to receive anti-bribery and anti-corruption training
Executive	Percentage	14	28	20	100% of executive- level employees to receive anti-bribery and anti-corruption training
Non-Executive	Percentage	13	8	8	100% of non-executive employees (excluding all production shop floor employees) to receive anti-bribery and anti-corruption training
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0	100	100	100% of operations shall be assessed for corruption-related risks
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	To maintain zero cases
<b>Supply Chain Management</b>					
Bursa C7(a) Proportion of spending on local suppliers	Percentage	38	41	39	To increase local spending to 40%
<b>Energy Management</b>					
Bursa C4(a) Total energy consumption	kW/h	8,532,041	8,762,633	9,391,056	To maintain consumption to 9.966 GW/h on the same level of capacity utilisation
Energy generated from Solar system	kW/h	2,788,644	4,257,132	4,209,455	-
Energy export to TNB	kW/h	757,042	1,153,142	1,087,263	-
Solar energy consumed by the factory	kW/h	2,031,602	3,103,990	3,122,192	-
Saving from own consumption of solar-generated energy	MYR	805,343	1,551,481	1,526,213	-
Saving from export energy to TNB	MYR	264,759	389,028	364,440	-
Total saving	MYR	1,070,102	1,940,510	1,890,653	-

## SUSTAINABILITY STATEMENT (cont'd)

### Performance Data and Target (cont'd)

The following table summarises our performance for FYE2022 to FYE2024 and our target for FYE2025: (cont'd)

Indicator	Unit	FYE2022	FYE2023	FYE2024	FYE2025 Target
<b>Waste Management</b>					
Bursa C10(a)(i) Total Waste Generated – Total waste diverted from disposal	Metric Tonne	161.90	288.36	220.49	To keep the waste limit to 246.78 metric tonne on the same level of capacity utilisation
Bursa C10(a)(ii) Total Waste Generated – Total waste directed to disposal	Metric Tonne	592.98	727.28	692.94	To keep the waste limit to 851.48 metric tonne on the same level of capacity utilisation
<b>Emission</b>					
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	tCO <sub>2</sub> e	-	-	2,006.16	To continue reporting in FY2025 with more data that had been established
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	tCO <sub>2</sub> e	-	-	4,751.80	To continue reporting in FY2025 with more data that had been established
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	tCO <sub>2</sub> e	-	-	-	To report in year 2028
Total Particulate Matter (Liquid)	mg/m <sup>3</sup>	1.19	2.81	12.44	To comply with the standard of 50 mg/m <sup>3</sup>
Total Particulate Matter (Solid)	mg/m <sup>3</sup>	3.22	4.12	Not Available	To comply with the standard of 150 mg/m <sup>3</sup>
SO <sub>2</sub>	mg/m <sup>3</sup>	2.00	5.00	17.12	To comply with the standard of 100 mg/m <sup>3</sup>
Chlorine	mg/m <sup>3</sup>	0.03	0.02	0.17	To comply with the standard of 32 mg/m <sup>3</sup>
HCl	mg/m <sup>3</sup>	0.04	0.04	0.23	To comply with the standard of 200 mg/m <sup>3</sup>
NO <sub>2</sub>	mg/m <sup>3</sup>	30.88	24.93	26.34	To comply with the standard of 700 mg/m <sup>3</sup>
Nitrogen Oxide	mg/m <sup>3</sup>	12.89	15.31	Not Available	To comply with the standard of 500 mg/m <sup>3</sup>
Carbon Monoxide	mg/m <sup>3</sup>	60.59	30.91	26.61	Not Applicable
<b>Water Management</b>					
Bursa C9(a) Total volume of water used	Megalitres	58.123	56.731	55.879	To maintain consumption at 55.213 megalitres on the higher level of capacity utilisation
<b>Health and Safety</b>					
Bursa C5(a) Number of work-related fatalities	Number	0	0	0	To maintain zero cases
Bursa C5(b) LTI rate	Rate	20.45	25.45	19.51	To maintain LTI rate not more than 20.00



## SUSTAINABILITY STATEMENT (cont'd)

### Performance Data and Target (cont'd)

The following table summarises our performance for FYE2022 to FYE2024 and our target for FYE2025: (cont'd)

Indicator	Unit	FYE2022	FYE2023	FYE2024	FYE2025 Target
<b>Health and Safety (cont'd)</b>					
Bursa C5(c) Number of employees trained on health and safety standards (Internal & External training)	Number	248	347	537	To maintain the number of employees trained on health and safety standards at 500
<b>Labour Practices and Standards</b>					
<b>Bursa C6(a) Total hours of training by employee category</b>					
Management	Number	1,848	1,508	2,440	To maintain total training hours at 5,500 hours
Executive	Number	993	1,849	2,205	
Non-Executive	Number	866	1,036	1,537	
Bursa C6(b) Percentage of employees that are contractors or temporary Staff	Percentage	8	6	6.7	To maintain the current percentage
<b>Bursa C6(c) Total number of employee turnover by employee category</b>					
Management	Number	6	4	6	N/A
Executive	Number	19	22	22	N/A
Non-Executive	Number	87	40	49	N/A
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0	To maintain zero cases
<b>Total number of new hire by employee category</b>					
Management	Number	4	3	13	N/A
Executive	Number	17	35	25	N/A
Non-Executive	Number	136	61	77	N/A
<b>Diversity and Equal Opportunities</b>					
<b>Bursa C3(a) Percentage of employees by gender and age group, for each employee category</b>					
Management - Male	Percentage	69	71	66	To maintain the current balance of diversity
Management - Female	Percentage	31	29	34	To maintain the current balance of diversity
Executive - Male	Percentage	47	46	52	To maintain the current balance of diversity
Executive - Female	Percentage	53	54	48	To maintain the current balance of diversity
Non-Executive - Male	Percentage	88	87	89	To maintain the current balance of diversity
Non-executive - Female	Percentage	12	13	11	To maintain the current balance of diversity

## SUSTAINABILITY STATEMENT (cont'd)

### Performance Data and Target (cont'd)

The following table summarises our performance for FYE2022 to FYE2024 and our target for FYE2025: (cont'd)

Indicator	Unit	FYE2022	FYE2023	FYE2024	FYE2025 Target
<b>Diversity and Equal Opportunities (cont'd)</b>					
<b>Bursa C3(a) Percentage of employees by gender and age group, for each employee category (cont'd)</b>					
Below 30 years old - Management	Percentage	5	5	1	To maintain the current balance of diversity
30 to 50 years old - Management	Percentage	62	57	60	To maintain the current balance of diversity
Above 50 years old - Management	Percentage	33	38	39	To maintain the current balance of diversity
Below 30 years old - Executive	Percentage	19	19	21	To maintain the current balance of diversity
30 to 50 years old - Executive	Percentage	65	63	62	To maintain the current balance of diversity
Above 50 years old - Executive	Percentage	16	18	17	To maintain the current balance of diversity
Below 30 years old - Non-Executive	Percentage	35	31	32	To maintain the current balance of diversity
30 to 50 years old - Non-Executive	Percentage	55	59	59	To maintain the current balance of diversity
Above 50 years old - Non-Executive	Percentage	10	10	9	To maintain the current balance of diversity
<b>Bursa C3(b) Percentage of Directors by gender and age group</b>					
Male members	Percentage	91	89	90	To maintain the current balance of diversity
Female members	Percentage	9	11	10	To maintain the current balance of diversity
Below 30 years old	Percentage	0	0	0	To maintain the current balance of diversity
30 to 50 years old	Percentage	18	33	40	To maintain the current balance of diversity
Above 50 years old	Percentage	82	67	60	To maintain the current balance of diversity
<b>Community / Society</b>					
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	42,345	32,335	42,760	RM45,000 shall be allocated to organise community activities
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	7	8	10	To maintain 8 number of beneficiaries
<b>Data Privacy and Security</b>					
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	To maintain zero cases

## SUSTAINABILITY STATEMENT (cont'd)

### Statement of Assurance

#### Internal Assurance

This statement has not undergone any specific review by external independent parties. However, it underwent a thorough review by management and approved by the Board. Our Sustainability Statement is internally assured.

As the Sustainability Statement was prepared with the assistance of an external professional party, the accuracy and relevance of the data were scrutinised before being incorporated into this Statement. Additionally, management has taken steps to conduct a detail review process to verify that the data and information provided are appropriate, relevant, and accurate. Nothing has come to our attention that causes us to believe there is any material misstatement of the reviewed data.

#### GRI Content Index

Statement of use: Prestar has reported information cited in this GRI content index for the period of 1 January 2024 to 31 December 2024 in accordance with the GRI Standards.

#### GRI 1 used: GRI 1: Foundation 2021

GRI Standard	Disclosure Item	Section Reference	Page
<b>GRI 2: General Disclosure 2021</b>			
<b>1. The organisation and its reporting practices</b>			
2-1	Organisation details	Introduction, Reporting Scope	23
2-2	Entities included in the organisation's sustainability reporting	Reporting Scope	23
2-3	Reporting period, frequency and contact point	Reporting Scope	23
2-4	Restatements of Information	Stated throughout where relevant, FYE2024 Performance Overview and Targets for FYE2025, Performance Data and Target	31, 34, 40 51 - 54
2-5	External assurance	No external assurance was conducted on this report	NA
<b>2. Activities and workers</b>			
2-6	Activities, value chain and other business relationship	Stakeholder Management, Supply Chain Management	26 - 27 32 - 34
2-7	Employees	Diversity and Equal Opportunities	47 - 49
<b>3. Governance</b>			
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	24 - 25
2-13	Delegation of responsibility for managing impacts	Sustainability Governance	24 - 25
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance	24 - 25
2-15	Conflict of interest	Anti-Bribery and Corruption	31 - 32
2-16	Communication of critical concerns	Feedback	24
2-17	Collective knowledge of the highest governance body	Labour Practices and Standards – Training and Development	43 - 46
<b>4. Strategy, policies and practices</b>			
2-26	Mechanism for seeking advice and raising concerns	Whistleblowing	32
<b>5. Stakeholder engagement</b>			
2-29	Approach to stakeholder engagement	Stakeholder Management	26 - 27

## SUSTAINABILITY STATEMENT (cont'd)

### GRI Content Index (cont'd)

GRI Standard	Disclosure Item	Section Reference	Page
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	Sustainability Material Matters	27 - 28
3-2	List of material topics	Sustainability Material Matters	28
3-3	Management of material topics	FYE2024 Performance Overview and Targets for FYE2025, Risk, Opportunities and Management Action Plans	29 - 30
<b>GRI 204: Procurement Practices 2016</b>			
204-1	Proportion of spending on local suppliers	Supply Chain Management	33
<b>GRI 205: Anti-Corruption 2016</b>			
205-2	Communication and training about anti-corruption policies and procedures	Anti-Bribery and Corruption	31 - 32
205-3	Confirmed incidents of corruption and actions taken	Anti-Bribery and Corruption	32
<b>GRI 302: Energy 2016</b>			
302-1	Energy consumption within the organisation	Energy Management	35 - 36
302-4	Reduction of energy consumption	Energy Management	35 - 36
<b>GRI 303: Water and Effluent 2016</b>			
303-5	Water consumption	Water Management	39 - 40
<b>GRI 305: Emissions 2016</b>			
305-7	Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	Emission	36 - 37
<b>GRI 306: Waste 2020</b>			
306-3	Waste generated	Waste Management	38 - 39
306-4	Waste diverted from disposal	Waste Management	38 - 39
306-5	Waste directed to disposal	Waste Management	38 - 39
<b>GRI 401: Employment 2016</b>			
401-1	New employee hires and employee turnover	Labour Practices and Standards - Turnover and Recruitment of Employees	43 - 46
<b>GRI 403: Occupational Health and Safety 2018</b>			
403-1	Occupational health and safety management system	Health and Safety	40 - 42
403-5	Worker training on occupational health and safety	Health and Safety	40 - 42
403-9	Work-related injuries	Health and Safety	40 - 42
<b>GRI 404: Training and Education 2016</b>			
404-1	Average hours of training per year per employee	Labour Practices and Standards – Training and Development	43 - 44
404-2	Programs for upgrading employee skills and transition assistance programs	Labour Practices and Standards – Training and Development	43 - 44
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunities	47 - 49
<b>GRI 418: Customer Privacy 2016</b>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security	47

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Prestar Resources Berhad (“the Company”) is pleased to present this Corporate Governance (“CG”) Overview Statement (“CG Overview Statement”) to provide shareholders and investors with an overview of the Group’s CG practices during the financial year ended 31 December 2024 (“FYE 2024”).

The Board acknowledges the significance of the principles and recommendations outlined in the Malaysian Code on Corporate Governance (“MCCG”) and is fully dedicated to upholding high standards of CG practices across the Company and its subsidiaries (“the Group”). This commitment aims to sustain performance while protecting and enhancing long-term shareholders’ value and stakeholders’ interest. Accordingly, the Board is devoted to the Company’s policy of governing the Group’s operations with transparency, integrity, and accountability. It ensures that a robust framework of corporate best practices is implemented at all levels of the Group’s business operations, fulfilling its primary responsibility of safeguarding and enhancing long-term shareholders’ value and stakeholders’ interest.

This CG Overview Statement for FYE 2024 has been prepared in compliance with Paragraph 15.25(1) of Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”) Main Market Listing Requirements (“MMLR”), with guidance from Practice Note 9 and the CG Guide (4th Edition) issued by Bursa Malaysia Securities. It should be read with the detailed CG Report, available on the Company’s corporate website at [www.prestar.com.my](http://www.prestar.com.my). The CG Report follows the prescribed format outlined under Paragraph 15.25(2) of Bursa Malaysia Securities MMLR.

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

#### Part I : Board responsibilities

##### 1) Clear functions, roles, and responsibilities of the Board and Management

- i) The Board takes full responsibility for the overall performance of the Group by establishing strategic directions and objectives, formulating policies, and executing key strategic action plans. The Board conducts regular reviews of the Group’s business operations and exercises comprehensive and effective oversight of the Group’s management.

The duties and responsibilities of the Board include setting the Group’s overall strategic plans, conducting periodic reviews of business and financial performance, and adopting and implementing robust risk management and internal control systems within the Group.

To ensure the effective operation of the Group, the roles and responsibilities of the Independent Non-Executive Chairman, Group Managing Director, Group Executive Director, Executive Directors, and Independent Non-Executive Directors are clearly defined and distinct.

The Board delegates specific responsibilities to Board Committees that function within well-defined terms of reference (“TOR”). The standing Board Committees include the Audit Committee (“AC”), Nomination Committee (“NC”), Remuneration Committee (“RC”), and Employees’ Share Option Scheme (“ESOS”) Committee. As a general policy, all significant decisions are deliberated and decided by the Board.

The Chairman of the Board also serves as a member of the RC and NC.

- ii) The Board is responsible for reviewing the sustainability, effectiveness, and implementation of the Group’s strategic plans while providing guidance and input to Management. To ensure the effective discharge of its duties and responsibilities, the Board’s primary functions include, but are not limited to, the following:
  - Reviewing and adopting a strategic business continuity plan for the Company and the Group;
  - Overseeing and monitoring the conduct of the Group’s businesses and financial performance;
  - Reviewing and approving the budgets and financial results of the Company and the Group, ensuring compliance with applicable accounting standards, and maintaining the integrity and adequacy of financial disclosures;
  - Identifying principal risks and ensuring the implementation of effective financial and operational systems to manage these risks;
  - Evaluating the adequacy and integrity of the internal control and management information systems of the Company and the Group, including compliance with relevant laws, regulations, rules, directives, and guidelines;
  - Establishing authority control parameters for top Management and Executive Directors to safeguard the Group’s interests and support the efficient functioning of its operations.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part I : Board responsibilities (cont'd)

##### 1) Clear functions, roles and responsibilities of the Board and Management (cont'd)

###### iii) Role of Company Secretaries

The Board is supported by two (2) outsourced Chartered Secretaries who are responsible for the Group's company secretarial functions. The primary duties of the Company Secretaries include, but are not limited to, the following:

- Ensuring compliance with Bursa Malaysia Securities MMLR and related statutory obligations and requirements, as well as keeping the Board informed of relevant updates to Bursa Malaysia Securities MMLR and statutory requirements;
- Attending Board meetings, Board Committee meetings, and general meetings and ensuring proper recording of proceedings as well as follow-up on matters arising from the aforesaid meetings;
- Ensuring proper upkeep of statutory registers and records and maintaining a secured retrieval system that stores meeting papers and minutes of meetings; and
- Assisting the Chairmen in the preparation for and conduct of various meetings of the Board, Board Committees, and general meetings.

Both Company Secretaries possess the necessary credentials and are qualified to act in this capacity under Section 235(2) of the Companies Act 2016. They are also members of the Malaysian Institute of Chartered Secretaries and Administrators, as recognised by the Companies Commission of Malaysia.

###### iv) Access to information and advice

All Directors of the Company are provided with the agenda and relevant information necessary for them to deal with prior to each Board and Board Committees meeting. The senior management team was invited to attend the Board and Board Committees meetings to provide guidance or deliver in-depth explanations and clarifications on certain matters that were tabled to the Board and Board Committees. The meeting papers include, amongst others, a Quarterly Financial Report, an Internal Audit Report, significant financial data and corporate issues, a Risk Management Committee Progress Report, minutes of all Board Committees meetings, a list of all announcements made, a summary of Directors' dealings, list of all Board Circular Resolutions passed and any other matters requiring the Board's approval, confirmation, ratification and notation.

All Directors of the Company have full access to the advice and services of the Company Secretaries as well as access to the information within the Group, whether as a full Board or in their individual capacity for discharging their duties.

The Board is regularly updated and apprised by the Company Secretaries, who are experienced, competent, and well-versed in the relevant laws, regulations, and directives issued by the regulatory authorities.

##### 2) Demarcation of responsibilities

###### i) Board Charter

The Board Charter sets out the roles, duties, and responsibilities of the Board and the application of principles and practices of good CG. The Board Charter was adopted by the Board on 25 April 2013, and the last review of the Board Charter by the Board was on 2 May 2023.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may impact the discharge of the Board's responsibilities. Any subsequent amendments to the Board Charter can only be approved by the Board.

The Board Charter is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part I : Board responsibilities (cont'd)

#### 3) Good business conduct and corporate culture

##### i) Code of Conduct and Ethics ("the Code")

The Board has established the Code, which provides ethical guidelines on the standards of behaviour expected from all Directors of the Group during the conduct of the business for the Group. For all intents and purposes, all Directors of the Group shall always observe and ensure compliance with all applicable laws and regulations to which they are bound to observe in discharging their duties and responsibilities. The Code was initially adopted on 24 November 2016 and was subsequently reviewed by the Board on 14 May 2020. It is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

##### ii) Whistleblowing Policy ("WBP")

The Board has established a WBP to uphold the Group's effort and commitment to doing business with ethics of honesty and integrity, henceforth providing a transparent and confidential process for handling the whistleblowing reports. The WBP will serve as an avenue for all employees and members of the public to disclose any improper conduct or any action that is or could be harmful to the reputation of the Group and/or compromise the interests of the stakeholders.

The WBP was initially adopted by the Board on 24 November 2016 and subsequently reviewed by the Board on 14 May 2020 and 26 November 2024. The WBP is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

##### iii) Anti-Bribery and Anti-Corruption ("ABAC") Policy and Guidelines

The Group is committed to fostering an anti-corruption culture and ensuring that its business activities and transactions are open, transparent, and conducted in accordance with its policies and the legislations that govern its operations. In order to be consistent with this commitment and in ensuring the Group's readiness for the enforcement of the corporate liability provision under the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group has formalised its Group ABAC Policy and Guidelines on 14 May 2020 to ensure that the Group practices ethical business dealings and strengthen measures to minimise the risks of corruption and bribery in the Group's business activities.

The Group ABAC Policy and Guidelines, which is guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, applies to all Directors and employees of the Group. The Group ABAC Policy and Guidelines is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

#### 4) Sustainability risks and opportunities

The Board is responsible for managing the sustainability matters of the Group. The Group has established a Sustainability Committee ("SSC") comprising Executive Directors of the Company and certain key Management staff. The SSC reports to the Group Managing Director, who in turn reports the progress and updates to the Board annually and seeks their advice on related issues.

The sustainability agenda has also been entrenched into the Group's business model, which is aligned with the corporate strategy, culture and values, and way of doing business for the Group.

Moreover, the Board endorses the annual Group Sustainability Report prior to publication. The Sustainability Report comprises the Group's sustainability strategies, priorities, targets, and performance and communications to various parties, i.e., internal and external stakeholders.

In line with the integration of sustainability considerations into corporate strategy, governance, and decision-making, as well as the impact of the environmental, social, and governance ("ESG") issues, the Company had organised an ESG training for the Board and key Management. Issues relevant to climate-related risks and opportunities were included in the training programme.

The Board will continue engaging with sustainability issues relevant to the Group and its businesses, including climate-related risks and opportunities in the near future.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part II: Board composition

##### 5) The Board's objectivity

###### i) Composition of the Board

The Board has ten (10) Board members as of FYE 2024, comprising six (6) Executive Directors and four (4) Independent Non-Executive Directors of the Company, which complies with the prescribed requirement of one-third (1/3) of the Board to be independent as stated in Paragraph 15.02 of Bursa Malaysia Securities MMLR.

The Board members bring together a rich variety of expertise from their diverse backgrounds in finance, commercial, and technical experiences. This invaluable combination of skills and perspectives contributes significantly to the overall strength and success of the Company.

