



PRESTAR RESOURCES BERHAD

198401010527 (123066-A)



2025 ANNUAL REPORT • LAPORAN TAHUNAN

CONTENTS

1	NOTICE OF ANNUAL GENERAL MEETING
6	CORPORATE INFORMATION
7	GROUP FINANCIAL HIGHLIGHTS
8	CORPORATE STRUCTURE
9	BOARD OF DIRECTORS' PROFILE
14	PROFILE OF KEY SENIOR MANAGEMENT
17	MANAGEMENT DISCUSSION AND ANALYSIS
22	SUSTAINABILITY STATEMENT
63	CORPORATE GOVERNANCE OVERVIEW STATEMENT
77	ADDITIONAL COMPLIANCE INFORMATION
80	STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
83	AUDIT COMMITTEE REPORT
85	STATEMENT OF DIRECTORS' RESPONSIBILITY
87	DIRECTORS' REPORT
92	STATEMENT BY DIRECTORS
92	STATUTORY DECLARATION
93	INDEPENDENT AUDITORS' REPORT
96	STATEMENTS OF FINANCIAL POSITION
98	STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
99	STATEMENTS OF CHANGES IN EQUITY
101	STATEMENTS OF CASH FLOWS
103	NOTES TO THE FINANCIAL STATEMENTS
152	LIST OF PROPERTIES
153	STATISTICS OF SHAREHOLDINGS
	FORM OF PROXY



Please visit www.prestar.com.my or scan the QR Code to download the 2025 Annual Report

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-First Annual General Meeting (“**41st 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 Thursday, 18 June 2026 at 10:00 a.m. for the following purposes:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and the Auditors thereon.
2. To approve the payment of Directors’ fees amounting to RM287,000.00 for the financial year ended 31 December 2025. *(Resolution 1)*
3. To approve an amount of up to RM30,000.00 as benefits payable to the Non-Executive Directors from 19 June 2026 to the next Annual General Meeting of the Company to be held in 2027. *(Resolution 2)*
4. 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) Encik Shamsudin @ Samad Bin Kassim; *(Resolution 3)*
 - (b) Ms. Toh Hui Yi; and *(Resolution 4)*
 - (c) Mr. Wang Eng Lon. *(Resolution 5)*
5. To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. *(Resolution 6)*
6. 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 7)*
- 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.”

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

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

(Resolution 8)

“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** **- PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

(Resolution 9)

“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 2026 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 a 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."

7. 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 2026

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Notes:

1. With respect to deposited securities, only shareholders of the Company whose names appear in the Record of Depositors on 11 June 2026 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://sshshb.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@sshshb.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.

Explanatory Notes:

1. Resolutions 3, 4, and 5 – 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, Encik Shamsudin @ Samad Bin Kassim, Ms. Toh Hui Yi, and Mr. Wang Eng Lon are due to retire by rotation at the forthcoming 41st AGM of the Company. All three (3) Directors have expressed their willingness to seek re-election.

To assess their eligibility for re-election at the 41st AGM of the Company, the Board of Directors ("**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 2025. Upon the recommendation of the Nomination Committee, the Board is satisfied with the performance and contributions of Encik Shamsudin @ Samad Bin Kassim, Ms. Toh Hui Yi, and Mr. Wang Eng Lon, 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.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Explanatory Notes:

2. Resolution 7 - 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 Fortieth Annual General Meeting of the Company held on 18 June 2025 (“**Previous Mandate**”).

The Renewed Mandate will provide the Company with flexibility to allot shares for any potential fundraising activities to fund 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 41st 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.

3. Resolution 8 - 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 Fortieth Annual General Meeting of the Company held on 18 June 2025. 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.

4. Resolution 9 - 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 Fortieth Annual General Meeting of the Company held on 18 June 2025 (“**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.

Further information on the Proposed Renewal of Share Buy-Back Authority and Proposed Renewal of Shareholders’ Mandate is 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

Toh Yew Seng <i>Group Executive Director</i>	Kenny Toh Jin Tat <i>Executive Director</i>	Shamsudin @ Samad Bin Kassim <i>Independent Non-Executive Chairman</i>	Dato' Toh Yew Peng <i>Group Managing Director</i>
Jason Toh Jin Hin <i>Executive Director</i>	Dato' Siew Mun Wai <i>Independent Non-Executive Director</i>	Toh Hui Yi <i>Executive Director</i>	Andy Toh Jin Hong <i>Executive Director</i>
		Dato' Quah Thain Khan <i>Independent Non-Executive Director</i>	Wang Eng Lon <i>Independent Non-Executive Director</i>

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@sshbsb.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@sshbsb.com.my

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Level 16, Tower C, Megan Avenue II,
12, Jalan Yap Kwan Seng,
50450 Kuala Lumpur
Malaysia
Tel. No. : 603-2788 9999
Fax No. : 603-2788 9998
Website : www.crowe.my

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
E-mail : 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

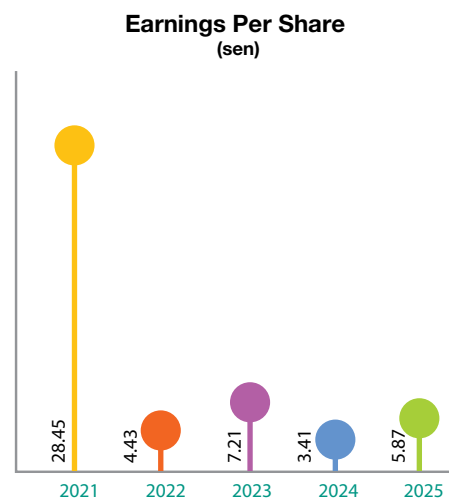
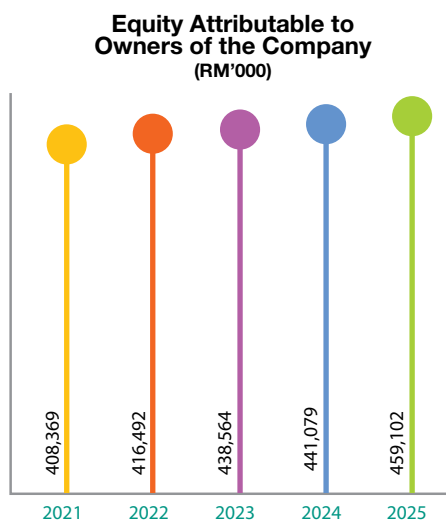
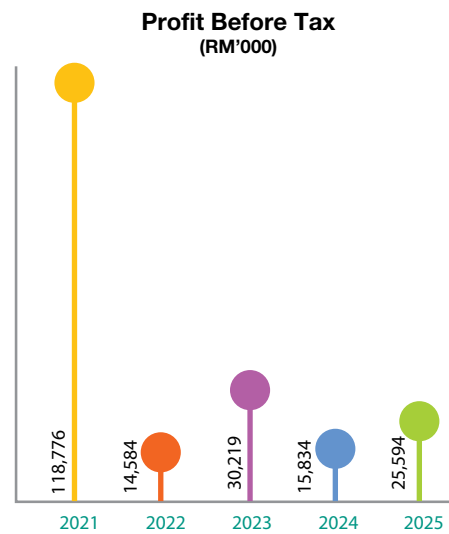
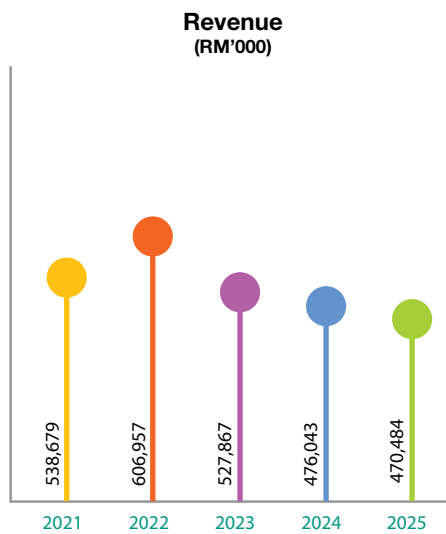
Dato' Siew Mun Wai
Member

Wang Eng Lon
Member

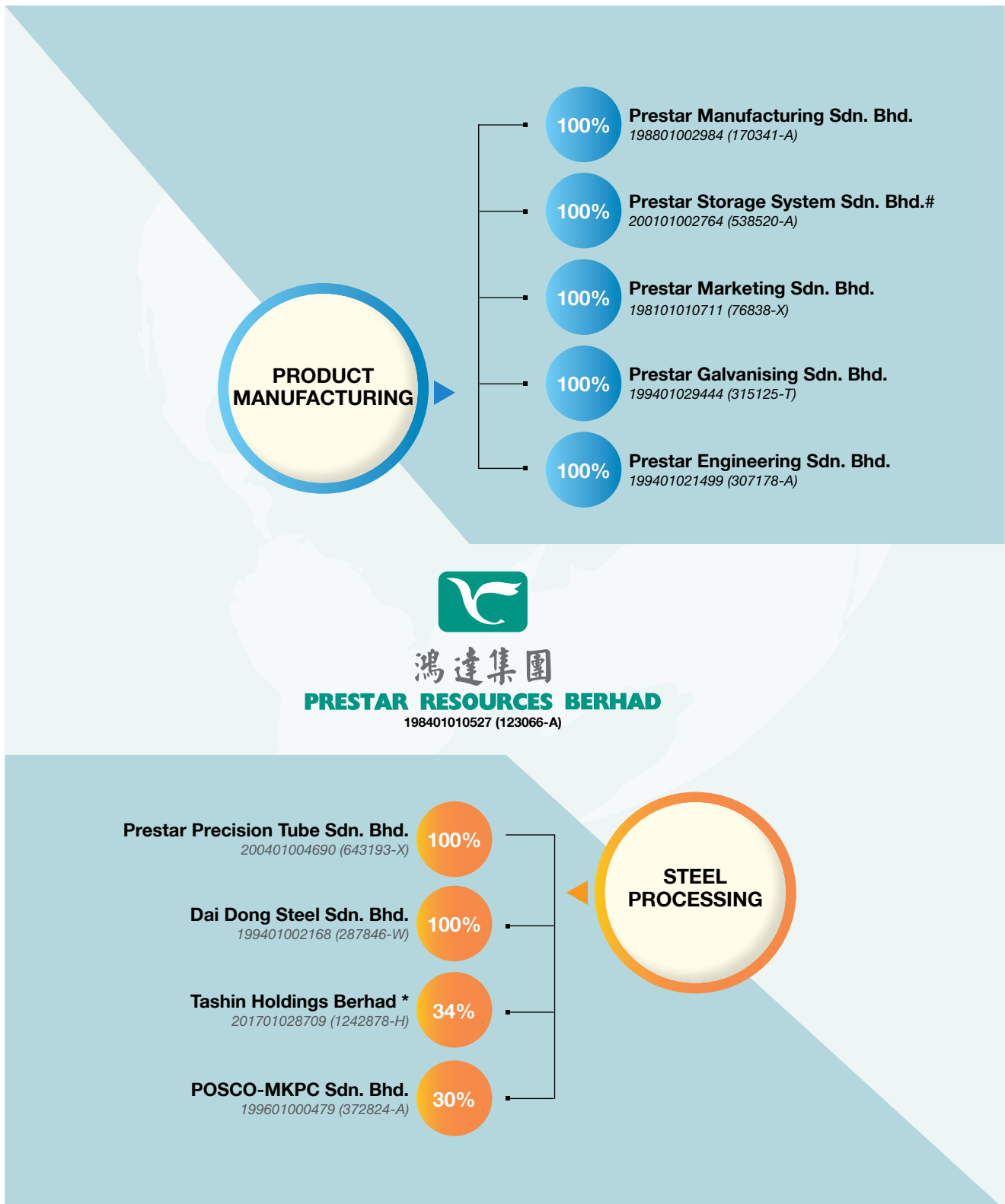
GROUP FINANCIAL HIGHLIGHTS

(RM'000)	2021	2022	2023	2024	2025
Revenue	538,679	606,957	527,867	476,043	470,484
Profit before tax	118,776	14,584	30,219	15,834	25,594
Profit attributable to owners of the company	95,196	15,191	25,898	12,255	20,975
Total Assets	772,630	652,630	583,650	562,280	585,083
Equity attributable to owners of the company	408,369	416,492	438,564	441,079	459,102
EBITDA#	134,304	32,028	44,439	28,949	38,320
<i>#Earnings before interest, depreciation, tax and amortisation</i>					
Net assets per share (RM)	1.19	1.22	1.22	1.23	1.29
Earnings per share (sen)	28.45 [^]	4.43	7.21	3.41	5.87

[^] 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 of Directors (“**Board**”) on 1 September 2020

Aged	79
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 Pittsburgh, United States of America (“**USA**”). He attended all five (5) Board meetings held in the financial year ended 31 December 2025.

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 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	73
Gender	Male
Nationality	Malaysian

Dato' Toh Yew Peng (“**Dato' Toh**”) is one of the founders of Prestar Resources Berhad Group (“**the Group**”). He attended all five (5) Board meetings held in the financial year ended 31 December 2025. 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 the Company's and Tashin's subsidiaries, as well as 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, 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 | 64
Gender | Male
Nationality | Malaysian

Mr. Toh Yew Seng ("**Mr. YS Toh**") was appointed the Group Executive Director of the Company in 1986, and prior to that, he served as the General Manager of the Company from 1984 to 1985. He attended four (4) out of five (5) Board meetings held during the financial year ended 31 December 2025. 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, operations and production, administration, and project management.

Currently, Mr. YS Toh oversees and manages the manufacturing activities of the Group at Rawang's production complex, where he is responsible for overall planning and formulation of operational 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 the Company's and Tashin's subsidiaries, as well as 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 | 50
Gender | Male
Nationality | Malaysian

Mr. Kenny Toh Jin Tat ("**Mr. Kenny Toh**") holds a Bachelor of Business Administration from the University of Texas A&M, USA. He attended all five (5) Board meetings held in the financial year ended 31 December 2025. 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, spearheading the manufacturing activities of Prestar Vietnam.

Mr. Kenny Toh was appointed as the Executive Director of Prestar Precision Tube Sdn. Bhd. ("**PPTS**") on 3 January 2012. He is currently responsible for the overall management and profitability of PPTS – 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, 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 | 36
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 five (5) Board meetings held in the financial year ended 31 December 2025. 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 at a multinational company and a local company involved in 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 | 48
Gender | Male
Nationality | Malaysian

Mr. Andy Toh Jin Hong ("**Mr. Andy Toh**") holds a Bachelor of Business Administration from the University of Texas A&M, USA. He attended all five (5) Board meetings held in the financial year ended 31 December 2025. 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 Sales Director of PSSSB on 1 June 2016. He is currently responsible for the sales, shipping, export, design, and engineering departments 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.

JASON TOH JIN HIN

EXECUTIVE DIRECTOR

Appointed to the Board on 1 September 2024

Aged | 44
Gender | Male
Nationality | Malaysian

Mr. Jason Toh Jin Hin ("**Mr. Jason Toh**") attended all five (5) Board meetings held in the financial year ended 31 December 2025. 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 the Company. 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.

BOARD OF DIRECTORS' PROFILE (cont'd)

DATO' SIEW MUN WAI

INDEPENDENT NON-EXECUTIVE DIRECTOR
Appointed to the Board on 16 June 2022

Aged	68
Gender	Male
Nationality	Malaysian
Chairman	Audit Committee
Member	Nomination Committee and Remuneration Committee

Dato' Siew Mun Wai ("**Dato' Edward Siew**") is a Fellow Member and Business Finance Professional of the Institute of Chartered Accountants in England & Wales (ICAEW), and a Chartered Accountant of the Malaysian Institute of Accountants (MIA). He attended all five (5) Board meetings held in the financial year ended 31 December 2025.

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 under the Talent Corp program, Dato' Edward Siew was the Acting Global CEO/Global Chief Financial Officer of Crabtree & Evelyn London until its divestment. He was an Independent Non-Executive Director of Karex Bhd, as well as Chairman of the Remuneration Committee and a member of its Audit, Risk Management, and Employees' Share Option Scheme Committees from 2020 to 2025, and an Independent Non-Executive Director and Audit Committee Chairman of an ASX-listed junior mining company from 2011 to 2014. 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 Board of Malton Berhad as an Independent Non-Executive Director and a member of its Audit and Nomination Committees. He is the Executive Director of a private company operating a chain of premium grocers under a number of leading brands.

DATO' QUAH THAIN KHAN

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

Aged	68
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, and a Bachelor of Engineering (Honours) from Monash University, Australia. He attended all five (5) Board meetings held in the financial year ended 31 December 2025.

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 served as 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.

BOARD OF DIRECTORS' PROFILE (cont'd)

WANG ENG LON

INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to the Board on 10 April 2023

Aged	65
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 the University of Strathclyde, United Kingdom. He attended all five (5) Board meetings held in the financial year ended 31 December 2025.

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 industries. 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. (QRRA) 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 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.

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 2025.

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 (“**Board**”) 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 | 77
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 | 67
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 with 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 Group Executive Director of the Company on 12 July 1984 and was involved in materials handling equipment, general hardware marketing, and highway guardrail business activities. He retired from the Company’s Board 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.

ALAN TOH JIN JOO

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

Aged | 49
Gender | Male
Nationality | Malaysian

Mr. Alan Toh Jin Joo (“**Mr. Alan Toh**”) holds a Bachelor of 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.

PROFILE OF KEY SENIOR MANAGEMENT (cont'd)

IAN TOH JIN HU

EXECUTIVE DIRECTOR,
PMKTG

Aged | 44
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 | 61
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 | 47
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 business operations and profitability of PESB and oversees 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 | 56
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 is 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 | 55
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 of 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, overseeing all finance, accounting, information technology, and corporate matters.

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 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

The global steel industry continued to face a challenging environment during the financial year under review. Market conditions were influenced by uneven economic recovery, moderating industrial activity in certain markets, and ongoing adjustments within global steel supply chains. Competitive pricing dynamics and periodic supply-demand imbalances continued to exert pressure on steel prices and industry margins. In addition, fluctuations in raw material prices, freight costs, and energy expenses contributed to cost volatility across the steel value chain. Broader macroeconomic factors, including changes in global interest rate environments and currency movements, also influenced financing conditions and business sentiment across various industries.

Within Malaysia, the steel industry experienced relatively stable activity supported by infrastructure development, construction projects, and ongoing industrial expansion. Steel products remain widely used in buildings, transportation infrastructure, and industrial applications, and demand from these sectors continues to underpin domestic steel consumption. Nevertheless, the industry remained highly competitive, with manufacturers facing persistent pricing pressures amid regional supply imbalances and fluctuating steel prices. At the same time, operating costs continued to rise, including labour-related expenses such as statutory contributions and wage adjustments, as well as higher fuel, logistics, and electricity costs. These conditions require manufacturers to maintain operational efficiency, disciplined procurement practices, and effective cost management in order to sustain margins.



Against this backdrop, Prestar Resources Berhad (“the Company”) and its subsidiaries (“the Group”) delivered improved financial performance for the financial year ended 31 December 2025 (“FYE 2025”) compared with the previous financial year. The Group recorded revenue of RM470.5 million, a marginal 1.2% decrease from RM476.0 million in the financial year ended 31 December 2024 (“FYE 2024”). Despite the slight decline in revenue, profit before tax increased significantly to RM25.6 million, up from RM15.8 million in FYE 2024. The improvement was primarily attributable to enhanced operational efficiency, improved product mix and margin management, as well as disciplined procurement practices and effective cost-control initiatives. The Group also maintained prudent working capital management, contributing to a stronger financial position during FYE 2025.

Looking ahead, the Group remains mindful that the operating environment for the steel industry may continue to be influenced by global economic conditions, fluctuations in raw material and energy prices, and ongoing competitive pressures. Nevertheless, underlying demand from infrastructure development, construction activities, and industrial expansion is expected to continue supporting steel consumption in the domestic market. The Group will therefore continue to focus on improving operational efficiency, maintaining disciplined procurement and inventory management, enhancing value-added product offerings, and exercising prudent financial management to sustain profitability and strengthen its market position.

The key financial highlights of the Group for FYE 2025 are summarised below:

RM'000	FYE 2025	FYE 2024	Variance	Variance (%)
Revenue	470,484	476,043	(5,559)	(1.2%)
Profit before tax	25,594	15,834	9,760	61.6%
Profit attributable to owners of the company	20,975	12,255	8,720	71.2%
Total assets	585,083	562,280	22,803	4.1%
Equity attributable to owners of the company	459,102	441,079	18,023	4.1%
Net assets per share (RM)	1.29	1.23	0.06	4.9%
Basic earnings per share (sen)	5.87	3.41	2.46	72.1%

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

a) Revenue

For FYE 2025, the Group recorded revenue of RM470.5 million, a marginal 1.2% decrease from RM476.0 million in FYE 2024. The slight decline in revenue was primarily attributable to lower average selling prices during FYE 2025 amid volatility in steel prices and competitive market conditions.

Despite the softer pricing environment, the Group recorded higher sales volume in FYE 2025 compared with FYE 2024, supported by improved demand momentum, particularly in the later quarters. Overall, the increase in sales volume partially offset the impact of lower average selling prices, resulting in relatively stable revenue for FYE 2025.

b) Profit Before Tax

Profit before tax for FYE 2025 increased significantly by 61.6% to RM25.6 million compared with RM15.8 million in FYE 2024. Despite the marginal decline in revenue, stronger sales volume in the later part of the year, together with improved production utilisation and operating efficiency, contributed to better margin management and higher gross profit performance.

In addition, contributions from associate companies for FYE 2025 increased compared with FYE 2024, while financing costs declined following lower borrowings and improved cash flow management. These factors collectively contributed to the Group's stronger profitability for FYE 2025.

c) Total Assets

As at 31 December 2025, the Group maintained a strong balance sheet position supported by its improved financial performance during FYE 2025. Net tangible assets per share increased to RM1.29 as at 31 December 2025 from RM1.23 as at 31 December 2024, reflecting growth in retained earnings. Correspondingly, total equity as at 31 December 2025 increased to RM459.1 million, up from RM441.1 million as at 31 December 2024.

The Group also continued to enhance its working capital management during FYE 2025. Total assets as at 31 December 2025 increased by 4.1% to RM585.1 million, from RM562.3 million as at 31 December 2024, supported by stronger earnings performance and continued emphasis on working capital efficiency.

d) Cash Flow and Liquidity

Deposits, cash and bank balances increased to RM44.7 million as at 31 December 2025, compared



to RM29.3 million as at 31 December 2024, supported by stronger operating cash flow generation during FYE 2025. Through prudent financial and working capital management, the Group reduced total borrowings and lease liabilities by 8.4% to RM63.4 million as at 31 December 2025 from RM69.2 million as at 31 December 2024, resulting in an improved gearing ratio of 0.14 as at 31 December 2025 compared to 0.16 as at 31 December 2024. The Group continues to maintain a prudent and manageable level of leverage to support its operational requirements while preserving financial flexibility.

e) Dividend

The Company paid a single-tier interim dividend of 0.75 sen per ordinary share in respect of FYE 2025, amounting to RM2.7 million on 26 March 2026.