The presence of Independent Non-Executive Directors of the Company fulfils the pivotal role in corporate accountability. The role of Independent Non-Executive Directors of the Company is vital as they provide unbiased and independent views, advice, and judgements, taking into account the interests, not only of the Group but also the stakeholders.

The profile of each Director is presented in another section of this Annual Report.

###### ii) Independent Non-Executive Directors, Board diversity and key Management

###### a) Tenure of Independent Non-Executive Director

At the time of writing this CG Overview Statement, none of the Independent Non-Executive Directors of the Company has exceeded a tenure of nine (9) years. During their tenure, they have continued to exercise their independence and carried out their professional duties in the best interests of the Company and shareholders.

###### b) Policy of Independent Non-Executive Director's tenure

The Company does not have a policy that limits the tenure of its Independent Non-Executive Directors to nine (9) years. The shareholders' approval is sought at every Annual General Meeting ("AGM") of the Company to retain the Independent Non-Executive Directors of the Company who have served on the Board for more than nine (9) years but less than twelve (12) years. The retention of the Independent Non-Executive Directors of the Company who have served for more than nine (9) years but less than twelve (12) years shall be tabled to the shareholders for approval at every AGM of the Company through a two-tier voting process according to Practice 5.3 of the MCCG.

The NC will assess and determine whether the Independent Non-Executive Director who has served on the Board for more than nine (9) years but less than twelve (12) years remains objective and independent. Based on the aforesaid assessment, the NC will then recommend to the Board whether to retain the aforesaid Independent Non-Executive Director as an Independent Non-Executive Director of the Company and that the same will be tabled to the shareholders for approval through a two-tier voting process at the AGM of the Company upon the Board's concurrence of the recommendation of the NC.

###### c) Diverse Board and senior management team

Appointments of the Board and senior management are based on objective criteria, merit, and due regard for diversity in skills, experience, age, cultural background, and gender. Please refer to the Profile of Directors and Key Senior Management in other sections of this Annual Report for further information.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part II: Board composition (cont'd)

##### 5) The Board's objectivity (cont'd)

##### ii) Independent Non-Executive Directors, Board diversity and key Management (cont'd)

##### d) Gender Diversity Policy

The Board acknowledges the importance of boardroom diversity, including gender diversity, to the effective functioning of the Board. In line with this, a female Director, Ms. Toh Hui Yi, was appointed in 2023 to the Board after undergoing an assessment process and the Board's approval.

The Board has implemented a Gender Diversity Policy to ensure that recruitment for new Directors is conducted without discrimination based on, but not limited to, ethnicity, race, age, gender, nationality, political affiliation, religious affiliation, marital status, education, physical ability, or geographic region. The policy is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

##### e) New candidates for the Board's appointment

While the Board is responsible for appointing new Directors of the Company, the NC is delegated with the role of screening and conducting an initial selection, which includes external and independent searches, before making a recommendation to the Board for approval. The NC evaluates the candidate(s) for appointment as Director based on the mix of skills, expertise, working experience, professionalism, integrity, time commitment, and the ability to discharge his/her expected duties and responsibilities, including the criteria stated in the Fit and Proper Policy.

A new member was appointed to the Board during FYE 2024 as follows:

Mr. Jason Toh Jin Hin	Appointed on 1 September 2024
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With the appointment of Mr. Jason Toh Jin Hin as Executive Director, the Board reinforces its commitment to structured and forward-looking succession planning. This process has been progressively implemented over recent years. The Group currently has four second-generation Executive Directors in place, positioning the organisation for a smooth and effective leadership transition in the near future. This proactive strategy strengthens organisational stability, ensures continuity, and aligns with the Group's long-term strategic objectives.

##### iii) Nomination Committee

For FYE 2024, the NC consists of four (4) members, all of which are Independent Non-Executive Directors of the Company, and the composition of the NC is as follows:

Members	Designation	Number of NC meetings attended/held in the financial year under review
Wang Eng Lon	Chairman	2 / 2
Shamsudin @ Samad Bin Kassim	Member	2 / 2
Dato' Siew Mun Wai	Member	2 / 2
Dato' Quah Thain Khan	Member	2 / 2

The primary duties and functions of the NC are summarised as follows:

- To identify new candidates for the Board after assessing the suitability of candidates based on the criteria adopted;
- To consider and recommend to the Board, candidates for directorship, proposed by the Group Managing Director, any senior management, any Director or any shareholder;
- To recommend the nominees to fill the seat on the Board Committees;
- To assess the effectiveness of the Board as a whole, each individual Director and AC member and Committees of the Board; and
- To consider and examine such other matters as the NC considers appropriate.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part II: Board composition (cont'd)

##### 5) The Board's objectivity (cont'd)

###### iii) Nomination Committee (cont'd)

The main activities of the NC during FYE 2024 include the following:

- a) Reviewed the required mix of skills, experience, and other qualities of the Board;
- b) Assessed the effectiveness of the Board as a whole and the Board Committees, including the AC;
- c) Assessed the contribution and performance of each individual Director of the Company and AC member;
- d) Assessed the independence of the Independent Non-Executive Directors of the Company;
- e) Reviewed and recommended to the Board the re-election of the Directors of the Company who shall retire at the AGM of the Company; and
- f) Reviewed and recommended the proposed appointment of a new Director of the Company to the Board.

The full TOR of the NC, outlining the NC's objectives, composition, retirement and resignation, proceeding of meetings, authority and duties and responsibilities, is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

#### Reinforce independence: Annual assessment of the independence of Directors

The Board adopts the concept of independence in tandem with the definition of Independent Non-Executive Director as prescribed under Paragraph 1.01 of Bursa Malaysia Securities MMLR. The Board also conducts an annual assessment of the independence of its Independent Non-Executive Directors through the assistance of the NC.

The Board considers that its Independent Non-Executive Directors provide objective and independent views on various issues dealt with at the Board and Board Committees levels. All the Independent Non-Executive Directors of the Company are independent of management and are free from any relationship that could materially interfere with the exercise of their independent judgement.

#### Re-election of Directors

In accordance with Clause 118 of the Company's Constitution, at least one-third (1/3) of the Directors of the Company, or the number nearest to one-third (1/3) shall retire from office provided always that all Directors including a Managing Director or Deputy Managing Director shall retire from office at least once in each three (3) years but shall be eligible for re-election.

Directors who are appointed by the Board to fill a casual vacancy shall hold office until the next following AGM of the Company and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at the AGM of the Company.

###### iv) Employees' Share Option Scheme ("ESOS") Committee

The Company's ESOS expired on 20 April 2024. All unexercised options lapsed on the same date, and accordingly, the ESOS Committee was dissolved.

##### 6) Overall Board effectiveness

###### i) Annual evaluation of the Board

The Board had, through the NC, undertakes the following assessments annually:

- a) Effectiveness of the Board as a whole and the Committees of the Board;
- b) Contribution and performance of the AC and each individual AC member;
- c) Contribution and performance of each individual Director of the Company; and
- d) Independence of the Independent Non-Executive Directors of the Company.

The Board Effectiveness Evaluation for FYE 2024 included an assessment of the Board's understanding of sustainability matters that are critical to the Company's performance.

The outcome of the abovementioned annual assessments is disclosed in the CG Report, which is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part II: Board composition (cont'd)

##### 6) Overall Board effectiveness (cont'd)

##### ii) Board meetings

The Board intends to meet at least four (4) times a year, with additional meetings to be convened where necessary.

During FYE 2024, a total of four (4) Board meetings were held, and the details of each Director's attendance at the Board meetings are as follows:

Name of Directors	No. of meetings attended	% of attendance
Shamsudin @ Samad Bin Kassim	4 / 4	100
Dato' Toh Yew Peng	4 / 4	100
Toh Yew Seng	3 / 4	75
Kenny Toh Jin Tat	4 / 4	100
Dato' Siew Mun Wai	4 / 4	100
Dato' Quah Thain Khan	3 / 4	75
Wang Eng Lon	4 / 4	100
Toh Hui Yi	4 / 4	100
Andy Toh Jin Hong	4 / 4	100
Jason Toh Jin Hin #	1 / 1	100

# Reflects the number of meetings attended during FYE 2024 following the Director's appointment.

In the intervals between the Board meetings, the Board's approvals are obtained via circular resolutions for exceptional matters requiring urgent Board decisions, which are supported by the relevant information to form an informed decision. In order to facilitate the Directors' planning and time management, an annual meeting calendar is prepared and given to the Directors of the Company before the beginning of each financial year.

The Board is satisfied with the time commitment given by the Directors of the Company. All Directors of the Company do not hold more than five (5) directorships in public listed companies as stipulated under Paragraph 15.06 of Bursa Malaysia Securities MMLR. If any Director of the Company wishes to accept a new directorship in the public listed companies, the Chairman will be informed prior to the aforesaid appointment together with an indication of the time that will be spent on the aforesaid new appointment.

##### iii) Directors' training

All Directors of the Company have completed the Mandatory Accreditation Programme ("MAP"), and the majority have also attended the MAP Part II programme on sustainability. Directors who have not yet attended the MAP Part II programme have registered with the Institute of Corporate Directors Malaysia and are scheduled to complete the programme within the timeframe stipulated by Bursa Malaysia Securities.

Directors are encouraged to attend training programmes continually to enhance their knowledge and keep abreast with the latest technological market and developments in regulations and business practices.

The Board has empowered the Directors of the Company to identify and undertake training requirements they deem necessary to enhance their knowledge and deepen their understanding of the Group's businesses and operations.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part II: Board composition (cont'd)

##### 6) Overall Board effectiveness (cont'd)

##### iii) Directors' training (cont'd)

During FYE 2024, the records of Directors who attended various talks and seminars organised by Bursa Malaysia Securities and other local training providers are as follows:

Attended by	Seminars/Programmes
Shamsudin @ Samad Bin Kassim	<ul style="list-style-type: none"> <li>Board Ethics: Growing Concerns from New Technology, Stakeholder Interests &amp; Conflict of Interest ("COI")</li> </ul>
Dato' Toh Yew Peng	<ul style="list-style-type: none"> <li>MIDA – FMM National Investment Seminar (Re-energising Domestic Investment)</li> <li>Launch of National Sustainability Reporting Framework</li> <li>MAP Part II - Leading for Impact (LIP)</li> </ul>
Toh Yew Seng	<ul style="list-style-type: none"> <li>Corporate Training on GHG Emission and Reporting</li> <li>MAP Part II - Leading for Impact (LIP)</li> </ul>
Kenny Toh Jin Tat	<ul style="list-style-type: none"> <li>Read, Interpret, and Analyse Financial Statements for Company Directors and Company Secretaries (Intermediate Level)</li> <li>Corporate Training on GHG Emission and Reporting</li> <li>MAP Part II - Leading for Impact (LIP)</li> </ul>
Dato' Siew Mun Wai	<ul style="list-style-type: none"> <li>Board Ethics: Growing Concerns from New Technology, Stakeholder Interests &amp; COI</li> <li>Audit Oversight Board's Conversation with ACs</li> <li>Understanding the Challenging Role of An Independent Director</li> <li>Residential Property Conference 2024</li> </ul>
Wang Eng Lon	<ul style="list-style-type: none"> <li>Future of Cybersecurity Summit 2024</li> <li>Bursa Academy: COI and Governance of COI</li> </ul>
Toh Hui Yi	<ul style="list-style-type: none"> <li>Read, Interpret, and Analyse Financial Statements for Company Directors and Company Secretaries (Intermediate Level)</li> <li>Corporate Training on GHG Emission and Reporting</li> <li>Building Sustainable Credibility: Assurance, Greenwashing, and The Rise of Green-Hushing</li> <li>MAP Part II - Leading for Impact (LIP)</li> </ul>
Andy Toh Jin Hong	<ul style="list-style-type: none"> <li>Corporate Training on GHG Emission and Reporting</li> <li>MAP Part II - Leading for Impact (LIP)</li> </ul>
Jason Toh Jin Hin	<ul style="list-style-type: none"> <li>Corporate Training on GHG Emission and Reporting</li> <li>MAP for Directors of Public Listed Companies</li> </ul>

Dato' Quah Thain Khan did not attend structured training programmes during FYE 2024. Nevertheless, he remained up to date with relevant regulatory changes, legal developments, and accounting standards through regular updates provided by the Company Secretaries and briefings conducted by the external auditors and internal auditors.

The Board remains committed to ensuring that all Directors are equipped with the necessary knowledge, skills, and experience to discharge their duties effectively. This will be achieved through ongoing participation in both structured and unstructured training programmes.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part III: Remuneration

##### 7) Remuneration Policy

The Company has a Remuneration Policy for Directors and senior management, which sets out the criteria for recommending their remuneration packages.

The Group's Remuneration Policy aims to attract and retain the Directors and senior management of the Group, which could lead the Group to achieve its long-term goals and enhance shareholders' value.

In the case of Executive Directors and senior management of the Group, the components of the remuneration packages are structured to link rewards to corporate and individual performance. The level of remuneration of the Non-Executive Directors of the Company is reflective of their experience, time commitment, and level of responsibilities, as well as market norms and practices.

##### 8) Remuneration Committee

The RC assists the Board in assessing the remuneration packages of the Executive Directors of the Company to ensure that a competitive remuneration package is offered to attract and retain talented individuals to serve as Executive Directors of the Company.

The RC considers the principles outlined in the MCCG when determining Directors' remuneration. The remuneration of Executive Directors is structured to align rewards with both the Group's performance and individual achievements, whilst the remuneration of the Non-Executive Directors is based on their experience and the scope of responsibilities undertaken. To ensure that the overall remuneration remains competitive and aligned with market expectations, thereby supporting the retention and attraction of talent, the RC also considers the remuneration practices of other public listed companies.

The RC reviews the Directors' fees and benefits and proposes its recommendations to the Board for approval prior to tabling them for shareholders' approval at the AGM of the Company.

For FYE 2024, the RC consists of four (4) members, all of which are Independent Non-Executive Directors of the Company, and the composition of the RC is as follows:

Members	Designation	Number of RC meetings attended/held in the financial year under review
Dato' Quah Thain Khan	Chairman	2 / 2
Shamsudin @ Samad Bin Kassim	Member	2 / 2
Dato' Siew Mun Wai	Member	2 / 2
Wang Eng Lon	Member	2 / 2

The full TOR of the RC, outlining the RC's objectives, composition, retirement and resignation, proceeding of meetings, authority and duties and responsibilities, is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part III: Remuneration (cont'd)

##### 9) Directors' remuneration

The details of the remuneration of the Directors of the Company comprising remuneration received/receivable from the Company and the Group during FYE 2024 are as follows:

##### (a) Company (RM' 000)

Name of Directors	Fees	Salaries, Bonuses and/or allowances	Benefit- in-kind	EPF and SOC SO	Total
<b><u>Non-Executive Directors</u></b>					
Shamsudin @ Samad Bin Kassim	66	3	-	-	69
Dato' Siew Mun Wai	45	3	-	-	48
Dato' Quah Thain Khan	43	2	-	-	45
Wang Eng Lon	43	3	-	-	46
<b>Sub-Total</b>	<b>197</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>208</b>
<b><u>Executive Directors</u></b>					
Dato' Toh Yew Peng	15	1,201	23	229	1,468
Toh Yew Seng	15	-	-	-	15
Kenny Toh Jin Tat	15	-	-	-	15
Toh Hui Yi	15	-	-	-	15
Andy Toh Jin Hong	15	-	-	-	15
Jason Toh Jin Hin (appointed on 01 September 2024)	5	-	-	-	5
<b>Sub-Total</b>	<b>80</b>	<b>1,201</b>	<b>23</b>	<b>229</b>	<b>1,533</b>
<b>Total Company</b>	<b>277</b>	<b>1,212</b>	<b>23</b>	<b>229</b>	<b>1,741</b>

##### (a) Group (RM' 000)

Name of Directors	Fees	Salaries, Bonuses and/or allowances	Benefit- in-kind	EPF and SOC SO	Total
<b><u>Non-Executive Directors</u></b>					
Shamsudin @ Samad Bin Kassim	66	3	-	-	69
Dato' Siew Mun Wai	45	3	-	-	48
Dato' Quah Thain Khan	43	2	-	-	45
Wang Eng Lon	43	3	-	-	46
<b>Sub-Total</b>	<b>197</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>208</b>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### Part III: Remuneration (cont'd)

##### 9) Directors' remuneration (cont'd)

The details of the remuneration of the Directors of the Company comprising remuneration received/receivable from the Group during FYE 2024 are as follows: (cont'd)

##### (b) Group (RM' 000)

Name of Directors	Fees	Salaries, Bonuses and/or allowances	Benefit- in-kind	EPF and SOCSSO	Total
<b>Executive Directors</b>					
Dato' Toh Yew Peng	15	2,123	23	406	2,567
Toh Yew Seng	15	1,967	28	376	2,386
Kenny Toh Jin Tat	15	508	10	97	630
Toh Hui Yi	15	238	-	46	299
Andy Toh Jin Hong	15	375	7	73	470
Jason Toh Jin Hin (appointed on 01 September 2024)	5	531	-	102	638
<b>Sub-Total</b>	<b>80</b>	<b>5,742</b>	<b>68</b>	<b>1,100</b>	<b>6,990</b>
<b>Total Company</b>	<b>277</b>	<b>5,753</b>	<b>68</b>	<b>1,100</b>	<b>7,198</b>

##### 10) Remuneration of top five (5) senior management staff

For FYE 2024, the top five (5) senior management remuneration components, including salary, bonus, benefit-in-kind, and other emoluments in bands of RM50,000.00, are shown as follows:

Range of Remuneration (RM)	No. of person
400,001 - 450,000	1
450,001 - 500,000	1
500,001 - 550,000	1
700,001 - 750,000	1
1,100,001 - 1,150,000	1

*Note: Successive bands of RM50,000.00 are not shown entirely as they are not represented.*

The detailed remuneration components and names of the top five (5) key Management personnel are not disclosed, as the Board is of the view that such information is sensitive and proprietary. There is a concern that disclosure of individual remuneration details may be misused or misinterpreted by certain parties. The Board believes that the principles of transparency and accountability in CG, as they relate to the remuneration of key Management personnel, are sufficiently upheld through the disclosure provided above.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### 11) Audit Committee

The AC consists of three (3) Independent Non-Executive Directors of the Company, which complies with Paragraph 15.09(1)(c) of Bursa Malaysia Securities MMLR, whereby the AC shall only consist of Non-Executive Directors, the majority of whom are Independent Non-Executive Directors. In line with Practice 9.1 and Step-Up Practice 9.4 of the MCCG, the AC comprises solely Independent Non-Executive Directors of the Company, and the Chairman of the AC, Dato' Siew Mun Wai, is not the Chairman of the Board. For detailed information on the AC's composition, activities, and report, please refer to the AC Report in this Annual Report.

None of the AC members was a former partner of the external audit firm of the Company, i.e., the former partners of the audit firm and/or affiliate firm (including those providing advisory services, tax consulting, etc.). In line with the MCCG, the Board has adopted the revised TOR of the AC to require a former partner of the external audit firm of the Company to observe a cooling-off period of at least three (3) years before he/she could be appointed as a member of the AC.

All members of the AC have the relevant accounting, finance, and/or related financial experience and expertise to discharge their duties effectively. The qualifications and experience of the individual AC members are disclosed in the Profile of Directors in this Annual Report.

#### 12) Suitability, objectivity, and independence of the external auditors

The Board, through the AC, maintains a formal and transparent relationship with its external auditors in seeking professional advice. The AC meets with the external auditors at least twice a year without the presence of the Executive Board members and Management regarding audit planning, adequacy of controls, and other relevant audit and accounting issues.

The AC is assigned to assess, review, and supervise the performance, suitability, and independence of the external auditors. Evaluation of the external auditors is carried out on a yearly basis to determine its continuance suitability and independence via a formal assessment form. The AC remains confident that the objectivity and independence of the external auditors are not impaired because of the non-audit services provided to the Group.

The external auditors have confirmed to the AC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and the Malaysian Institute of Accountants' By-Law (on Professional Ethics, Conduct and Practice).

#### 13) Group Risk Management Committee ("GRMC")

The Board acknowledges inherent risks associated with the businesses carried out by the Group. The GRMC assists the Board in continuously reviewing the activities of the Group to identify key business and operational risks and, where possible, implement policies and procedures to address such risks.

All subsidiaries have their own Risk Management Unit to review, monitor, and assess the risk portfolio composition of significant activities within each subsidiary. The Risk Management Unit provides the GRMC with periodical reports on the status of risk management in individual subsidiaries. The GRMC reviews the Group's overall risks by assessing the adequacy and effectiveness of risk portfolio composition and risk mitigation controls to determine the desired exposures of each major area of risk periodically. The Risk Management Committee Progress Reports are further presented to the AC and, thereafter, to the Board for deliberations.

#### 14) Sound risk management and internal audit function

The Board acknowledges its responsibility for establishing a sound system of internal control and risk management framework and practices, which encompasses financial, operational, and compliance control that aims to safeguard shareholders' investments and the Group's assets during its course of business.

The Group has outsourced its internal audit function to assist the AC in discharging its duties and responsibilities. On-going reviews are performed on a quarterly basis to identify, evaluate, monitor, and manage significant risks affecting the businesses and ensure that adequate and effective controls are in place. The internal auditors report their findings and recommendations to the AC during the quarterly AC meeting.

The Risk Management Unit of each subsidiary actively identifies, assesses, and monitors the key business risks to safeguard shareholders' investments and the Group's assets by monitoring the internal control in place with the assistance of the AC.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (cont'd)

#### 14) Sound risk management and internal audit function (cont'd)

The GRMC assists the AC and the Board by reviewing the Risk Management Reports of all subsidiaries of the Company. The Board is updated on the Group's internal control system, which encompasses risk management practices as well as financial, operational, and compliance control on a quarterly basis.

While the internal control system is devised to cater to the needs of the Group as well as risk management, such controls by their nature could only provide reasonable assurance but not absolute assurance against material misstatement or loss. Information on the Company's risk management framework and internal control system within the Group is presented in the Statement on Risk Management and Internal Control of this Annual Report.

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

#### 15) Corporate reporting

In presenting the annual financial statements and quarterly announcements of its results, the Board is committed to providing a balanced, fair, and comprehensive assessment of the Company's state of affairs in relation to its financial performance. In order to achieve the above, adequate financial processes are in place, aimed at keeping the Group's accounting records and transactions in accordance with accepted accounting standards. This also helps to safeguard the preparation of annual financial statements, which present a true and fair view of the state of affairs of the Group at the reporting dates.

The AC assists the Board by reviewing the financial statements with Management and the external auditors (when reviewing the yearly financial statements) to ensure the accuracy and adequacy of all the information to be disclosed as well as to ensure its compliance with the requirements of the rules and regulations of the authorities and approved accounting standards. The Group Financial Controller also presented to the AC and the Board a detailed analysis of the financial results, including performance against targets/budget on a quarterly basis.

The Statement of Directors' Responsibility pursuant to Bursa Malaysia Securities MMLR on its responsibilities in preparing the financial statements is set out in another section of this Annual Report.

#### 16) Communication with stakeholders

The Board recognises the importance of an effective communication channel between the Board, shareholders, investors, and the general public. The annual reports, press releases, quarterly results, and timely announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance and also form an important channel of communication to reach shareholders and investors. In view thereof, effort has been made to enhance the contents of the Annual Report to align with the MCCG and Bursa Malaysia Securities MMLR.

The Group Managing Director is the designated spokesperson for all matters related to the Group, and dedicated personnel are tasked to prepare and verify material information for timely disclosure upon approval by the Board.

The Company maintains a corporate website at [www.prestar.com.my](http://www.prestar.com.my) for shareholders, investors, and the general public to access information on, amongst others, the Group's profile, products, financial performance announcements, and corporate information.

#### 17) Encourage shareholder participation at general meetings

##### Participation at AGM

The AGM of the Company represents the principal forum for dialogue and interaction with shareholders and provides an opportunity for the shareholders to seek and clarify any issue and to have a better understanding of the Group's businesses and corporate developments. Adequate notice period for the AGM of the Company of not less than twenty-eight (28) days is communicated to all the shareholders.

Before the commencement of the AGM of the Company, a presentation, screening corporate video, or brief verbal highlights will be presented to the shareholders on the performance of the Group for the financial year under review as well as the outlook of the Group on its future performance and opportunities.

Healthy dialogues and interactions with the shareholders are greatly encouraged with no time limitations for shareholders to raise questions pertaining to the proposed resolutions, business performance, and the operations of the Group.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

### PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (cont'd)

#### 17) Encourage shareholder participation at general meetings (cont'd)

##### Participation at AGM (cont'd)

The Board is supported by the external auditors, Company Secretaries, and senior management staff, where applicable, who are also present at the AGM of the Company to communicate with the shareholders, investors, and media, as well as to respond to the queries raised.

During FYE 2024, the Company's Thirty-Ninth ("39th") AGM was conducted virtually via Remote Participation and Voting facilities at the broadcast venue at the meeting room of our share registrar at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan. This virtual format was adopted to facilitate shareholder engagement and communication, enabling participation through live streaming and online voting on all resolutions tabled at the AGM of the Company. Shareholders could also submit questions and real-time feedback online via a text box.

Moving forward, beginning with the financial year 2025, the Company will transition to conducting its AGMs in person. This decision aimed at enhancing shareholder engagement and encouraging more meaningful participation through face-to-face interaction. It also aligns with the latest requirements implemented by Bursa Malaysia Securities.

##### Poll voting

In accordance with Bursa Malaysia Securities MMLR, all resolutions set out in the notice of any general meeting, or in any notice of resolution intended to be moved at a general meeting, must be voted on by poll, effective 1 July 2016.

The Company has adopted poll voting for all resolutions since its 2017 AGM and will continue to uphold this practice at all future general meetings.

At the Company's 39th AGM held on 12 June 2024, the Company conducted the meeting virtually, utilising technology to enable remote participation and electronic voting. The AGM was live-streamed, allowing eligible shareholders, proxies, and authorised representatives to log in, participate remotely, and vote online.

An independent scrutineer was appointed to verify the poll results, and the outcome of each resolution was duly announced during the AGM of the Company.

#### COMPLIANCE WITH MCCG

The Board is satisfied that during FYE 2024, the Company substantially complied with the best practices set out in the MCCG except for the departures disclosed in the CG Report. The CG Report is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my) and on the website of Bursa Malaysia Securities.

This CG Overview Statement and the CG Report have been approved by the Board pursuant to a resolution passed on 21 April 2025.

## ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with Paragraph 9.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

### 1. Utilisation of proceeds

The Company did not undertake any corporate proposal to raise any proceeds during the financial year ended 31 December 2024 ("FYE 2024").

### 2. Audit and non-audit fees

During FYE 2024, BDO PLT, the External Auditors, have rendered audit and non-audit services to the Company and its subsidiaries ("the Group"). The breakdown of the fees payable to the External Auditors is as follows:

	Audit fees (RM)	Non-audit fees (RM)
Company	44,500	21,000
Group	240,300	21,000

### 3. Material contracts involving Directors', chief executive's and major shareholders' interests

There was no material contract entered into by the Group involving the interests of the Directors, chief executive, and major shareholders during FYE 2024.

### 4. Recurrent related party transactions of a revenue or trading nature ("RRPTs")

The information on RRPTs for FYE 2024 is disclosed under Note 30 of the Audited Financial Statements for FYE 2024 in this Annual Report.

### 5. Employees' Share Option Scheme ("ESOS")

The ESOS was approved by shareholders at the Extraordinary General Meeting of the Company on 17 December 2013 and was implemented on 21 April 2014.

During FYE 2024, no ESOS options were exercised, and the scheme expired on 20 April 2024. As a result, all granted options have lapsed, and the ESOS Committee has been dissolved.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTRODUCTION

The Board of Directors ("Board") of Prestar Resources Berhad ("the Company") is pleased to present its Statement on Risk Management and Internal Control ("Statement") of the Company and its subsidiaries ("the Group") for the financial year ended 31 December 2024 ("FYE 2024"), which has been prepared pursuant to Paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities"). This Statement, which outlines the nature and scope of risk management and internal control of the Group during FYE 2024, is guided by the "Statement on Risk Management and Internal Control Guidelines: Guidelines for Directors of Listed Issuers" issued by the Institute of Internal Auditors Malaysia and adopted by Bursa Malaysia Securities as well as Part II of Principle B: "Risk Management and Internal Control" as set out in the Malaysian Code on Corporate Governance. The principles adopted by the Group in this Statement do not apply to the associate companies where risk management and internal control are managed by the respective management teams.

### BOARD RESPONSIBILITY

The Board is committed to and acknowledges its overall responsibility for maintaining sound risk management and internal control systems and for continually reviewing their adequacy and effectiveness to safeguard the interests of all stakeholders and protect the Group's assets. The system of risk management and internal control covers not only financial controls but risk management, organisational, operational, fraud prevention, and compliance controls. The Board ensures the adequacy and effectiveness of the system through regular review and monitoring. However, such a system is designed to manage the Group's risks within an acceptable risk profile rather than eliminate the risk of failure in order to achieve the goals and objectives of the Group. As there are inherent limitations in any system of internal control, a system of risk management and internal control can only provide reasonable but not absolute assurance against material misstatement, fraud, and potential losses.

The Board affirms that the Group maintains an ongoing process for identifying, evaluating, monitoring, and managing the principal risks that impact the achievement of its business objectives throughout FYE 2024. The Board has delegated the review of the adequacy and effectiveness of the internal control system to the Audit Committee ("AC"), which in turn delegated the tasks to the Group Risk Management Committee ("GRMC") and Internal Audit Function ("IAF"). Hence, through the AC, the Board is kept informed of all significant control issues brought to its attention by Management, the IAF, and the external auditors. The Board is working closely with the AC to review and improve internal controls, as well as address the potential risks of the Group from time to time.

### RISK MANAGEMENT FRAMEWORK AND PROCESS

Risk management is an integral part of the overall management process. Therefore, the Group has established and implemented a risk management framework to promote effective risk management within the Group, enabling the systematic identification, evaluation, and management of significant risks faced by the Group during FYE 2024.

As mentioned above, the responsibility for overseeing the risk management framework is delegated to the GRMC, which is responsible for ensuring that all the principal risks of the Group are adequately addressed and managed within its acceptable level. The GRMC is supported by various Risk Management Units of its subsidiaries. The GRMC reports to the AC and the Board.

The GRMC continually assesses and identifies risks, implementing necessary controls and mitigation plans to manage and maintain risks at an acceptable level for the Group throughout FYE 2024.

All significant risks identified and relevant controls and mitigation plans implemented by Management are documented in the risk management progress reports, which are compiled and tabled to the AC and the Board for deliberation.

### INTERNAL AUDIT FUNCTION

The IAF is conducted by an external professional firm based on the internal audit plan and ad-hoc assignments approved by the AC.

The scope of works of the IAF includes but is not limited to the following:

- Review and assess the adequacy, efficiency, and effectiveness of the Group's internal control system.
- Review the extent of compliance of the Group with the policies, standard operating procedures, and other laws and regulations that possibly cause a significant impact on the business operations of the Group.
- Report significant issues in relation to the business operations and activities of the Group and make recommendations for improvements in the internal audit reports to the AC.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

### INTERNAL AUDIT FUNCTION (cont'd)

- Conduct follow-up visits to ensure that all agreed corrective action plans are satisfactorily implemented by Management and report the same to the AC.
- Highlight any irregularities to the AC.

During FYE 2024, no material issues were highlighted by the IAF to the AC.

### OTHER KEY ELEMENTS OF INTERNAL CONTROL PROCESSES

In addition to the risk management and internal audit, the Group has established various controls to review the adequacy, effectiveness, and integrity of the internal control system. Such controls include:

- A budgeting process where the operating business units prepare budgets for subsequent monitoring and tracking of variances and performance.
- Documented Quality Management System accredited by various International Organisation for Standardisation (ISO) certification bodies on five (5) subsidiaries' quality management systems on various manufacturing and trading activities.
- Quarterly review of financial results and operational matters by the AC and the Board.
- Policies and standard operating procedures of various business units within the Group are properly documented for operational guidance and compliance. These policies and procedures are regularly reviewed and updated as necessary to ensure their ongoing effectiveness.
- Corporate finance and treasury matters are reviewed, coordinated centrally, and monitored on a weekly, monthly, and quarterly basis.
- A formal authorisation limit for various levels of personnel is established to minimise the risk of unauthorised transactions.
- A monthly management report on key business indicators and performance results on each subsidiary is reported to Management and the Executive Directors. This would enable Management and the Executive Directors to review the performance of each subsidiary on a monthly basis.
- In compliance with Section 17A of the Malaysia Anti-Corruption Commission Amended Act 2018, the Group has established the Anti-Bribery and Anti-Corruption Policy and Guidelines ("ABAC") as part of the Anti-Corruption Management System of the Group to help prevent, detect and address bribery and corruption, by establishing ethical business practices, maintain a high standard of corporate governance and develop a healthy workplace culture. The ABAC is available for reference on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).
- A Whistleblowing Policy and Guidelines is in place to enable the Group to effectively address concerns that may adversely affect its reputation and interests. The Whistleblowing Policy and Guidelines is available on the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

During FYE 2024, no material losses were incurred as a result of weaknesses in internal control. The Board is satisfied that the ongoing process of regularly reviewing, evaluating, and monitoring the risk management and internal control system is reasonably effective and adequate within the Group, except for POSCO-MKPC Sdn. Bhd. and Tashin Holdings Berhad and its group of companies, which are associated companies of the Company.

The Board has received assurances from the Group Managing Director and Group Financial Controller that the Company's risk management and internal control systems are operating adequately and effectively, in all material aspects, based on the risk management model and internal control system adopted by the Group.

### REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the Listing Requirements, the external auditors have reviewed this Statement for inclusion in the 2024 Annual Report. The external auditors' review was performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls or to form an opinion on the effectiveness of the Group's risk and control procedures. Based on the procedures performed, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement has not been prepared in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on risk management and internal control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

This Statement is made in accordance with the resolution of the Board dated 25 February 2025.

## AUDIT COMMITTEE REPORT

The Board of Directors ("Board") of Prestar Resources Berhad ("Prestar" or "Company") is pleased to present the following report on the Audit Committee ("AC" or "Committee") and its activities during the financial year ended 31 December 2024 ("FYE 2024").

### 1. CONSTITUTION

The AC was established on 16 August 1995, which is in line with the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities").

### 2. COMPOSITION OF THE AC AND MEETING ATTENDANCE

The Committee comprises three (3) members at the end of FYE 2024, all of whom are Independent Non-Executive Directors. This meets the requirements of Paragraphs 15.09(1)(a) and (b) of the Main LR of Bursa Malaysia Securities and Step-Up Practice 9.4, as recommended by the Malaysian Code on Corporate Governance.

During FYE 2024, the AC held a total of five (5) meetings. The members of the AC and their attendance at the meetings are set out below:

Name	Designation	Attendance	Percentage
Dato' Siew Mun Wai	Chairman / Independent Non-Executive Director	5/5	100%
Dato' Quah Thain Khan	Member / Independent Non-Executive Director	4/5	80%
Wang Eng Lon	Member / Independent Non-Executive Director	5/5	100%

Dato' Siew Mun Wai is a member of the Malaysian Institute of Accountants.

For FYE 2024, the performance and effectiveness of the AC and individual AC members have been evaluated by the Nomination Committee. Having reviewed the results of the AC's and individual AC members' performance, the Board is satisfied that the AC and individual AC members have been able to discharge their functions, duties, and responsibilities in accordance with the terms of reference of the AC.

### 3. SUMMARY OF KEY ACTIVITIES FOR FYE 2024

During FYE 2024, the main activities undertaken by the AC were as follows:

- Reviewed the unaudited quarterly financial results of the Company and its Group of Companies ("Group") and thereafter, submitted to the Board for approval and release to Bursa Malaysia Securities.
- Reviewed the audited year-end financial statements of the Company and its Group and thereafter, submitted to the Board for consideration and approval.
- Met twice with the external auditors in the absence of the Executive Directors and Management to discuss areas of audit emphasis, issues that may have arisen from the audit, and co-operation received from Management during the course of the audit.
- Reviewed the audit strategy and scope of the audit plan presented by the external auditors prior to the commencement of the annual audit and also audit issues and recommendations raised by them from the audit.
- Reviewed the audit reports of the external auditors and management letters in relation to the audit, including Management's responses arising from the audit.
- Reviewed the principal risks and the risk management actions reported by the Group Risk Management Committee and the Subsidiary Risk Management Unit.
- Reviewed the AC Report and the Statement on Risk Management and Internal Control and thereafter, recommended the same to the Board for inclusion in the annual report.
- Reviewed the Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Statement to Shareholders in relation to the Share Buy-Back, and thereafter, recommended the same to the Board for approval.

## AUDIT COMMITTEE REPORT (cont'd)

### 3. SUMMARY OF KEY ACTIVITIES FOR FYE 2024 (cont'd)

- i) Reviewed the related party transactions and recurrent related party transactions on a quarterly basis.
- j) Reviewed the performance of the internal audit function ("IAF"), annual internal audit plan, and internal audit reports presented by the internal auditors and considered the major findings highlighted by the internal auditors and the responses from Management.
- k) Reviewed the suitability and independence of the external auditors via a formalised external auditors evaluation form, and upon reviewing and being satisfied with the results of the said assessment, the same had been recommended to the Board for approval.
- l) Reviewed and discussed the Group's business plan and budget.
- m) Monitored whistleblowing, and no incidents were reported.
- n) Reviewed the conflict of interest or potential conflict of interest.
- o) Reviewed and recommended the Conflict of Interest Policy to the Board for adoption.
- p) Reviewed and recommended the revised Whistleblowing Policy to the Board for approval.

### 4. TERMS OF REFERENCE

The terms of reference of the AC, outlining the AC's objectives, composition, retirement and resignation, proceeding of meeting, authority and duties and responsibilities, is available at the Company's corporate website at [www.prestar.com.my](http://www.prestar.com.my).

### 5. KEY AUDIT MATTERS ("KAM")

Under the new and revised Auditor Reporting Standards released by the International Auditing and Assurance Standards Board in 2016, auditors are required to disclose KAM in their auditors' reports, leading to more informative and tailored reporting specific to the circumstances of each entity and engagement. KAM refers to matters that, in the auditors' professional judgement, are of most significance in the audit of the financial statements of the current period.

During the audit process for FYE 2024, the issue related to the Impairment of Trade Receivables was raised by the Company's external auditors as a KAM. The audit responses to address the aforementioned issue by the Company's external auditors were set out in the Independent Auditors' Report ("IAR"). For detailed information on the KAM, please refer to the IAR in this Annual Report.

### 6. STATEMENT ON INTERNAL AUDIT FUNCTION

The IAF is outsourced and undertaken by an external professional firm, i.e., Tricor Axcelasia Sdn. Bhd. from 1 January 2024 to 26 September 2024, while Wensen Consulting Asia (M) Sdn. Bhd. was appointed on 27 September 2024 to conduct scheduled reviews and assessments on the adequacy, efficiency, and effectiveness of the Company and its subsidiaries' internal control system. The IAF reports directly to the AC. The IAF is responsible for conducting reviews in accordance with the internal audit plan or other ad-hoc assignments approved by the AC.

The AC meets quarterly to review internal audit findings and discuss corrective action plans, ensuring that Management appropriately addresses the control weaknesses highlighted in the internal audit reports. In addition, the IAF conducts follow-up visits to ensure that Management satisfactorily implements all agreed-upon corrective action plans. The progression status of the corrective action plans is also reported to the AC on a quarterly basis.



## AUDIT COMMITTEE REPORT (cont'd)

### 6. STATEMENT ON INTERNAL AUDIT FUNCTION (cont'd)

For FYE 2024, the IAF has successfully conducted the following audits in accordance with their Internal Audit Plan 2024, which was approved by the AC and agreed on the timing, frequency, and scope of internal audit services to be rendered:

Audit activities	Auditable entities
Inventory and Warehousing	Prestar Storage System Sdn. Bhd.
Plant Facilities Management	Prestar Precision Tube Sdn. Bhd.
Billing, Credit Control, and Collection	Dai Dong Steel Sdn. Bhd.
Production Management*	Prestar Galvanising Sdn. Bhd.

\* The internal audit was conducted by Wensen Consulting Asia (M) Sdn. Bhd.

The cost incurred in maintaining the IAF for FYE 2024 was approximately RM75,500 (Financial year ended 31 December 2023: RM78,000).

The Board has approved this AC Report by a resolution dated 25 February 2025.

## STATEMENT OF DIRECTORS' RESPONSIBILITY



**With respect to the preparation of the Audited Financial Statements of Prestar Resources Berhad ("the Company") for the financial year ended 31 December 2024 ("FYE 2024")**

The Directors are responsible for preparing financial statements for each financial year as required by the Companies Act 2016 ("the Act"). The financial statements are prepared in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards as well as provisions of the Act and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to present a true and fair view of the financial position of the Company and its subsidiaries ("the Group") as at the end of the financial year and of its financial performance and its cash flows for FYE 2024.

In preparing the Audited Financial Statements for FYE 2024, the Directors are satisfied that the Company and the Group have maintained adequate and proper accounting records and sufficient internal controls to enable the Group to disclose, with reasonable accuracy and without any material misstatement, the financial position and its financial performance for FYE 2024.

In order to ensure that the financial statements are properly drawn up, the Directors have taken the following measures:

- (a) ensure the adoption of appropriate accounting policies;
- (b) where applicable, judgements and estimates are made on a reasonable and prudent basis;
- (c) ensure that applicable approved accounting standards have been followed; and
- (d) ensure that the financial statements have been prepared on a going concern basis.

The Directors also have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This statement is made in accordance with a Directors' Resolution in Writing, dated 21 April 2025.



# FINANCIAL STATEMENTS

<b>78</b>	<b>DIRECTORS' REPORT</b>
<b>84</b>	<b>STATEMENT BY DIRECTORS</b>
<b>84</b>	<b>STATUTORY DECLARATION</b>
<b>85</b>	<b>INDEPENDENT AUDITORS' REPORT</b>
<b>88</b>	<b>STATEMENTS OF FINANCIAL POSITION</b>
<b>90</b>	<b>STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>
<b>92</b>	<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>
<b>94</b>	<b>STATEMENT OF CHANGES IN EQUITY</b>
<b>96</b>	<b>STATEMENTS OF CASH FLOWS</b>
<b>100</b>	<b>NOTES TO THE FINANCIAL STATEMENTS</b>

## DIRECTORS' REPORT

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

### PRINCIPAL ACTIVITIES

The principal activities of the Company are renting out properties and investment holding.