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

During FYE 2025, the Group focused on enhancing its product solutions and development, strengthening operational efficiency through automation and process improvement initiatives, improving customer engagement and service capabilities, and investing in capital assets and technology to support sustainable business growth.

The Group continued to reinforce its operational capabilities across manufacturing and distribution activities through improved coordination of production, procurement, and logistics functions. These efforts aimed to enhance workflow efficiency, strengthen inventory management, and deliver more responsive and reliable service to customers while maintaining operational discipline in a competitive environment.

i) Product Solutions and Development

The Group continues to enhance its racking and shelving solutions to support the evolving requirements of modern warehousing and logistics operations. Product development remains an ongoing effort to ensure that the Group's storage solutions continue to meet changing customer requirements, including compatibility with automated warehouse environments and high-density storage configurations.

During FYE 2025, the Group continued to support projects involving automated storage and retrieval systems, supplying racking systems designed for high-bay warehouses and high-density storage environments. These solutions support improved space utilisation and inventory management within modern warehouse operations.

ii) Operational Automation and Process Improvement

During the current financial year under review, the Group placed greater emphasis on improving operational efficiency through automation and system integration initiatives within certain operating subsidiaries.

These initiatives include enhancements to operational systems and equipment integration, enabling selected operational and manufacturing data to be automatically captured and updated within the Group's enterprise resource planning system. Such improvements are intended to enhance workflow efficiency, improve operational accuracy, and reduce reliance on manual processes.

The Group intends to progressively extend these automation initiatives across other subsidiaries as part of its ongoing efforts to strengthen operational efficiency and internal process management.

iii) Customer Engagement

The Group places strong emphasis on building long-term customer relationships and delivering reliable service to support customer operations. During the current financial year under review, the Group continued to strengthen collaboration with customers across construction, infrastructure, and industrial sectors.

To enhance service reliability and delivery efficiency, the Group expanded its in-house transportation fleet during FYE 2025. This initiative enables greater control over delivery scheduling and logistics coordination, resulting in improved responsiveness and more efficient product delivery to customers.

The Group also continues to improve customer accessibility and service coordination through enhancements in its ordering and service channels.

iv) Capital Investment and Information and Communication Technology ("ICT") Enhancement

To support these operational initiatives, the Group continues to invest in capital assets and technology to enhance production capability, operational efficiency, and logistics support.

During FYE 2025, the Group incurred capital expenditure of approximately RM13.8 million. Of this amount, RM8.2 million was allocated for production machinery and manufacturing facility improvements to support operational efficiency and production capacity. In addition, RM1.8 million was utilised for the renewal and replacement of existing machinery and facilities, as well as upgrades of the factory, office, and computerised systems.

The Group also invested RM3.8 million in vehicles and material handling equipment to strengthen its in-house logistics capabilities and improve delivery efficiency. Additionally, the Group allocated approximately RM1.2 million to ICT-related initiatives aimed at improving operational coordination and system efficiency.

Through these capital investments, the Group continues to strengthen its operational capabilities while supporting productivity improvements and long-term business sustainability.

These initiatives have enhanced the Group's operational capabilities and contributed to the improved financial performance recorded during FYE 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

MANAGING KEY RISKS

As with any business entity, the Group is exposed to various risks arising from its operational and business activities. While appropriate mitigation measures have been implemented to manage these risks, certain factors may remain beyond the Group's direct control. The Group Risk Management Committee regularly reviews the risk landscape and monitors the effectiveness of risk management measures to ensure that potential risks are appropriately identified and managed.

The key risks identified by the Group are outlined below:

A. Security and Operational Risks

Cybersecurity Risk

Cybersecurity risk refers to the potential for financial loss, operational disruption, or reputational damage arising from cyber threats, including malware attacks, system intrusions, or data breaches.

Email communications remain a common entry point for cyber threats such as phishing attempts, malicious attachments, and unauthorised access to systems. Such incidents may result in system disruption or compromise sensitive information if not properly managed.

To mitigate these risks, the Group has implemented various information technology ("IT") security measures, including controlled email and internet access policies based on employee roles and responsibilities. In addition, security controls such as firewalls, anti-spam filters, and antivirus software have been deployed to strengthen the Group's IT infrastructure.

The Group continues to enhance its cybersecurity framework through ongoing infrastructure improvements and regular employee awareness programmes on cyber threats and safe digital practices. During FYE 2025, Vulnerability Assessment and Penetration Testing were conducted by a licensed Cybersecurity Service Provider (CSSP) to assess and strengthen the security of the Group's critical IT infrastructure.

Fire Risk

Fire hazards represent a potential operational risk due to the nature of the Group's manufacturing and warehouse facilities. To mitigate potential losses arising from such incidents, the Group maintains comprehensive insurance coverage and implements preventive safety measures across its operational facilities.

Key fire prevention measures include installing and maintaining fire detection and suppression systems, conducting regular fire drills, clearly defining evacuation procedures, and training employees in fire safety practices. The Group also enforces compliance with fire safety regulations and conducts periodic inspections of electrical systems and fire-fighting equipment to ensure operational readiness.

B. Financial Risk

Credit Risk

Credit risk primarily arises from trade receivables and relates to the possibility of customers failing to fulfil their payment obligations.

To manage this risk, the Group has established credit control procedures which include assessing customer creditworthiness, setting appropriate credit limits, and monitoring outstanding balances. Where necessary, deposits or revised payment terms may be required for higher-risk transactions.

The Group also utilises a computerised information system that enables subsidiaries to monitor receivables ageing and track overdue accounts. These measures facilitate timely follow-up actions and help minimise potential credit exposure.

Foreign Exchange ("Forex") Risk

Forex risk arises from fluctuations in currency exchange rates, which may affect the Group's financial performance, particularly for transactions denominated in foreign currencies.

To manage this exposure, the Group monitors Forex movements and incorporates currency considerations into its financial planning and procurement strategies. Where appropriate, hedging mechanisms may be employed to mitigate the impact of exchange rate volatility.

Supply Chain and Raw Material Price Risk

The Group's operations are dependent on the timely availability of steel and related raw materials. Fluctuations in raw material prices and disruptions within the supply chain may affect production costs, inventory management, and operational efficiency.

To mitigate this risk, the Group adopts prudent procurement planning and maintains close engagement with key suppliers to ensure supply continuity. The Group also monitors market developments and price trends to support informed purchasing decisions and manage potential cost exposure.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

MANAGING KEY RISKS (cont'd)

C. Environmental, Social and Governance (“ESG”) Risk

Environmental and sustainability-related matters may pose operational and regulatory risks, including evolving environmental standards and compliance requirements.

During the current financial year under review, no material ESG-related risks were identified that would significantly impact the Group’s operations or financial performance. Further details on the Group’s ESG initiatives are set out in the Sustainability Report contained in this Annual Report.

OUTLOOK

The Board remains cautiously optimistic regarding the Group’s prospects while maintaining a prudent approach in managing its operations.

Demand for steel products in the domestic market is expected to remain supported by infrastructure development, construction activities, and ongoing industrial expansion, providing a stable demand base over the medium term.

In navigating the prevailing operating environment, the Group will continue to prioritise operational efficiency, margin enhancement, and disciplined cost management to support sustainable performance. Concurrently, the Group will continue to evaluate and progressively implement digital initiatives to improve operational efficiency and strengthen internal processes, broaden its revenue base through strategic investments in recurring income assets, enhance its ESG practices, and maintain sound financial discipline.

With these measures in place, the Group believes it is well positioned to navigate market uncertainties, support sustainable long-term growth, and enhance shareholder value.



SUSTAINABILITY STATEMENT

INTRODUCTION

Prestar Resources Berhad (“**Prestar**” or “**the Company**”) is an investment holding company established in 1984, with a long-standing presence in the steel industry. Over the years, the Company and its subsidiaries (collectively referred to as “**the Group**”) have expanded their operations across multiple segments within the steel sector. The Group’s core activities include the manufacturing and distribution of a broad range of steel products such as steel pipes, material handling equipment, storage racking systems, slitted steel coils, highway guardrails, road safety accessories, and other steel-related products.

The Group remains committed to conducting its business in a responsible and sustainable manner by integrating operational excellence with environmental, social and governance (“**ESG**”) considerations, with continued emphasis on environmental stewardship and community well-being. This commitment underpins the Group’s sustainability approach, key initiatives and performance for the financial year ended 31 December 2025 (“**FYE2025**”), as set out in this Sustainability Statement.

Reporting Standards

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

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

Reporting Scope

The Sustainability Statement presents the Group’s sustainability activities, initiatives and performance for the financial period from 1 January 2025 to 31 December 2025. The scope of this Statement encompasses all Malaysian subsidiaries, which represent the entirety of the Group’s operations.

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
Dai Dong Steel Sdn Bhd	Importing and trading of steel materials and general hardware products
Prestar Galvanising Sdn Bhd	General hot-dip galvanising of metal products and threaded items
Prestar Engineering Sdn Bhd	Manufacturing, supply and install of guardrails and related products
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 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

SUSTAINABILITY STATEMENT (cont'd)

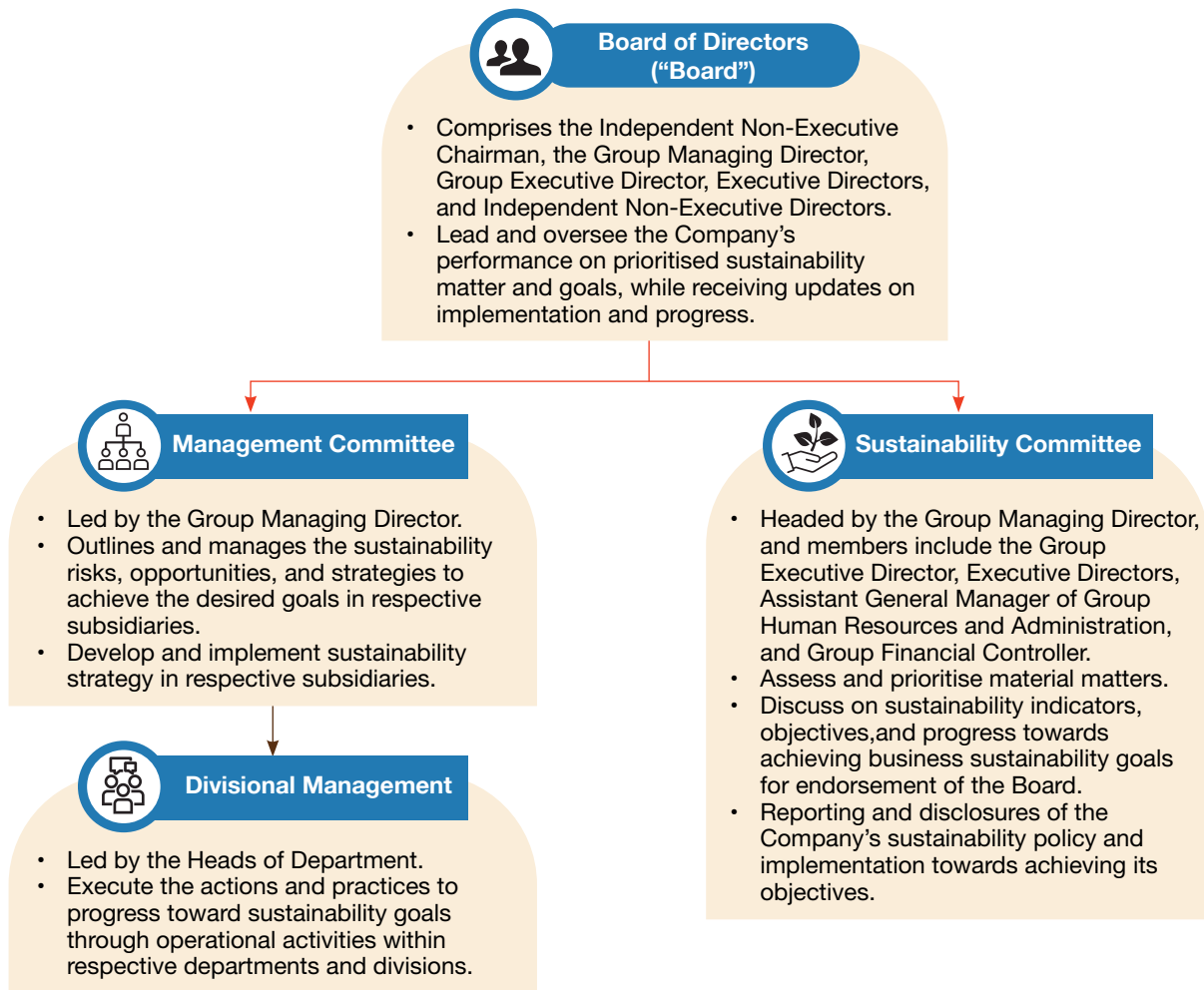
Feedback

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

Sustainability Governance

Our dedicated leadership team oversees the Group’s sustainability performance and ensures that sustainability best practices are embedded into our daily operations. This is achieved through the alignment of goals, coordinated efforts, and clear communication and reporting across all levels of management, enabling the Group to drive meaningful and measurable sustainability outcomes.

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



During FYE2025, the Executive Directors met regularly to deliberate on key sustainability-related matters, including revenue performance, risk management processes, anti-bribery and anti-corruption initiatives, procurement practices, as well as health and safety matters.

The Sustainability Committee convened to support the Board in overseeing sustainability-related matters. Key discussions included the identification and adoption of Material Matters, the implementation of the Greenhouse Gas (GHG) Assessment Procedure, sustainability awareness training initiatives, reporting mechanisms, and the appointment of a designated person responsible for the assurance statement.

At the subsidiary level, the Management Committee conducted periodic “Kaizen Meetings” to address operational and subsidiary-specific matters. A total of sixty- four (64) Kaizen Meetings were held during FYE2025, focusing on sustainability performance, corrective measures, and action plans. These meetings were attended by Operations Managers, the Assistant General Manager (Manufacturing), Executive Directors, and the Group Executive Director, ensuring alignment with corporate objectives and fostering a culture of continuous improvement.

SUSTAINABILITY STATEMENT (cont'd)

Sustainability Governance (cont'd)

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

Throughout the FYE2025, the Sustainability Committee met three (3) times to review and prioritise material sustainability matters. The Committee subsequently reported its recommendations to the Board for approval regarding the relevance and prioritisation of these material matters.

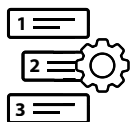
Sustainability Policy and Focus Area

Our Sustainability Policy, established in September 2018, outlines our commitment to robust sustainability practices and communicates this commitment to all stakeholders. The chart below illustrates our key sustainability focus areas and the approach we adopt to manage them.

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)

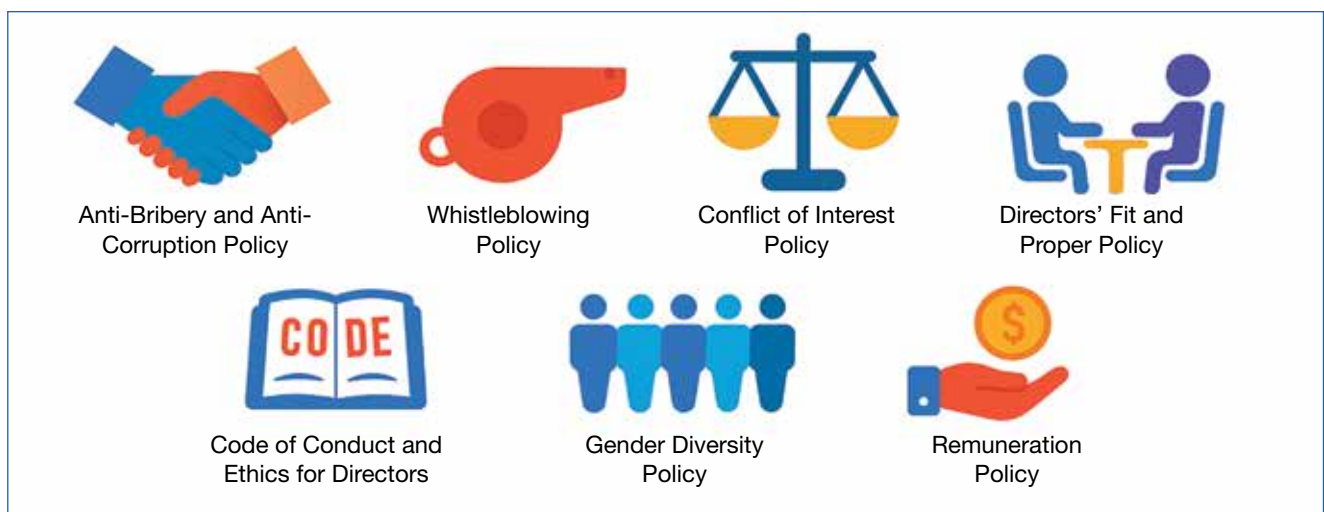
Sustainability Focus (cont'd)

In September 2024, the National Sustainability Reporting Framework (“NSRF”) was introduced, marking a significant milestone in the evolution of sustainability disclosure in Malaysia. The Group is aware that its mandatory reporting under the framework, aligned with IFRS Sustainability Disclosure Standards S1 and S2 (“IFRS”), will commence in financial year 2026.

To ensure readiness, the Group has begun preparatory work, including the collection of relevant climate-related data and the enhancement of internal processes. An external consultant has been engaged to support the transition to IFRS, with a focus on strengthening disclosures related matters.

Policies for Good Governance

Prestar integrates traditional ethical principles with contemporary business strategies. To ensure that all stakeholders uphold our commitment to ethical conduct, integrity, and responsible behaviour, we have implemented group-wide governance policies. Key policies are highlighted below:



Stakeholder Management

At Prestar, we actively engage with our stakeholders, recognising their insights as vital to the sustainability of our business operations. We value their perspectives and integrate them into our business strategies, as outlined below:

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

SUSTAINABILITY STATEMENT (cont'd)

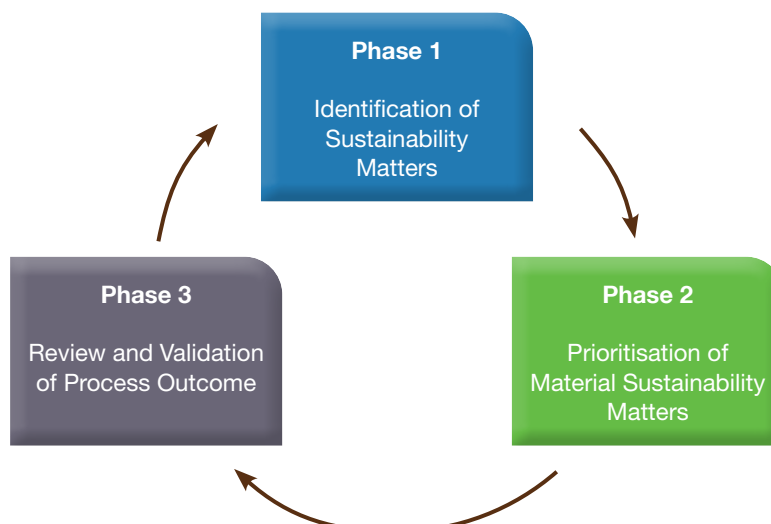
Stakeholder Management (cont'd)

Key Stakeholders	Areas of Interest	Channels of Engagement	Frequency of Engagement	Our Response
Suppliers	<ul style="list-style-type: none"> • Anti-Bribery and Anti-Corruption awareness • Sustainable and fair procurement practices 	<ul style="list-style-type: none"> • Regular briefings • Visits • Supplier evaluation and registration 	<ul style="list-style-type: none"> • Regularly 	<ul style="list-style-type: none"> • Emphasis on Anti-Bribery and Anti-Corruption Policy • Ensure due diligence assessment and fulfilment of supplier assessment criteria
Local authorities, Municipalities, Regulators and Government Ministries	<ul style="list-style-type: none"> • Regulatory compliance • Corporate governance • Standards and certifications 	<ul style="list-style-type: none"> • Compliance efforts • Regular visits • Events • Media releases 	<ul style="list-style-type: none"> • Periodically 	<ul style="list-style-type: none"> • Adherence to governmental laws, regulations and standards
Employees	<ul style="list-style-type: none"> • Work-life balance • Safe work environment • Career advancement and personal development 	<ul style="list-style-type: none"> • Performance evaluations • Training and development • Meetings and briefings • Compensation and benefits • Corporate and community activities 	<ul style="list-style-type: none"> • Regularly 	<ul style="list-style-type: none"> • Flexible work practice • Compliance with the Occupational Safety and Health Act 1994 through an established safety and health management system • Provision of educational training that helps in the development of skill, knowledge, and career advancement

Sustainability Material Matters

Economic, environmental, and social material sustainability matters are central to creating value for our stakeholders. We prioritise these issues by assessing their significance, aligning them with our business strategy, and taking into account stakeholder expectations. In line with Bursa Malaysia Securities' SRG, we identify and prioritise sustainability issues based on stakeholder interests and comprehensive risk assessments.

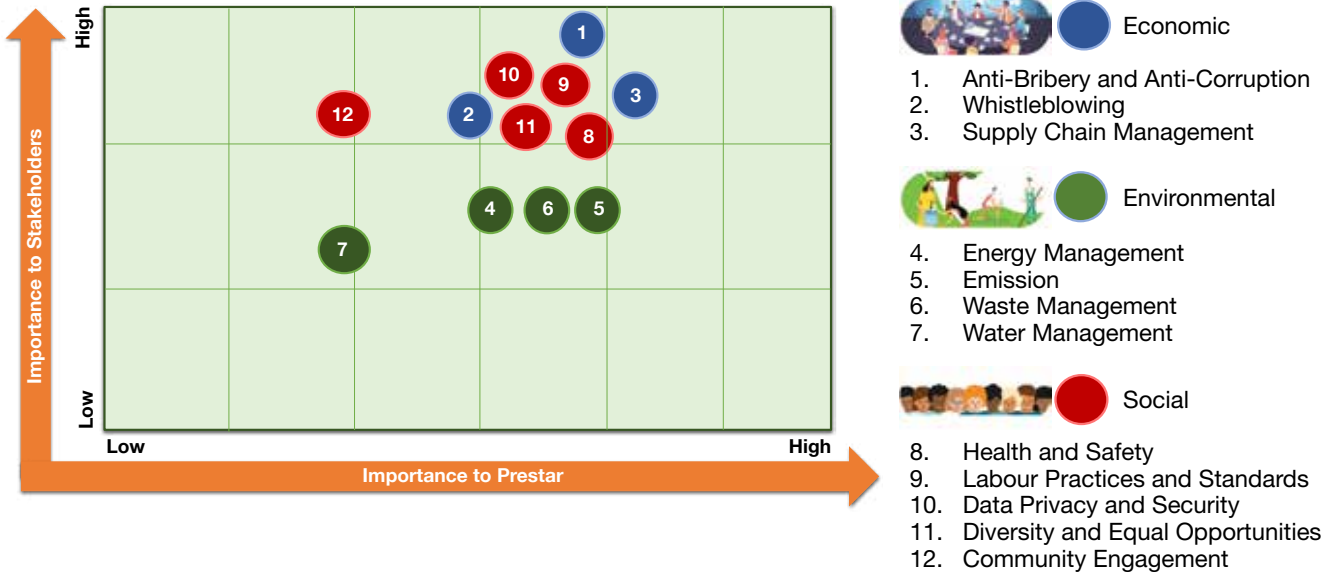
To ensure greater strategic consistency and allow sufficient time for the implementation and measurement of long-term sustainability initiatives, the Group undertakes a comprehensive materiality assessment every three (3) years. This approach enables actionable plans to be effectively implemented and their impact meaningfully evaluated before the next prioritisation cycle, while ongoing annual monitoring is conducted to track progress against established targets and initiatives.