The principal activities of the subsidiaries mainly consist of manufacturing steel pipes and tubes, supplying and installing guardrails, material handling equipment, pallet racking systems, wheelbarrows, hand trucks, and other steel-related products. The principal activities and details of the subsidiaries are disclosed in Note 6 to the financial statements.

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

### RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	12,255	6,241
Profit attributable to owners of the parent	12,255	6,241

### DIVIDENDS

Dividends paid, declared or proposed since the end of the previous financial year were as follows:

	RM'000
In respect of financial year ended 31 December 2023:	
Second interim single tier dividend of 1.5 sen per ordinary share was paid on 27 March 2024	5,386
In respect of financial year ended 31 December 2024:	
First interim single tier dividend of 1.0 sen per ordinary share was paid on 23 December 2024	3,591
Total dividends paid	8,977

On 25 February 2025, the Company declared the second interim single tier dividend of 0.5 sen per ordinary share amounted to RM1,795,000 in respect of the financial year ended 31 December 2024, which was paid on 26 March 2025. This dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2025.

The Directors do not recommend the payment of any final dividend in respect of the current financial year.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the consolidated statement of changes in equity.

### ISSUE OF SHARES AND DEBENTURES

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

## DIRECTORS' REPORT (cont'd)

### EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Company implements an ESOS, which is in force for a period of ten (10) years until 20 April 2024 ("the option period").

As at 20 April 2024, pursuant to Clause 10.1 of the ESOS By-Laws, all unexercised options lapsed upon the expiry of the ESOS.

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

	Option price RM	[----- Number of options over ordinary shares -----]			
		Outstanding as at 1.1.2024 '000	Movement during the financial year		Outstanding as at 31.12.2024 '000
Date of offer			Exercised '000	Lapsed '000	Exercisable as at 31.12.2024 '000
21 April 2014	0.33/0.52	267	-	(267)	-

### REPURCHASE OF OWN SHARES

At the Annual General Meeting held on 12 June 2024, the shareholders of the Company by an ordinary resolution renewed the mandate given to the Company to repurchase its own shares based, amongst others, on the following terms:

- (i) The number of shares to be repurchased and/or held as treasury shares shall not exceed 10% of its existing issued and paid-up share capital of the Company;
- (ii) The maximum amount of funds to be utilised for the Proposed Renewal of Share Buy-Back Authority shall not exceed the retained profits of the Company at the time of purchase(s); and
- (iii) The shares so repurchased be retained as treasury shares which may be distributed as dividends and/or resold on Bursa Malaysia Securities and/or cancelled and/or transfer for the purposes of or under an employees' share scheme and/or be dealt with by the Directors of the Company in the manners allowed by the Act.

The Company has the rights to retain, distribute, resell, cancel and or transfer for the purposes of or under an employees' share scheme and or such other purpose as allowed under the Act. As treasury shares, the rights attached to them as to voting, dividends and participation in any other distributions or otherwise are suspended. Details of the treasury shares are disclosed in Note 14(c) to the financial statements.

### DIRECTORS

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

Shamsudin @ Samad Bin Kassim  
Dato' Toh Yew Peng\*  
Toh Yew Seng\*  
Kenny Toh Jin Tat\*  
Toh Hui Yi\*  
Andy Toh Jin Hong\*  
Jason Toh Jin Hin\* (appointed on 1 September 2024)  
Dato' Siew Mun Wai  
Dato' Quah Thain Khan  
Wang Eng Lon

\* These Directors of the Company are also the Directors of certain subsidiaries of the Company

## DIRECTORS' REPORT (cont'd)

### DIRECTORS (cont'd)

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

#### Subsidiaries of Prestar Resources Berhad

Toh Yew Keat  
Toh Poh Khuan  
Toh Yew Kar  
Koay Kah Ee (resigned on 15 September 2024)  
Alan Toh Jin Joo  
Ian Toh Jin Hu

### DIRECTORS' INTERESTS

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

	[----- Number of ordinary shares -----]				
	Balance as at 1.1.2024	Bought	Share transfer	Sold	Balance as at 31.12.2024
Shares in the Company					
<u>Direct interests:</u>					
Shamsudin @ Samad Bin Kassim	1,079,400	120,600	-	-	1,200,000
Dato’ Toh Yew Peng	17,000,000	100,000	2,900,198	-	20,000,198
Toh Yew Seng	5,691,003	226,500	5,076,796	-	10,994,299
Kenny Toh Jin Tat	168,000	-	-	-	168,000
Dato’ Siew Mun Wai	215,950	-	-	(30,000)	185,950
Andy Toh Jin Hong	120,960	-	2,538,398	-	2,659,358
<u>Indirect interests:</u>					
Dato’ Toh Yew Peng*	123,297,552	14,000	(30,585,523)	-	92,726,029

\* Indirect interest by virtue of his interests in Fabulous Essence Sdn. Bhd. and the interests of his son, Alan Toh Jin Joo in the Company.

By virtue of his substantial interest in the shares of the Company, Dato' Toh Yew Peng is deemed to have interest in the shares of all the subsidiaries to the extent that the Company has an interest.

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

### DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) 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 other than the following:

- (i) remuneration received or due and receivable by certain Directors from the related corporations in their capacity as Directors or executives of those related corporations; and
- (ii) deemed benefits arising from related party transactions as disclosed in Note 30 to the financial statements.

## DIRECTORS' REPORT (cont'd)

### DIRECTORS' BENEFITS (cont'd)

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for the share options granted pursuant to the ESOS as disclosed in Note 29 to the financial statements.

### DIRECTORS' REMUNERATION

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

	Group 2024 RM'000	Company 2024 RM'000
<u>Directors of the Company</u>		
Executive Directors:		
Short-term employee benefits:		
- fees	80	80
- salaries, bonuses and other benefits*	5,412	1,224
- defined contribution plan	1,062	229
- long service cash award	7	-
- sales commission	243	-
	<u>6,804</u>	<u>1,533</u>
Non-Executive Directors:		
- fees	197	197
- salaries, bonuses and other benefits*	11	11
	<u>7,012</u>	<u>1,741</u>
<u>Directors of the subsidiaries</u>		
Executive Directors:		
Short-term employee benefits:		
- salaries, bonuses and other benefits*	2,214	-
- defined contribution plan	346	-
	<u>2,560</u>	<u>-</u>
Non-Executive Director:		
- salaries, bonuses and other benefits*	23	-
- defined contribution plan	4	-
	<u>2,587</u>	<u>-</u>
Total	<u>9,599</u>	<u>1,741</u>

\* Salaries, bonuses and other benefits included bonus paid during the financial year.

### INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Group and the Company effected Directors' and officers' liability insurance during the financial year to protect the Directors and officers of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors and officers. The amount of insurance premium paid by the Company for the financial year 31 December 2024 was RM10,300 (2023: RM10,300).

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



**DIRECTORS'  
REPORT (cont'd)****OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY****(I) AS AT THE END OF THE FINANCIAL YEAR**

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

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

- (c) The Directors are not aware of any circumstances:
  - (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
  - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
  - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

**(III) AS AT THE DATE OF THIS REPORT**

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

## DIRECTORS' REPORT (cont'd)

### AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), retire at the forthcoming annual general meeting and do not seek for re-appointment.

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

	Group RM'000	Company RM'000
Statutory audit	240	45
Other assurance services	21	21
	<u>261</u>	<u>66</u>

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

**Dato' Toh Yew Peng**  
Director

**Toh Yew Seng**  
Director

Kuala Lumpur  
21 April 2025

## STATEMENT BY DIRECTORS/ STATUTORY DECLARATION

### STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 88 to 153 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

**Dato' Toh Yew Peng**  
Director

Kuala Lumpur  
21 April 2025

**Toh Yew Seng**  
Director

### STATUTORY DECLARATION

I, Choy Jing Yi, being the officer primarily responsible for the financial management of Prestar Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 88 to 153 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly )  
declared by the abovenamed at )  
Kuala Lumpur this )  
21 April 2025 )

**Choy Jing Yi**  
(MIA Membership No.: 45808)

Before me:

No. W729  
Mardhiyyah Abdul Wahab  
Pesuruhjaya Sumpah  
(Commissioner for Oaths)  
Kuala Lumpur

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRESTAR RESOURCES BERHAD

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Prestar Resources Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 88 to 153.

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

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), 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.

### Key Audit Matters of the Group

#### Recoverability of trade receivables

Gross trade receivables of the Group as at 31 December 2024 was RM85,865,000 as disclosed in Note 11 to the financial statements.

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

#### Audit response

Our audit procedures included the following:

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

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRESTAR RESOURCES BERHAD (cont'd)

### Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the Financial Statements

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRESTAR RESOURCES BERHAD (cont'd)

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

- d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

**Sia Yeak Hong**  
03413/02/2027 J  
Chartered Accountant

Kuala Lumpur  
21 April 2025



## STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4	133,950	135,281	45,416	46,391
Right-of-use assets	5	15,891	12,693	11,333	11,459
Other receivables	11	-	-	1,908	3,678
Investments in subsidiaries	6	-	-	93,792	93,792
Investments in associates	7	170,422	166,778	25,158	25,158
Goodwill	8	1,675	1,675	-	-
		321,938	316,427	177,607	180,478
<b>Current assets</b>					
Inventories	9	85,881	119,082	-	-
Derivative assets	10	22	-	-	-
Trade and other receivables	11	96,422	109,827	677	923
Current tax assets		12,539	12,527	-	-
Short term investments	12	16,215	-	-	-
Cash and bank balances	13	29,263	25,787	751	2,998
		240,342	267,223	1,428	3,921
<b>TOTAL ASSETS</b>		<b>562,280</b>	<b>583,650</b>	<b>179,035</b>	<b>184,399</b>
<b>EQUITY AND LIABILITIES</b>					
Equity attributable to owners of the parent					
Share capital	14	126,966	126,966	126,966	126,966
Treasury shares	14	(725)	(725)	(725)	(725)
Reserves	15	314,838	312,323	26,690	29,450
<b>TOTAL EQUITY</b>		<b>441,079</b>	<b>438,564</b>	<b>152,931</b>	<b>155,691</b>

# STATEMENTS OF FINANCIAL POSITION

## AS AT 31 DECEMBER 2024 (cont'd)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
LIABILITIES					
Non-current liabilities					
Borrowings	16	4,962	8,054	135	1,995
Lease liabilities	5	2,288	677	-	-
Deferred tax liabilities	17	6,236	5,380	1,443	1,388
Retirement benefits obligations	18	7,134	6,260	2,084	2,003
		20,620	20,371	3,662	5,386
Current liabilities					
Trade and other payables	19	38,300	31,381	2,308	2,285
Borrowings	16	60,220	92,233	19,860	20,860
Derivative liabilities	10	9	118	-	-
Lease liabilities	5	1,743	275	-	-
Retirement benefit obligations	18	95	63	66	36
Current tax liabilities		214	645	208	141
		100,581	124,715	22,442	23,322
TOTAL LIABILITIES		121,201	145,086	26,104	28,708
TOTAL EQUITY AND LIABILITIES		562,280	583,650	179,035	184,399

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

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	22	476,043	527,867	13,850	12,112
Cost of sales		(424,798)	(468,470)	(1,449)	(1,479)
Gross profit		51,245	59,397	12,401	10,633
Other operating income		6,511	8,684	-	-
Selling and distribution expenses		(3,875)	(3,358)	-	-
Administrative expenses		(39,748)	(37,215)	(4,161)	(4,194)
Other operating expenses		(1,118)	(1,714)	(222)	(139)
Finance costs	23	(5,026)	(6,460)	(1,186)	(1,588)
Net reversal/(loss) on impairment of financial assets	23	341	(959)	-	113
Interest income		565	566	220	450
Share of results of associates, net of tax	7(e)	6,939	11,278	-	-
Profit before tax	23	15,834	30,219	7,052	5,275
Tax expense	25	(3,579)	(4,321)	(811)	(625)
Profit for the financial year		12,255	25,898	6,241	4,650

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Other comprehensive income, net of tax</b>					
<b>Item that may be reclassified subsequently to profit or loss:</b>					
Foreign currency translations		-	6	-	-
<b>Item that will not be reclassified subsequently to profit or loss</b>					
Re-measurement of defined benefits liability	25(c)	(625)	-	(24)	-
Share of other comprehensive loss of associate	7(e)	(138)	-	-	-
Total other comprehensive (loss)/income, net of tax		(763)	6	(24)	-
Total comprehensive income		11,492	25,904	6,217	4,650
<b>Profit attributable to:</b>					
Owners of the parent		12,255	25,898	6,241	4,650
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		11,492	25,904	6,217	4,650
<b>Earnings per ordinary share attributable to owners of the parent (sen):</b>					
Basic	27(a)	3.41	7.21		
Diluted	27(b)	3.41	7.21		

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Group	Note	Share capital RM'000	Treasury shares RM'000	Share options reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 January 2024		126,966	(725)	1,091	311,232	438,564
Profit for the financial year		-	-	-	12,255	12,255
Other comprehensive income for the year:						
- Re-measurement of defined benefits liability, net of tax		-	-	-	(625)	(625)
- Share of other comprehensive loss of associate, net of tax		-	-	-	(138)	(138)
Total comprehensive income		-	-	-	11,492	11,492
<b>Transactions with owners</b>						
Dividend paid	26	-	-	-	(8,977)	(8,977)
Share options expired transferred to retained earnings		-	-	(1,091)	1,091	-
Total transactions with owners		-	-	(1,091)	(7,886)	(8,977)
Balance as at 31 December 2024		126,966	(725)	-	314,838	441,079

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

Group	Note	Share capital RM'000	Treasury shares RM'000	Exchange translation reserve RM'000	Share options reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 January 2023		126,966	(8,634)	(6)	1,091	297,075	416,492
Profit for the financial year		-	-	-	-	25,898	25,898
Foreign currency translations, net of tax		-	-	6	-	-	6
Total comprehensive income		-	-	6	-	25,898	25,904
<b>Transactions with owners</b>							
Dividend paid	26	-	-	-	-	(3,591)	(3,591)
Shares buy-back		-	(241)	-	-	-	(241)
Share dividend	26	-	8,150	-	-	(8,150)	-
Total transactions with owners		-	7,909	-	-	(11,741)	(3,832)
Balance as at 31 December 2023		126,966	(725)	-	1,091	311,232	438,564

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



## STATEMENT OF CHANGES IN EQUITY

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Company	Note	Share capital RM'000	Treasury shares RM'000	Share options reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 January 2024		126,966	(725)	1,091	28,359	155,691
Profit for the financial year		-	-	-	6,241	6,241
Re-measurement of defined benefits liability, net of tax		-	-	-	(24)	(24)
Total comprehensive income		-	-	-	6,217	6,217
<b>Transactions with owners</b>						
Dividend paid	26	-	-	-	(8,977)	(8,977)
Share options expired transferred to retained earnings		-	-	(1,091)	1,091	-
Total transactions with owners		-	-	(1,091)	(7,886)	(8,977)
Balance as at 31 December 2024		126,966	(725)	-	26,690	152,931

# STATEMENT OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

Company	Note	Share capital RM'000	Treasury shares RM'000	Share options reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 January 2023		126,966	(8,634)	1,091	35,450	154,873
Profit for the financial year		-	-	-	4,650	4,650
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	4,650	4,650
<b>Transactions with owners</b>						
Dividend paid	26	-	-	-	(3,591)	(3,591)
Shares buy-back		-	(241)	-	-	(241)
Share dividend	26	-	8,150	-	(8,150)	-
Total transactions with owners		-	7,909	-	(11,741)	(3,832)
Balance as at 31 December 2023		126,966	(725)	1,091	28,359	155,691

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

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before tax:		15,834	30,219	7,052	5,275
Adjustments for:					
Depreciation of property, plant and equipment	4	7,413	7,263	982	1,081
Depreciation of right-of-use assets	5	676	497	126	126
Fair value gain on derivatives	10(c)	(131)	(306)	-	-
Dividend income from subsidiaries	22	-	-	(4,300)	(2,050)
Dividend income from associates	7(e)	-	-	(3,157)	(4,593)
Impairment losses/(reversal) on property, plant and equipment	4	539	(540)	-	-
Interest expense		5,026	6,460	1,186	1,588
Interest income		(565)	(566)	(220)	(451)
Net inventories written down/(reversal)	9	624	(21,311)	-	-
Net gains on disposals of property, plant and equipment	23	(69)	(218)	-	-
Net impairment (reversal)/losses on trade receivables		(341)	959	-	-
Property, plant and equipment written off	4	4	1,208	-	-
Retirement benefit obligations	18	115	303	80	92
Share of results of associates, net of tax	7(e)	(6,939)	(11,278)	-	-
Unrealised loss/(gain) on foreign exchange	23	77	(138)	-	-
Operating profit before changes in working capital		22,263	12,552	1,749	1,068
Changes in working capital:					
Inventories		32,659	69,543	-	-
Trade and other receivables		13,705	17,928	(5)	3
Trade and other payables		7,206	(4,466)	(133)	262
Cash generated from operations		75,833	95,557	1,611	1,333
Dividends received, from subsidiaries		-	-	4,300	2,050
Dividends received, from associates		3,157	4,593	3,157	4,593
Retirement benefits paid	18	(31)	-	-	-
Tax refunded		552	48	-	-
Tax paid		(3,718)	(3,958)	(689)	(665)
Net cash from operating activities		75,793	96,240	8,379	7,311

# STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Advances to subsidiaries		-	-	2,184	5,506
Proceeds from capital reduction of subsidiary	6(c)	-	-	-	4,990
Interest received		565	566	220	451
Proceeds from disposal of property, plant and equipment		182	376	-	-
Purchase of property, plant and equipment	4	(6,929)	(9,298)	(7)	(29)
Purchase of right-of-use assets	5(e)	(122)	-	-	-
Net cash (used in)/from investing activities		(6,304)	(8,356)	2,397	10,918
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Interest paid		(5,026)	(6,460)	(1,186)	(1,588)
Repayments of term loans		(3,092)	(3,306)	(1,860)	(1,860)
Repayments of other borrowings		(32,385)	(84,479)	(1,000)	(11,500)
Repayments of lease liabilities	5(f)	(642)	(921)	-	-
Dividends paid	26	(8,977)	(3,591)	(8,977)	(3,591)
Shares buy-back		-	(241)	-	(241)
Net cash used in financing activities		(50,122)	(98,998)	(13,023)	(18,780)
Net increase/(decrease) in cash and cash equivalents		19,367	(11,114)	(2,247)	(551)
Effects of exchange rate changes on cash and cash equivalents		(48)	(2)	-	-
Cash and cash equivalents at beginning of financial year		25,787	36,903	2,998	3,549
Cash and cash equivalents at end of financial year	13(d)	45,106	25,787	751	2,998

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

### RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	Lease liabilities (Note 5) RM'000	Term loans (Note 16) RM'000	Other borrowings* (Note 16) RM'000
Balance as at 1 January 2024	952	11,147	89,140
Cash flows:			
Repayments of lease liabilities	(642)	-	-
Repayments of term loans	-	(3,092)	-
Repayments of other borrowings	-	-	(32,385)
Non-cash flows:			
Additions	3,658	-	-
Termination	(15)	-	-
Unwinding of interest	78	-	-
Balance as at 31 December 2024	4,031	8,055	56,755
Balance as at 1 January 2023	700	14,453	173,619
Cash flows:			
Additions	1,114	-	-
Repayments of lease liabilities	(921)	-	-
Repayments of term loans	-	(3,306)	-
Repayments of other borrowings	-	-	(84,479)
Non-cash flows:			
Modification	29	-	-
Unwinding of interest	30	-	-
Balance as at 31 December 2023	952	11,147	89,140

\* Other borrowings excludes bank overdrafts.

# STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

## RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (cont'd)

Company	Term loans (Note 16) RM'000	Other borrowings* (Note 16) RM'000
Balance as at 1 January 2024	3,855	19,000
Cash flows:		
Repayment of term loan	(1,860)	-
Repayment of other borrowings	-	(1,000)
Balance as at 31 December 2024	1,995	18,000
Balance as at 1 January 2023	5,715	30,500
Cash flows:		
Repayment of term loan	(1,860)	-
Repayment of other borrowings	-	(11,500)
Balance as at 31 December 2023	3,855	19,000

\* Other borrowings excludes bank overdrafts.



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024

#### 1. CORPORATE INFORMATION

Prestar Resources Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

The principal place of business of the Company is located at Lot 1298, 16½ Miles, Jalan Ipoh, Rawang Industrial Estate, 48000 Rawang, Selangor Darul Ehsan.

The consolidated financial statements for the financial year ended 31 December 2024 comprise the Company and its subsidiaries and the interests of the Group in associates. These financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 21 April 2025.

#### 2. PRINCIPAL ACTIVITIES

The principal activities of the Company are renting out properties and investment holding.

The principal activities of the subsidiaries mainly consist of manufacturing steel pipes and tubes, supplying and installing guardrails, material handling equipment, pallet racking systems, wheelbarrows, hand trucks, and other steel-related products. The principal activities and details of the subsidiaries are disclosed in Note 6 to the financial statements.

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

#### 3. BASIS OF PREPARATION

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

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 34 to the financial statements.

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

#### 4. PROPERTY, PLANT AND EQUIPMENT

[illegible]

NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2024 (cont'd)

#### 4. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.1.2023 RM'000	Depreciation				Transfer to inventories (Note 9) RM'000	Reclassification RM'000	Reversal of Impairment RM'000	Reclassification from right-of-use assets (Note 5) RM'000	Balance as at 31.12.2023 RM'000
		Additions RM'000	Disposals RM'000	Written off RM'000	charge for the financial year RM'000					
<b>Carrying amount</b>										
Freehold land	27,810	-	-	-	-	-	-	-	-	27,810
Buildings	40,028	19	-	-	(1,174)	-	-	-	-	38,873
Plant and machinery	50,577	967	(69)	(1,114)	(3,325)	-	2,346	540	2,635	52,557
Office equipment	1,284	350	-	(1)	(322)	-	63	-	-	1,374
Furniture, fittings and renovations	3,362	106	(1)	-	(480)	-	22	-	-	3,009
Motor vehicles and forklifts	6,231	3,793	(88)	-	(1,788)	(120)	-	-	107	8,135
Moulds, tools and equipment	746	123	-	-	(174)	-	-	-	-	695
Construction-in-progress	1,412	3,940	-	(93)	-	-	(2,431)	-	-	2,828
	131,450	9,298	(158)	(1,208)	(7,263)	(120)	-	540	2,742	135,281
<b>&lt;----- As at 31 December 2023 -----&gt;</b>										
							<b>Cost RM'000</b>	<b>Accumulated depreciation and impairment RM'000</b>		<b>Carrying amount RM'000</b>
Freehold land							27,810	-		27,810
Buildings							56,052	(17,179)		38,873
Plant and machinery							94,637	(42,080)		52,557
Office equipment							5,594	(4,220)		1,374
Furniture, fittings and renovations							11,824	(8,815)		3,009
Motor vehicles and forklifts							27,451	(19,316)		8,135
Moulds, tools and equipment							2,025	(1,330)		695
Construction-in-progress							4,182	(1,354)		2,828
							229,575	(94,294)		135,281

# NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (cont'd)

## 4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company	Balance as at 1.1.2024 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Balance as at 31.12.2024 RM'000
<b>Carrying amount</b>				
Freehold land	15,293	-	-	15,293
Buildings	30,812	-	(925)	29,887
Office equipment	125	7	(43)	89
Furniture, fittings and renovations	59	-	(14)	45
Motor vehicles	102	-	-	102
	46,391	7	(982)	45,416

<----- As at 31 December 2024 ----->

	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	15,293	-	15,293
Buildings	46,269	(16,382)	29,887
Office equipment	636	(547)	89
Furniture, fittings and renovations	2,522	(2,477)	45
Motor vehicles	1,004	(902)	102
	65,724	(20,308)	45,416

Company	Balance as at 1.1.2023 RM'000	Additions RM'000	Reclassifi- cation RM'000	Depreciation charge for the financial year RM'000	Balance as at 31.12.2023 RM'000
<b>Carrying amount</b>					
Freehold land	15,293	-	-	-	15,293
Buildings	31,738	-	-	(926)	30,812
Office equipment	147	5	18	(45)	125
Furniture, fittings and renovations	81	15	-	(37)	59
Motor vehicles	175	-	-	(73)	102
Construction-in-progress	9	9	(18)	-	-
	47,443	29	-	(1,081)	46,391

<----- As at 31 December 2023 ----->

	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	15,293	-	15,293
Buildings	46,269	(15,457)	30,812
Office equipment	629	(504)	125
Furniture, fittings and renovations	2,522	(2,463)	59
Motor vehicles	1,004	(902)	102
	65,717	(19,326)	46,391

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

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

Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal depreciation periods are as follows:

Buildings	20 - 50 years
Plant and machinery	5 - 20 years
Office equipment	5 - 10 years
Furniture, fittings and renovations	5 - 10 years
Motor vehicles and forklifts	5 - 6 years
Moulds, tools and equipment	7 years

Freehold land has unlimited useful life and is not depreciated. Construction-in-progress represents machinery under installation and is stated at cost. Construction-in-progress is not depreciated until such time when the asset is available for use.

- (c) At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.
- (d) As at the end of the reporting period, certain freehold land and buildings of the Group and of the Company with a carrying amount of RM59,358,000 (2023: RM60,355,000) and RM38,170,000 (2023: RM38,937,000) respectively have been charged as securities for banking facilities granted to the Group and the Company as disclosed in Note 16 to the financial statements.
- (e) Impairment assessment

Impairment loss on property, plant and equipment of the Group of RM539,000 was recognised during the financial year due to idle assets not used in operations of a subsidiary of the Group.

In the previous financial year, there was a reversal of impairment loss amounting to RM540,000 on the property, plant and equipment following the disposal of certain plant and machinery of certain subsidiaries.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

##### The Group as lessee

##### Right-of-use assets

Carrying amount	Balance as at 1.1.2024 RM'000	Additions RM'000	Termination RM'000	Depreciation charge for the financial year RM'000	Reclassification (Note 4) RM'000	Balance as at 31.12.2024 RM'000
Leasehold land	11,459	-	-	(126)	-	11,333
Buildings	59	702	(15)	(180)	-	566
Motor vehicles	1,175	3,078	-	(370)	109	3,992
	12,693	3,780	(15)	(676)	109	15,891

Carrying amount	Balance as at 1.1.2023 RM'000	Additions RM'000	Modification RM'000	Depreciation charge for the financial year RM'000	Reclassification * (Note 4) RM'000	Balance as at 31.12.2023 RM'000
Leasehold land	11,585	-	-	(126)	-	11,459
Buildings	194	-	29	(164)	-	59
Machineries	2,692	-	-	(57)	(2,635)	-
Motor vehicles	318	1,114	-	(150)	(107)	1,175
	14,789	1,114	29	(497)	(2,742)	12,693

\* The assets previously acquired under hire purchase arrangement were reclassified to property, plant and equipment as the lease liabilities for these assets have been fully settled during the financial year.

##### Lease liabilities

Carrying amount	Balance as at 1.1.2024 RM'000	Additions RM'000	Termination RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.12.2024 RM'000
Buildings	61	702	(15)	(188)	10	570
Motor vehicles	891	2,956	-	(454)	68	3,461
	952	3,658	(15)	(642)	78	4,031

Carrying amount	Balance as at 1.1.2023 RM'000	Additions RM'000	Modification RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.12.2023 RM'000
Buildings	196	-	29	(168)	4	61
Machineries	268	-	-	(272)	4	-
Motor vehicles	236	1,114	-	(481)	22	891
	700	1,114	29	(921)	30	952



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd)

##### The Group as lessee (cont'd)

Represented by:

	2024 RM'000	2023 RM'000
Current liabilities	1,743	275
Non-current liabilities	2,288	677
	<u>4,031</u>	<u>952</u>
Lease liabilities owing to financial institutions	3,356	750
Lease liabilities owing to non-financial institutions	675	202
	<u>4,031</u>	<u>952</u>

##### The Company as lessee

##### Right-of-use assets

	Balance as at 1.1.2024 RM'000	Depreciation charge for the financial year RM'000	Balance as at 31.12.2024 RM'000
<b>Carrying amount</b>			
Leasehold land	11,459	(126)	11,333
	<u>11,459</u>	<u>(126)</u>	<u>11,333</u>
	Balance as at 1.1.2023 RM'000	Depreciation charge for the financial year RM'000	Balance as at 31.12.2023 RM'000
<b>Carrying amount</b>			
Leasehold land	11,585	(126)	11,459
	<u>11,585</u>	<u>(126)</u>	<u>11,459</u>

##### The Group and the Company as lessee

- (a) The Group and the Company leases buildings and leasehold land in the location which it operates. The lease of buildings comprised fixed payment over the lease term.

The Group also leases certain items of machineries and motor vehicles. Leases of machineries and motor vehicles comprise only fixed payments over the lease terms.

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

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

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

Leasehold land	99 years
Buildings	1 - 3 years
Machineries	3 - 5 years
Motor vehicles	1 - 7 years

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd)

##### The Group and the Company as lessee (cont'd)

(c) The Group and the Company have certain leases of machineries and office equipment with lease term of 12 months or less and low value leases of assets of RM20,000 and below. The Group and the Company applies the "short-term lease" and "lease of low-value assets" exemptions for these leases.

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

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Depreciation charge of right-of-use assets (included in cost of sales)	676	497	126	126
Interest expense on lease liabilities (included in finance costs)	78	30	-	-
Expense relating to short-term leases (included in administrative expenses)	435	329	-	-
Expense relating to leases of low-value assets (included in administrative expenses)	-	6	-	-
	<u>1,189</u>	<u>862</u>	<u>126</u>	<u>126</u>

(e) During the financial year, the Group made the following cash payments on right-of-use assets:

	Group	
	2024	2023
	RM'000	RM'000
Additions of right-of-use assets	3,780	1,114
Financed by lease arrangement	(3,658)	(1,114)
Net cash payments on right-of-use assets	<u>122</u>	<u>-</u>

(f) The following are total cash outflows for leases as a lessee:

	Group	
	2024	2023
	RM'000	RM'000
Included in net cash from operating activities:		
Payments relating to short-term leases and low value assets	435	335
Included in net cash from investing activities:		
Net cash payments on right-of-use assets	122	-
Included in net cash used in financing activities:		
Payment of lease liabilities	642	921
Total cash outflows for leases	<u>1,199</u>	<u>1,256</u>

**5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd)****The Group and the Company as lessee (cont'd)**

- (g) The Group and the Company leases several assets that include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group's and the Company's operations. Management determines whether these extensions and termination options are reasonably certain to be exercised.

As at 31 December 2024, there is no undiscounted potential future rental payment that is not included in the lease term.

- (h) Weighted average incremental borrowing rates of the lease liabilities of the Group as at the end of the reporting period is 5.69% (2023: 4.68%) per annum respectively.

**The Group and the Company as lessor**

The Group and the Company have entered into non-cancellable lease agreements on certain properties and motor vehicles for terms of between one (1) to five (5) years (2023: one (1) to six (6) years) and one (1) to two (2) years (2023: one (1) to three (3) years) respectively and renewable at the end of the lease period. The monthly rental consists of a fixed base rent.

The Group and the Company have aggregate future minimum lease receivable as at the end of each reporting period as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Not later than one (1) year	5,946	4,602	6,038	6,393
Later than one (1) year and not later than two (2) years	3,198	6,048	4,974	12,313
Later than two (2) years and not later than three (3) years	2,092	1,416	-	-
Later than three (3) years and not later than four (4) years	708	946	-	-
Later than four (4) years and not later than five (5) years	103	551	-	-
Later than five (5) years	-	240	-	-
	<b>12,047</b>	<b>13,803</b>	<b>11,012</b>	<b>18,706</b>

**6. INVESTMENTS IN SUBSIDIARIES**

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At cost</b>		
Unquoted shares	93,792	93,792
Less: Accumulated impairment losses	-	-
	<b>93,792</b>	<b>93,792</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 6. INVESTMENTS IN SUBSIDIARIES (cont'd)

(a) Details of the subsidiaries are as follows:

Name of Company	Principal place of business/ Country of incorporation	Effective interest in equity held by the Group		Principal activities
		2024 %	2023 %	
Prestar Manufacturing Sdn. Bhd.* ("PMSB")	Malaysia	100	100	Investment holding.
Prestar Marketing Sdn. Bhd.* ("PMktgSB")	Malaysia	100	100	Importing and distributing of general hardware, tools and material handling equipment as well as being a local forklifts dealer for rental and sales.
Prestar Engineering Sdn. Bhd.* ("PESB")	Malaysia	100	100	Manufacturing, supply and install of guardrails and related products.
Prestar Precision Tube Sdn. Bhd.* ("PPTSB")	Malaysia	100	100	Manufacture and supply of commercial and precision steel pipes and tubes.
Dai Dong Steel Sdn. Bhd.* ("DDSSB")	Malaysia	100	100	Importing and trading of steel materials and general hardware products.
Prestar Storage System Sdn. Bhd.* ("PSSSB")	Malaysia	100	100	Manufacture, installation of all kinds of structural steel works, storage and shelving systems, and exporting of material handling equipment such as wheelbarrows, hand trucks, pallet meshes and boltless shelving, etc.

#### Subsidiary of PESB

Prestar Galvanising Sdn. Bhd.* ("PGSB")	Malaysia	100	100	General hot-dip galvanising of metal products and threaded items.
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\* Subsidiaries audited by BDO PLT Malaysia.

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

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(c) During the previous financial year ended 31 December 2023:

- (i) On 10 October 2023, PMSB, a wholly owned subsidiary of the Company, had undertaken a capital reduction of its existing issued and paid-up share capital via cancellation of 4,990,000 shares of RM1.00 each. Pursuant to the capital reduction and repayments, PMSB's issued and fully paid up share capital was reduced from 5,000,000 to 10,000 comprising 10,000 ordinary shares of RM1.00 each. As a result of the capital reduction exercise, the cost of investment of the Company in PMSB decreased by RM4,990,000.
- (ii) On 15 December 2023, the Group has written off its investment in PTMHE amounting to RM684,000 which has been fully impaired during the previous financial year as the subsidiary has been wound up.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 6. INVESTMENTS IN SUBSIDIARIES (cont'd)

(d) The carrying amounts of assets to which significant restrictions apply are as follows:

	2024 RM'000	2023 RM'000
Buildings	10,112	10,341
Cash and cash equivalents	232	8,074
Freehold land	20,000	20,000
	<u>30,344</u>	<u>38,415</u>

The above restrictions arose from bank covenants as follows:

- (i) A covenant of banking facilities undertaken by PESB, a subsidiary of the Company, restricts the ability of the subsidiary to declare dividends to its shareholders if the subsidiary is making loss after tax, and any future dividend payments in excess of 50% of its net profit after tax for the financial year shall require the bank's consent.

There were no breach of covenant in financial year ended 31 December 2024.

- (ii) A covenant of banking facilities undertaken by DDSSB, PPTSB, PSSSB and PMktgSB, subsidiaries of the Company, restricts the ability of the subsidiaries to declare dividends of more than 50% of its current year profit after tax to its shareholders without the bank's consent.

There were no breach of covenant in financial year ended 31 December 2024.

- (iii) The covenant of banking facilities undertaken by PSSSB, a subsidiary of the Company, restricts the ability of the subsidiaries to dispose or transfer the ownership of their freehold land and building.

#### 7. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>At cost:</b>				
Unquoted equity shares	16,965	16,965	16,965	16,965
Share of post-acquisition reserves, net of dividends received	66,193	60,259	-	-
	<u>83,158</u>	<u>77,224</u>	<u>16,965</u>	<u>16,965</u>
Quoted equity shares	68,821	68,821	8,193	8,193
Share of post-acquisition reserves, net of dividends received	18,443	20,733	-	-
	<u>170,422</u>	<u>166,778</u>	<u>25,158</u>	<u>25,158</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 7. INVESTMENTS IN ASSOCIATES (cont'd)

(a) Investments in associates are measured at cost less impairment losses, if any, in the separate financial statements of the Company and accounted for using the equity method in the consolidated financial statements.

(b) The details of the associates of which all are incorporated in Malaysia are as follows:

Name of Company	Effective interest in equity held by the Group		Principal activities
	2024 %	2023 %	
POSCO-MKPC Sdn. Bhd. ("MKPC") *	30	30	Slitting, shearing and sales of steel sheets and coils.
Tashin Holdings Berhad ("THB") **	34	34	Investment holding company.

\* Associate not audited by BDO PLT Malaysia.

\*\* Associate audited by BDO PLT Malaysia.

(c) The financial statements of the above associates are coterminous with those of the Group, which are 31 December 2024.

(d) The summarised financial information of the associates are as follows:

2024	MKPC RM'000	THB RM'000	Total RM'000
<b>Assets and liabilities</b>			
Non-current assets	78,116	146,450	224,566
Current assets	411,665	235,916	647,581
Non-current liabilities	(15,814)	(17,308)	(33,122)
Current liabilities	(196,774)	(95,514)	(292,288)
Net assets	277,193	269,544	546,737
<b>Results</b>			
Revenue	846,893	372,839	1,219,732
Profit/(Loss) for the financial year	24,373	(1,097)	23,276
Total comprehensive income	24,373	16,731	41,104
Cash flows from/(used in) operating activities	47,130	(27,540)	19,590
Cash flows used in investing activities	(21,155)	(447)	(21,602)
Cash flows (used in)/from financing activities	(8,419)	20,936	12,517
Net increase/(decrease) in cash and cash equivalents	17,556	(7,051)	10,505

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 7. INVESTMENTS IN ASSOCIATES (cont'd)

(d) The summarised financial information of the associates are as follows: (cont'd)

2023	MKPC RM'000	THB RM'000	Total RM'000
<b>Assets and liabilities</b>			
Non-current assets	62,334	127,679	190,013
Current assets	399,476	209,629	609,105
Non-current liabilities	(5,565)	(26,855)	(32,420)
Current liabilities	(198,833)	(52,406)	(251,239)
Net assets	257,412	258,047	515,459
<b>Results</b>			
Revenue	832,874	362,450	1,195,324
Profit for the financial year	30,606	6,166	36,772
Total comprehensive income	30,606	6,166	36,772
Cash flows from operating activities	68,875	14,020	82,895
Cash flows used in investing activities	(512)	(3,468)	(3,980)
Cash flows used in financing activities	(76,878)	(35,716)	(112,594)
Net decrease in cash and cash equivalents	(8,515)	(25,164)	(33,679)

(e) The reconciliation of net assets of the associates to the carrying amount of the investment in associates, adjusted for any differences in accounting policies, are as follows:

2024	MKPC RM'000	THB RM'000	Total RM'000
Share of net assets of the Group	83,158	91,645	174,803
Consolidation adjustments at Group level	-	(4,381)	(4,381)
Carrying amount in the statements of financial position	83,158	87,264	170,422
<b>Share of results of the Group for the financial year</b>			
Share of profit/(loss) of the Group	7,312	(373)	6,939
Share of other comprehensive loss of the Group	-	(138)	(138)
Share of total comprehensive income/(loss) of the Group	7,312	(511)	6,801
<b>Other information</b>			
Dividend income from associates	1,377	1,780	3,157



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 7. INVESTMENTS IN ASSOCIATES (cont'd)

- (e) The reconciliation of net assets of the associates to the carrying amount of the investment in associates, adjusted for any differences in accounting policies, are as follows: (cont'd)

2023	MKPC RM'000	THB RM'000	Total RM'000
Share of net assets of the Group	77,224	87,736	164,960
Consolidation adjustments at Group level	-	1,818	1,818
Carrying amount in the statements of financial position	77,224	89,554	166,778
<b>Share of results of the Group for the financial year</b>			
Share of profit/Share of total comprehensive income of the Group	9,182	2,096	11,278
<b>Other information</b>			
Dividend income from associates	2,220	2,373	4,593

- (f) The fair value of the investment in an associate of the Group for disclosure purposes, which is at Level 1 of the fair value hierarchy, is RM37,970,000 (2023: RM43,903,000).

- (g) As at 31 December 2024, the market value of the Group's investment in Tashin Holdings Berhad which is based on the quoted shares is below the carrying amount of the investment in an associate. As this is a potential impairment indicator, the management has performed further impairment assessment on the carrying amount of the investments in an associate.

For the purpose of impairment assessment, the recoverable amount of the investment in an associate is determined based on the value-in-use calculation. The value-in-use is determined by discounting the future cash flows to be generated from continuing use of the associate. The key assumptions applied include the forecast growth rate, gross profit margin as well as determining the appropriate pre-tax discount rate. The pre-tax discount rate applied is approximate 7.00%.

The management has determined that the recoverable amount of the investment in an associate exceeds its carrying amount and therefore, the Group is of the view that the carrying amount of the investment in an associate is recoverable and should not be impacted by the fluctuation of the share price. Hence, no impairment loss is required.

#### 8. GOODWILL

##### 2024

Group Carrying amount RM'000

Goodwill as at 1 January 2024/31 December 2024 1,675

<----- As at 31 December 2024 ----->  
Accumulated  
Cost Carrying  
RM'000 impairment amount  
RM'000 RM'000

Goodwill 2,803 (1,128) 1,675

##### 2023

Group Carrying amount RM'000

Goodwill as at 1 January 2023/31 December 2023 1,675

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 8. GOODWILL (cont'd)

	<----- As at 31 December 2023 ----->		
	Cost	Accumulated impairment	Carrying amount
	RM'000	RM'000	RM'000
Goodwill	2,803	(1,128)	1,675

##### (a) Allocation of goodwill

Goodwill arising from business combinations has been allocated to two (2) individual cash-generating units ("CGU") for impairment testing, as follows:

	Manufacturing (CGU 1)	Trading (CGU 2)	Total
	RM'000	RM'000	RM'000
Goodwill, gross	1,799	1,004	2,803
Less: Impairment losses	(668)	(460)	(1,128)
Goodwill, net	1,131	544	1,675

- (b) For the purpose of impairment testing, goodwill is allocated to the operating divisions of the Group which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.
- (c) The recoverable amounts of the CGUs have been determined based on value-in-use calculations using discounted cash flow projections from financial budgets approved by the Directors covering a five (5) year period. The pre-tax discount rate applied to the cash flow projections and forecasted growth rates used to extrapolate cash flows for the five (5) year period are as follows:

	CGU1		CGU2	
	2024	2023	2024	2023
	%	%	%	%
Growth rates	3.0	2.0	3.0	3.0
Pre-tax discount rates	10.2	11.0	10.2	11.0

- (d) The calculations of value-in-use for the CGUs are based on the following assumptions:

##### (i) Growth rate

The forecasted growth rate has considered business past performance and management's expectations of market development.