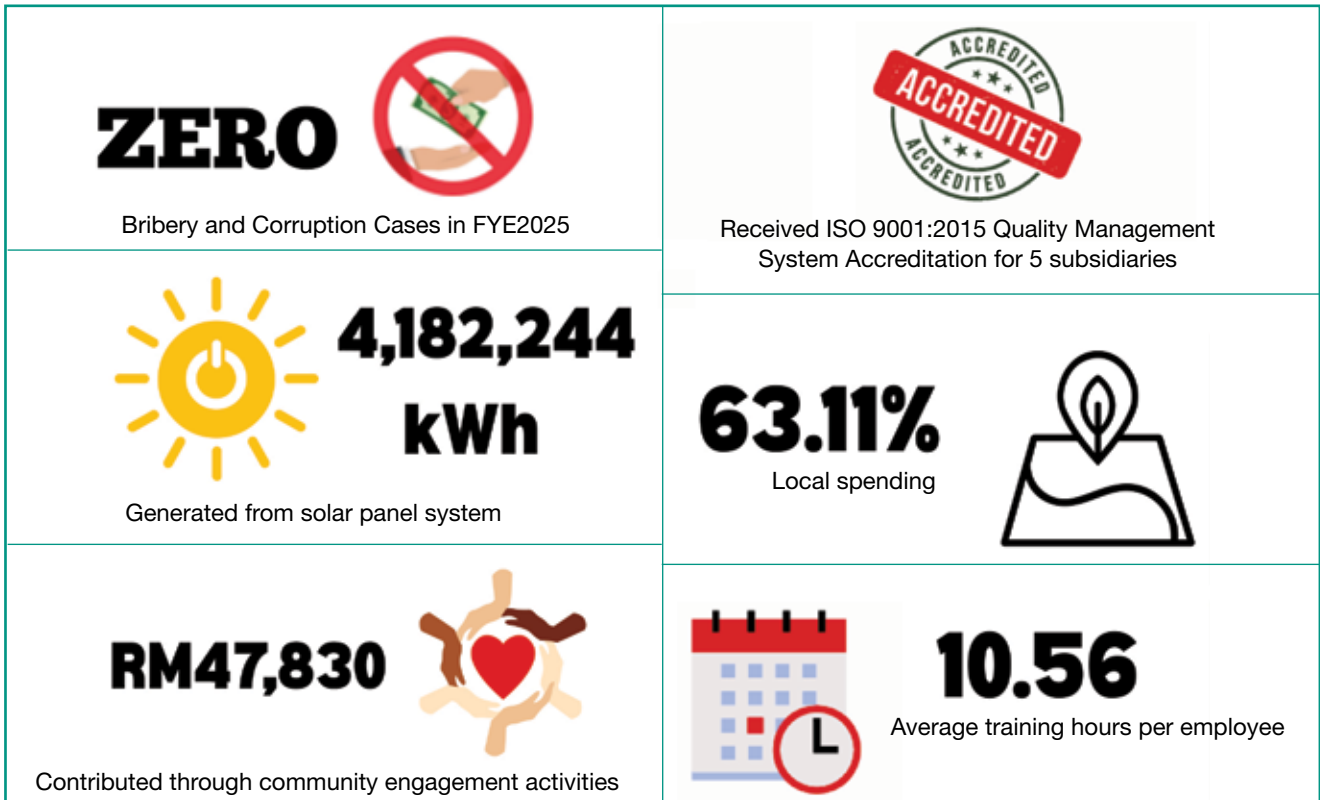
SUSTAINABILITY STATEMENT (cont'd)

Sustainability Material Matters (cont'd)

These measures help streamline the Group's approach to environmental compliance and enhance its ability to monitor and track sustainability performance.



Sustainability Highlights for FYE2025



SUSTAINABILITY STATEMENT (cont'd)

Risks, Opportunities and Management Action Plans

Our materiality assessment has highlighted the principal sustainability risks and opportunities affecting our business and stakeholders. The table below summarises these material topics and outlines our plans to manage them proactively:

Material Topics	Risks	Opportunities	Impact on the Key Stakeholders	Management Action Plan
Anti-Bribery and Anti-Corruption	<ul style="list-style-type: none"> Corruption risk 	<ul style="list-style-type: none"> Enhance corporate governance practices and ethical business conduct 	<ul style="list-style-type: none"> Shareholders and Investors Customers Employees Suppliers 	<ul style="list-style-type: none"> Implement effective corporate governance practices across business operations Conduct continuous awareness programmes on anti-bribery and anti-corruption for employees and stakeholders
Whistleblowing	<ul style="list-style-type: none"> Reputational risk 	<ul style="list-style-type: none"> Enhance corporate governance compliance 	<ul style="list-style-type: none"> Shareholders and Investors Customers Employees Suppliers 	<ul style="list-style-type: none"> Maintain a formal whistleblowing policy to encourage reporting and protect whistleblowers Provide a dedicated and independent reporting channel to ensure confidentiality and integrity of the process
Supply Chain Management	<ul style="list-style-type: none"> Inconsistent performance of suppliers 	<ul style="list-style-type: none"> Strengthen supply chain resilience through diversification of suppliers both locally and internationally 	<ul style="list-style-type: none"> Suppliers Customers 	<ul style="list-style-type: none"> Enhance suppliers selection criteria and performance assessment processes Diversify sourcing to ensure supply continuity and cost competitiveness Ensure quality and timely delivery through clear communication of requirements and expectations
Energy Management	<ul style="list-style-type: none"> Environmental risk 	<ul style="list-style-type: none"> Reliance on renewable energy sources and contribution to reduction in carbon emission 	<ul style="list-style-type: none"> Shareholders and Investors Customers Suppliers Employees Local authorities, Municipalities, Regulators, and Government Ministries 	<ul style="list-style-type: none"> Use of solar energy for cost reduction
Emission	<ul style="list-style-type: none"> Safety, health and environmental risks Non-compliance with environmental laws and regulations 	<ul style="list-style-type: none"> Maintain emissions within regulatory limits and improve environmental performance 	<ul style="list-style-type: none"> Shareholders and Investors Customers Suppliers Employees Local authorities, Municipalities, Regulators and Government Ministries 	<ul style="list-style-type: none"> Engage licensed third-party specialists to conduct emissions testing and monitoring Deploy appropriate tools and equipment to filter and/or purify air

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"> • Safety, health and environmental risks • Non-compliance with environmental laws and regulations 	<ul style="list-style-type: none"> • Improve operational efficiency through waste reduction and recycling initiatives 	<ul style="list-style-type: none"> • Shareholders and Investors • Customers • Suppliers • Employees • Local authorities, Municipalities, Regulators, and Government Ministries 	<ul style="list-style-type: none"> • Enhance waste segregation, recycling and reuse practices • Ensure compliance with regulatory requirements while continuously improving waste management processes
Water Management	<ul style="list-style-type: none"> • Environmental risk 	<ul style="list-style-type: none"> • Cost savings through better resource management 	<ul style="list-style-type: none"> • Shareholders and Investors • Customers • Suppliers • Employees • Local authorities, Municipalities, Regulators, and Government Ministries 	<ul style="list-style-type: none"> • Promote water conservation awareness across the Group • Implement water management initiatives including treatment, recycling and reuse of water
Health and Safety	<ul style="list-style-type: none"> • Safety and health risks • Non-compliance to Occupational Safety and Health laws and regulations 	<ul style="list-style-type: none"> • Reduce Lost Time Injury ("LTI") • Safe workplace • Enhance operational productivity through improved safety performance 	<ul style="list-style-type: none"> • Employees • Local authorities, Municipalities, Regulators and Government Ministries • Suppliers • Customers 	<ul style="list-style-type: none"> • Strengthen health and safety awareness and training programmes for employees • Conduct regular inspections and monitoring of workplace conditions • Implement timely corrective actions to mitigate safety and health risks
Labour Practices and Standards	<ul style="list-style-type: none"> • Non-compliance with labour laws and regulations 	<ul style="list-style-type: none"> • Foster a positive workplace culture and enhance employee engagement and retention 	<ul style="list-style-type: none"> • Employees • Local authorities, Municipalities, Regulators, and Government Ministries 	<ul style="list-style-type: none"> • Organise employee engagement and development programmes
Data Privacy and Security	<ul style="list-style-type: none"> • Cybersecurity risk • Leaking of private information 	<ul style="list-style-type: none"> • Strengthen data protection and cybersecurity resilience 	<ul style="list-style-type: none"> • Shareholders and Investors • Employees • Customers • Suppliers 	<ul style="list-style-type: none"> • Enhance information technology ("IT") security control measures • Conduct Cybersecurity awareness for employees
Diversity and Equal Opportunities	<ul style="list-style-type: none"> • Lack of talented employees • Employee retention 	<ul style="list-style-type: none"> • Contribution to branding and innovation through various ideas, skills, and knowledge 	<ul style="list-style-type: none"> • Shareholders and Investors • Employees 	<ul style="list-style-type: none"> • Adopt fair and non-discriminative hiring practices • Strengthen succession planning and remuneration frameworks to support talent retention
Community Engagement	<ul style="list-style-type: none"> • Non-compliance to laws and regulations • Reputational risk 	<ul style="list-style-type: none"> • Strengthen corporate reputation and stakeholder trust through meaningful community engagement 	<ul style="list-style-type: none"> • Shareholders and Investors 	<ul style="list-style-type: none"> • Undertake structured community engagement initiatives and social contribution programmes to support local communities

SUSTAINABILITY STATEMENT (cont'd)

1.0 ECONOMIC

ESG Areas	Sustainability Target	FYE2025 Performance
Anti-Bribery and Anti-Corruption	<ul style="list-style-type: none"> 100% of newly recruited employees received anti-bribery and anti-corruption training 100% of operations assessed for corruption-related risk Zero incident corruption 	<ul style="list-style-type: none"> 100% of newly recruited employees received anti-bribery and anti-corruption training 100% of operations assessed for corruption-related risk Zero incident corruption
Whistleblowing	<ul style="list-style-type: none"> Zero whistleblowing case 	<ul style="list-style-type: none"> Zero whistleblowing case
Supply Chain Management	<ul style="list-style-type: none"> 40% local supplier spending 	<ul style="list-style-type: none"> 63% local supplier spending

At Prestar, we strive to generate financial value and foster economic growth, ensuring a prosperous future for the Group while supporting the communities we serve.

1.1 ANTI-BRIBERY AND ANTI-CORRUPTION

Prestar is committed to upholding the highest standards of integrity and ethical conduct, with a strong focus on maintaining its reputation for ethical business practices. The Group enforces a zero-tolerance policy towards bribery and corruption and is pleased to report that there were no reported incidents of bribery or corruption from the financial year ended 31 December 2023 ("FYE2023") to FYE2025.



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 August 2025
- 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 approved Policy is available on our corporate website at 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 from FYE2023, the financial year ended 31 December 2024 (“**FYE2024**”) to FYE2025:

Employee Category	FYE2023	FYE2024	FYE2025
Management	3%	13%	12%
Executive	28%	20%	16%
Non-Executive	8%	8%	5%

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

Given that production shop floor non-executive employees have no direct interaction with external parties, anti-bribery and anti-corruption training was deemed role-specific for administrative non-executive employees.

The Anti-Bribery and Anti-Corruption Policy is available on our corporate website at www.prestar.com.my.

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

1.2 WHISTLEBLOWING

The Group is committed to fostering a culture of integrity, transparency and ethical conduct among its employees. All employees and relevant stakeholders are encouraged to report any suspected or actual misconduct, including bribery, corruption, fraud, financial misappropriation, or any actions that may adversely affect the Group’s reputation. The Group provides appropriate protection to whistleblowers in accordance with the Whistleblower Protection Act 2010.

The Group is committed to maintaining the confidentiality of reported concerns and the identity of the whistleblower, to the extent reasonably practicable and in accordance with applicable laws and regulations.

Individuals with concerns may report them through the following channels:



Email:
Audit Committee Chairman
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.

The Group did not receive any whistleblowing complaints from FYE2023 to FYE2025.

1.3 SUPPLY CHAIN MANAGEMENT

At Prestar, our supply chain management covers the end-to-end process, from sourcing raw materials to the delivery of finished products and services to customers. The Group is committed to optimising each stage of the supply chain to ensure timely delivery, cost-effective procurement and consistent product quality, thereby enhancing customer satisfaction. These initiatives support the Group’s operational efficiency and business growth, and reflect its commitment to maintaining a resilient and reliable supply chain.

SUSTAINABILITY STATEMENT (cont'd)

1.3 SUPPLY CHAIN MANAGEMENT (cont'd)

Procurement and Supplier Management

All new suppliers are evaluated against the following criteria:

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

To drive continuous improvement, approved suppliers and contractors within the Approved List are evaluated annually based on product quality, technical support, payment terms, and delivery performance. While the Group prioritises sourcing from local (Malaysian) suppliers to support the domestic economy, its primary objective remains to deliver sustainable value to stakeholders through efficient and reliable operations. The Group adopts a balanced sourcing approach, taking into consideration cost, quality and availability to optimise operational efficiency and maximise value creation.

The total number of suppliers and purchase amounts for FYE2023 to FYE2025 are summarised below:

	FYE2023		FYE2024		FYE2025	
	No. of Suppliers	Proportion of Spending	No. of Suppliers	Proportion of Spending	No. of Suppliers	Proportion of Spending
Local	283	41%	281	39%	294	63%
Overseas	68	59%	76	61%	86	37%
Total	351	100%	357	100%	380	100%

In FYE2025, the Group's local sourcing spending rate increased to 63% (FYE2024: 39%), reflecting its strengthened commitment to responsible and sustainable procurement practices. By prioritising domestic suppliers wherever feasible, the Group supports the local economy, mitigates foreign exchange risks, and reduces emissions associated with long-distance transportation.

Inventory and Operations Coordination

The Group continued to leverage its cloud-based Enterprise Resource Planning system, namely the JERP System, which was implemented in FYE2024, as part of its ongoing efforts to enhance operational processes. The system supports operational efficiency, maintains accurate and timely inventory records, and improves the coordination of customer deliveries in alignment with inventory levels and production schedules.

During FYE2025, the Group focused on utilising and stabilising the system to support its operational requirements. The Group will continue to review opportunities to further strengthen its inventory management processes and systems, where appropriate.

Logistics and Transportation

Efficient logistics and transportation management are important in supporting operational efficiency while contributing to the reduction of fuel consumption and associated emissions. Through ongoing operational improvements, the Group seeks to manage fuel usage efficiently and mitigate the environmental impact associated with transportation activities.

To ensure effective fleet monitoring, the Group's vehicles are monitored using a GPS tracking system, which supports route planning, delivery coordination and overall fleet visibility, thereby enhancing operational efficiency and service reliability.




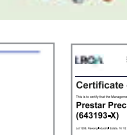
In addition, a portion of transportation operations is outsourced to third-party providers, providing operational flexibility and cost efficiency, where appropriate.

SUSTAINABILITY STATEMENT (cont'd)

1.3 SUPPLY CHAIN MANAGEMENT (cont'd)

Product and Service Quality

High standards of product and service quality are central to the Group’s customer value proposition. In FYE2025, five (5) subsidiaries continued to maintain their ISO 9001:2015 certifications, demonstrating the Group’s consistent adherence to internationally recognised quality management standards and its commitment to meeting customer expectations.

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



Through the “Kaizen” continuous improvement approach, the Group engages employees across all departments to drive ongoing operational enhancements. This approach supports optimised resource utilisation, improved product and service quality, and cost efficiency, in alignment with the Group’s sustainability objectives.

The Group’s long-standing customer relationships, with an average tenure ranging from 20 to 29 years, reflect its commitment to delivering consistent product quality and reliable services.

2.0 ENVIRONMENTAL

ESG Areas	Sustainability Target	FYE2025 Performance
Energy Management	<ul style="list-style-type: none"> • Total energy consumption of 9,966,000 kWh 	<ul style="list-style-type: none"> • Total energy consumption of 10,152,295 kWh
Emission	<ul style="list-style-type: none"> • Maintain compliance with the Emission Standard 	<ul style="list-style-type: none"> • Maintain compliance with the Emission Standard
Waste Management	<ul style="list-style-type: none"> • Waste directed to disposal of 851.48 metric tonnes • Waste diverted from disposal of 246.78 metric tonnes 	<ul style="list-style-type: none"> • Waste directed to disposal of 581.51 metric tonnes • Waste diverted from disposal of 188.07 metric tonnes
Water Management	<ul style="list-style-type: none"> • Total volume of water use of 55,213 m³ 	<ul style="list-style-type: none"> • Total volume of water use of 57,447 m³

SUSTAINABILITY STATEMENT (cont'd)

2.0 ENVIRONMENTAL (cont'd)

At Prestar, minimising environmental impact remains an important aspect of the Group's operations. Through initiatives to manage energy consumption, emissions, waste and water usage, the Group seeks to promote sustainable practices that support operational needs while minimising environmental impact.

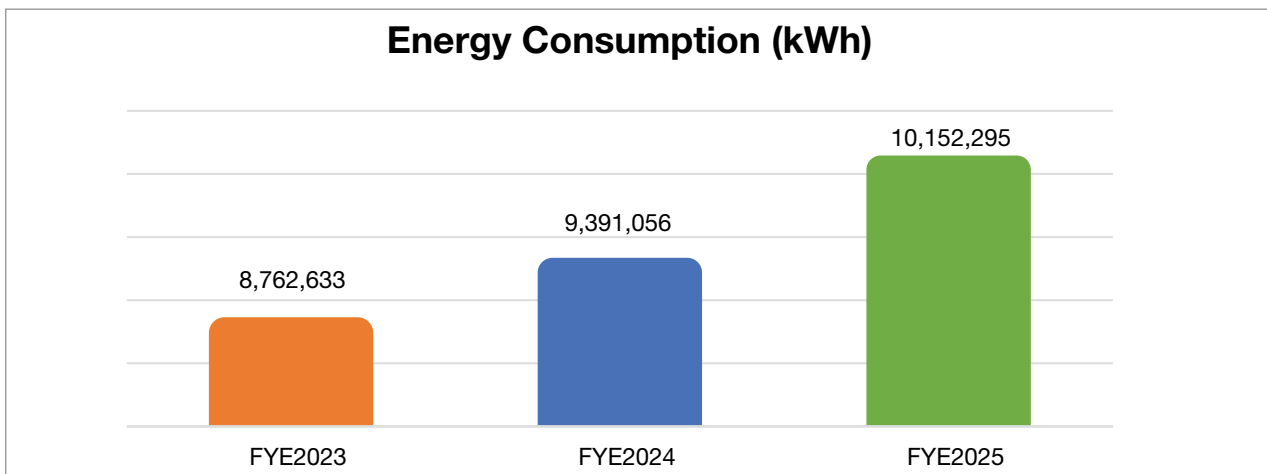
2.1 ENERGY MANAGEMENT

The Group recognises that electricity consumption is a major contributor to its overall energy-related emissions. In response, the Group continues to implement practical energy management initiatives across its operations to support efficient energy usage and cost management. Solar panel systems, which were implemented in prior years across three (3) production facilities, continue to contribute to the Group's energy mix by supporting partial self-consumption and reducing reliance on grid electricity.

During FYE2025, the Group focused on optimising the utilisation of its existing solar infrastructure, including monitoring generation performance and enhancing self-consumption levels from 74% in FYE2024 to 75% in FYE2025. These efforts support the Group's approach to managing energy costs and improving resource efficiency over time through better utilisation of existing infrastructure and operational controls.

In addition, the Group continues to implement operational measures to improve energy efficiency, including tracking electricity consumption across production processes, optimising equipment utilisation and strengthening energy management controls such as scheduled equipment shutdown and preventive maintenance practices. The Group also continues to evaluate opportunities to enhance energy efficiency through process optimisation and progressive improvements in operational processes and systems.

The following chart presents the Group's year-on-year energy consumption:



For FYE2025, the Group's total energy consumption amounted to 10,152,295 kWh (FYE2024: 9,391,056 kWh), representing an 8% increase, and was above the internal target of 9,966,000 kWh. This increase was primarily attributable to higher production volumes, increased machinery utilisation and extended operating hours in line with operational requirements. The increase in energy consumption was consistent with higher operational throughput during the financial year. The Group will continue to monitor energy usage relative to production levels to improve efficiency over time.

The Group continues to review its energy management practices, focusing on maintaining operational efficiency, managing energy costs and supporting stable production operations.

SUSTAINABILITY STATEMENT (cont'd)

2.1 ENERGY MANAGEMENT (cont'd)

Total Energy Consumption

Detail	FYE2023	FYE2024	FYE2025
Total energy consumption (kWh)	8,762,633	9,391,056	10,152,295
Imported energy consumption (kWh)	5,658,643	6,268,864	7,034,341
Solar energy consumption (kWh)	3,103,990	3,122,192	3,117,954
Energy intensity (energy/kg)	0.0384	0.0408	0.0400

Despite the increase in total energy consumption, which rose from 9,391,056 kWh in FYE2024 to 10,152,295 kWh in FYE2025, the Group's energy intensity decreased by 2% (from 0.0408 to 0.0400), indicating improved energy efficiency on a per unit of production basis.

The table below summarises the energy consumption and the earnings derived from solar power generation at the Group's three (3) production facilities:

Energy Usage	FYE2023 (kWh)	FYE2024 (kWh)	FYE2025 (kWh)
Solar Energy Export to Tenaga Nasional Berhad ("TNB") (a)	1,153,142 (27% export)	1,087,623 (26% export)	1,064,290 (25% export)
Solar Energy Self Consumption (b)	3,103,990 (73% usage)	3,122,192 (74% usage)	3,117,954 (75% usage)
Total Solar Energy Generated (c=a+b)	4,257,132	4,209,455	4,182,244

Earning Derived	FYE2023 (RM)	FYE2024 (RM)	FYE2025 (RM)
Proceeds from Sale of Solar Energy to TNB	389,029	364,440	381,660
Savings from Self-Consumption of Solar Energy	1,551,481	1,526,213	1,285,371
Total Savings	1,940,510	1,890,653	1,667,031

Solar Panel Performance

In FYE2025, the Group generated 4,182,244 kWh (FYE2024: 4,209,455 kWh) of renewable energy through solar panels installed at its three production facilities in Rawang Industrial Estate. Of this:

- 1,064,290 kWh (25%) was exported to TNB, generating proceeds of RM381,660.
- 3,117,954 kWh (75%) was consumed internally, generating cost savings of RM1,285,371.

The Production Department was the largest energy consumer during the year, with approximately 31% of its electricity requirements supported by solar energy, while the remaining generated energy was exported to the grid. This demonstrates the Group's continued utilisation of its existing renewable energy infrastructure as part of its energy management approach. Overall, the Group achieved total energy cost savings of RM1,667,031 compared with FYE2024 of RM1,890,653.