##### (ii) Pre-tax discount rates

Discount rates reflect the current market assessment of the risks specific to each CGU. This is the benchmark used by management to assess the operating performance of the respective CGUs and to evaluate future investment proposals. The discount rates used are pre-tax and reflect the overall weighted average cost of capital and specific risk adjustment relating to the relevant segments.

Based on the annual impairment testing undertaken by the Group, no impairment losses were required for the carrying amounts of the remaining goodwill assessed as at 31 December 2024 as their recoverable amounts were in excess of their carrying amounts.

The sensitivity of the impairment assessment to a reasonably possible change in the above assumptions are not disclosed as it is not significant.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 9. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
<b>At cost</b>		
Raw materials	10,923	41,696
Work-in-progress	9,110	12,474
Manufactured and trading inventories	42,010	56,449
	62,043	110,619
<b>At net realisable value</b>		
Raw materials	13,127	2,410
Work-in-progress	4,046	311
Manufactured and trading inventories	6,665	5,742
	23,838	8,463
	85,881	119,082
<b>Recognised in profit or loss:</b>		
Inventories recognised as cost of sales	373,604	466,990
Inventories written down	752	60
Inventories written back	(128)	(21,371)
Net inventories written down/(reversal)	624	(21,311)

- (a) Inventories are stated at the lower of cost and net realisable value. The cost of the inventories are determined using the weighted average method. Cost comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present condition and location. Costs of work-in-progress and manufactured and trading inventories included the cost of raw materials, direct labour, other direct cost and an appropriate portion of production overheads based on normal operating capacity of the production facilities.
- (b) During the financial year, machineries and forklift under property, plant and equipment amounting to RM82,000 (2023: RM120,000) have been transferred to inventories.

#### 10. DERIVATIVE FINANCIAL INSTRUMENTS

Group	Contract/ Notional amount RM'000	Assets RM'000	Liabilities RM'000
<b>2024</b>			
Forward currency contracts	6,900	22	(9)
<b>2023</b>			
Forward currency contracts	17,066	-	(118)

- (a) Derivatives are initially recognised at fair value through profit or loss, and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 10. DERIVATIVE FINANCIAL INSTRUMENTS (cont'd)

- (b) Forward currency contracts have been entered into to operationally hedge receivables and forecast purchases denominated in foreign currencies that are expected to realise or occur at various dates within three (3) months (2023: three (3) months) from the end of the reporting period. The forward currency contracts have maturity dates that coincide with the expected occurrence of these transactions. The fair value of these components have been determined based on the difference between the contracted rate and the forward exchange rate as applicable to a contract of similar amount and maturity profile at the end of the reporting period.
- (c) During the financial year, the Group recognised a net gain of RM131,000 (2023: net gain of RM306,000) arising from fair value changes of derivative financial instruments. The fair value changes are attributable to changes in foreign exchange spot and forward rates. The methods and assumptions applied in determining the fair values of derivatives are disclosed in Note 32 to the financial statements.

#### 11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
<b>Other receivable</b>				
Amount owing by a subsidiary	-	-	1,908	3,678
<b>Current</b>				
<b>Trade receivables</b>				
Third parties	85,148	101,463	-	-
Related parties	717	-	-	-
Less: Impairment losses	(2,230)	(2,571)	-	-
	83,635	98,892	-	-
<b>Other receivables</b>				
Third parties	619	1,889	106	94
Associate	15	-	-	-
Deposits	207	152	13	13
Amount owing by a subsidiary	-	-	550	808
	841	2,041	669	915
<b>Total receivables</b>	84,476	100,933	2,577	4,593
Prepayments	11,946	8,894	8	8
<b>Total trade and other receivables (current)</b>	96,422	109,827	677	923
<b>Total trade and other receivables (non-current and current)</b>	96,422	109,827	2,585	4,601

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 11. TRADE AND OTHER RECEIVABLES (cont'd)

- (a) Total receivables are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group ranged from 30 to 120 days (2023: 30 to 120 days). They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (c) Amount owing by a subsidiary in other receivables of the Company represent loan and advances, which are unsecured, bear interest rate 3.00% (2023: 2.55% to 5.19%) per annum.
- (d) Included in prepayments of the Group is an amount of RM9,062,000 (2023: RM6,132,000) made to suppliers for purchase of raw materials.
- (e) The currency exposure profiles of total receivables are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia ("RM")	83,575	98,578	2,577	4,593
US Dollar ("USD")	894	2,346	-	-
Thai Baht ("THB")	7	9	-	-
	<u>84,476</u>	<u>100,933</u>	<u>2,577</u>	<u>4,593</u>

- (f) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.
- (g) The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. Expected loss rates are calculated using the average historical bad debts write-offs rate and general rate based on the length of time invoices are overdue. The trade receivables have been grouped based on shared credit risk characteristics and the days past due.

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

Management exercised significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 11. TRADE AND OTHER RECEIVABLES (cont'd)

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

Group	Gross carrying amount RM'000	Impairment loss allowance RM'000	Net carrying amount RM'000
<b>2024</b>			
Current (not past due)	73,440	(725)	72,715
1 to 30 days past due	7,033	(245)	6,788
31 to 60 days past due	1,452	(130)	1,322
61 to 90 days past due	350	(45)	305
More than 90 days past due	2,737	(242)	2,495
	<b>85,012</b>	<b>(1,387)</b>	<b>83,625</b>
<b>Credit impaired</b>			
Individually impaired	853	(843)	10
	<b>85,865</b>	<b>(2,230)</b>	<b>83,635</b>
<b>2023</b>			
Current (not past due)	87,336	(1,104)	86,232
1 to 30 days past due	6,797	(302)	6,495
31 to 60 days past due	3,439	(289)	3,150
61 to 90 days past due	490	(34)	456
More than 90 days past due	3,024	(465)	2,559
	<b>101,086</b>	<b>(2,194)</b>	<b>98,892</b>
<b>Credit impaired</b>			
Individually impaired	377	(377)	-
	<b>101,463</b>	<b>(2,571)</b>	<b>98,892</b>

Individually impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the end of the reporting period.

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- (i) when there is a breach of financial covenants by the counterparty; or
- (ii) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 11. TRADE AND OTHER RECEIVABLES (cont'd)

- (i) As at the end of each reporting period, the credit risks exposures relating to trade receivables of the Group are summarised in the table below:

	2024 RM'000	Group 2023 RM'000
Maximum exposure	83,635	98,892
Collateral obtained	(82,000)	(82,000)
Net exposure to credit risk	1,635	16,892

The above collaterals are credit insurance obtained by the Group.

During the financial year, the Group did not renegotiate the terms of any trade receivables.

- (j) The reconciliation of movements in the impairment losses for trade receivables are as follows:

	2024 RM'000	Group 2023 RM'000
Balance as at 1 January	2,571	4,034
Charge for the financial year	132	969
Reversal of impairment losses	(473)	(10)
Written off	-	(2,422)
Balance as at 31 December	2,230	2,571

- (k) Impairment for other receivables and amounts owing by subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised.

At the end of the reporting period, the Group and the Company assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The probability of non-payment by subsidiaries and other receivables are adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for the subsidiaries and other receivables.

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly and defaulted in payments which has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 11. TRADE AND OTHER RECEIVABLES (cont'd)

(k) (cont'd)

The reconciliation of movements in the impairment losses on amounts owing by subsidiaries are as follows:

Company	12-month ECL RM'000	Lifetime ECL - not credit impaired RM'000	Total RM'000
Balance as at 1 January 2024/ 31 December 2024	-	-	-
Balance as at 1 January 2023	-	113	113
Reversal of impairment loss	-	(113)	(113)
Balance as at 31 December 2023	-	-	-

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

(m) Information on financial risks of trade and other receivables are disclosed in Note 33 to the financial statements.

#### 12. SHORT TERM INVESTMENTS

	2024 RM'000	Group 2023 RM'000
<b>At fair value through profit or loss</b>		
Short term investments	16,215	-

(a) Short term investments are classified as financial assets measured at fair value through profit or loss.

(b) Short term investments represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value and hence, meet the definition to be classified as cash and cash equivalents.

(c) The investments are managed by a licensed financial institution incorporated in Malaysia. The recoverable amount was determined based on the last transaction price on 31 December 2024.

(d) Short term investments are denominated in RM.

(e) Information on the fair value hierarchy is disclosed in Note 32(c) to the financial statements.

#### 13. CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	24,263	23,787	751	2,998
Fixed deposits with licensed bank	5,000	2,000	-	-
	29,263	25,787	751	2,998

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 13. CASH AND BANK BALANCES (cont'd)

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) The fixed deposits of the Group have maturity period of 1 month (2023: 1 month).
- (c) The currency exposure profiles of cash and bank balances are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia ("RM")	28,368	25,201	751	2,998
US Dollar ("USD")	850	519	-	-
Thai Baht ("THB")	40	67	-	-
Chinese Renminbi ("CNY")	3	-	-	-
Singapore Dollar ("SGD")	2	-	-	-
	<b>29,263</b>	<b>25,787</b>	<b>751</b>	<b>2,998</b>

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	29,263	25,787	751	2,998
Add: Short term investments (Note 12)	16,215	-	-	-
Less: Bank overdrafts (Note 16)	(372)	-	-	-
As reported in statements of cash flows	<b>45,106</b>	<b>25,787</b>	<b>751</b>	<b>2,998</b>

- (e) No expected credit losses were recognised arising from cash and bank balances because the probability of default by these financial institutions were negligible.
- (f) Information on financial risks of cash and bank balances are disclosed in Note 33 to the financial statements.

#### 14. SHARE CAPITAL

	Group and Company			
	2024 Number of shares '000	2024 RM'000	2023 Number of shares '000	2023 RM'000
<b>Issued and fully paid ordinary shares with no par value</b>				
Balance as at 1 January/31 December	360,589	126,966	360,589	126,966

- (a) Ordinary shares are classified as equity instruments and recorded at the nominal value.
- (b) The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 14. SHARE CAPITAL (cont'd)

##### (c) Treasury shares

	Group and Company			
	2024		2023	
	Number of shares '000	RM'000	Number of shares '000	RM'000
<b>Ordinary shares</b>				
Balance as at 1 January	1,521	725	18,029	8,634
Share dividend	-	-	(17,098)	(8,150)
Purchase of treasury shares	-	-	590	241
Balance as at 31 December	1,521	725	1,521	725

The shareholders of the Company have approved the Company's plan to repurchase up to 10% of the issued and paid-up share capital of the Company ("Share Buy Back"). The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company and its shareholders.

As at 31 December 2024, the number of outstanding ordinary shares net of treasury shares is 359,068,000 (2023: 359,068,000) ordinary shares.

In the previous financial year, the Company repurchased 590,000 of its issued ordinary shares from the open market at an average price of RM0.41 per share with total consideration paid at RM241,000. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016 in Malaysia.

A total number of 17,098,449 treasury shares were distributed on 18 July 2023 via a distribution of treasury shares on the basis of five (5) treasury shares for every one hundred (100) existing ordinary shares held in the Company in respect of the financial year ended 31 December 2022.

None of the treasury shares held were resold or cancelled during the financial year. Treasury shares have no rights to voting, dividends or participation in other distribution.

#### 15. RESERVES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Share options reserve	-	1,091	-	1,091
Retained earnings	314,838	311,232	26,690	28,359
	314,838	312,323	26,690	29,450

##### Share options reserve

The share options reserve represents the effect of equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on the grant date of share options. The share options were expired on 20 April 2024.

Details of the Group's Employee Share Option Scheme is disclosed in Note 29 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024 (cont'd)

### 16. BORROWINGS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Non-current liabilities</b>				
<u>Secured</u>				
Term loans	4,962	8,054	135	1,995
<b>Current liabilities</b>				
<u>Secured</u>				
Bankers' acceptance	1,778	2,164	-	-
Revolving credits	22,000	23,000	18,000	19,000
Term loans	3,093	3,093	1,860	1,860
<u>Unsecured</u>				
Bank overdrafts	372	-	-	-
Bankers' acceptance	32,477	63,476	-	-
Revolving credits	500	500	-	-
	60,220	92,233	19,860	20,860
<b>Total</b>	<b>65,182</b>	<b>100,287</b>	<b>19,995</b>	<b>22,855</b>
<b>Total borrowings</b>				
Bank overdrafts (Note 13(d))	372	-	-	-
Bankers' acceptance	34,255	65,640	-	-
Revolving credits	22,500	23,500	18,000	19,000
Term loans	8,055	11,147	1,995	3,855
	65,182	100,287	19,995	22,855

(a) Borrowings are classified as financial liabilities and measured at amortised cost.

(b) All borrowings are denominated in RM.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 16. BORROWINGS (cont'd)

- (c) The weighted average effective interest rates per annum of borrowings as at the end of each reporting period are as follows:

	Group		Company	
	2024	2023	2024	2023
	%	%	%	%
Bank overdrafts	7.95	-	-	-
Bankers' acceptances	4.92	4.92	-	-
Revolving credits	5.37	5.58	5.33	5.74
Term loans	5.52	5.61	5.66	5.72

- (d) Bankers' acceptances, revolving credits and bank overdrafts of are secured by means of:

#### Group

- (i) registered legal charge over the Group's freehold land and buildings as disclosed in Note 4(d) to the financial statements;
- (ii) negative pledges; and
- (iii) corporate guarantee issued by the Company.

#### Company

- (i) negative pledges.

- (e) Term loans are secured by means of:

#### Group

- (i) registered legal charge over the Group's freehold land and buildings as disclosed in Note 4(d) to the financial statements; and
- (ii) corporate guarantee issued by the Company.

#### Company

Registered legal charge over the freehold land and buildings of the Company as disclosed in Note 4(d) to the financial statements.

- (f) Restriction arose from bank covenants is as follow:

A covenant of banking facilities undertaken by the Company, restricts the ability of the subsidiary to declare dividends to its shareholders if the subsidiary is making loss after tax.

- (g) Information on financial risks of the borrowings of the Group and of the Company are disclosed in Note 33 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 17. DEFERRED TAX LIABILITIES

(a) Deferred tax liabilities are made up of the following:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Balance as at 1 January	5,380	4,138	1,388	1,338
Recognised in profit or loss (Note 25)	856	1,242	55	50
Balance as at 31 December	6,236	5,380	1,443	1,388
Presented after appropriate offsetting:				
Deferred tax assets	(5,631)	(9,345)	-	-
Deferred tax liabilities	11,867	14,725	1,443	1,388
Balance at end of financial year	6,236	5,380	1,443	1,388

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

#### Deferred tax liabilities of the Group

	Property, plant and equipment RM'000	Other temporary differences RM'000	Total RM'000
Balance as at 1 January 2024	14,725	(9,345)	5,380
Recognised in profit or loss (Note 25)	(2,858)	3,714	856
Balance as at 31 December 2024	11,867	(5,631)	6,236
Balance as at 1 January 2023	12,379	(8,241)	4,138
Recognised in profit or loss (Note 25)	2,346	(1,104)	1,242
Balance as at 31 December 2023	14,725	(9,345)	5,380

#### Deferred tax liabilities of the Company

	Property, plant and equipment RM'000
Balance as at 1 January 2024	1,388
Recognised in profit or loss (Note 25)	55
Balance as at 31 December 2024	1,443
Balance as at 1 January 2023	1,338
Recognised in profit or loss (Note 25)	50
Balance as at 31 December 2023	1,388

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 17. DEFERRED TAX LIABILITIES (cont'd)

- (c) The amount of temporary differences for which no deferred tax asset has been recognised in the statements of financial position are as follows:

	2024 RM'000	Group 2023 RM'000
Other deductible temporary differences	695	559
Unused tax losses		
- Expires by 31 December 2033	766	766
- Expires by 31 December 2034	5,870	-
	<u>7,331</u>	<u>1,325</u>

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits would be available against which the deductible temporary differences could be utilised.

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

#### 18. RETIREMENT BENEFIT OBLIGATIONS

The amounts recognised in the statements of financial position are determined as follows:

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Present value of unfunded defined benefit obligations	7,229	6,323	2,150	2,039
Represented by				
Non-current liabilities	7,134	6,260	2,084	2,003
Current liabilities	95	63	66	36
	<u>7,229</u>	<u>6,323</u>	<u>2,150</u>	<u>2,039</u>

The movements during the financial year in the amounts recognised in the statements of financial position in respect of the retirement benefit obligation are as follows:

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Balance as at 1 January	6,323	6,020	2,039	1,947
Past service costs recognised in profit or loss	115	303	80	92
Actuarial loss from re-measurement	822	-	31	-
Payment for the year	(31)	-	-	-
Balance as at 31 December	<u>7,229</u>	<u>6,323</u>	<u>2,150</u>	<u>2,039</u>



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 18. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

The principal actuarial assumptions used are as follows:

	Group and Company 2024	2023
Discount rate	4.40%	4.60%
Salary increment rate	5.00%	5.00%

#### Sensitivity analysis

The impact on changes of each significant actuarial assumption while holding all other assumptions constant as at the end of the reporting period are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Discount rate increase by 1%	(482)	(408)	(143)	(150)
Discount rate decrease by 1%	536	456	160	167
Salary increment rate increase by 1%	385	448	115	164
Salary increment rate decrease by 1%	(357)	(407)	(106)	(149)

- The Group and the Company operate an unfunded defined benefit plan for eligible employees of the Group and of the Company. The benefits payable on retirement are generally based on the length of service and basic monthly salary of the eligible employee. Re-measurement on the defined benefit plan was updated on 20 December 2024.
- The amount recognised as a liability in respect of defined benefit plan is the present value of the defined benefit obligations at the reporting date.
- The defined benefit obligation is measured using the projected unit credit actuarial cost method.
- The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.
- The net changes in the defined benefit liabilities are recognised as a cost of defined benefit plan.
- Settlement of defined benefit schemes are recognised in the period when the settlement occurs.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 19. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Trade payables</b>				
Third parties	8,824	10,224	-	-
Associates	1,104	1,552	-	-
Related parties	242	-	-	-
	10,170	11,776	-	-
<b>Other payables</b>				
Third parties	15,174	7,509	95	116
Subsidiaries	-	-	649	493
Associate	324	324	324	324
Accruals	12,632	11,772	1,240	1,352
	28,130	19,605	2,308	2,285
	38,300	31,381	2,308	2,285

- (a) Trade and other payables are classified as financial liabilities and measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 120 days (2023: 30 to 120 days) from date of invoice.
- (c) Amounts owing to associates in trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 to 120 days (2023: 30 to 120 days) from date of invoice.
- (d) Non-trade amounts owing to subsidiaries and an associate represent advances and payments made on behalf which are unsecured, interest-free and payable in cash and cash equivalents within next twelve (12) months.
- (e) The currency exposure profiles of trade and other payables are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia ("RM")	36,510	27,912	2,308	2,285
US Dollar ("USD")	1,349	3,250	-	-
Chinese Renminbi ("CNY")	441	-	-	-
Singapore Dollar ("SGD")	-	219	-	-
	38,300	31,381	2,308	2,285

- (f) Information on financial risks of trade and other payables are disclosed in Note 33 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 20. CAPITAL COMMITMENTS

	Group	
	2024 RM'000	2023 RM'000
Capital expenditure in respect of purchase of property, plant and equipment:		
- Contracted but not provided for	369	414
- Approved but not contracted for	69	69
	<u>438</u>	<u>483</u>

#### 21. FINANCIAL GUARANTEE CONTRACTS

	Company	
	2024 RM'000	2023 RM'000
<b>Unsecured:</b>		
Financial guarantees given to financial institutions for credit facilities granted to subsidiaries		
- Limit of guarantee	480,940	480,640
- Amount utilised	<u>75,257</u>	<u>114,724</u>

Information on financial risks of financial guarantee contracts are disclosed in Note 33 to the financial statements.

#### 22. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Revenue from contracts with customers</b>				
<b>Recognised at point in time</b>				
Sales of goods	469,808	522,814	-	-
<b>Other revenue:</b>				
Gross dividend income from:				
- unquoted subsidiaries	-	-	4,300	2,050
- quoted associate	-	-	1,780	2,373
- unquoted associate	-	-	1,377	2,220
Rental income	6,235	5,053	6,393	5,469
	<u>476,043</u>	<u>527,867</u>	<u>13,850</u>	<u>12,112</u>

Revenue of the Group and of the Company are predominantly generated in Malaysia.

##### (a) Sales of goods

Revenue from sales of goods is recognised at a point in time when the goods have been transferred to the customer and coincides with the delivery of products and acceptance by customers.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve (12) months.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 22. REVENUE (cont'd)

Revenue of the Group and of the Company are predominantly generated in Malaysia. (cont'd)

(b) Dividend income

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

(c) Rental income

Rental income is accounted for on a straight-line basis over the lease term of an ongoing lease. The aggregate cost of incentives provided to the lessee is recognised as reduction of rental income over the lease term on a straight-line basis.

(d) Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 31 to the financial statements.