The solar panel system spans a total area of 16,397.93 m², with an average energy utilisation rate of approximately 74%. The table below summarises the estimated carbon dioxide emissions avoided through the Group's solar energy initiatives:

FYE2023	FYE2024	FYE2025
4,244,360 (kg)	4,196,827 (kg)	4,169,698 (kg)

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

SUSTAINABILITY STATEMENT (cont'd)

2.2 EMISSION

Emission

The Group is committed to managing air emissions in compliance with applicable environmental regulations and supporting environmental protection. The Group's production processes generate particulate matter, metals and gaseous substances. The table below summarises the Group's average emissions:

Emission	Average Emission for FYE2023	Average Emission for FYE2024	Average Emission for FYE2025	Environmental Quality (Clean Air) Regulations 2014 Emission Standard	Status of Compliance
Total Particulate Matter (Liquid) (mg/m ³)	2.81	12.44	9.03	50	Complied
Total Particulate Matter (Solid) (mg/m ³)	4.12	Negligible	Negligible	150	Complied
SO ₂ (mg/m ³)	5.00	17.12	11.46	500	Complied
Chlorine (mg/m ³)	0.02	0.17	Negligible	5	Complied
HCl (mg/m ³)	0.04	0.23	Negligible	30	Complied
NO ₂ (mg/m ³)	24.93	26.34	17.35	500	Complied
Nitrogen Oxide (mg/m ³)	15.31	Negligible	Negligible	500	Complied
Carbon Monoxide (mg/m ³)	30.91	26.61	17.85	200	Complied

Note: Values reported as 'Negligible' are considered immaterial to the Group's total emission impact but are disclosed for transparency.

For FYE2025, the Group's average emissions remained within the prescribed limits under the Environmental Quality (Clean Air) Regulations 2014, with all monitored parameters in compliance with the applicable standards. Emission monitoring was conducted by licensed third-party service providers, namely Compliance Testing Resources and Provac Engineering Sdn Bhd, at three (3) subsidiaries: Prestar Galvanising Sdn. Bhd., Prestar Precision Tube Sdn. Bhd. and Prestar Storage System Sdn. Bhd..

These subsidiaries are equipped with air pollution control systems, including scrubbers, baghouse dust collectors, oil burners, steam boilers and ovens. Periodic testing, comprising quarterly and annual assessments, is carried out in accordance with regulatory requirements to ensure continued compliance.

The Group also continues to manage emissions arising from its logistics operations, including ongoing fleet maintenance and the gradual replacement of vehicles, where appropriate, to support operational efficiency and emissions control. In addition, the Group has implemented air pollution control measures, such as dust collection systems, to support compliance with regulatory requirements and maintain operational standards.

Total Emissions Generated

Type of Emission	Elements Involved	FYE2024	FYE2025
Scope 1 Emissions (tCO ₂ e)	<ul style="list-style-type: none"> Natural gas Petrol Diesel 	2,006.16	2,358.00
Scope 2 Emissions (tCO ₂ e)	<ul style="list-style-type: none"> Emissions from the electricity consumption 	4,751.80	5,332.00
Scope 3 Emissions (tCO ₂ e)	<ul style="list-style-type: none"> Employee commuting Business travels 	N/A	332.10

SUSTAINABILITY STATEMENT (cont'd)

2.2 EMISSION (cont'd)

Emission (cont'd)

Total Emissions Generated (cont'd)

In FYE2025, Scope 1 emissions increased from 2,006.16 tCO₂e in FYE2024 to 2,358.00 tCO₂e, while Scope 2 emissions increased from 4,751.80 tCO₂e to 5,332.00 tCO₂e, representing increases of approximately 17% and 12% respectively. These increases were consistent with higher production volumes and energy consumption during the financial year.

Scope 3 emissions of 332.10 tCO₂e were recorded for FYE2025, reflecting the Group's initial effort to quantify indirect emissions from employee commuting and business travel.

The Group will continue to monitor and manage its emissions profile, with a focus on improving emissions efficiency relative to operational output over time.

In line with the NSRF, Prestar commenced the collection and consolidation of Scope 3 emissions data in FYE2025. The Group intends to progressively enhance its measurement and disclosure of Scope 3 emissions in line with the applicable phased implementation timeline and evolving regulatory requirements.

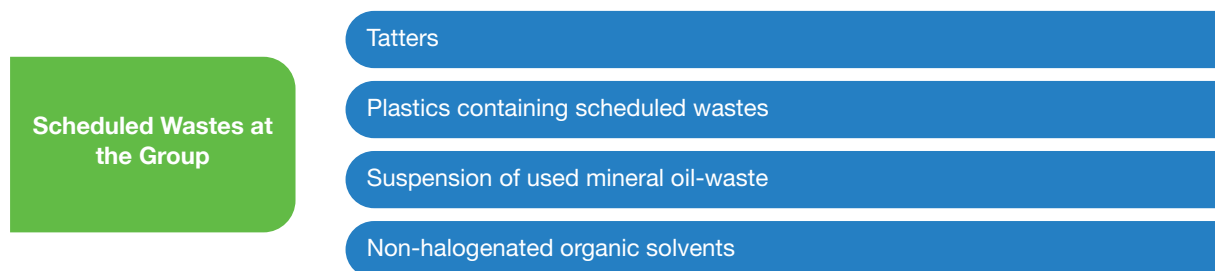
2.3 WASTE MANAGEMENT

The Group is committed to managing waste responsibly to ensure compliance with applicable environmental regulations while minimising its environmental impact.

Since 1 October 2015, the Group has implemented a Scheduled Waste Management Procedure, with a focus on proper handling, storage, recycling and disposal to minimise waste generation and disposal volumes. Waste management activities are overseen by qualified personnel, including Certified Environmental Professionals in Scheduled Waste Management (CePSWaM), while the disposal of scheduled waste generated from production activities is carried out through Department of Environment's licensed contractors in accordance with regulatory requirements.

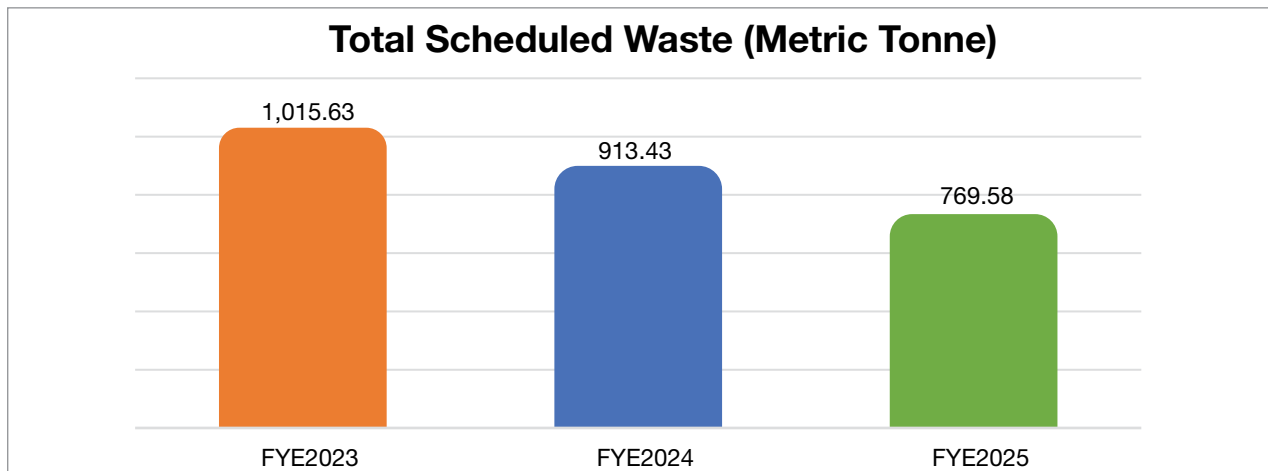
Type of Waste	Waste Management Approach
Scheduled Waste	Disposed of by Department of Environment's licensed contractors

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



SUSTAINABILITY STATEMENT (cont'd)

2.3 WASTE MANAGEMENT (cont'd)



From FYE2023 to FYE2025, the total volume of scheduled waste declined progressively, from 1,015.63 metric tonnes in FYE2023 to 913.43 metric tonnes (a 10% reduction) in FYE2024, and further to 769.58 metric tonnes (a 16% reduction) in FYE2025. This downward trend reflects the Group's ongoing efforts to improve waste management practices and operational controls across its operations.

Prestar Galvanising Sdn. Bhd. contributed in part to the overall reduction, as the subsidiary had historically recorded higher waste generation within the Group. The reduction was driven by a combination of operational factors, including enhanced waste management and process controls implemented across operations.

The Group has further strengthened its waste data monitoring processes and is now able to provide enhanced visibility of waste streams, including a breakdown of waste directed to disposal and waste diverted from disposal for the past three financial years, as presented below:

Financial Year	Diverted from Disposal (MT)	Directed to Disposal (MT)	Total (MT)
FYE2023	288.36	727.28	1,015.64
FYE2024	220.49	692.94	913.43
FYE2025	188.07	581.51	769.58

The reduction in both waste directed to disposal and waste diverted from disposal is consistent with the overall decline in total waste generated during the financial year. The Group will continue to monitor waste generation relative to production levels to improve waste intensity over time.

The Group continues to implement the following operational control measures, which were introduced in prior years, to support waste reduction and resource efficiency:

- Limiting the issuance of cotton gloves to one (1) pair per employee per day to manage material consumption and reduce waste generation.
- Restricting the use of leather gloves to essential production activities (e.g. welding and scrap handling) to ensure appropriate utilisation and minimise unnecessary waste.
- Controlling the distribution of cotton rags to ten (10) pieces per machine per week to promote efficient usage and reduce excess consumption.
- Implementing the separation and drying of coolant prior to storage in steel drums to minimise sludge generation during production processes.

These measures continue to support the Group's management of waste generation and enhancement of operational efficiency across its operations. The Group will continue to review the effectiveness of these measures and progressively enhance its operational controls to support waste reduction over time.

SUSTAINABILITY STATEMENT (cont'd)

2.3 WASTE MANAGEMENT (cont'd)

Total Waste

Description	FYE2024 (metric tonne)	FYE2025 (metric tonne)
Metal chip contaminated with spent coolant	46.24	57.89
Contaminated rags and gloves	7.68	9.80
Coolant and hydraulic oil waste	1.52	1.48
Spent lubricant oil	1.17	3.46
Waste sludge	2.94	4.23
Waste acid	553.34	427.50
Zinc dross & zinc ash	202.49	188.07
Waste caustic soda	15.06	-
Waste solvent	40.25	50.28
Waste paint sludge	24.74	26.87

2.4 WATER MANAGEMENT

Water is a critical resource in the Group's operations, particularly in production processes such as the paint line, where water quality directly affects product quality and process consistency. The use of contaminated water may compromise product quality and process performance, potentially impacting customer satisfaction.

The Group is committed to managing water usage responsibly by promoting efficient consumption and minimising wastage. Water management practices are embedded within operational processes to support consistent product quality and efficient resource utilisation. The water consumption figures for FYE2023 to FYE2025 are presented below:

Total Water Consumption

Description	FYE2023	FYE2024	FYE2025
Water Consumption (m ³)	56,731	55,879	57,447
Water Intensity (Water Consumption/ kg)	0.000249	0.000243	0.000226

In FYE2025, the Group's water intensity decreased by 7% compared to FYE2024, from 0.000243 to 0.000226, reflecting improved efficiency in water usage. This was achieved despite an increase in total water consumption from 55,879 m³ in FYE2024 to 57,447 m³ in FYE2025, which rose in line with higher production output during the financial year. The reduction in water intensity indicates more effective utilisation of water resources per unit of production.

The Group continues to implement water management practices introduced in prior years, focusing on controlling water usage within production processes and minimising wastage across operations. The Group will continue to monitor water consumption relative to production levels and improve water utilisation efficiency over time.

SUSTAINABILITY STATEMENT (cont'd)

3.0 SOCIAL

ESG Areas	Sustainability Target	FYE2025 Performance
Health and Safety	<ul style="list-style-type: none"> Zero incident of work-related fatalities *2.50 LTI Rate 500 newcomers trained 	<ul style="list-style-type: none"> Zero incident of work-related fatalities 2.41 LTI Rate 0.9% increase in employees trained
Labour Practices and Standards	<ul style="list-style-type: none"> Maintain total training hours at 5,500 hours 6% contract employee or temporary staff To match the number of new hires to the number of turnovers 	<ul style="list-style-type: none"> Total training hours (6,559 hours) increased by 6.08% 5% contract employee or temporary staff 90 people resigned and 83 is newly hired to replace the people and maintain supply of workforce
Data Privacy and Security	<ul style="list-style-type: none"> Zero incidents of customer privacy breaches 	<ul style="list-style-type: none"> Zero incidents of customer privacy breaches
Diversity and Equal Opportunity	<ul style="list-style-type: none"> 78:22 ratio male to female 25% of employees are below 30 years old 16% of employees are above 50 years old 	<ul style="list-style-type: none"> 76:24 ratio male to female 21% of employees are below 30 years old 16% of employees are above 50 years old
Community Engagement	<ul style="list-style-type: none"> RM45,000 invested in community 8 beneficiaries in communities 	<ul style="list-style-type: none"> RM47,830 invested in community 10 beneficiaries in communities

*Note: The figure has been restated to correct the calculation error and ensure accuracy and comparability with the performance data

At Prestar, we are committed to providing a safe and healthy workplace where employees can thrive and grow. We promote active participation in community initiatives, nurturing a culture of care and meaningful contribution.

3.1 HEALTH AND SAFETY

Given the nature of our manufacturing activities, Safety and Health are of utmost importance at Prestar. Maintaining a safe and healthy work environment is essential not only to prevent production disruptions but also to attract and retain skilled employees. We comply with the Occupational Safety and Health Act 1994 and the Occupational Safety and Health (Safety and Health Committee) Regulations 1996.

Each of our subsidiaries maintains an internal Safety and Health Committee responsible for monitoring, discussing, and implementing measures to address workplace safety and health concerns. In FYE2025, these Committees convened quarterly to plan safety initiatives, review incidents and corrective actions, implement preventive measures, and evaluate their effectiveness. Following thorough incident analyses, corrective actions are implemented across the Group where applicable.

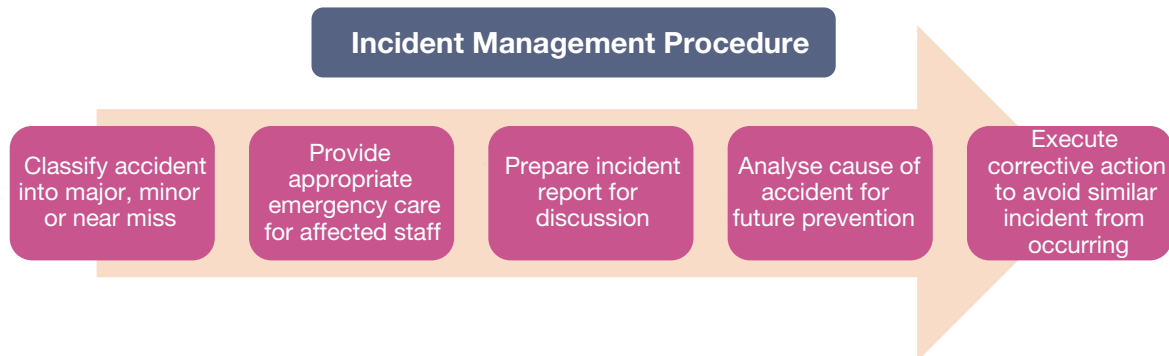
To mitigate safety and health risks, the Group has implemented the following measures:

- Provision of appropriate personal protective equipment (“PPE”) to safeguard employees.
- Close supervision and guidance by line managers and supervisors.
- Employment of qualified personnel to operate specialised machinery and equipment.
- Regular inspection of work sites to ensure compliance with Safety and Health Policies and Procedures.
- Conducting safety briefings.
- Provision of Safety and Health training, as identified by Heads of Department, including:
 - Emergency Response Team (ERT) training
 - Fire extinguisher usage training
 - Health, Safety and Environment (HSE) awareness programmes
 - Training on chemical handling and proper use of PPE
- Organisation of an annual fire safety drill.

We adhere to our Incident Management Procedure to effectively manage workplace accidents and emergencies, ensuring timely resolution through appropriate corrective actions. The diagram below outlines this procedure, which supports structured emergency response and thorough incident analysis.

**SUSTAINABILITY
STATEMENT (cont'd)**

3.1 HEALTH AND SAFETY (cont'd)



The following table shows the statistics of accidents and LTI from FYE2023 to FYE2025:

FYE2023				
	Major Accidents	Minor Accidents	Near Miss Cases	Total
Number of Accidents	8	21	3	32
LTI (Days)	180	25	Nil	205
LTI Rate	3.10			
Total Rate Incident Frequency ("TRIF")	3.97			

FYE2024				
	Major Accidents	Minor Accidents	Near Miss Cases	Total
Number of Accidents	6	20	Nil	26
LTI (Days)	117	17	Nil	134
LTI Rate	2.18			
TRIF	3.79			

FYE2025				
	Major Accidents	Minor Accidents	Near Miss Cases	Total
Number of Accidents	6	15	Nil	21
LTI (Days)	128	15	Nil	143
LTI Rate	2.41			
TRIF	2.97			

In FYE2025, the Group recorded a reduction in workplace accidents to 21 cases, down from 26 cases in FYE2024. Nevertheless, total LTI days increased to 143 days compared to 134 days in the prior year. This increase was largely attributable to higher-severity incidents, which resulted in longer recovery periods and extended work absences.

The Group will continue to strengthen its safety management practices and incident prevention measures, with a focus on mitigating higher-severity incidents across operations.

SUSTAINABILITY STATEMENT (cont'd)

3.1 HEALTH AND SAFETY (cont'd)

The improvement in the Group's LTI rate for FYE2025 was supported by the following initiatives:

- Enhanced workplace safety initiatives
- Stricter enforcement of safety protocols
- Continuous employee training on occupational health and safety practices

These measures have contributed to improved safety performance, as reflected in the lower frequency of incidents during the financial year.

While most of the reported incidents were operational in nature, corrective actions were implemented in a timely manner to address root causes and reduce the likelihood of recurrence. These corrective measures are 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 remain committed to providing a safe and healthy working environment for all employees, including management, non-management staff, and factory workers, with the ultimate goal of achieving a zero-accident workplace.

The table below presents the number of employees who received Safety and Health training during the financial year.

Year	FYE2023	FYE2024	FYE2025
Number of employees trained	347	537	542

3.2 LABOUR PRACTICES AND STANDARDS

The Group recognises that effective labour practices and standards are essential in supporting employee development, organisational sustainability and long-term business performance. These practices are fundamental to building a knowledgeable, skilled and engaged workforce, while supporting employee retention and organisational continuity.

Accordingly, the Group focuses on fostering an inclusive work environment and providing relevant development opportunities to support employee growth and engagement, through the following initiatives:

a) Training and Development

The Group places emphasis on employee learning and development to support the building of a competent and capable workforce that meets operational and business requirements. These development initiatives contribute to enhancing employee competencies and support the alignment of individual development with the Group's operational and strategic objectives. Training programmes also serve as a platform to communicate the Group's direction, priorities and expectations across all levels of the organisation.

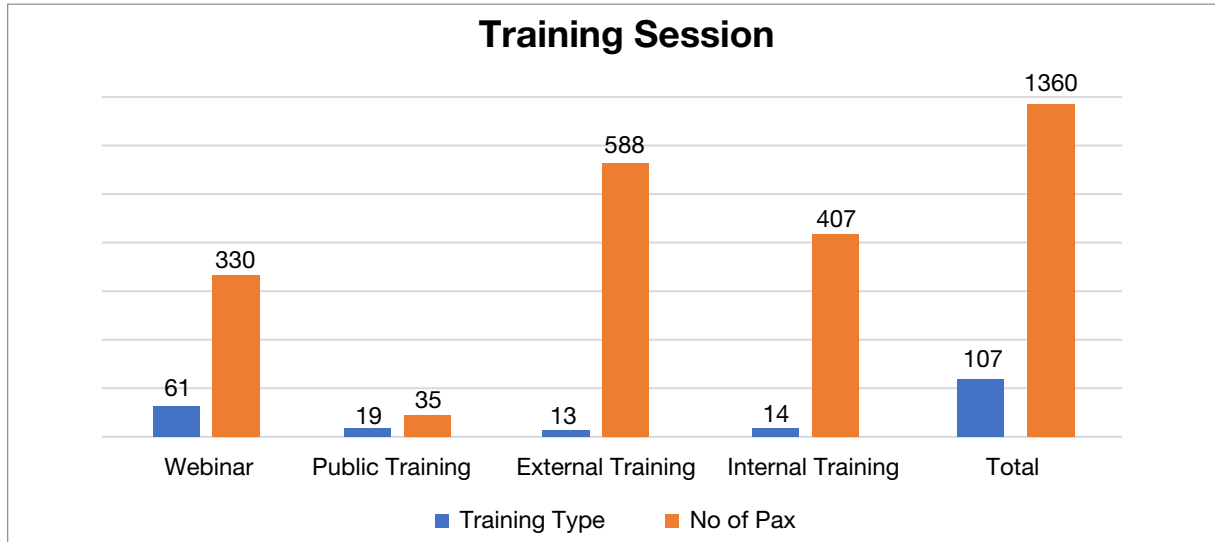
Each division is allocated an annual training budget funded through training levy contributions, enabling structured investment in both technical and behavioural skills development.

In FYE2025, the Group conducted a total of 107 training sessions, comprising in-house programmes, external courses and e-learning initiatives, to support ongoing employee development across the organisation. The table below outlines the breakdown of these training sessions and the number of employees who participated.

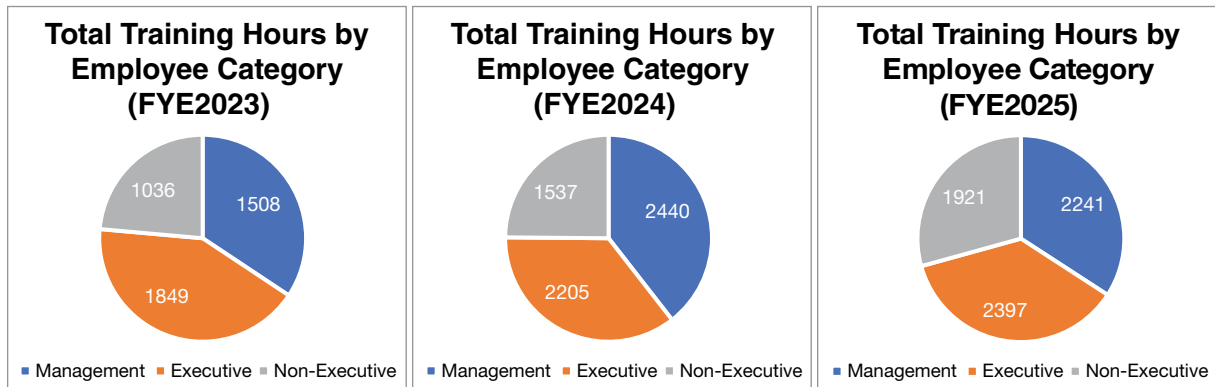
SUSTAINABILITY STATEMENT (cont'd)

3.2 LABOUR PRACTICES AND STANDARDS (cont'd)

a) Training and Development (cont'd)



The following chart shows the total training hours provided to each category of employees from FYE2023 to FYE2025:



The following table shows the training hours, and total training costs recorded from FYE2023 to FYE2025:

Year	Total Hours of Training	Average Training Hours Per Employee	Total Cost (RM)
FYE2023	4,393	7.10	164,806
FYE2024	6,182	9.81	223,304
FYE2025	6,559	10.56	181,182

The total training hours have shown a consistent increase from FYE2023 to FYE2025. In FYE2025, the average training hours per employee rose to 10.56, indicating the Group's continued focus on employee development and capability building across its workforce. This supports the enhancement of workforce competencies in line with operational requirements and quality standards.