#### 23. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, the profit before tax is arrived at:

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
After charging:					
Auditors' remuneration:					
- statutory audit		240	230	45	43
- other assurance services		21	20	21	20
Interest expense on:					
- bankers' acceptance		3,124	4,053	-	-
- revolving credits		1,284	1,683	1,025	1,227
- bank overdrafts		16	21	-	1
- term loans		524	673	161	257
- lease liabilities		78	30	-	-
- amounts owing by subsidiaries		-	-	-	103
		5,026	6,460	1,186	1,588
Net unrealised loss on foreign exchange		77	-	-	-
And crediting:					
Interest income from:					
- deposits with licensed banks		565	566	27	34
- amounts owing by subsidiaries		-	-	193	416
Net gain on disposals of property, plant and equipment		69	218	-	-
Net gain on foreign exchange:					
- realised		40	198	-	-
- unrealised		-	138	-	-
Impairment:					
- losses on trade receivables	11(j)	132	969	-	-
- reversal on trade receivables	11(j)	(473)	(10)	-	-
- losses on amount owing by subsidiaries	11(k)	-	-	-	(113)
Net (reversal)/losses on impairment of financial assets		(341)	959	-	(113)

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 23. PROFIT BEFORE TAX (cont'd)

##### Interest income

Interest income is recognised as it accrues, using the effective interest method.

#### 24. DIRECTORS' REMUNERATION

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Directors of the Group and the Company				
Executive:				
Fees	80	82	80	82
Salaries, bonuses and other benefits	7,626	7,666	1,224	1,168
Defined contribution plan	1,408	1,132	229	157
Long service cash award	7	-	-	-
Sales commission	243	37	-	-
Non-executive:				
Fees	197	194	197	194
Salaries, bonuses and other benefits	34	36	11	13
Defined contribution plan	4	4	-	-
	9,599	9,151	1,741	1,614

The estimated monetary value of benefits-in-kind received by the Directors otherwise than in cash from the Group and from the Company amounted to RM86,000 (2023: RM91,000) and RM23,000 (2023: RM23,000) respectively.

#### 25. TAX EXPENSE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current tax expense based on profit for the financial year:				
- Current year	2,826	3,140	760	570
- (Over)/Under provision in prior year	(103)	(61)	(4)	5
	2,723	3,079	756	575
Deferred tax (Note 17)				
- Relating to origination and reversal of temporary differences	969	1,176	55	50
- (Over)/Under provision in prior year	(113)	66	-	-
	856	1,242	55	50
	3,579	4,321	811	625

(a) Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated taxable profits for the fiscal year.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (cont'd)

### 25. TAX EXPENSE (cont'd)

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	15,834	30,219	7,052	5,275
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	3,800	7,253	1,692	1,266
Tax effects in respect of:				
- Non-allowable expenses	1,379	955	912	939
- Non-taxable income	(2,825)	(3,892)	(1,789)	(1,585)
- Deferred tax not recognised	1,441	-	-	-
	3,795	4,316	815	620
(Over)/Under provision of tax expenses in prior year	(103)	(61)	(4)	5
(Over)/Under provision of deferred tax in prior year	(113)	66	-	-
	3,579	4,321	811	625

- (c) Tax on each component of other comprehensive income is as follows:

Group	Before tax RM'000	2024 Tax effect RM'000	After tax RM'000	Before tax RM'000	2023 Tax effect RM'000	After tax RM'000
<b>Items that may be reclassified subsequently to profit or loss</b>						
Foreign currency translations	-	-	-	6	-	6
<b>Items that will not be reclassified subsequently to profit or loss</b>						
Re-measurement of defined benefits liability	(822)	197	(625)	-	-	-
Share of other comprehensive loss of an associate	(138)	-	(138)	-	-	-
	(960)	197	(763)	6	-	6

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 25. TAX EXPENSE (cont'd)

(c) Tax on each component of other comprehensive income is as follows: (cont'd)

Company	Before tax RM'000	2024 Tax effect RM'000	After tax RM'000	Before tax RM'000	2023 Tax effect RM'000	After tax RM'000
<b>Items that will not be reclassified subsequently to profit or loss</b>						
Re-measurement of defined benefits liability	(31)	7	(24)	-	-	-

#### 26. DIVIDENDS

	Group and Company			
	2024 Dividend per share sen	Amount of dividend RM'000	2023 Dividend per share sen	Amount of dividend RM'000
In respect of financial year ended 31 December 2022				
Final dividend by way of Treasury shares was distributed on 18 July 2023	-	-	-	8,150
In respect of financial year ended 31 December 2023				
First interim single tier dividend, declared on 24 August 2023 and paid on 6 October 2023	-	-	1.0	3,591
Second interim single tier dividend, declared on 27 February 2024 and paid on 27 March 2024	1.5	5,386	-	-
In respect of financial year ended 31 December 2024				
First interim single tier dividend, declared on 25 November 2024 and paid on 23 December 2024	1.0	3,591	-	-
	2.5	8,977	1.0	11,741

On 25 February 2025, the Company declared the second interim single tier dividend of 0.5 sen per ordinary share amounted to RM1,795,000 in respect of the financial year ended 31 December 2024, which was paid on 26 March 2025. This dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2025.



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 27. EARNINGS PER SHARE

##### (a) Basic earnings per share

Basic earnings per ordinary share for the financial year is calculated by dividing the consolidated profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year after deducting the treasury shares.

The following table reflects the profit and share data used in the computation of basic earnings per ordinary share:

	2024	Group 2023
Profit for the financial year attributable to equity holders of the parent (RM'000)	12,255	25,898
Weighted average number of ordinary shares outstanding (adjusted for treasury shares) ('000)	359,068	359,245
Basic earnings per ordinary share (sen)	3.41	7.21

##### (b) Diluted earnings per share

Diluted earnings per ordinary share for the financial year is calculated by dividing the consolidated profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year after deducting treasury shares and adjusted for the number of ordinary shares that could have been issued under the Employees' Share Option Scheme ("ESOS"). The details of ESOS are disclosed in Note 29 to the financial statements.

The following table reflects the profit and share data used in the computation of diluted earnings per ordinary share:

	2024	Group 2023
Profit for the financial year attributable to equity holders of the parent (RM'000)	12,255	25,898
Weighted average number of ordinary shares used in the calculation of basic earnings per ordinary share ('000)	359,068	359,245
Effects of dilution due to the ESOS ('000)	-	21
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	359,068	359,266
Diluted earnings per ordinary share (sen)	3.41	7.21

#### 28. EMPLOYEE BENEFITS

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Wages, salaries and bonuses	46,556	44,552	2,808	2,673
Contribution to defined contribution plan	4,659	4,189	415	335
Other benefits	4,539	4,003	266	376
	55,754	52,744	3,489	3,384

Included in employee benefits of the Group and of the Company are Directors' remuneration amounting to RM9,599,000 and RM1,741,000 respectively (2023: RM9,151,000 and RM1,614,000) as disclosed in Note 24 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 29. EMPLOYEES SHARE OPTION SCHEME ("ESOS")

As at 20 April 2024, pursuant to Clause 10.1 of the ESOS By-Laws, all unexercised options lapsed upon the expiry of the ESOS.

The Group operates an equity-settled, share-based compensation plan, under which the Group receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense.

The total amount to be expensed is determined by reference to the fair value of the options granted including any market performance conditions but excluding the impact of any non-market performance and service vesting conditions.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. The Group recognises the impact of the revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

If the options are exercised, the Company issues new shares to the employees. The proceeds received, net of any directly attributable transaction costs are recognised in ordinary share capital at nominal value, and any excess would be recognised in equity, with the introduction of the Companies Act 2016 effective 31 January 2017.

The Employees Share Options Scheme ("ESOS") came into effect on 21 April 2014. The ESOS shall be in force for a period of ten (10) years until 20 April 2024 ("the option period").

The main features of the ESOS are as follows:

- (a) Eligible Directors and employees are those who are confirmed employees of the Group before the date of offer;
- (b) The maximum number of options to be offered under the ESOS based on the issued and paid-up ordinary share capital as at 31 December 2023 for ordinary shares previously issued under the ESOS was 26,077,100;
- (c) The total number of options to be issued under the ESOS shall not exceed in aggregate fifteen percent (15%) of the issued and paid-up share capital of Prestar Resources Berhad (excluding Treasury shares) at any point of time during the tenure of the ESOS;
- (d) The exercise of options granted will be staggered over a period of two (2) to five (5) years depending on the number of options granted;
- (e) The option price of a new ordinary share under the ESOS shall be the five (5)-day weighted average market prices of the shares as quoted in the Daily Official List issued by Bursa Malaysia Securities Berhad immediately preceding the date of offer with a discount of not more than ten percent (10%) of the weighted average market price, or at the par value of the ordinary shares, whichever is higher;
- (f) The options granted are not entitled to dividends or voting rights. Upon exercise of the options, the ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company; and
- (g) The employees and Directors to whom the options have been granted have no right to participate, by virtue of these options, in any ordinary share issue of any other company within the Group during the options period.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 29. EMPLOYEES SHARE OPTION SCHEME ("ESOS") (cont'd)

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

	[ ----- Number of options over ordinary shares ----- ]			
	Outstanding as at 1.1.2024	Movement during the financial year		Outstanding as at 31.12.2024
		Exercised	Lapsed	Exercisable as at 31.12.2024
<b>2024</b>				
2014 options ('000)	267	-	(267)	-
Weighted average exercise prices (RM)	0.46	-	-	-
Weighted average remaining contractual life (months)	4			-

	[ ----- Number of options over ordinary shares ----- ]			
	Outstanding as at 1.1.2023	Movement during the financial year		Outstanding as at 31.12.2023
		Exercised	Lapsed	Exercisable as at 31.12.2023
<b>2023</b>				
2014 options ('000)	267	-	-	267
Weighted average exercise prices (RM)	0.46	-	-	0.46
Weighted average remaining contractual life (months)	16			4

	Weighted average exercise price		Exercise period
	2024 RM	2023 RM	
2014 options	0.33	0.33	9.5.2014 - 20.4.2024

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 29. EMPLOYEES SHARE OPTION SCHEME ("ESOS") (cont'd)

The fair value of share options was estimated by an independent professional valuer using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted. The risk-free rate is based on Malaysian Government Securities ("MGSs"). The fair value of share options measured at grant date and the assumptions are as follows:

	2014
Fair value of share options at the following grant dates (RM):	
9 May 2014	0.09
Weighted average share price (RM)	0.56
Weighted average exercise price (RM)	0.53 - 1.04
Expected volatility (%)	28.73
Expected life (years)	10
Risk free rate (%)	3.17
Expected dividend yield (%)	3.45

#### 30. RELATED PARTIES DISCLOSURES

##### (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

The Company has controlling related party relationships with its direct, indirect subsidiaries, and its associate as disclosed in Notes 6 and 7 to the financial statements respectively.

The Group also has related party relationships with the following parties:

Related parties	Relationship
Chiho Hardware Sdn. Bhd.	A company in which Dato' Toh Yew Peng, Toh Yew Seng, Toh Yew Keat and Toh Yew Kar are shareholders
Syarikat Kwong Nam Hing Sdn. Bhd.	A company in which Dato' Toh Yew Peng is a Director and shareholder while Toh Yew Keat is a shareholder
YK Toh (M) Sdn. Bhd.	A company in which Dato' Toh Yew Peng and Toh Yew Kar are Directors and shareholders while Toh Yew Keat and Toh Yew Seng are shareholders
YK Toh Marketing (S) Pte. Ltd.	A company in which Toh Yew Chin and Toh Yew Keong are Directors and shareholders
Tashin Steel Sdn. Bhd.	A subsidiary of an associate, Tashin Holdings Berhad
Tashin Hardware Sdn. Bhd.	A subsidiary of an associate, Tashin Holdings Berhad

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 30. RELATED PARTIES DISCLOSURES (cont'd)

- (b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with the related parties during the financial year:

	2024 RM'000	Group 2023 RM'000
<b>Transactions with an associate:</b>		
<i>POSCO-MKPC Sdn. Bhd.</i>		
Sales of goods	(44)	(329)
Purchase of goods	6,338	9,522
Rental income	(1,419)	(1,419)
<b>Transactions with subsidiaries of an associate:</b>		
<i>Tashin Steel Sdn. Bhd.</i>		
Sales of goods	-	(2)
Purchase of goods	1,624	1,425
<i>Tashin Hardware Sdn. Bhd.</i>		
Purchase of goods	-	162
<b>Transactions with companies in which the substantial shareholders have financial interests:</b>		
<i>Chiho Hardware Sdn. Bhd.</i>		
Sales of goods	(520)	(558)
Purchases	33	40
<i>YK Toh (M) Sdn. Bhd.</i>		
Rental paid	30	30
<b>Transactions with a company in which Dato' Toh Yew Peng and Toh Yew Keat have financial interest:</b>		
<i>Syarikat Kwong Nam Hing Sdn. Bhd.</i>		
Sales of goods	(19)	(24)
<b>Transactions with a company in which Toh Yew Chin and Toh Yew Keong have financial interest:</b>		
<i>YK Toh Marketing (S) Pte. Ltd.</i>		
Sales of goods	(3,751)	(5,842)
Purchases	1,135	1,770

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 30. RELATED PARTIES DISCLOSURES (cont'd)

- (b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with the related parties during the financial year: (cont'd)

	Company	
	2024	2023
	RM'000	RM'000
<b>Transactions with subsidiaries:</b>		
Interest paid	-	103
Gross dividend income	(4,300)	(2,050)
Rental income	(4,974)	(4,050)
Interest income	(193)	(416)
<b>Transactions with associates:</b>		
<i>POSCO-MKPC Sdn. Bhd.</i>		
Rental income	(1,419)	(1,419)
Dividend income	(1,377)	(2,220)
<i>Tashin Holdings Berhad</i>		
Dividend income	(1,780)	(2,373)

The related parties transactions described above were carried out on agreed contractual terms and conditions and in the negotiated terms of business between the related parties of the Group and the Company.

Information regarding outstanding balances arising from related parties transactions as at 31 December 2024 are disclosed in Notes 11 and 19 to the financial statements.

- (c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Directors (whether executive or otherwise) of the Group and the Company.

The remuneration of Directors and other key management personnel during the financial year was as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Short term employee benefits	9,732	9,874	1,887	2,277
Contributions to defined contribution plan	1,624	1,416	286	297
	11,356	11,290	2,173	2,574

Executive Directors of the Group and the Company and other key management personnel have been granted the following number of options under the Employee Share Options Scheme ("ESOS"):

	Group		Company	
	2024	2023	2024	2023
	'000	'000	'000	'000
Balance as at 1 January/ 31 December	-	42	-	-

The terms and conditions of the share options are detailed in Note 29 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 31. OPERATING SEGMENTS

Prestar Resources Berhad and its subsidiaries are principally engaged in investment holding, trading and manufacturing of steel related products.

Prestar Resources Berhad has arrived at three (3) reportable segments that are organised and managed separately based on information reported internally to the Management and the Board of Directors. The reportable segments are summarised as follows:

Investment	:	Investment holding, long term investment in quoted shares and property investment
Trading	:	Sales of hardware and steel related products
Manufacturing	:	Manufacturing of steel related products

The Group evaluates performance on the basis of profit or loss from operations before tax.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.

Segment assets exclude tax assets and goodwill. Segment liabilities exclude tax liabilities. Even though borrowings arise from financing activities rather than operating activities, they are allocated to the segments based on relevant factors. Details are provided in the reconciliations from segment assets and liabilities to the position of the Group.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one (1) period for each reportable segment.

2024	Investment RM'000	Trading RM'000	Manufacturing RM'000	Total RM'000
<b>Revenue</b>				
Total revenue	13,850	133,764	375,046	522,660
Inter-segment revenue	(12,431)	(2,721)	(31,465)	(46,617)
<b>Revenue from external customers</b>	<b>1,419</b>	<b>131,043</b>	<b>343,581</b>	<b>476,043</b>
<b>Results</b>				
Finance costs	(1,186)	(871)	(2,969)	(5,026)
Interest income	27	113	425	565
Net finance expense	(1,159)	(758)	(2,544)	(4,461)
Depreciation	1,109	2,269	4,711	8,089
<b>Segment profit before income tax</b>	<b>6,341</b>	<b>306</b>	<b>9,187</b>	<b>15,834</b>
Share of results of associates	6,939	-	-	6,939
Tax expense	(811)	(446)	(2,322)	(3,579)
<b>Other material non-cash items:</b>				
Impairment losses on property, plant and equipment	-	-	539	539
Impairment losses on trade receivables	-	57	75	132
Reversal of impairment losses on trade receivables	-	(131)	(342)	(473)
Net gain on disposal of property, plant and equipment	-	(10)	(59)	(69)
Inventories written down	-	36	716	752
Reversal of inventories written down	-	(87)	(41)	(128)
Unrealised gain on foreign exchange	-	11	66	77
Capital expenditure	7	6,893	3,107	10,007
<b>Segment assets</b>	<b>228,048</b>	<b>80,292</b>	<b>239,726</b>	<b>548,066</b>
<b>Segment liabilities</b>	<b>24,452</b>	<b>24,454</b>	<b>65,845</b>	<b>114,751</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 31. OPERATING SEGMENTS (cont'd)

2023	Investment RM'000	Trading RM'000	Manufacturing RM'000	Total RM'000
<b>Revenue</b>				
Total revenue	12,113	135,189	431,283	578,585
Inter-segment revenue	(10,694)	(2,563)	(37,461)	(50,718)
<b>Revenue from external customers</b>	<b>1,419</b>	<b>132,626</b>	<b>393,822</b>	<b>527,867</b>
<b>Results</b>				
Finance costs	(1,485)	(869)	(4,106)	(6,460)
Interest income	35	139	392	566
Net finance expense	(1,450)	(730)	(3,714)	(5,894)
Depreciation	1,206	1,905	4,649	7,760
<b>Segment profit before income tax</b>	<b>9,485</b>	<b>18,791</b>	<b>1,943</b>	<b>30,219</b>
Share of results of associates	11,278	-	-	11,278
Tax expense	(626)	(129)	(3,566)	(4,321)
<b>Other material non-cash items:</b>				
Impairment losses on trade receivables	-	336	633	969
Reversal of impairment losses on trade receivables	-	-	(10)	(10)
Bad debts written off	-	(1)	(2,421)	(2,422)
Net gain on disposal of property, plant and equipment	-	(196)	(22)	(218)
Inventories written down	-	36	24	60
Reversal of inventories written down	-	(1,792)	(19,579)	(21,371)
Unrealised gain on foreign exchange	-	(39)	(99)	(138)
Capital expenditure	29	3,867	5,402	9,298
<b>Segment assets</b>	<b>227,741</b>	<b>80,820</b>	<b>260,887</b>	<b>569,448</b>
<b>Segment liabilities</b>	<b>27,178</b>	<b>24,004</b>	<b>87,879</b>	<b>139,061</b>

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows:

	2024 RM'000	2023 RM'000
<b>Revenue</b>		
Total revenue for reportable segments	522,660	578,585
Elimination of inter-segmental revenues	(46,617)	(50,718)
Revenue of the Group per statements of profit or loss and other comprehensive income	476,043	527,867



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 31. OPERATING SEGMENTS (cont'd)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows: (cont'd)

	2024 RM'000	2023 RM'000
<b>Profit for the financial year</b>		
Total profit for reportable segments	15,834	30,219
Profit before tax	15,834	30,219
Tax expense	(3,579)	(4,321)
Profit for the financial year of the Group per statements of profit or loss and other comprehensive income	12,255	25,898
<b>Assets</b>		
Total assets for reportable segments	548,066	569,448
Tax assets	12,539	12,527
Goodwill	1,675	1,675
Assets of the Group per statements of financial position	562,280	583,650
<b>Liabilities</b>		
Total liabilities for reportable segments	114,751	139,061
Tax liabilities	6,450	6,025
Liabilities of the Group per statements of financial position	121,201	145,086

#### Geographical information

The business activities of the Group are predominantly located in Malaysia and as such segment reporting by geographical location is not presented.

#### Major customers

The Group does not have major customers with revenue equal to or more than ten percent (10%) of the revenue of the Group.

#### 32. FINANCIAL INSTRUMENTS

##### (a) Capital management

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns whilst maximising return to shareholders through the optimisation of the debt and equity ratio. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2024 and 31 December 2023.

The Group monitors capital on the basis of the Group's consolidated gearing ratio which is total external debts divided by consolidated net tangible assets. The Group has a target gearing ratio of 1.50 times. External debts comprise borrowings and lease liabilities owing to financial institutions. Consolidated net tangible assets represents shareholders' funds (excluding non-controlling interests) less goodwill and net deferred tax.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 32. FINANCIAL INSTRUMENTS (cont'd)

##### (a) Capital management (cont'd)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Borrowings</b>	65,182	100,287	19,995	22,855
<b>Lease liabilities</b>	3,356	750	-	-
	<u>68,538</u>	<u>101,037</u>	<u>19,995</u>	<u>22,855</u>
Shareholders' funds (excluding non-controlling interests)	441,079	438,564	152,931	155,691
Less: Goodwill	(1,675)	(1,675)	-	-
Add: Deferred tax liabilities	6,236	5,380	1,443	1,388
<b>Net tangible assets</b>	<u>445,640</u>	<u>442,269</u>	<u>154,374</u>	<u>157,079</u>
<b>Gearing ratio</b>	<u>0.15</u>	<u>0.23</u>	<u>0.13</u>	<u>0.15</u>

The Group maintains a gearing ratio that complies with debt covenants and regulatory requirements in countries where the Group operates.

##### (b) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

- (i) Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value.

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables and borrowings, are reasonable approximation of fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of the current position of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

- (ii) Derivatives

The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the end of the reporting period.

The fair value of a forward foreign exchange contract is the amount that would be payable or receivable upon termination of the outstanding position arising and is determined by reference to the difference between the contracted rate and the forward exchange rate as at the end of the reporting period applied to a contract of similar amount and maturity profile.