SUSTAINABILITY STATEMENT (cont'd)

3.2 LABOUR PRACTICES AND STANDARDS (cont'd)

a) Training and Development (cont'd)

Description	FYE2023	FYE2024	FYE2025
Average hours of training per year per employee by category			
Head of Departments and Managers (Hours)	1,508	2,440	2,241
Executives (Hours)	1,849	2,205	2,397
Non-Executives (Hours)	1,036	1,537	1,921
Total (Hours)	4,393	6,182	6,559
Average days per year per employee (Days)	0.89	1.22	1.32

b) Opportunities for Internship

The Group provides an in-house internship programme to support talent development and contribute to workforce sustainability within the industry. The programme is designed to provide students with practical exposure to the operations of a steel processing and manufacturing environment, enabling them to develop relevant technical skills and gain an understanding of industry practices.

The internship programme also serves as a talent pipeline to support the Group's future workforce requirements. Students who demonstrate satisfactory performance and alignment with the Group's requirements may be considered for employment opportunities upon completion of their academic programmes.

The table below outlines the number of interns recruited from FYE2023 to FYE2025:

Year	Number of Interns	Joined as Permanent Employee
FYE2023	5	Nil
FYE2024	2	1
FYE2025	4	Nil

c) Employee Activities

The Group has established employee engagement channels to facilitate communication and support understanding of workforce needs and concerns. These channels support open communication and contribute to strengthening engagement between employees and management.

As part of these efforts, the Group organises employee engagement activities involving employees across different levels of the organisation. These activities support team collaboration, promote interaction across functions, and reinforce positive workplace values such as accountability, inclusiveness and respect for diversity.



Tele match Activity



Bowling Activity

SUSTAINABILITY STATEMENT (cont'd)

3.2 LABOUR PRACTICES AND STANDARDS (cont'd)

d) Turnover and Recruitment of Employees

The following table illustrates the summary of the total number of turnovers from FYE2023 to FYE2025:

Management Level	FYE2023	Percentage	FYE2024	Percentage	FYE2025	Percentage
Management	4	6%	6	8%	12	13%
Executive	22	33%	22	29%	22	24%
Non-Executive	40	61%	49	63%	56	63%
Total Turnover	66	100%	77	100%	90	100%

Employee turnover increased in FYE2025 compared to FYE2024, rising from 77 employees to 90 employees. This increase was observed across both management and non-executive categories. The total turnover figures presented above include employees who completed their contractual terms as well as voluntary resignations, reflecting normal workforce movements in line with operational requirements.

The table below shows the total number of contract employees and those whose contracts ended within the Group from FYE2023 to FYE2025. Contract staff intake in FYE2025 remained broadly consistent with earlier periods, and these employees were primarily engaged for project-based assignments, seasonal operations and specialised functions to support operational needs. This approach provides workforce flexibility while supporting operational continuity.

	FYE2023		FYE2024		FYE2025	
	Total Contract Employees	Total Employees Ended Contract	Total Contract Employees	Total Employees Ended Contract	Total Contract Employees	Total Employees Ended Contract
Total	35 (6%)	22	42 (6.7%)	30	31 (5%)	34

The Group adopts a structured approach to managing employee turnover, including the provision of competitive compensation and benefits, such as medical coverage and flexible working arrangements, to support workforce retention. Employee engagement initiatives, including internal activities and community-related programmes, also support employee engagement and contribute to workforce stability. The Group periodically reviews salary benchmarks, welfare provisions and employee benefits to maintain alignment with industry practices and operational requirements.

In addition, the Group provides equitable compensation structures for both permanent and contract employees, taking into consideration the nature of their roles and employment terms. To further support its contract workforce, the Group also provides accommodation facilities for eligible employees, where applicable.

The following table presents the total number of new hires from FYE2023 to FYE2025:

Management Level	FYE2023	Percentage	FYE2024	Percentage	FYE2025	Percentage
Management	3	3%	13	11%	12	14%
Executive	35	35%	25	22%	20	24%
Non-Executive	61	62%	77	67%	51	62%
Total New Hire	99	100%	115	100%	83	100%

SUSTAINABILITY STATEMENT (cont'd)

3.2 LABOUR PRACTICES AND STANDARDS (cont'd)

e) Human Rights

We are committed to safeguarding the rights and well-being of our employees in accordance with applicable human rights laws and regulations in Malaysia. The Group upholds fundamental human rights principles by providing equal employment opportunities regardless of gender, age, ethnicity, or background.

We maintain a safe and healthy working environment supported by appropriate facilities, structured working hours, and adequate rest periods. These commitments are reinforced through our comprehensive Human Resources policies and Occupational Safety and Health (OSH) practices, which are designed to promote employee welfare, dignity, and fair treatment.

The Group recorded zero reported cases of human rights violations from FYE2023 to FYE2025, reflecting our continued adherence to ethical labour practices and regulatory requirements.

3.3 DATA PRIVACY AND SECURITY

The Group places emphasis on data privacy and information security as part of its overall risk management and governance framework. To safeguard sensitive information relating to its business operations, partners, customers and employees, the Group implements appropriate cybersecurity measures and system controls across its IT environment. These measures cover key areas such as network infrastructure, internet access, email systems, computers and servers to manage potential cybersecurity risks.

Through the implementation of these controls, the Group aims to support the integrity, confidentiality and availability of its information systems, while reinforcing stakeholder confidence.

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 Cybersecurity 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

Cybersecurity Training

- In FYE2025, the Group expanded its cybersecurity awareness efforts. A total of four (4) Cybersecurity Awareness Talk sessions were organised by the IT Department for office and production personnel during July and August 2025, aimed at reinforcing safe digital practices and strengthening overall cyber resilience across the organisation.

SUSTAINABILITY STATEMENT (cont'd)

3.3 DATA PRIVACY AND SECURITY (cont'd)

From FYE2023 to FYE2025, the Group recorded zero incidents of unauthorised intrusion, and accordingly, no remediation actions arising from such incidents were required. The Group continues to adopt a proactive approach to cybersecurity management, including cybersecurity awareness initiatives and periodic communications to employees, such as guidance and alerts on phishing and spam threats, to enhance overall awareness.

The Group's record from FYE2023 to FYE2025 reflects zero reported cases of data breaches or cybersecurity incidents, based on incidents identified through its monitoring processes. This indicates the effectiveness of the Group's existing preventive and monitoring measures during the reporting period.

3.4 DIVERSITY AND EQUAL OPPORTUNITIES

We recognise that workplace diversity strengthens our operations by bringing together a variety of ideas, experiences, skills, and knowledge, all of which are critical to organisational success. Providing equal opportunities is fundamental to fostering and sustaining diversity within the Group.

Gender Diversity

The Group recognises the importance of gender diversity in supporting a balanced and inclusive workforce. While its manufacturing operations typically result in a higher proportion of male employees due to the nature of operational roles, the Group seeks to promote gender diversity across its workforce, where practicable. The Group will continue to monitor workforce composition to support diversity across its employee base.

In FYE2025, the Group employed individuals, with a 24% female to 76% male gender ratio. The table below illustrates gender diversity trends from FYE2023 to FYE2025:

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%)		

FYE2025						
Gender	Female			Male		
Category	Management	Executive	Non-Executive	Management	Executive	Non-Executive
No. of Employees	35 (34%)	65 (51%)	47 (12%)	69 (66%)	62 (49%)	343 (88%)
Total	147 (24%)			474 (76%)		

SUSTAINABILITY STATEMENT (cont'd)

3.4 DIVERSITY AND EQUAL OPPORTUNITIES (cont'd)

Age Diversity

Age diversity plays a vital role in facilitating knowledge transfer and expertise sharing within the Company. Experienced employees mentor younger colleagues, helping to preserve valuable operational practices and uphold our commitment to quality.

The Group has maintained a balanced age profile, with no significant changes in workforce age composition over the reporting period.

The chart below presents the distribution of employees by age group and category over the past three (3) years:

Employee Category	Employees by Age Group	FYE2023	FYE2024	FYE2025
Management	Below 30 years old	4 (5%)	1 (1%)	0 (0%)
	30-50 years old	51 (57%)	61 (60%)	66 (63%)
	Above 50 years old	34 (38%)	39 (39%)	38 (37%)
Executive	Below 30 years old	24 (19%)	26 (21%)	24 (19%)
	30-50 years old	77 (63%)	77 (62%)	79 (62%)
	Above 50 years old	22 (18%)	22 (17%)	24 (19%)
Non-Executive	Below 30 years old	125 (31%)	129 (32%)	108 (28%)
	30-50 years old	241 (59%)	237 (59%)	245 (63%)
	Above 50 years old	41 (10%)	38 (9%)	37 (9%)

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

Gender	FYE2023	FYE2024	FYE2025
Male	8 (89%)	9 (90%)	9 (90%)
Female	1 (11%)	1 (10%)	1 (10%)

	FYE2023	FYE2024	FYE2025
Below 30 years old	0 (0%)	0 (0%)	0 (0%)
30-50 years old	3 (33%)	4 (40%)	4 (40%)
Above 50 years old	6 (67%)	6 (60%)	6 (60%)

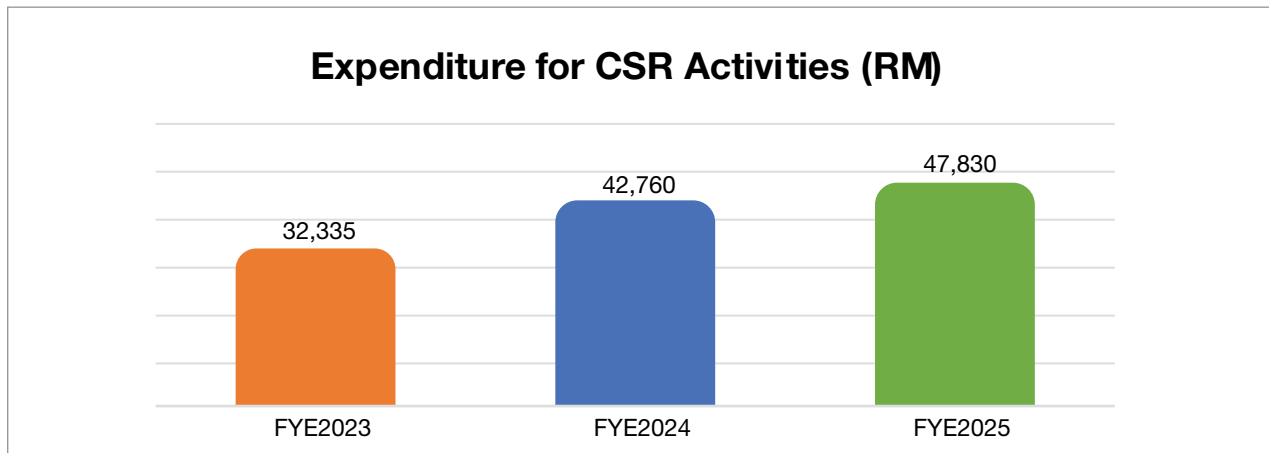
In FYE2025, the Board comprised 90% male and 10% female members, reflecting the prevailing gender demographics in the steel manufacturing industry. The Group remains committed to enhancing female representation on the Board while maintaining age diversity. All Board members continue to meet the qualifications and standards outlined in our Director's Fit and Proper Policy.

**SUSTAINABILITY
STATEMENT (cont'd)**

3.5 COMMUNITY ENGAGEMENT

As part of its Corporate Social Responsibility (“CSR”) initiatives, the Group undertakes community engagement activities to support local communities and address identified needs. These initiatives include volunteer activities, financial contributions and in-kind donations, which are carried out in line with the Group’s operational capabilities and community engagement objectives.

The graph below illustrates the Group’s CSR expenditure from FYE2023 to FYE2025:



The following lists the CSR activities that the Group had undertaken for FYE2025:

No.	List of CSR Activities FYE2025
1	Cash donation to Pertubuhan Perubatan dan Kesihatan Awam MACO (Medical Camp Awareness Outreach)
2	Hari Raya Aidilfitri with under privileged children from Pertubuhan Kebajikan Ulul Azmi
3	“Duan Wu Jie” Celebration together with Pertubuhan Rumah Warga Emas Gemilang
4	Movie at TGV – Orphanage children of 1) Pertubuhan Kebajikan Ann’s Cottage – Country Home, Rawang 2) Pusat Jagaan Anneiyin Karunai Illam - Country Home, Rawang
5	Sponsorship to Club badminton Rawang – 15th Rawang Open Badminton Tournament 2025
6	Blood Donation Activity
7	“Moon cake” celebration together with Pertubuhan Insan Istimewa Kuala Lumpur (Handicapped Welfare Home)
8	Donation of garden tools to Persatuan Aktiviti Warga Emas, Kg. Kenanga, Rawang, Selangor
9	Christmas celebration together with Pertubuhan Kebajikan Ann’s Cottage, Country Home
10	Donation for Tayangan Amal Majlis Sukan Kebajikan Dan Kebudayaan Jabatan Bomba Dan Penyelamat Malaysia (MASKAB)
11	Kelab Ahli Majlis Perbandaran Selayang – Contribution for Council Club Magazine

3.5 COMMUNITY ENGAGEMENT (cont'd)



The Group's CSR expenditure for FYE2025 amounted to RM47,830, representing a 12% increase compared to FYE2024 of RM42,760. This reflects the Group's continued participation in community engagement activities during the financial year. The Group will continue to undertake community initiatives, where appropriate, to support the well-being of the communities in which it operates.

GOING FORWARD

As the Group continues to enhance its sustainability practices, its approach remains focused on embedding practical and responsible measures across operations, guided by identified material sustainability matters and aligned with regulatory requirements and evolving stakeholder expectations.

- **Economic (Governance & Sustainable Business Practices)**
Strengthen governance, ethical business conduct and supply chain resilience by upholding anti-bribery and anti-corruption standards, maintaining accessible whistleblowing channels with timely follow-up on reported matters, and enhancing engagement with suppliers to promote transparency, responsible practices and consistent product and service quality.
- **Environmental (Resource Efficiency & Environmental Management)**
Improve environmental performance through better energy management, emissions control and responsible waste and water practices, supported by ongoing efforts to optimise resource utilisation and operational efficiency.
- **Social (People, Workplace & Community)**
Foster a safe, inclusive and supportive workplace by strengthening health and safety practices, employee development and diversity initiatives, while maintaining strong data protection standards and contributing positively to the communities in which the Group operates.

Overall, the Group remains committed to progressively enhancing its sustainability practices in a balanced and pragmatic manner, supporting sustainable long-term growth and value creation for stakeholders.

SUSTAINABILITY STATEMENT (cont'd)

Performance Data and Target

The following table summarises our performance for FYE2023 to FYE2025 and our target for financial year ending 31 December 2026 (“FYE2026”):

Metric	Measurement Unit	FYE2023	FYE2024	FYE2025	FYE2026 Target
Anti-Bribery and Anti-Corruption					
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category					
Management	Percentage	3	13	12	100% of new management- level employees to receive anti-bribery and anti-corruption training
Executive	Percentage	28	20	16	100% of new executive- level employees to receive anti-bribery and anti-corruption training
Non-Executive	Percentage	8	8	5	100% of new 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	100	100	100	100% of new 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
Community / Society					
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	32,335	42,760	47,830	RM50,000 shall be allocated to organise community activities
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	8	10	11	To maintain 8 number of beneficiaries
Diversity and Equal Opportunities					
Bursa C3(a) Percentage of employees by gender and age group, for each employee category					
Management - Male	Percentage	71	66	66	To maintain the current balance of diversity
Management - Female	Percentage	29	34	34	To maintain the current balance of diversity
Executive - Male	Percentage	46	52	49	To maintain the current balance of diversity
Executive - Female	Percentage	54	48	51	To maintain the current balance of diversity
Non-Executive – Male	Percentage	87	89	88	To maintain the current balance of diversity
Non-executive - Female	Percentage	13	11	12	To maintain the current balance of diversity

SUSTAINABILITY STATEMENT (cont'd)

Performance Data and Target (cont'd)

The following table summarises our performance for FYE2023 to FYE2025 and our target for financial year ending 31 December 2026 (“**FYE2026**”): (cont'd)

Metric	Measurement Unit	FYE2023	FYE2024	FYE2025	FYE2026 Target
Diversity and Equal Opportunities (cont'd)					
Bursa C3(a) Percentage of employees by gender and age group, for each employee category (cont'd)					
Below 30 years old - Management	Percentage	5	1	0	To maintain the current balance of diversity
30 to 50 years old - Management	Percentage	57	60	63	To maintain the current balance of diversity
Above 50 years old - Management	Percentage	38	39	37	To maintain the current balance of diversity
Below 30 years old - Executive	Percentage	19	21	19	To maintain the current balance of diversity
30 to 50 years old – Executive	Percentage	63	62	62	To maintain the current balance of diversity
<i>Above 50 years old – Executive</i>	Percentage	18	17	19	To maintain the current balance of diversity
<i>Below 30 years old – Non-Executive</i>	Percentage	31	32	28	To maintain the current balance of diversity
<i>30 to 50 years old – Non-Executive</i>	Percentage	59	59	63	To maintain the current balance of diversity
<i>Above 50 years old – Non-Executive</i>	Percentage	10	9	9	To maintain the current balance of diversity
Bursa C3(b) Percentage of Directors by gender and age group					
Male members	Percentage	89	90	90	To maintain the current balance of diversity
Female members	Percentage	11	10	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	33	40	40	To maintain the current balance of diversity
Above 50 years old	Percentage	67	60	60	To maintain the current balance of diversity
Energy Management					
Bursa C4(a) Total energy consumption	kWh	8,762,633	9,391,056	10,152,295	To reduce consumption to 9.100 GW/h on the same level of capacity utilisation
<i>Energy generated from Solar system</i>	kWh	4,257,132	4,209,455	4,182,244	-
<i>Energy export to TNB</i>	kWh	1,153,142	1,087,263	1,064,290	-
<i>Solar energy consumed by the factory</i>	kWh	3,103,990	3,122,192	3,117,954	-
<i>Saving from own consumption of solar-generated energy</i>	MYR	1,551,481	1,526,213	1,285,371	-
<i>Saving from export energy to TNB</i>	MYR	389,029	364,440	381,660	-

SUSTAINABILITY STATEMENT (cont'd)

Performance Data and Target (cont'd)

The following table summarises our performance for FYE2023 to FYE2025 and our target for financial year ending 31 December 2026 (“**FYE2026**”): (cont'd)

Metric	Measurement Unit	FYE2023	FYE2024	FYE2025	FYE2026 Target
Energy Management (cont'd)					
Total saving	MYR	1,940,510	1,890,653	1,667,031	-
Health and Safety					
Bursa C5(a) Number of work-related fatalities	Number	0	0	0	To maintain zero cases
Bursa C5(b) LTI rate	Rate	3.10	2.18	2.41	To maintain LTI rate not more than 3.0
Bursa C5(c) Number of employees trained on health and safety standards (Internal and External training)	Number	347	537	542	To maintain total number for employee training at 500
Labour Practices and Standards					
Bursa C6(a) Total hours of training by employee category					
Management	Hours	1,508	2,440	2,241	To maintain total training hours at 6,000 hours
Executive	Hours	1,849	2,205	2,397	
Non-Executive	Hours	1,036	1,537	1,921	
Bursa C6(b) Percentage of employees that are contractors or temporary Staff	Percentage	6	6.7	5	To maintain the current percentage
Bursa C6(c) Total number of employee turnover by employee category					
Management	Number	4	6	12	N/A
Executive	Number	22	22	22	N/A
Non-Executive	Number	40	49	56	N/A
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0	To maintain zero cases
Total number of new hires by employee category					
Management	Number	3	13	12	N/A
Executive	Number	35	25	20	N/A
Non-Executive	Number	61	77	51	N/A
Supply Chain Management					
Bursa C7(a) Proportion of spending on local suppliers	Percentage	41	39	63	To maintain local spending at 63%

SUSTAINABILITY STATEMENT (cont'd)

Performance Data and Target (cont'd)

The following table summarises our performance for FYE2023 to FYE2025 and our target for financial year ending 31 December 2026 ("FYE2026"): (cont'd)

Metric	Measurement Unit	FYE2023	FYE2024	FYE2025	FYE2026 Target
Data Privacy and Security					
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
Water Management					
Bursa C9(a) Total volume of water used	Megalitres	56.731	55.879	57.447	To keep consumption to 58.724 megalitres on the same level of capacity utilisation
Waste Management					
Bursa C10(a)(i) Total Waste Generated – Total waste diverted from disposal	Metric Tonne	288.36	220.49	188.07	To keep the waste limit to 178.43 metric tonne on the same level of capacity utilisation
Bursa C10(a)(ii) Total Waste Generated – Total waste directed to disposal	Metric Tonne	727.28	692.94	581.51	To keep the waste limit to 589.18 metric tonne on the same level of capacity utilisation
Emission					
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	-	2,006.16	2,358.00	To continue reporting in FY2026 with more data that had been established
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	-	4,751.80	5,332.00	To continue reporting in FY2026 with more data that had been established
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	tCO ₂ e	-	N/A	332.10	To continue reporting in FY2026 with more data that had been established
Total Particulate Matter (Liquid)	mg/m ³	2.81	12.44	9.03	To comply with the standard of 50 mg/m ³
Total Particulate Matter (Solid)	mg/m ³	4.12	Negligible	Negligible	To comply with the standard of 150 mg/m ³
SO ₂	mg/m ³	5.00	17.12	11.46	To comply with the standard of 500 mg/m ³
Chlorine	mg/m ³	0.02	0.17	Negligible	To comply with the standard of 5 mg/m ³
HCl	mg/m ³	0.04	0.23	Negligible	To comply with the standard of 30 mg/m ³
NO ₂	mg/m ³	24.93	26.34	17.35	To comply with the standard of 500 mg/m ³
Nitrogen Oxide	mg/m ³	15.31	Negligible	Negligible	To comply with the standard of 500 mg/m ³
Carbon Monoxide	mg/m ³	30.91	26.61	17.85	To comply with the standard of 200 mg/m ³

SUSTAINABILITY STATEMENT (cont'd)

Statement of Assurance

Internal Assurance

This statement has not undergone a specific review by any external independent parties. However, it has been reviewed by Management and approved by the Board of Directors. Our Sustainability Statement is therefore internally assured.

Although the Sustainability Statement was prepared with the assistance of an external professional party, the accuracy and relevance of the data were carefully scrutinised prior to its inclusion in the statement. In addition, Management implemented a detailed review process to ensure that the data and information presented are appropriate, relevant, and accurate.

Based on this review, nothing has come to our attention that would lead us to believe that the information disclosed contains any material misstatements.

GRI Content Index

Statement of use: Prestar has reported information cited in this GRI content index for the period of 1 January 2025 to 31 December 2025 in accordance with the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021

GRI Standard	Disclosure Item	Section Reference	Page
GRI 2: General Disclosure 2021			
1. The organisation and its reporting practices			
2-1	Organisation details	Introduction, Reporting Scope	22
2-2	Entities included in the organisation's sustainability reporting	Reporting Scope	22
2-3	Reporting period, frequency and contact point	Reporting Scope	22
2-4	Restatements of Information	Stated throughout where relevant, FYE2025 Performance Overview and Targets for FYE2025, Performance Data and Target	30, 33, 40 51 - 54
2-5	External assurance	No external assurance was conducted on this report	NA
2. Activities and workers			
2-6	Activities, value chain and other business relationship	Stakeholder Management, Supply Chain Management	25 - 26 31 - 33
2-7	Employees	Diversity and Equal Opportunities	47 - 48
3. Governance			
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	23 - 24
2-13	Delegation of responsibility for managing impacts	Sustainability Governance	23 - 24
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance	23 - 24
2-15	Conflict of interest	Anti-Bribery and Corruption	30 - 31
2-16	Communication of critical concerns	Feedback	23
2-17	Collective knowledge of the highest governance body	Labour Practices and Standards – Training and Development	42 - 44
4. Strategy, policies and practices			
2-26	Mechanism for seeking advice and raising concerns	Whistleblowing	31
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholder Management	25 - 26

SUSTAINABILITY STATEMENT (cont'd)

GRI Content Index (cont'd)

GRI Standard	Disclosure Item	Section Reference	Page
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Sustainability Material Matters	26 - 27
3-2	List of material topics	Sustainability Material Matters	27
3-3	Management of material topics	FYE2025 Performance Overview and Targets for FYE2025, Risk, Opportunities and Management Action Plans	28 - 29
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	Supply Chain Management	32
GRI 205: Anti-Corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	Anti-Bribery and Corruption	30 - 31
205-3	Confirmed incidents of corruption and actions taken	Anti-Bribery and Corruption	31
GRI 302: Energy 2016			
302-1	Energy consumption within the organisation	Energy Management	34 - 35
302-4	Reduction of energy consumption	Energy Management	34 - 35
GRI 303: Water and Effluent 2016			
303-5	Water consumption	Water Management	39
GRI 305: Emissions 2016			
305-7	Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	Emission	36 - 37
GRI 306: Waste 2020			
306-3	Waste generated	Waste Management	37 - 39
306-4	Waste diverted from disposal	Waste Management	37 - 39
306-5	Waste directed to disposal	Waste Management	37 - 39
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	Labour Practices and Standards - Turnover and Recruitment of Employees	45
GRI 403: Occupational Health and Safety 2018			
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
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	Labour Practices and Standards – Training and Development	42 - 44
404-2	Programs for upgrading employee skills and transition assistance programs	Labour Practices and Standards – Training and Development	42 - 44
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunities	47 - 48
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security	46 - 47

**SUSTAINABILITY
STATEMENT (cont'd)**

Prestar Resources Berhad
BMLR Transition Period

Date & Time: 2026-04-22_09:57:25
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Anti-corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	12	100% of new management- level employees to receive anti-bribery and anti-corruption training	Internal
Bursa (Anti-corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	16	100% of new executive- level employees to receive anti-bribery and anti-corruption training	Internal
Bursa (Anti-corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Non Executive	Percentage	5	100% of new non-executive employees (excluding all production shop floor employees) to receive anti-bribery and anti-corruption training	Internal
Bursa (Anti-corruption)	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100% of operations shall be assessed for corruption-related risks	Internal
Bursa (Anti-corruption)	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	To maintain zero cases	Internal
Bursa (Community/Society)	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	47830	RM50,000 shall be allocated to organize community activities	Internal
Bursa (Community/Society)	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	11	To maintain 8 number of beneficiaries	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Management - Male	Percentage	66	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Management - Female	Percentage	34	To maintain the current balance of diversity	Internal

SUSTAINABILITY STATEMENT (cont'd)

Date & Time: 2026-04-22_09:57:25
FYE 31/12/2025

Prestar Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Executive -Male	Percentage	49	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Executive -Female	Percentage	51	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Non-Executive -Male	Percentage	88	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Non-Executive -Female	Percentage	12	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Below 30 years old - Management	Percentage	0	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- 30 to 50 years old - Management	Percentage	63	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Above 50 years old - Management	Percentage	37	To maintain the current balance of diversity	Internal

SUSTAINABILITY STATEMENT (cont'd)

Date & Time: 2026-04-22_09:57:25
FYE 31/12/2025

Prestar Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Below 30 years old - Executive	Percentage	19	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- 30 to 50 years old - Executive	Percentage	62	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Above 50 years old - Executive	Percentage	19	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Below 30 years old-Non-executive	Percentage	28	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- 30 to 50 years old - Non-executive	Percentage	63	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category- Above 50 years old - Non-Executive	Percentage	9	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(b) Percentage of Directors by gender and age group - Male members	Percentage	90	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(b) Percentage of Directors by gender and age group - Female members	Percentage	10	To maintain the current balance of diversity	Internal

SUSTAINABILITY STATEMENT (cont'd)

Date & Time: 2026-04-22_09:57:25
FYE 31/12/2025

Prestar Resources Berhad BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Diversity)	Bursa C3(b) Percentage of Directors by gender and age group - Below 30 years old	Percentage	0	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(b) Percentage of Directors by gender and age group - 30 to 50 years old	Percentage	40	To maintain the current balance of diversity	Internal
Bursa (Diversity)	Bursa C3(b) Percentage of Directors by gender and age group - Above 50 years old	Percentage	60	To maintain the current balance of diversity	Internal
Bursa (Energy Management)	Bursa C4(a) Total energy consumption	Megawatt	10,152	To reduce consumption to 9,100 Megawatt on the same level of capacity utilization	Internal
Bursa (Health and Safety)	Bursa C5(a) Number of work-related fatalities	Number	0	To maintain zero cases	Internal
Bursa (Health and Safety)	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	2.41	To maintain LTI rate not more than 3.0	Internal
Bursa (Health and Safety)	Bursa C5(c) Number of employees trained on health and safety standards (Internal & External training)	Number	542	To maintain total number for employee training at 500	Internal
Bursa (Labour Practices and Standards)	Bursa C6(a) Total hours of training by employee category - Management	Hours	2,241	To maintain total training hours at 2,100 hours	Internal
Bursa (Labour Practices and Standards)	Bursa C6(a) Total hours of training by employee category - Executive	Hours	2,397	To maintain total training hours at 2,300 hours	Internal
Bursa (Labour Practices and Standards)	Bursa C6(a) Total hours of training by employee category - Non-Executive	Hours	1,921	To maintain total training hours at 1,600 hours	Internal
Bursa (Labour Practices and Standards)	Bursa C6(b) Percentage of employees that are contractors or temporary Staff	Percentage	5	To maintain the current percentage	Internal

**SUSTAINABILITY
STATEMENT (cont'd)**

Prestar Resources Berhad
BMLR Transition Period

Date & Time: 2026-04-22_09:57:25
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Labour Practices and Standards)	Bursa C6(c) Total number of employee turnover by employee category - Management	Number	12	N/A	Internal
Bursa (Labour Practices and Standards)	Bursa C6(c) Total number of employee turnover by employee category - Executive	Number	22	N/A	Internal
Bursa (Labour Practices and Standards)	Bursa C6(c) Total number of employee turnover by employee category - Non-Executive	Number	56	N/A	Internal
Bursa (Labour Practices and Standards)	Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	To maintain zero cases	Internal
Bursa (Supply chain management)	Bursa C7(a) Proportion of spending on local suppliers	Percentage	63	To maintain local spending to 63%	Internal
Bursa (Data privacy and security)	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	To maintain zero cases	Internal
Bursa (Water Management)	Bursa C9(a) Total volume of water used	Megalitres	57,447	To keep consumption to 58,724 megalitres on the same level of capacity utilisation	Internal
Bursa (Waste Management)	Bursa C10(a)(i) Total Waste Generated – Total waste diverted from disposal	Metric Tonne	188,07	To keep the waste limit to 178,43 metric tonne on the same level of capacity utilisation	Internal
Bursa (Waste Management)	Bursa C10(a)(ii) Total Waste Generated – Total waste directed to disposal	Metric Tonne	581,51	To keep the waste limit to 589,18 metric tonne on the same level of capacity utilisation	Internal
Bursa (Emission)	Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	2,358	To continue reporting in FY2026 with more data that had been established	Internal

SUSTAINABILITY STATEMENT (cont'd)

Prestar Resources Berhad
BMLR Transition Period

Date & Time: 2026-04-22_09:57:25
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Emission)	Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	5,332	To continue reporting in FY2026 with more data that had been established	Internal
Bursa (Emission)	Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	tCO ₂ e	332.10	To continue reporting in FY2026 with more data that had been established	Internal

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 2025 (“**FYE 2025**”).

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’ interests. 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’ interests.

This CG Overview Statement for FYE 2025 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. The CG Report follows the prescribed format set out in 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 the Group’s business and financial performance, and adopting and implementing robust risk management and internal control systems.

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**”), and Remuneration Committee (“**RC**”). 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; and
 - 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 secure retrieval system that stores 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 items and relevant information necessary for them to deal with prior to each Board and Board Committee 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 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 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 has adopted a Board Charter which sets out the roles, duties, and responsibilities of the Board and the application of principles and practices of good CG.

The Board Charter would be reviewed and updated periodically in accordance with the Company's needs and any new regulations that may affect 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.

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 of 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 in discharging their duties and responsibilities.

To further enhance governance in relation to conflicts of interest, the Group has also adopted a Conflict of Interest Policy to guide and manage any situations that may give rise to actual or potential conflicts of Interest.

The Code and the Conflict of Interest Policy are available on the Company’s corporate website at www.prestar.com.my.

ii) Whistleblowing Policy (“WBP”)

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

The WBP is available on the Company’s corporate website at 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 legislation that governs its operations. 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 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.

4) Sustainability risks and opportunities

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

Sustainability considerations are progressively incorporated into the Group’s business operations, taking into account its operational requirements and evolving regulatory expectations. They are aligned with the corporate strategy, values, and the Group’s overall approach to conducting business.

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 engagement with both internal and external stakeholders.

The Directors and members of the SSC participate in relevant training programmes to enhance their understanding of sustainability matters, including climate-related considerations.

The Board will continue to progressively enhance the Group’s sustainability practices in line with its operational requirements and evolving regulatory expectations.

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 2025, 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 wide variety of expertise from their diverse backgrounds in finance, commercial, and technical experiences. This invaluable combination of skills and perspectives significantly contributes to the Company's overall strength and success.

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 Directors' 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 if the Company intends to retain its Independent Non-Executive Directors 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 shall be tabled for approval by the shareholders at every AGM of the Company through a two-tier voting process, in accordance with Practice 5.3 of the MCGG.

The NC will assess 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 with 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 Board's effective functioning. In line with this, a female Director, Ms. Toh Hui Yi, was appointed to the Board in 2023 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.

e) New candidates for the Board's appointment

During FYE 2025, no new member was appointed to the Board.

The NC is delegated the role of assessing potential candidate(s) through a formal and transparent selection process prior to recommending them to the Board for approval.

The Company remains committed to its succession planning strategy, including developing internal talent to support leadership continuity within the Group.

iii) Nomination Committee

For FYE 2025, the NC consists of four (4) members, all of whom 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	1 / 1
Shamsudin @ Samad Bin Kassim	Member	1 / 1
Dato' Siew Mun Wai	Member	1 / 1
Dato' Quah Thain Khan	Member	1 / 1

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 the 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 carried out during FYE 2025 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; and
- 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.

The full TOR of the NC, outlining the NC's objectives, composition, retirement and resignation, proceedings of meetings, authority and duties, and responsibilities, is available on the Company's corporate website at 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.

6) Overall Board effectiveness

i) Annual evaluation of the Board

The Board, 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 2025 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.

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 convened as necessary.

During FYE 2025, a total of five (5) 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	5 / 5	100
Dato' Toh Yew Peng	5 / 5	100
Toh Yew Seng	4 / 5	80
Kenny Toh Jin Tat	5 / 5	100
Dato' Siew Mun Wai	5 / 5	100
Dato' Quah Thain Khan	5 / 5	100
Wang Eng Lon	5 / 5	100
Toh Hui Yi	5 / 5	100
Andy Toh Jin Hong	5 / 5	100
Jason Toh Jin Hin	5 / 5	100

Between Board meetings, the Board's approvals are obtained via circular resolutions for exceptional matters requiring urgent Board decisions, supported by the relevant information to enable an informed decision. 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 a public listed company, 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 Part I and Part II 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.

During FYE 2025, 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"> MAP Part II: Leading for Impact (LIP)
Dato' Toh Yew Peng	<ul style="list-style-type: none"> MIA: Common Offences by Directors under the Companies Act 2016 CTIM: Navigating the Stamp Duty Shift MIA: Service Tax Updates and Implementation for Contractors Rental and Leasing, and Related Industries

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 2025, the records of Directors who attended various talks and seminars organised by Bursa Malaysia Securities and other local training providers are as follows (cont'd):

Attended by	Seminars/Programmes
Toh Yew Seng	<ul style="list-style-type: none"> MIA: Common Offences by Directors under the Companies Act 2016 CTIM: Navigating the Stamp Duty Shift MIA: Service Tax Updates and Implementation for Contractors Rental and Leasing, and Related Industries BDO: Communication and Collaboration Tools (Microsoft Teams)
Kenny Toh Jin Tat	<ul style="list-style-type: none"> MIA: Common Offences by Directors under the Companies Act 2016 CTIM: Navigating the Stamp Duty Shift MIA: Service Tax Updates and Implementation for Contractors Rental and Leasing, and Related Industries BDO: Communication and Collaboration Tools (Microsoft Teams)
Dato' Siew Mun Wai	<ul style="list-style-type: none"> National AI Office Advisory Board and ICDM: Engagement Session on AI Playbook for Boards ICAEW: Code of Ethics for Professional Accountants by International Ethics Standards Board for Accountants ICLIF/Asia School of Business: Climate First or Last? ICAEW and CA ANZ: ESG in APAC ICAEW: Global Ethics Day ICAEW: Residential Property 2025
Dato' Quah Thain Khan	<ul style="list-style-type: none"> MAP Part II: Leading for Impact (LIP)
Wang Eng Lon	<ul style="list-style-type: none"> PIKOM - Future of Cybersecurity Summit (FOCS) 2025 MAP Part II: Leading for Impact (LIP)
Toh Hui Yi	<ul style="list-style-type: none"> MIA: Common Offences by Directors under the Companies Act 2016 CTIM: Navigating the Stamp Duty Shift MIA: Service Tax Updates and Implementation for Contractors Rental and Leasing, and Related Industries BDO: Communication and Collaboration Tools (Microsoft Teams) Knowledge Tree PLT: Financial Statement Analysis Pentawise Sdn. Bhd.: Microsoft Excel: Interactive Chart ICDM: Board Leadership in Industry Disruption: Steering Companies Through Market Shifts ICDM: E-Invoicing for Directors - MyInvois & MyTax Portal Walkthrough with EY Malaysia ICDM: How are Boards Tracking the Progress and Quality of Sustainability Reporting?
Andy Toh Jin Hong	<ul style="list-style-type: none"> MIA: Common Offences by Directors under the Companies Act 2016 CTIM: Navigating the Stamp Duty Shift MIA: Service Tax Updates and Implementation for Contractors Rental and Leasing, and Related Industries BDO: Communication and Collaboration Tools (Microsoft Teams) M Harvest PLT: Mastering Financial Reports for Better Business Decision Making

**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 2025, the records of Directors who attended various talks and seminars organised by Bursa Malaysia Securities and other local training providers are as follows (cont'd):

Attended by	Seminars/Programmes
Jason Toh Jin Hin	<ul style="list-style-type: none"> • MIA: Common Offences by Directors under the Companies Act 2016 • MAP Part II: Leading for Impact (LIP) • CTIM: Navigating the Stamp Duty Shift • MIA: Service Tax Updates and Implementation for Contractors Rental and Leasing, and Related Industries

In addition, the Company Secretaries, external auditors, and/or internal auditors provide regular updates to the Board on relevant regulatory developments, changes in law, and/or amendments to accounting standards to ensure that the Board remains informed and up to date.

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

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, thereby helping the Group to achieve its long-term goals and enhance shareholders' value.

For 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 for the Non-Executive Directors of the Company reflects 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 Company's Executive Directors 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 makes recommendations to the Board for approval prior to tabling them for shareholders' approval at the Company's AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

Part III: Remuneration (cont'd)

8) Remuneration Committee (cont'd)

For FYE 2025, the RC consists of four (4) members, all of whom 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	1 / 1
Shamsudin @ Samad Bin Kassim	Member	1 / 1
Dato' Siew Mun Wai	Member	1 / 1
Wang Eng Lon	Member	1 / 1

The full TOR of the RC, outlining the RC's objectives, composition, retirement and resignation, proceedings of meetings, authority and duties, and responsibilities, is available on the Company's corporate website at www.prestar.com.my.

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 2025, are as follows:

(a) Company (RM' 000)

Name of Directors	Fees	Salaries, Bonuses and/or allowances	Benefit-in-kind	EPF, EIS, and SOCSO	Total
Non-Executive Directors					
Shamsudin @ Samad Bin Kassim	66	3	-	-	69
Dato' Siew Mun Wai	45	4	-	-	49
Dato' Quah Thain Khan	43	3	-	-	46
Wang Eng Lon	43	3	-	-	46
Sub-Total	197	13	-	-	210
Executive Directors					
Dato' Toh Yew Peng	15	1,333	26	255	1,629
Toh Yew Seng	15	-	-	-	15
Kenny Toh Jin Tat	15	101	-	19	135
Toh Hui Yi	15	-	-	-	15
Andy Toh Jin Hong	15	50	-	10	75
Jason Toh Jin Hin	15	-	-	-	15
Sub-Total	90	1,484	26	284	1,884
Total Company	287	1,497	26	284	2,094

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 Company and the Group during FYE 2025, are as follows (cont'd):

(b) Group (RM' 000)

Name of Directors	Fees	Salaries, Bonuses and/or allowances	Benefit- in-kind	EPF, EIS, and SOCSO	Total
Non-Executive Directors					
Shamsudin @ Samad Bin Kassim	66	3	-	-	69
Dato' Siew Mun Wai	45	4	-	-	49
Dato' Quah Thain Khan	43	3	-	-	46
Wang Eng Lon	43	3	-	-	46
Sub-Total	197	13	-	-	210
Executive Directors					
Dato' Toh Yew Peng	15	2,098	26	401	2,540
Toh Yew Seng	15	2,140	28	409	2,592
Kenny Toh Jin Tat	15	695	23	133	866
Toh Hui Yi	15	246	-	48	309
Andy Toh Jin Hong	15	515	7	100	637
Jason Toh Jin Hin	15	678	14	130	837
Sub-Total	90	6,372	98	1,221	7,781
Total Group	287	6,385	98	1,221	7,991

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

For FYE 2025, the top five (5) senior management remuneration components, including salary, bonus, benefit-in-kind, and other emoluments in bands of RM50,000, are shown as follows:

Range of Remuneration (RM)	No. of person
450,001 - 500,000	1
550,001 - 600,000	2
800,001 - 850,000	1
1,100,001 - 1,150,000	1

Note: Successive bands of RM50,000 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 Company's external audit firm, 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 Company's external audit firm to observe a cooling-off period of at least three (3) years before he/she can 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 to seek professional advice. The AC meets with the external auditors at least twice a year, without the presence of the Executive Board members or Management, to discuss audit planning, the adequacy of controls, and other relevant audit and accounting issues.

The AC is assigned to assess, review, and supervise the external auditors' performance, suitability, and independence. Evaluation of the external auditors is conducted annually to determine their continued suitability and independence through 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 the inherent risks associated with the Group's businesses. The GRMC assists the Board in continuously reviewing the Group's activities to identify key business and operational risks and, where possible, implement the corresponding mitigation measures.

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 periodic reports on the status of risk management in individual subsidiaries. The GRMC periodically assesses the Group's overall risks by evaluating the adequacy and effectiveness of risk portfolio composition and risk mitigation controls to determine the desired exposures for each major area of risk. 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 that encompass financial, operational, and compliance controls, aimed at safeguarding 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. Ongoing reviews are conducted quarterly to identify, evaluate, monitor, and manage significant risks affecting the businesses and to 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 the Company's subsidiaries. The Board is updated on the Group's internal control system, which encompasses risk management practices, as well as financial, operational, and compliance controls on a quarterly basis.

While the internal control system is designed to meet the needs of the Group and support risk management, such controls, by their nature, can 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 results announcements, the Board is committed to providing a balanced, fair, and comprehensive assessment of the Company's financial performance and state of affairs. To achieve the above, adequate financial processes are in place to keep the Group's accounting records and transactions in accordance with accepted accounting standards. This also helps safeguard the preparation of annual financial statements, which present a true and fair view of the Group's state of affairs as of 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 means of disseminating information on the Group's business activities and financial performance. They are also an important channel for communicating with shareholders and investors. In view thereof, efforts have 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 with preparing and verifying material information for timely disclosure upon Board approval.

The Company maintains a corporate website at 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 is the principal forum for dialogue and interaction with shareholders and provides an opportunity for shareholders to seek and clarify any issues and to have a better understanding of the Group's businesses and corporate developments. Adequate notice period for the Company's AGM 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, a screening of a corporate video, or brief verbal highlights will be provided to the shareholders on the Group's performance 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 shareholders are strongly encouraged, with no time limit for shareholders to raise questions regarding the proposed resolutions, business performance, and the Group's operations.

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, where applicable, senior management staff, who are also present at the Company's AGM to communicate with shareholders, investors, and the media and to respond to queries raised.

During FYE 2025, the Company's Fortieth AGM was conducted physically at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan.

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 do so at all future general meetings.

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

COMPLIANCE WITH MCCG

The Board is satisfied that during FYE 2025, 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 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 9 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

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

1. Utilisation of proceeds

The Company did not undertake any corporate proposal to raise any proceeds during the financial year ended 31 December 2025 (“FYE 2025”).

2. Audit and non-audit fees

During FYE 2025, Crowe Malaysia 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	48,000	23,000
Group	253,000	23,000

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 2025.

4. Recurrent related party transactions of a revenue or trading nature (“RRPTs”)

The information on RRPTs for FYE 2025 is disclosed under Note 33 of the Audited Financial Statements for FYE 2025 in this Annual Report.