- (iii) Short term investments

Unquoted short term investments of the Group are highly liquid, readily convertible to cash and are subject to insignificant risk of changes in value. The fair value is determined by reference to the counter party quotes at the close of the business at the end of the reporting period.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 32. FINANCIAL INSTRUMENTS (cont'd)

##### (c) Fair value hierarchy

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

##### Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 32. FINANCIAL INSTRUMENTS (cont'd)

##### (c) Fair value hierarchy (cont'd)

The following tables set out the financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position:

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
<b>Group 2024</b>										
<b>Financial assets</b>										
<b>Fair value through profit or loss</b>										
- Short term investments	-	16,215	-	16,215	-	-	-	-	16,215	16,215
- Forward currency contracts	-	22	-	22	-	-	-	-	22	22
<b>Financial liabilities</b>										
<b>Fair value through profit or loss</b>										
- Forward currency contracts	-	9	-	9	-	-	-	-	9	9
<b>Unrecognised financial liabilities</b>										
- Financial guarantee contract	-	-	-	-	-	-	-	-	-	-

# The Directors are of the view that the chances of the financial institutions to call upon the financial guarantee contract are remote.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 32. FINANCIAL INSTRUMENTS (cont'd)

##### (c) Fair value hierarchy (cont'd)

The following tables set out the financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position: (cont'd)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
<b>Group 2023</b>								
<b>Financial liabilities</b>								
<b>Fair value through profit or loss</b>								
- Forward currency contracts	-	118	-	-	-	-	118	118
<b>Unrecognised financial liabilities</b>								
- Financial guarantee contract	-	-	-	-	-	-	-	#

# The Directors are of the view that the chances of the financial institutions to call upon the financial guarantee contract are remote.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from credit risk, liquidity risk and cash flow risk, interest rate risk and foreign currency risk.

Financial risk management is carried out through risk review programmes, internal control systems and adherence to the Group financial risk management policies. The Board regularly reviews these risks and approves such policies that cover the management of these risks. The exposure of the Group to financial risks and the management of its related exposures are as follows:

##### (i) Credit risk

Cash deposits and trade receivables could give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. In order to manage this risk, it is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with their customers are mainly on credit. The credit period is generally for a period of 30 days, extending up to 120 days for major customers. Each customer has a maximum credit limit and the Group seeks to minimise and monitor the credit risk via strictly limiting the associations to business customers with high creditworthiness. Certain subsidiaries of the Group have bought the collateral insurance for turnover of RM82,000,000 in the financial year ended 31 December 2024 (2023: RM82,000,000) to minimise the credit risk. Trade receivables are monitored on an ongoing basis through the management reporting procedures of the Group.

##### Exposure to credit risk

At the end of each reporting period, the maximum exposure of the Group and of the Company to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position, including derivatives with positive fair values.

Information regarding trade and other receivables is disclosed in Note 11 to the financial statements. The Group does not have any significant concentration of credit risk related to any individual customers or counterparty.

##### Financial guarantees

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- (i) the amount of the loss allowance; and
- (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

As at 31 December 2024, the fair value of and expected credit loss of the financial guarantees have been assessed as negligible.

##### (ii) Liquidity and cash flow risk

Liquidity and cash flow risks are the risks that the Group and the Company will not be able to meet their financial obligations when they are fall due. The exposure of the Group and the Company to liquidity risk arises principally from various lease liabilities, payables and borrowings.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group. The Directors have assessed the Company's cash flow position for the next twelve (12) months to ensure that the Company has sufficient funds to meet its obligations as and when they fall due.

Prudent liquidity risk management is applied by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining the flexibility in funding by keeping committed credit lines available.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

##### (ii) Liquidity and cash flow risk (cont'd)

The table below summaries the maturity profile of the liabilities of the Group and the Company at the end of each reporting period based on contractual undiscounted repayment obligations:

2024	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Group</b>				
<b>Financial liabilities</b>				
Borrowings	60,579	5,468	-	66,047
Lease liabilities	1,931	2,403	-	4,334
Trade and other payables	38,300	-	-	38,300
Derivatives liabilities	9	-	-	9
Total undiscounted financial liabilities	100,819	7,871	-	108,690
<b>Company</b>				
<b>Financial liabilities</b>				
Borrowings	19,924	135	-	20,059
Financial guarantee contract	75,257	-	-	75,257
Trade and other payables	2,308	-	-	2,308
Total undiscounted financial liabilities	97,489	135	-	97,624
<b>2023</b>				
<b>Group</b>				
<b>Financial liabilities</b>				
Borrowings	92,473	6,990	1,130	100,593
Lease liabilities	312	725	-	1,037
Trade and other payables	31,381	-	-	31,381
Derivatives liabilities	118	-	-	118
Total undiscounted financial liabilities	124,284	7,715	1,130	133,129
<b>Company</b>				
<b>Financial liabilities</b>				
Borrowings	21,089	2,060	-	23,149
Financial guarantee contract	114,724	-	-	114,724
Trade and other payables	2,285	-	-	2,285
Total undiscounted financial liabilities	138,098	2,060	-	140,158

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

##### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The income and operating cash flows of the Group and of the Company are independent of changes in market interest rates. Interest rate exposure arises mainly from the bank borrowings of the Group and of the Company is managed through effective negotiation with financial institutions for best available rates.

Sensitivity analysis for fixed rate borrowings at the end of the reporting period is not presented as it is not affected by changes in interest rates.

##### Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group and of the Company if interest rates at the end of reporting period changed by 100 basis points with all other variables held constant.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Profit after tax and equity</b>				
- Increase by 1% (2023: 1%)	(64)	(84)	(15)	(29)
- Decrease by 1% (2023: 1%)	64	84	15	29

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

##### (iii) Interest rate risk (cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk:

31 December 2024							
Group	WAEIR %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000
<b>Fixed rate</b>							
Fixed deposits with licensed bank	3.24	5,000	-	-	-	-	5,000
Bankers' acceptances	4.92	(34,255)	-	-	-	-	(34,255)
Revolving credits	5.37	(22,500)	-	-	-	-	(22,500)
<b>Floating rate</b>							
Bank overdraft	7.95	(372)	-	-	-	-	(372)
Term loans	5.52	(3,093)	(3,093)	(1,869)	-	-	(8,055)
<b>Company</b>							
<b>Fixed rate</b>							
Amounts owing by a subsidiary	3.00	550	567	584	601	156	-
Revolving credits	5.33	(18,000)	-	-	-	-	-
<b>Floating rate</b>							
Term loan	5.66	(1,860)	(135)	-	-	-	-
							(1,995)

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

##### (iii) Interest rate risk (cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk: (cont'd)

31 December 2023							
Group	WAEIR %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000
<b>Fixed rate</b>							
Fixed deposits with licensed bank	3.15	2,000	-	-	-	-	2,000
Bankers' acceptances	4.92	(65,640)	-	-	-	-	(65,640)
Revolving credits	5.58	(23,500)	-	-	-	-	(23,500)
<b>Floating rate</b>							
Term loans	5.61	(3,093)	(3,093)	(4,961)	-	-	(11,147)
<b>Company</b>							
<b>Fixed rate</b>							
Amounts owing by subsidiaries	3.43	808	836	865	896	927	154
Revolving credits	5.74	(19,000)	-	-	-	-	-
<b>Floating rate</b>							
Term loan	5.72	(1,860)	(1,995)	-	-	-	(3,855)

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

#### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

##### (iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

Transactional currency exposures mainly arise from transactions that are denominated in currencies other than functional currency of the operating entity.

The Group also holds cash and cash equivalents denominated in foreign currency for working capital purposes. At the end of each reporting period, such foreign currency balances amounted to RM895,000 (2023: RM586,000) for the Group.

Transactional currency exposures of the Group mainly arise from transactions entered into by subsidiaries in currencies other than their functional currency. The Group enters into forward foreign currency contracts for its foreign currency exposures and the management monitors these exposures on an ongoing basis.

During the financial year, the Group entered into foreign currency forward contracts to manage exposures to currency risk for trade receivables and trade payables which are denominated in currencies other than the functional currency of the Group.

The notional amount and maturity date of the forward foreign exchange contracts outstanding as at 31 December 2024 and 31 December 2023 are as follows:

2024	Currency	Contract amount in foreign currency '000	RM'000 equivalent	Maturities Within
Forward contracts used to hedge trade receivables	USD	89	383	1 month
Forward contracts used to hedge trade payables	USD	1,413	6,280	3 months
Forward contracts used to hedge trade payables	CNY	379	234	1 month
Forward contracts used to hedge trade payables	SGD	1	3	1 month
<b>2023</b>				
Forward contracts used to hedge trade receivables	USD	109	498	1 month
Forward contracts used to hedge trade payables	USD	3,577	16,555	3 months
Forward contracts used to hedge trade payables	CNY	16	10	1 month
Forward contracts used to hedge trade payables	SGD	1	3	1 month

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (cont'd)

### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

#### (iv) Foreign currency risk (cont'd)

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group's profit after tax to a reasonably possible change in US Dollar ("USD"), Thai Baht ("THB"), and Chinese Renminbi ("CNY") exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		Group	
		2024	2023
		RM'000	RM'000
<b>Profit after tax</b>			
USD	- strengthen by 3% (2023:3%)	(132)	(370)
	- weaken by 3% (2023:3%)	132	370
THB	- strengthen by 3% (2023:3%)	-	2
	- weaken by 3% (2023:3%)	-	(2)
CNY	- strengthen by 3% (2023:3%)	(13)	-
	- weaken by 3% (2023:3%)	13	-

### 34. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

#### 34.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company.

#### 34.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>Annual improvements to MFRS Accounting Standards - Volume 11</i>	1 January 2026
<i>Amendments to MFRS 9 and MFRS 7 Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
<i>MFRS 18 Presentation and Disclosure in Financial Statements</i>	1 January 2027
<i>MFRS 19 Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
<i>Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments since the effects would only be observable for future financial years.

## LIST OF PROPERTIES FOR FINANCIAL YEAR ENDED 31 December 2024

	Tenure	Built-up Area	Year of Expiry	Description /Existing Use	Carrying Amount (RM'000)	Age of Building (years)	Date of Acquisition/ Revaluation
<b>PRESTAR RESOURCES BERHAD</b>							
GM 4895, Lot 1298 Mukim of Rawang, District of Gombak, Selangor Darul Ehsan	Freehold	583,602 sq ft	nil	Corporate office cum manufacturing site for subsidiaries	38,169	17 to 29	5 April 2001
P.M. 5176, Lot 72471 and P.M. 5177, Lot 72470, Pekan Subang, Daerah Petaling, Negeri Selangor Darul Ehsan	99 years Leasehold *(91 years)	58,022 sq ft	2115	Office cum Warehouse for Prestar Marketing Sdn Bhd	18,344	7	9 Jan 2019
<b>PRESTAR STORAGE SYSTEM SDN. BHD.</b>							
Geran 86261, Lot 162 (Lot 39), Seksyen 19, Bandar Rawang, District of Gombak, Selangor Darul Ehsan	Freehold	92,836 sq ft	nil	Office cum manufacturing site	14,143	31	17 Aug 2015
Geran 86347, Lot 202 (Lot 3), Seksyen 19, Bandar Rawang, District of Gombak, Selangor Darul Ehsan	Freehold	43,930 sq ft	nil	Office cum manufacturing site	15,969	25	18 Oct 2019
<b>PRESTAR MARKETING SDN. BHD.</b>							
Lot 1113, 65A, Jalan Perak, 10150 Penang	Freehold	2,904 sq ft	nil	Office cum warehouse	701	62	29 Dec 1993

\* Balance of Leasehold Tenure

## STATISTICS OF SHAREHOLDINGS AS AT 3 APRIL 2025

Total number of issued shares	: 360,589,156 ordinary shares (including treasury shares)
Class of Shares	: Ordinary shares
Number of Shareholders	: 5,171 (excluding treasury shares)
Voting Rights	: One (1) vote per ordinary share on a poll

### SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	[----- No. of Shares Held -----]			
	Direct	%	Indirect	%
Fabulous Essence Sdn. Bhd.	88,354,896	24.61	-	-
Toh Yew Keat	7,751,284	2.16	<sup>(1)</sup> 88,354,896	24.61
Dato' Toh Yew Peng	20,000,198	5.57	<sup>(1)</sup> 88,354,896	24.61
Soh Tik Siew	18,114,936	5.04	-	-

Note:

<sup>(1)</sup> Deemed interested by virtue of Section 8(4) of the Companies Act 2016 in Fabulous Essence Sdn. Bhd.

### ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1 - 99	458	8.86	21,248	0.01
100 - 1,000	269	5.20	107,773	0.03
1,001 - 10,000	2,130	41.19	10,572,322	2.94
10,001 - 100,000	2,022	39.10	57,846,820	16.11
100,001 - 17,953,400 (*)	290	5.61	188,082,030	52.38
17,953,401 and above (**)	2	0.04	102,437,832	28.53
<b>Total</b>	<b>5,171</b>	<b>100.00</b>	<b>359,068,025</b>	<b>100.00</b>

Remarks:

\* Less than 5% of issued shares

\*\* 5% and above of issued shares

### DIRECTORS' SHAREHOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Directors	Nationality	[----- Direct Interest -----]		[---- Indirect Interest ----]	
		No. of shares held	%	No. of shares held	%
Shamsudin @ Samad Bin Kassim	Malaysian	1,200,000	0.33	0	0
Dato' Toh Yew Peng	Malaysian	20,000,198	5.57	*92,726,029	25.82
Toh Yew Seng	Malaysian	11,144,299	3.10	0	0
Kenny Toh Jin Tat	Malaysian	2,668,000	0.74	0	0
Toh Hui Yi	Malaysian	0	0	0	0
Andy Toh Jin Hong	Malaysian	2,659,358	0.74	0	0
Jason Toh Jin Hin	Malaysian	1,500,000	0.42	0	0
Dato' Siew Mun Wai	Malaysian	185,950	0.05	0	0
Dato' Quah Thain Khan	Malaysian	0	0	0	0
Wang Eng Lon	Malaysian	0	0	0	0

Note:

\* Deemed interested in Fabulous Essence Sdn. Bhd. by virtue of Section 8(4) of the Companies Act 2016 and the shareholdings of his son, Mr. Alan Toh Jin Joo in Prestar Resources Berhad pursuant to Section 59(11) of the Companies Act 2016.

## STATISTICS OF SHAREHOLDINGS AS AT 3 APRIL 2025 (cont'd)

### THIRTY (30) LARGEST SHAREHOLDERS

No.	Shareholders	No. of Shares Held	Percentage (%)
1.	FABULOUS ESSENCE SDN. BHD.	84,322,896	23.48
2.	SOH TIK SIEW	18,114,936	5.04
3.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR DATO' TOH YEW PENG)	11,862,900	3.30
4.	TOH POH KHUAN	8,662,254	2.41
5.	TOH YEW KAR	8,440,568	2.35
6.	TOH YEW KEAT	7,751,284	2.16
7.	TOH YEW SENG	5,638,503	1.57
8.	TOH YEW SENG	5,505,796	1.53
9.	TAN LYE HUAT	4,578,000	1.27
10.	TOH YEW CHIN	4,531,423	1.26
11.	TOH YEW KEONG	4,507,133	1.26
12.	RHB NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR DATO' TOH YEW PENG)	4,391,100	1.22
13.	ALAN TOH JIN JOO	4,371,133	1.22
14.	FABULOUS ESSENCE SDN. BHD.	4,032,000	1.12
15.	TAN AIK CHOON	3,817,755	1.06
16.	TOH YEW HOE	3,807,306	1.06
17.	DATO' TOH YEW PENG	3,746,198	1.04
18.	UOB KAY HIAN NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK)	2,882,500	0.80
19.	IAN TOH JIN HU	2,688,086	0.75
20.	KENNY TOH JIN TAT	2,668,000	0.74
21.	ANDY TOH JIN HONG	2,659,358	0.74
22.	TOH YEW KAR	2,005,920	0.56
23.	TAY YING LIM @ TAY ENG LIM	1,984,624	0.55
24.	UOB KAY HIAN NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI)	1,882,400	0.52
25.	HLB NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR YEE WAI LENG)	1,732,500	0.48
26.	JANICE TOH MEI LING	1,703,000	0.47
27.	MICHELLE TOH MEI CHING	1,600,000	0.45
28.	MD NAHAR BIN NOORDIN	1,526,650	0.43
29.	JASON TOH JIN HIN	1,500,000	0.42
30.	NG WEE TIEW @ NG WEE CHIEW	1,474,756	0.41

Note : The analysis of shareholdings is based on the total number of issued shares of the Company after deducting 1,521,131 ordinary shares bought back by the Company and held as treasury shares as at 3 April 2025.

PRESTAR RESOURCES BERHAD

[Registration no. 198401010527 (123066-A)]  
(Incorporated in Malaysia)

FORM OF PROXY

No. of Shares Held	CDS Account No.

\*I/We (full name in block capitals), .....

NRIC/Passport No./Registration No. .... Contact No..... Email .....

of (full address) .....

being a \*member/members of PRESTAR RESOURCES BERHAD, hereby appoint:

First Proxy "A"

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address	Email:		
	Contact No.:		

\*and/or

Second Proxy "B"

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address	Email:		
	Contact No.:		

\*or failing him/her, the Chairman of the Meeting as \*my/our proxy to attend and vote for \*me/us and on \*my/our behalf at the Fortieth Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan on Wednesday, 18 June 2025 at 10:00 a.m. or at any adjournment thereof.

The proxy is to vote on the business before the Meeting as indicated below (if no indication is given, the proxy will vote as he/she thinks fit or abstain from voting):

AGENDA

Resolution No.	Resolutions	For	Against
1.	To approve the payment of Directors' fees.		
2.	To approve the benefits payable to the Non-Executive Directors.		
3.	To re-elect Mr. Jason Toh Jin Hin.		
4.	To re-elect Mr. Toh Yew Seng.		
5.	To re-elect Dato' Siew Mun Wai.		
6.	To re-elect Dato' Quah Thain Khan.		
7.	To appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
8.	Authority to Issue Shares pursuant to the Companies Act 2016 and Waiver of Pre-Emptive Rights.		
9.	Proposed Renewal of Share Buy-Back Authority.		
10.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
11.	Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

\* Strike out whichever not applicable.

Signed this ..... day of ..... 2025

.....  
Signature of Member/Common Seal

Notes:

- With respect to deposited securities, only shareholders of the Company whose names appear in the Record of Depositors on 11 June 2025 shall be eligible to attend the Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
- A proxy may but does not need to be a member of the Company, and a member may appoint any person to be his/her proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing, or if such appointor is a corporation, under its common seal or under the hand of an officer or attorney duly authorised.
- Where a member of the Company is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 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 of authority shall be deposited at the Company's registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof. The proxy appointment may also be lodged electronically via the Securities Services e-Portal at <https://sshsb.net.my/>. The lodging of the form of proxy will not preclude any shareholder from attending and voting at the Meeting. If you have submitted your form of proxy prior to the Meeting and subsequently wish to revoke your proxy appointment(s), please email [info@sshsb.com.my](mailto:info@sshsb.com.my) or deposit the written notice of termination of proxy authority at the Company's registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, to revoke the earlier appointed proxy (ies) before the time stipulated for holding the Meeting or at any adjournment thereof. In such an event, you should advise your proxy(ies) accordingly. All resolutions set out in this Notice of Meeting are to be voted on by poll.



FOLD THIS FLAP FOR SEALING

FOLD HERE

Affix  
stamp

The Company Secretaries  
**PRESTAR RESOURCES BERHAD**  
Level 7, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Malaysia

FOLD HERE



**PRESTAR RESOURCES BERHAD**  
鴻達資源有限公司



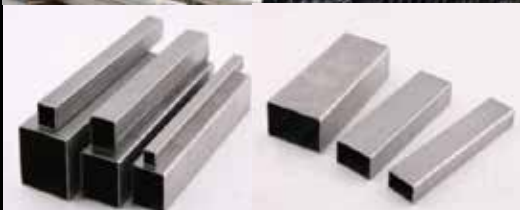
*We are an established investment holding company with subsidiary companies mainly engaged in the steel-processing and steel-products manufacturing activities since 1984. Today, we are one of the leading steel-processing / manufacturing Group focusing on the following main activities:-*

#### **STEEL PROCESSING UNIT**

- Hot-Rolled & Cold-Rolled Steel Pipes and Hollow Sections
- ERW and Cold-Drawn Automotive Tubes
- Slitting, shearing and supplies of Hot-Rolled, Cold-Rolled, Galvanized, Electro-Galvanized, Silicon and Stainless Steel Coils/Sheets
- Mild Steel Flat Bars and Expanded Metal

#### **PRODUCT MANUFACTURING UNIT**

- Wheelbarrows and Platform Trucks
- Boltless Shelving, Pallet Racking, Drive-In, ASRS and other Racking Systems
- Galvanized Highway Guardrails and Handrails
- Hot-Dip Galvanizing Services



LOT 1298, RAWANG INDUSTRIAL ESTATE, 16 ½ MILES JALAN IPOH, 48000 RAWANG, SELANGOR, MALAYSIA

Tel : (603) 6090 8218

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E-Mail : [info@prestar.com.my](mailto:info@prestar.com.my)

Website : [www.prestar.com.my](http://www.prestar.com.my)



**PRESTAR RESOURCES BERHAD**

198401010527 (123066-A)

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Malaysia

T: 03 2084 9000 • F: 03 2094 9940/2095 0292  
[www.prestar.com.my](http://www.prestar.com.my)