5. Disclosure of Financial Data for Shariah Screening

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

(a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 RM’000	2024 RM’000
Revenue		470,484	476,043
Other income		6,176	6,511
Interest/Finance income		1,236	565
Share of profit of associates		6,452	6,939
Total		484,348	490,058
Total Assets		585,083	562,280

ADDITIONAL COMPLIANCE INFORMATION (cont'd)

5. Disclosure of Financial Data for Shariah Screening (cont'd)

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 RM'000	2024 RM'000
Interest income	Conventional	1,236	565
Total		1,236	565

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 RM'000	2024 RM'000
Cash and bank balances (exclude cash in hand)		389	579
Total Cash		389	579

Conventional Account/ Instruments	Remarks	Group	
		2025 RM'000	2024 RM'000
Cash and bank balances (exclude cash in hand)		20,777	23,568
Deposits with licensed bank		23,500	5,000
Short-term funds		27,334	16,215
Other cash equivalents	Cash in hand	79	116
Total Cash		71,690	44,899

(d) Debts Component

Islamic Financing	Remarks	Group	
		2025 RM'000	2024 RM'000
Current			
Banker's acceptances		7,890	7,877
Bank overdrafts		0	316
Revolving credit and loans		20,000	22,000
Term loans		1,368	3,093
Non-Current			
Term loans		3,595	4,962
Total Financing		32,853	38,248

ADDITIONAL COMPLIANCE INFORMATION (cont'd)

5. Disclosure of Financial Data for Shariah Screening (cont'd)

(d) Debts Component (cont'd)

Conventional Borrowing	Remarks	Group	
		2025 RM'000	2024 RM'000
Current			
Banker's acceptances		27,795	26,378
Bank overdrafts		0	56
Hire purchase payables		1,029	1,427
Revolving credit and loans		500	500
Non-Current			
Hire purchase payables		778	1,929
Total Debt		30,102	30,290

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“**Board**”) of Prestar Resources Berhad (“**Company**”) is pleased to present its Statement on Risk Management and Internal Control (“**Statement**”) of the Company and its subsidiaries (“**Group**”) for the financial year ended 31 December 2025 (“**FYE 2025**”), which has been prepared pursuant to Paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirements (“**MMLR**”) 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 2025, is guided by the Statement on Risk Management and Internal Control Guide 2025: Guidelines for Directors of Listed Companies 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 also 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 misstatements, 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 2025. 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 the 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 to 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 2025.

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 an acceptable level. The GRMC is supported by various Risk Management Units of its subsidiaries. The GRMC keeps the AC and the Board informed.

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 2025.

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 at the AC and the Board meetings.

INTERNAL AUDIT FUNCTION

The IAF is outsourced to Wensen Consulting Asia (M) Sdn. Bhd. (“**Wensen**”), an independent professional firm appointed to provide internal audit services to the Group. The internal audit reviews are carried out in accordance with the International Professional Practices Framework issued by the Institute of Internal Auditors and other internationally recognised frameworks for internal controls.

The scope of work 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.

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

INTERNAL AUDIT FUNCTION (cont'd)

- 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.
- Conduct follow-up visits to ensure that all agreed corrective action plans are satisfactorily implemented by Management and report the same to the AC.
- Review of recurrent related party transactions as mandated and tasked by the AC to ensure compliance with the Group's policy.
- Highlight any irregularities to the AC.

For the FYE 2025, the Internal Auditors has conducted four (4) internal audit engagements together with quarterly follow-up status reports on the implementation of corrective actions for previously reported audit findings were prepared and tabled to the AC by Wensen. (Details are provided in Item 6 of the Audit Committee Report)

During FYE 2025, 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 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 Malaysian Anti-Corruption Commission (Amendment) 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.
- 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.

During FYE 2025, 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.

For the FYE 2025 and up to the date of this Statement, 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.

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

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR of Bursa Malaysia Securities, the external auditors have reviewed this Statement for inclusion in the 2025 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 section 7 of the Statement on Risk Management and Internal Control Guide 2025: Guidelines for Directors of Listed Companies, or is factually inaccurate.

The Board has approved this Statement at the Board meeting held on 27 February 2026.

AUDIT COMMITTEE REPORT

The Board of Directors (“**Board**”) of Prestar Resources Berhad (“**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 2025 (“**FYE 2025**”).

1. CONSTITUTION

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

2. COMPOSITION OF THE AC AND MEETING ATTENDANCE

As at the end of FYE 2025, the Committee comprises three (3) members, all of whom were Independent Non-Executive Directors. This composition complies with Paragraphs 15.09(1)(a) and (b) of the MMLR of Bursa Malaysia Securities and Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance.

During FYE 2025, the AC held a total of six (6) meetings. Details of 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	6/6	100%
Dato’ Quah Thain Khan	Member / Independent Non-Executive Director	6/6	100%
Wang Eng Lon	Member / Independent Non-Executive Director	6/6	100%

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

For FYE 2025, the performance and effectiveness of the AC and its individual members were evaluated by the Nomination Committee. Having reviewed the evaluation results, the Board is satisfied that the AC and its members have effectively discharged their functions, duties, and responsibilities in accordance with the terms of reference of the AC.

3. SUMMARY OF KEY ACTIVITIES FOR FYE 2025

During FYE 2025, the main activities undertaken by the AC were as follows:

- a) Reviewed the unaudited quarterly financial results of the Company and its Group of Companies (“**Group**”) prior to recommending the same to the Board for approval and subsequent release to Bursa Malaysia Securities.
- b) Reviewed the audited year-end financial statements of the Company and the Group prior to recommending the same to the Board for consideration and approval.
- c) 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 during the audit, and the level of co-operation received from Management during the course of the audit.
- d) Reviewed the audit strategy and scope of the audit plan presented by the external auditors prior to the commencement of the annual audit, and the audit findings and recommendations arising from the audit.
- e) Reviewed the audit reports of the external auditors and management letters in relation to the audit, including Management’s responses to the matters arising from the audit.
- f) Noted the principal risks and the corresponding risk management actions reported by the Group Risk Management Committee and the Subsidiary Risk Management Unit.
- g) Reviewed the AC Report and the Statement on Risk Management and Internal Control and recommended the same to the Board for inclusion in the Company’s Annual Report.
- h) Reviewed the Circular to Shareholders in relation to the Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions (“**RRPTs**”) of a Revenue or Trading Nature and Proposed Renewal of Shareholders’ Mandate for RRPTs 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 2025 (cont'd)

- i) Reviewed related party transactions and RRPTs on a quarterly basis.
- j) Reviewed and recommended the appointment of Wensen Consulting Asia (M) Sdn. Bhd., as the new internal audit service provider for the Company and the Group, to the Board for approval.
- k) Reviewed the performance of the internal audit function (“IAF”), the 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.
- l) Reviewed and recommended the appointment of Crowe Malaysia PLT as the external auditors of the Company in place of the retiring external auditors, BDO PLT, to the Board for approval.
- m) Reviewed the suitability, performance, and independence of the external auditors via a formalised external auditors evaluation form. Having reviewed and being satisfied with the results of the assessment, the same had been tabled to the Board.
- n) Reviewed and discussed the Group’s business plan and budget.
- o) Monitored the whistleblowing channel and noted that no incidents were reported.
- p) Reviewed the summary of conflicts of interest or potential conflicts of interest declared by the Directors and key senior management.
- q) Reviewed the proposed acquisition of industrial land and factory building located at Serendah Technology Park, Rawang North, Selangor Darul Ehsan, from the related parties, and thereafter, recommended the same 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, proceedings of meetings, authority and duties and responsibilities, is available on the Company’s corporate website at www.prestar.com.my.

5. KEY AUDIT MATTERS (“KAM”)

Under the new and revised Audit Reporting Standards issued 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 financial year.

During the audit for FYE 2025, the impairment assessment of investments in associates and valuation of inventories were identified by the Company’s external auditors as a KAMs. 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 KAMs, 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, Wensen Consulting Asia (M) Sdn. Bhd., which 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 systems. 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 to 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 reviews to ensure that Management has satisfactorily implemented the agreed-upon corrective action plans. The progress 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 2025, the IAF has successfully conducted the following audits in accordance with the Internal Audit Plan 2025, which was approved by the AC. The plan outlines the timing, frequency, and scope of the internal audit services to be rendered:

Reporting period	Reporting Timeline	Name of Entity Audited	Business Process
1st Quarter (January - March)	May 2025	<ul style="list-style-type: none"> Prestar Precision Tube Sdn. Bhd. Dai Dong Steel Sdn. Bhd. 	<ul style="list-style-type: none"> Fleet Management
2nd Quarter (April - June)	August 2025	<ul style="list-style-type: none"> Prestar Marketing Sdn. Bhd. 	<ul style="list-style-type: none"> Sales, Leasing (Forklift) and Collection Management
3rd Quarter (July - September)	November 2025	<ul style="list-style-type: none"> Prestar Engineering Sdn. Bhd. 	<ul style="list-style-type: none"> Sales Ordering, Invoicing and Collection Management Credit Control Management
4th Quarter (October - December)	February 2026	<ul style="list-style-type: none"> Prestar Resources Berhad and its subsidiaries 	<ul style="list-style-type: none"> Review of RRPTs

The cost incurred in maintaining the IAF for FYE 2025 amounted to approximately RM68,000 (Financial year ended 31 December 2024: RM75,500).

The Board has approved this AC Report at the Board meeting held on 27 February 2026.

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 2025 ("FYE 2025")

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 IFRS Accounting 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 2025.

In preparing the Audited Financial Statements for FYE 2025, 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 2025.

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

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

The Directors also have general responsibilities to take such steps as 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 9 April 2026.



FINANCIAL STATEMENTS

87	DIRECTORS' REPORT
92	STATEMENT BY DIRECTORS
92	STATUTORY DECLARATION
93	INDEPENDENT AUDITORS' REPORT
96	STATEMENTS OF FINANCIAL POSITION
98	STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
99	STATEMENTS OF CHANGES IN EQUITY
101	STATEMENTS OF CASH FLOWS
103	NOTES TO THE FINANCIAL STATEMENTS

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 2025.

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 5 to the financial statements.

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

RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	20,975	6,613
Profit attributable to owners of the Company	20,975	6,613

DIVIDENDS

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

	RM'000
Ordinary Share	
<u>In respect of the financial year 31 December 2024</u>	
Second interim single-tier dividend of 0.5 sen per ordinary share, paid on 26 March 2025	1,795

On 27 February 2026, the Company declared the first interim single-tier dividend of 0.75 sen per ordinary share amounted to RM2,667,000 in respect of the financial year ended 31 December 2025, which was paid on 26 March 2026. This dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2026.

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.

ISSUES OF SHARES AND DEBENTURES

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

TREASURY SHARES

At the Annual General Meeting held on 18 June 2025, 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;

DIRECTORS' REPORT (cont'd)

TREASURY SHARES (cont'd)

At the Annual General Meeting held on 18 June 2025, 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:- (cont'd)

- (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 transferred 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 18 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

DIRECTORS' REPORT (cont'd)

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, 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.

DIRECTORS

The names of directors of the Company who served during the financial year 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 *
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.

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Toh Yew Keat
Toh Poh Khuan
Toh Yew Kar
Alan Toh Jin Joo
Ian Toh Jin Hu

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

The Company	[----- Number of Ordinary Shares -----]			
	At 1.1.2025	Bought	Share transfer (out)/in	At 31.12.2025
<i>Direct interest</i>				
Shamsudin @ Samad Bin Kassim	1,200,000	-	-	1,200,000
Dato' Toh Yew Peng	20,000,198	-	-	20,000,198
Toh Yew Seng	10,994,299	150,000	(5,638,503)	5,505,796
Kenny Toh Jin Tat	168,000	-	2,500,000	2,668,000
Toh Hui Yi	-	-	1,930,000	1,930,000
Andy Toh Jin Hong	2,659,358	-	-	2,659,358
Jason Toh Jin Hin	-	-	2,500,000	2,500,000
Dato' Siew Mun Wai	185,950	-	-	185,950

DIRECTORS' REPORT (cont'd)

DIRECTORS' INTERESTS (cont'd)

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows (cont'd):-

The Company (cont'd)	[----- Number of Ordinary Shares -----]			At 31.12.2025
	At 1.1.2025	Bought	Share transfer (out)/in	
<i>Indirect interests</i>				
Dato' Toh Yew Peng*	92,726,029	-	-	92,726,029
Toh Yew Seng [®]	-	-	5,638,503	5,638,503

* Deemed interested by virtue of his shareholding in Fabulous Essence Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 and the shareholding of his son in the Company pursuant to Section 59(11) of the Companies Act 2016.

[®] Deemed interested by virtue of the shareholdings of his sons in the Company pursuant to Section 59(11) of the Companies Act 2016.

By virtue of Dato' Toh Yew Peng's shareholdings in the Company, he is deemed to have interests in shares in the Company and its related corporations during the financial year to the extent of the Company's interests, pursuant to Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) 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 except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which a director has substantial financial interests as disclosed in Note 33(b) to the financial statements.

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	From the Company RM'000	From the Subsidiaries RM'000	Total RM'000
Fees	287	-	287
Salaries, bonuses and other benefits	1,499	4,707	6,206
Defined contribution benefits	282	930	1,212
Sales commission	-	188	188
	<hr/>	<hr/>	<hr/>
	2,068	5,825	7,893
Estimated monetary value of benefits-in-kind	26	72	98
	<hr/>	<hr/>	<hr/>
	2,094	5,897	7,991

DIRECTORS' REPORT (cont'd)

INDEMNITY AND INSURANCE COST

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 effected for the directors and officers of the Company and its subsidiaries was RM6,000,000. There was no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The significant event during the financial year is disclosed in Note 37 to the financial statements.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 were as follows:-

	The Group RM'000	The Company RM'000
Audit fees	253	48
Non-audit fees	23	23
	<hr/>	<hr/>
	276	71
	<hr/>	<hr/>

Signed on behalf of the Board in accordance with a resolution of the Directors dated 9 April 2026.

Dato' Toh Yew Peng

Toh Yew Seng

STATEMENT BY DIRECTORS/ STATUTORY DECLARATION

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Dato' Toh Yew Peng and Toh Yew Seng, being two of the directors of Prestar Resources Berhad, state that, in the opinion of the directors, the financial statements set out on pages 96 to 151 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 9 April 2026.

Dato' Toh Yew Peng

Toh Yew Seng

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Choy Jing Yi, (MIA Membership Number: CA 45808), 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 96 to 151 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Choy Jing Yi
at Kuala Lumpur
in the Federal Territory
on this 9 April 2026

Choy Jing Yi

Before me:

Commissioner for Oaths
Shaiful Hilmi Bin Halim
No. W 804

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 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 96 to 151.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our 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 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.

Other matter

The financial statements of the Group and of the Company for the preceding financial year were audited by another firm of auditors whose report dated 21 April 2025, expressed an unmodified opinion on those statements.

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 financial 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	How our audit addressed the key audit matters
<p>Impairment assessment of investments in associates Refer to Note 6 to the financial statements</p> <p>As at 31 December 2025, the Group's carrying amount of investment in associates was approximately RM175,777,000.</p> <p>We focused on this area due to the significance of the carrying amount recognised in the Group's financial statements and the inherent subjectivity involved in the assumptions used in the impairment indication assessment of investment in associates.</p>	<p>Our audit procedures included the following:-</p> <ul style="list-style-type: none"> (i) Evaluated the reliability of management's cash flows projection through the review of past trends of actual financial performances against previous forecasted cash flows; (ii) Assessed the reasonableness of the key assumptions, which were used by management in developing the discounted cash flow projections, by comparing against historical data and industry trends; (iii) Examined the sensitivity analysis performed by management on the key assumptions and also the discount rate used to evaluate the impact on the impairment assessment; and (iv) Assessed the adequacy of disclosures in the financial statements.

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

Key Audit Matters (cont'd)

Key audit matters	How our audit addressed the key audit matters
Valuation of inventories Refer to Note 12 to the financial statements	
As at 31 December 2025, the Group's carrying amount of inventories was approximately RM90,439,000. Inventories are carried at the lower of cost or net realisable value. We focused on this area as the assessment of net realisable value and the estimation of allowances for obsolete and slow-moving inventories are areas involved of significant judgement.	Our audit procedures included the following:- (i) Obtained an understanding of the Group's process for measuring the amount of inventories written down; (ii) Attended physical count to sight the condition of inventories; (iii) Reviewed the costing of inventory and sufficiency of the allowance for obsolescence by assessing the inventory ageing analysis; and (iv) Reviewed management's net realisable value assessment.

There are no key audit matters to report for the Company.

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

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 group financial statements. 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 financial 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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Tan Keng Chiew
03709/01/2027 J
Chartered Accountant

Kuala Lumpur
9 April 2026

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	93,792	93,792
Investments in associates	6	175,777	170,422	25,158	25,158
Property, plant and equipment	7	140,654	137,840	873	236
Right-of-use assets	8	11,616	12,001	-	-
Investment properties	9	-	-	55,464	56,513
Goodwill	10	1,675	1,675	-	-
Other receivables	11	-	-	-	1,908
		329,722	321,938	175,287	177,607
CURRENT ASSETS					
Inventories	12	90,439	93,850	-	-
Trade receivables	13	85,336	83,635	-	-
Other receivables, deposits and prepayments	11	5,620	4,818	199	677
Short-term investments	14	27,334	16,215	-	-
Current tax assets		1,885	12,539	-	-
Derivative assets	15	2	22	-	-
Fixed deposits with licensed banks	16	23,500	5,000	-	-
Cash and bank balances		21,245	24,263	247	751
		255,361	240,342	446	1,428
TOTAL ASSETS		585,083	562,280	175,733	179,035

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 (cont'd)

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	17	126,966	126,966	126,966	126,966
Treasury shares	18	(1,882)	(725)	(1,882)	(725)
Retained profits		334,018	314,838	31,508	26,690
TOTAL EQUITY		459,102	441,079	156,592	152,931
NON-CURRENT LIABILITIES					
Loans and borrowings	19	4,373	6,891	-	135
Lease liabilities	20	144	359	-	-
Deferred tax liabilities	21	7,297	6,236	1,513	1,443
Retirement benefit obligations	22	6,983	7,134	1,760	2,084
		18,797	20,620	3,273	3,662
CURRENT LIABILITIES					
Trade payables	23	21,585	10,170	-	-
Other payables and accruals	24	25,402	28,130	2,541	2,308
Loans and borrowings	19	58,582	61,647	13,135	19,860
Lease liabilities	20	273	316	-	-
Retirement benefit obligations	22	126	95	69	66
Current tax liabilities		1,203	214	123	208
Derivative liabilities	15	13	9	-	-
		107,184	100,581	15,868	22,442
TOTAL LIABILITIES		125,981	121,201	19,141	26,104
TOTAL EQUITY AND LIABILITIES		585,083	562,280	175,733	179,035

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
REVENUE	25	470,484	476,043	14,517	13,850
COST OF SALES		(405,353)	(424,798)	(1,831)	(1,449)
GROSS PROFIT		65,131	51,245	12,686	12,401
OTHER INCOME		7,412	7,076	91	220
		72,543	58,321	12,777	12,621
SELLING AND MARKETING EXPENSES		(4,386)	(3,875)	-	-
ADMINISTRATIVE EXPENSES		(43,786)	(39,748)	(4,453)	(4,161)
OTHER EXPENSES		(1,545)	(1,118)	(291)	(222)
FINANCE COSTS		(3,657)	(5,026)	(852)	(1,186)
NET (IMPAIRMENT LOSSES)/ REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	26	(27)	341	-	-
SHARE OF PROFITS OF EQUITY ACCOUNTED ASSOCIATES		6,452	6,939	-	-
PROFIT BEFORE TAXATION	27	25,594	15,834	7,181	7,052
INCOME TAX EXPENSE	28	(4,619)	(3,579)	(568)	(811)
PROFIT AFTER TAXATION		20,975	12,255	6,613	6,241
OTHER COMPREHENSIVE INCOME	29				
<u>Items that will not be reclassified subsequently to profit or loss</u>					
Re-measurement of defined benefits liabilities		-	(625)	-	(24)
Share of other comprehensive income of an equity accounted associate		-	(138)	-	-
		-	(763)	-	(24)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		20,975	11,492	6,613	6,217
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		20,975	12,255	6,613	6,241
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		20,975	11,492	6,613	6,217
EARNINGS PER SHARE (SEN)					
Basic	30(a)	5.87	3.41		
Diluted	30(b)	5.87	3.41		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Group	Share Capital RM'000	Treasury Shares RM'000	Share Options Reserve RM'000	Retained Profits RM'000	Total RM'000	Note
Balance at 1.1.2024	126,966	(725)	1,091	311,232	438,564	
Profit after taxation for the financial year	-	-	-	12,255	12,255	
Other comprehensive income for the year:						
- Re-measurement of defined benefits liabilities	-	-	-	(625)	(625)	
- Share of other comprehensive income of an equity accounted associate	-	-	-	(138)	(138)	
Total comprehensive income for the financial year	-	-	-	11,492	11,492	
Dividend paid	-	-	-	(8,977)	(8,977)	31
Share options expired transferred to retained profits	-	-	(1,091)	1,091	-	
Total distributions to owners	-	-	(1,091)	(7,886)	(8,977)	
Balance at 31.12.2024	126,966	(725)	-	314,838	441,079	
Balance at 1.1.2025	126,966	(725)	(725)	314,838	441,079	
Profit after taxation/Total comprehensive income for the financial year	-	-	-	20,975	20,975	
Dividend paid	-	-	-	(1,795)	(1,795)	31
Share buy-back	-	(1,157)	-	-	(1,157)	18
Total distributions to owners	-	(1,157)	(1,157)	(1,795)	(2,952)	
Balance at 31.12.2025	126,966	(1,882)	(1,882)	334,018	459,102	

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

The Company	Note	Share Capital RM'000	Treasury Shares RM'000	Share Options Reserve RM'000	Retained Profits RM'000	Total RM'000
Balance at 1.1.2024		126,966	(725)	1,091	28,359	155,691
Profit after taxation for the financial year		-	-	-	6,241	6,241
Other comprehensive income for the year: - Re-measurement of defined benefits liabilities		-	-	-	(24)	(24)
Total comprehensive income for the financial year		-	-	-	6,217	6,217
Dividend paid	31	-	-	-	(8,977)	(8,977)
Share options expired transferred to retained profits		-	-	(1,091)	1,091	-
Total distributions to owners		-	-	(1,091)	(7,886)	(8,977)
Balance at 31.12.2024		126,966	(725)	-	26,690	152,931
Balance at 1.1.2025		126,966	(725)	-	26,690	152,931
Profit after taxation/Total comprehensive income for the financial year		-	-	-	6,613	6,613
Dividend paid	31	-	-	-	(1,795)	(1,795)
Share buy-back	18	-	(1,157)	-	-	(1,157)
Total distributions to owners		-	(1,157)	-	(1,795)	(2,952)
Balance at 31.12.2025		126,966	(1,882)	-	31,508	156,592

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		25,594	15,834	7,181	7,052
Adjustments for:-					
Bad debts written off		101	-	-	-
Depreciation of:-					
- investment property		-	-	1,049	1,051
- property, plant and equipment		8,594	7,746	91	57
- right-of-use assets		475	343	-	-
Dividend income from subsidiaries		-	-	(7,500)	(4,300)
Dividend income from associates		-	-	(1,097)	(3,157)
Fair value loss/(gain) on derivatives		24	(131)	-	-
Impairment losses on property, plant and equipment		2,041	539	-	-
Interest expense		3,657	5,026	852	1,186
Net impairment losses/(reversal of impairment losses) on trade receivables		27	(341)	-	-
Net inventories written down		359	624	-	-
Property, plant and equipment written off		77	4	-	-
Gain on lease modification		(4)	-	-	-
Interest income		(1,236)	(565)	(35)	(220)
Net gain on disposals of property, plant and equipment		(207)	(69)	(56)	-
Retirement benefit obligations		598	115	252	80
Share of results of associates		(6,452)	(6,939)	-	-
Unrealised loss on foreign exchange		219	77	-	-
Operating profit before working capital changes		33,867	22,263	737	1,749
Changes in inventories		3,149	32,659	-	-
Changes in trade and other receivables		(2,608)	13,705	2,386	(5)
Changes in trade and other payables		8,705	7,128	233	(133)
CASH FROM OPERATIONS		43,113	75,755	3,356	1,611
Dividends received		1,097	3,157	8,597	7,457
Interest paid		(46)	(16)	(5)	-
Retirement benefits paid	22	(718)	(31)	(573)	-
Tax paid		(3,322)	(3,718)	(583)	(689)
Tax refunded		11,407	552	-	-
NET CASH FROM OPERATING ACTIVITIES		51,531	75,699	10,792	8,379

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Repayment from subsidiaries		-	-	-	2,184
Interest received		1,236	565	35	220
Proceeds from disposal of property, plant and equipment		380	182	150	-
Purchase of property, plant and equipment	32(a)	(13,222)	(7,051)	(822)	(7)
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(11,606)	(6,304)	(637)	2,397
CASH FLOWS FOR FINANCING ACTIVITIES					
Interest paid	32(b)	(3,611)	(5,010)	(847)	(1,186)
Repayment of lease liabilities	32(b)	(344)	(214)	-	-
Repayment of term loans	32(b)	(3,092)	(3,092)	(1,860)	(1,860)
Repayment of hire purchase liabilities	32(b)	(2,124)	(350)	-	-
Repayment of other borrowings	32(b)	(570)	(32,385)	(5,000)	(1,000)
Dividends paid	31	(1,795)	(8,977)	(1,795)	(8,977)
Shares buy-back		(1,157)	-	(1,157)	-
NET CASH FOR FINANCING ACTIVITIES		(12,693)	(50,028)	(10,659)	(13,023)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		27,232	19,367	(504)	(2,247)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		(259)	(48)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		45,106	25,787	751	2,998
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	32(d)	72,079	45,106	247	751

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : Level 7, Menara Milenium,
Jalan Damanlela, Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur.

Principal place of business : Lot 1298, 16½ Miles,
Jalan Ipoh, Rawang Industrial Estate,
48000 Rawang,
Selangor Darul Ehsan.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 9 April 2026.

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 5 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 are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

3. BASIS OF PREPARATION (cont'd)

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 'Presentation and Disclosure in Financial Statements'

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard sets out the new requirements for the presentation and disclosure of information in the primary financial statements and notes. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 7 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

Key Sources of Estimation Uncertainty (cont'd)

(b) Impairment of Property, Plant and Equipment, Right-of-use Assets and Investment Properties

The Group and the Company determine whether an item of its property, plant and equipment, right-of-use assets and investment properties are impaired by evaluating the extent to which the recoverable amounts of these assets are less than their carrying amounts. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment, right-of-use assets and investment properties as at the reporting date are disclosed in Notes 7, 8 and 9 to the financial statements respectively.

(c) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 12 to the financial statements.

(d) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 13 to the financial statements.

(e) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of current tax assets/(liabilities) of the Group and the Company as at the reporting date are as follows:-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax assets	1,885	12,539	-	-
Current tax liabilities	(1,203)	(214)	(123)	(208)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group and the Company before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to initial recognition, the financial assets are remeasured to their fair value at the reporting date with any fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

4.2 FINANCIAL INSTRUMENTS (cont'd)

(d) Derivatives

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.

(e) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.3 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any.

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

4.5 INVESTMENTS IN ASSOCIATES

Investments in associates are stated in the financial statements of the Company at cost less impairment losses, if any, and accounted for using the equity method in the financial statements of the Group.

4.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	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

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

4.7 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Leasehold land	99 years
Buildings	50 years

4.8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities’ incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.9 INVENTORIES

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.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost	93,792	93,792

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

5. INVESTMENTS IN SUBSIDIARIES (cont'd)

The details of the subsidiaries of which all are incorporated in Malaysia are as follows:-

Name of Subsidiary	Percentage of Issued Share Capital Held by Parent		Principal activities
	2025 %	2024 %	
<i>Subsidiaries of the Company</i>			
Prestar Manufacturing Sdn. Bhd. ("PMSB")	100	100	Investment holding.
Prestar Marketing Sdn. Bhd. ("PMktgSB")	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")	100	100	Manufacturing, supply and install of guardrails and related products.
Prestar Precision Tube Sdn. Bhd. ("PPTSB")	100	100	Manufacture and supply of commercial and precision steel pipes and tubes.
Dai Dong Steel Sdn. Bhd. ("DDSSB")	100	100	Importing and trading of steel materials and general hardware products.
Prestar Storage System Sdn. Bhd. ("PSSSB")	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.
<i>Subsidiary of PESB</i>			
Prestar Galvanising Sdn. Bhd. ("PGSB")	100	100	General hot-dip galvanising of metal products and threaded items.

6. INVESTMENTS IN ASSOCIATES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unquoted shares, at cost	16,965	16,965	16,965	16,965
Share of post-acquisition profits, net of dividends received	70,423	66,193	-	-
	<u>87,388</u>	<u>83,158</u>	<u>16,965</u>	<u>16,965</u>
Quoted shares, at cost	68,821	68,821	8,193	8,193
Share of post-acquisition profits, net of dividends received	19,568	18,443	-	-
	<u>175,777</u>	<u>170,422</u>	<u>25,158</u>	<u>25,158</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

6. INVESTMENTS IN ASSOCIATES (cont'd)

(a) The details of the associates of which all are incorporated in Malaysia are as follows:-

Name of Associate	Percentage of Ownership		Principal activities
	2025 %	2024 %	
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.

(b) The financial statements of the above associates are coterminous with those of the Group, which are 31 December 2025 (2024 - 31 December 2024).

(c) The summarised financial information of the associates are as follows:-

2025	MKPC RM'000	THB RM'000	Total RM'000
<u>Assets and liabilities as at 31 December</u>			
Non-current assets	115,272	143,613	258,885
Current assets	327,237	214,779	542,016
Non-current liabilities	(45,958)	(17,101)	(63,059)
Current liabilities	(104,937)	(68,437)	(173,374)
Net assets	291,614	272,854	564,468
<u>Results for 12-month Period Ended 31 December</u>			
Revenue	723,472	344,593	1,068,065
Profit/Total comprehensive income for the financial year	17,754	3,310	21,064
Group's share of profit/Total comprehensive income for the financial year	5,326	1,126	6,452
Dividend received	1,097	-	1,097
<u>Reconciliation of Net assets to Carrying Amount</u>			
Group's share of net assets	87,485	92,770	180,255
Consolidation adjustments at Group level	(97)	(4,381)	(4,478)
Carrying amount of the Group's interests	87,388	88,389	175,777

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

6. INVESTMENTS IN ASSOCIATES (cont'd)

(c) The summarised financial information of the associates are as follows (cont'd):-

2024	MKPC RM'000	THB RM'000	Total RM'000
<u>Assets and liabilities as at 31 December</u>			
Non-current assets	78,439	146,450	224,889
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	277,516	269,544	547,060
<u>Results for 12-month Period Ended 31 December</u>			
Revenue	846,893	372,839	1,219,732
Profit/(Loss) for the financial year	24,373	(1,097)	23,276
Other comprehensive income	-	17,828	17,828
Total comprehensive income	24,373	16,731	41,104
Group's share of profit for the financial year	7,312	(373)	6,939
Group's share of other comprehensive income	-	(138)	(138)
Dividend received	1,377	1,780	3,157
<u>Reconciliation of Net assets to Carrying Amount</u>			
Group's share of net assets	83,255	91,645	174,900
Consolidation adjustments at Group level	(97)	(4,381)	(4,478)
Carrying amount of the Group's interests	83,158	87,264	170,422

(d) The fair value of the quoted shares for disclosure purposes, which is at Level 1 of the fair value hierarchy, is RM26,698,000 (2024 - RM37,970,000).

(e) As at 31 December 2025, 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% (2024 - 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT

The Group	At	Additions	Disposals	Written	Depreciation	Transfer to	Reclassifi-	Impairment	At
	1.1.2025	(Note 32(a))	RM'000	off	charges	inventories	cation	RM'000	31.12.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<i>2025</i>									
<i>Carrying amount</i>									
Freehold land	27,810	-	-	-	-	-	-	-	27,810
Buildings	37,699	-	-	-	(1,177)	-	52	-	36,574
Plant and machinery	50,519	1,555	(34)	(67)	(3,494)	-	8,110	(1,301)	55,288
Office equipment	1,357	969	(1)	(10)	(433)	-	-	-	1,882
Furniture, fittings and renovations	3,091	823	-	-	(503)	-	-	-	3,411
Motor vehicles and forklifts	13,997	3,845	(138)	-	(2,837)	(98)	6	-	14,775
Moulds, tools and equipment	654	191	-	-	(150)	-	-	-	695
Construction-in-progress	2,713	6,414	-	-	-	-	(8,168)	(740)	219
	137,840	13,797	(173)	(77)	(8,594)	(98)	-	(2,041)	140,654
<i>2024</i>									
<i>Carrying amount</i>									
Freehold land	27,810	-	-	-	-	-	-	-	27,810
Buildings	38,873	-	-	-	(1,174)	-	-	-	37,699
Plant and machinery	52,557	941	(5)	-	(3,415)	-	980	(539)	50,519
Office equipment	1,374	335	-	(4)	(348)	-	-	-	1,357
Furniture, fittings and renovations	3,009	495	(2)	-	(423)	-	12	-	3,091
Motor vehicles and forklifts	9,171	7,213	(106)	-	(2,199)	(82)	-	-	13,997
Moulds, tools and equipment	695	146	-	-	(187)	-	-	-	654
Construction-in-progress	2,828	877	-	-	-	-	(992)	-	2,713
	136,317	10,007	(113)	(4)	(7,746)	(82)	-	(539)	137,840

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Group	At Cost RM'000	Accumulated Depreciation and Impairment RM'000	Carrying Amount RM'000
2025			
Freehold land	27,810	-	27,810
Buildings	56,104	(19,530)	36,574
Plant and machinery	102,040	(46,752)	55,288
Office equipment	5,881	(3,999)	1,882
Furniture, fittings and renovations	12,502	(9,091)	3,411
Motor vehicles and forklifts	35,686	(20,911)	14,775
Moulds, tools and equipment	2,362	(1,667)	695
Construction-in-progress	2,313	(2,094)	219
	<u>244,698</u>	<u>(104,044)</u>	<u>140,654</u>

2024

Freehold land	27,810	-	27,810
Buildings	56,052	(18,353)	37,699
Plant and machinery	96,303	(45,784)	50,519
Office equipment	5,584	(4,227)	1,357
Furniture, fittings and renovations	12,325	(9,234)	3,091
Motor vehicles and forklifts	33,971	(19,974)	13,997
Moulds, tools and equipment	2,171	(1,517)	654
Construction-in-progress	4,067	(1,354)	2,713
	<u>238,283</u>	<u>(100,443)</u>	<u>137,840</u>

The Company	At 1.1.2025 RM'000	Additions (Note 32(a)) RM'000	Disposal RM'000	Depreciation charges RM'000	At 31.12.2025 RM'000
2025					
<i>Carrying amount</i>					
Office equipment	89	79	-	(35)	133
Furniture, fittings and renovations	45	280	-	(19)	306
Motor vehicles	102	463	(94)	(37)	434
	<u>236</u>	<u>822</u>	<u>(94)</u>	<u>(91)</u>	<u>873</u>

	At 1.1.2024 RM'000	Addition (Note 32(a)) RM'000	Depreciation charges RM'000	At 31.12.2024 RM'000
2024				
<i>Carrying amount</i>				
Office equipment	125	7	(43)	89
Furniture, fittings and renovations	59	-	(14)	45
Motor vehicles	102	-	-	102
	<u>286</u>	<u>7</u>	<u>(57)</u>	<u>236</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Company	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
2025			
Office equipment	705	(572)	133
Furniture, fittings and renovations	2,763	(2,457)	306
Motor vehicles	521	(87)	434
	<u>3,989</u>	<u>(3,116)</u>	<u>873</u>
2024			
Office equipment	636	(547)	89
Furniture, fittings and renovations	2,522	(2,477)	45
Motor vehicles	1,004	(902)	102
	<u>4,162</u>	<u>(3,926)</u>	<u>236</u>

As at the end of the reporting period, certain freehold land and buildings of the Group with a carrying amount of RM58,413,000 (2024 - RM59,358,000) have been charged as securities for banking facilities granted to the Group and the Company as disclosed in Note 19 to the financial statements.

8. RIGHT-OF-USE ASSETS

The Group	At 1.1.2025 RM'000	Additions RM'000	Reassessment/ Modification of Lease Liabilities RM'000	Depreciation charges RM'000	At 31.12.2025 RM'000
<i>Carrying Amount</i>					
Leasehold land	11,333	-	-	(125)	11,208
Buildings	566	80	-	(311)	335
Motor vehicles	102	-	10	(39)	73
	<u>12,001</u>	<u>80</u>	<u>10</u>	<u>(475)</u>	<u>11,616</u>
The Group	At 1.1.2024 RM'000	Additions RM'000	Reassessment/ Modification of Lease Liabilities RM'000	Depreciation charges RM'000	At 31.12.2024 RM'000
<i>Carrying Amount</i>					
Leasehold land	11,459	-	-	(126)	11,333
Buildings	59	702	(15)	(180)	566
Motor vehicles	139	-	-	(37)	102
	<u>11,657</u>	<u>702</u>	<u>(15)</u>	<u>(343)</u>	<u>12,001</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

8. RIGHT-OF-USE ASSETS (cont'd)

- (a) The Group has lease contracts for leasehold land, buildings and motor vehicles used in its operations. Their lease terms are as below:-

	The Group	
	2025	2024
Leasehold land	99 years	99 years
Buildings	2 years	2 years
Motor vehicles	5 years	5 years

- (b) The leasehold land of the Group has been charged to licensed banks as security for banking facilities granted to the Group and the Company as disclosed in Note 19 to the financial statements.

9. INVESTMENT PROPERTIES

	The Company	
	2025	2024
	RM'000	RM'000
Cost:-		
At 1 January/31 December	73,618	73,618
Accumulated depreciation:-		
At 1 January	(17,105)	(16,054)
Depreciation during the financial year	(1,049)	(1,051)
At 31 December	(18,154)	(17,105)
	55,464	56,513
Represented by:-		
Freehold land	15,293	15,293
Freehold buildings	22,109	22,876
Leasehold land	11,208	11,333
Leasehold buildings	6,854	7,011
	55,464	56,513
Fair value	109,400	106,400

- (a) The investment properties of the Company have been charged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.
- (b) The fair values of the investment properties are within level 2 of the fair value hierarchy. They are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers who have appropriate recognised professional qualifications and recent experience in the locations and categories of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, available facilities, market conditions and other factors to arrive at the fair value.
- (c) Investment properties of the Company are leased to companies within the Group to earn rental income. They are accounted for as property, plant and equipment and right-of-use assets in the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

10. GOODWILL

	The Group	
	2025 RM'000	2024 RM'000
At Cost	2,803	2,803
Accumulated impairment losses	(1,128)	(1,128)
	1,675	1,675

- (a) 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. The carrying amounts of goodwill allocated to each cash-generating unit are as follows:-

	Manufacturing (CGU 1) RM'000	Trading (CGU 2) RM'000	Total RM'000
2025/2024			
At Cost	1,799	1,004	2,803
Accumulated impairment losses	(668)	(460)	(1,128)
	1,131	544	1,675

- (b) 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 cashflow projections and forecasted growth rate used to extrapolate cash flows for the five (5) year period are as follow:-

	CGU1		CGU2	
	2025 %	2024 %	2025 %	2024 %
Growth rate	4.0	3.0	4.0	3.0
Pre-tax discount rate	12.50	10.20	12.50	10.20

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 2025 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
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Other receivables:-				
Subsidiary	-	-	-	1,908
Current				
Other receivables:-				
Third parties	518	556	175	106
Associate	3	15	-	-
Subsidiary	-	-	-	550
Advances to suppliers	521	571	175	656
Deposits	530	63	-	-
Prepayments	179	207	13	13
	4,390	3,977	11	8
	5,620	4,818	199	677
	5,620	4,818	199	2,585

- (a) In the previous financial year, the amount owing by a subsidiary represented loan and advances, which were unsecured and bore interest rate of 3% per annum. The amount owing was settled in cash.
- (b) Non-trade amount owing by an associate represents advances and payments made on behalf which is unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.
- (c) The advances to suppliers are unsecured and interest-free. The amount owing will be offset against future purchases from the suppliers.

12. INVENTORIES

	The Group	
	2025 RM'000	2024 RM'000
Raw materials	29,476	24,050
Work-in-progress	6,900	13,156
Manufactured and trading inventories	49,087	48,675
Goods-in-transit	4,976	7,969
	90,439	93,850
Recognised in profit or loss:-		
Inventories recognised as cost of sales	343,618	373,604
Amount written down to net realisable value	1,432	752
Reversal of inventories written down	(1,073)	(128)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

13. TRADE RECEIVABLES

	The Group	
	2025 RM'000	2024 RM'000
Third parties	79,894	85,148
Associates	2	-
Related parties	1,187	717
Unbilled receivables	6,510	-
	87,593	85,865
Allowance for impairment losses (Note 36.1(b)(iii))	(2,257)	(2,230)
	85,336	83,635

- (a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group ranged from 7 to 120 days (2024 - 7 to 120 days).
- (b) Unbilled receivables represent goods delivered but not yet billed. The changes to unbilled receivables during the financial year are summarised below:-

	The Group	
	2025 RM'000	2024 RM'000
At 1 January	-	-
Goods delivered	28,000	-
Transfer to trade receivables	(21,490)	-
	6,510	-
At 31 December	6,510	-

14. SHORT-TERM INVESTMENTS

	The Group	
	2025 RM'000	2024 RM'000
Short-term investments, at fair value	27,334	16,215
	27,334	16,215

Based on the management assessment, the 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.

15. DERIVATIVE ASSETS/(LIABILITIES)

	The Group	
	2025 RM'000	2024 RM'000
Forward currency contracts:		
- Assets	2	22
- Liabilities	(13)	(9)
	(11)	13

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

15. DERIVATIVE ASSETS/(LIABILITIES) (cont'd)

The notional amount and maturity date of the forward foreign exchange contracts outstanding as at the reporting period are as follows:-

	The Group		2025 Maturities within	2024
	2025 Notional Amount RM'000	2024 Notional Amount RM'000		
Forward contracts used to hedge trade receivables				
- United States Dollar ("USD")	1,218	383	1 month	1 month
Forward contracts used to hedge trade payables				
- USD	1,734	6,280	2 months	3 months
- Others	471	237	1 month	1 month
	<u>3,423</u>	<u>6,900</u>		

16. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group at the end of the reporting period bore an weighted average effective interest rate of 2.96% (2024 - 3.24%) per annum. The fixed deposits have maturity period of 1 (2024 - 1) month.

17. SHARE CAPITAL

	The Group/The Company			
	2025 Number Of Shares ('000)	2024 RM'000	2025 RM'000	2024 RM'000
Issued and Fully Paid-Up				
Ordinary Shares				
At 1 January/31 December	<u>360,589</u>	<u>360,589</u>	<u>126,966</u>	<u>126,966</u>

The holders of ordinary shares (except treasury shares) 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. The ordinary shares have no par value. All ordinary shares rank pari passu with regard to the residual assets of the Company.

18. TREASURY SHARES

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.

Of the total approximately 360,589,000 (2024 - 360,589,000) issued and fully paid-up ordinary shares at the end of the reporting period, approximately 4,940,000 (2024 - 1,521,000) ordinary shares are held as treasury shares by the Company.

As at 31 December 2025, the number of outstanding ordinary shares net of treasury shares is 355,649,000 (2024 - 359,068,000) ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

18. TREASURY SHARES (cont'd)

During the financial year, the Company has purchased 3,419,000 (2024 - Nil) of its issued ordinary shares from the open market at an average price of approximately RM0.34 (2024 - Nil) per share. The total consideration paid for the purchase was RM1,157,000 (2024 - Nil) including transaction costs. The ordinary shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

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.

19. LOANS AND BORROWINGS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
<u>Secured</u>				
Term loans	3,595	4,962	-	135
Hire purchase payables	778	1,929	-	-
	<u>4,373</u>	<u>6,891</u>	<u>-</u>	<u>135</u>
Current				
<u>Secured</u>				
Term loans	1,368	3,093	135	1,860
Hire purchase payables	1,029	1,427	-	-
Bankers' acceptance	8,130	1,778	-	-
Revolving credits	17,000	22,000	13,000	18,000
<u>Unsecured</u>				
Bankers' acceptance	27,555	32,477	-	-
Revolving credits	3,500	500	-	-
Bank overdrafts	-	372	-	-
	<u>58,582</u>	<u>61,647</u>	<u>13,135</u>	<u>19,860</u>
Total	<u>62,955</u>	<u>68,538</u>	<u>13,135</u>	<u>19,995</u>
Analysed by:-				
Floating rate term loans	4,963	8,055	135	1,995
Fixed rate hire purchase payables	1,807	3,356	-	-
Fixed rate bankers' acceptance	35,685	34,255	-	-
Fixed rate revolving credits	20,500	22,500	13,000	18,000
Floating rate bank overdrafts	-	372	-	-
	<u>62,955</u>	<u>68,538</u>	<u>13,135</u>	<u>19,995</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

19. LOANS AND BORROWINGS (cont'd)

- (a) The weighted average effective interest rates per annum of loans and borrowings as at the end of each reporting period are as follows:-

	The Group		The Company	
	2025	2024	2025	2024
	%	%	%	%
Floating rate term loans	5.27	5.52	5.33	5.66
Fixed rate hire purchase payables	5.70	5.69	-	-
Fixed rate bankers' acceptance	4.58	4.92	-	-
Fixed rate revolving credits	5.13	5.37	4.99	5.33
Floating rate bank overdrafts	-	7.95	-	-

- (b) The loans and borrowings are secured by:-

- (i) Registered legal charge over the Group's and the Company's freehold land, leasehold land and buildings as disclosed in Notes 7, 8 and 9 to the financial statements respectively;
- (ii) Negative pledges; and
- (iii) Corporate guarantee issued by the Company.

- (c) The major covenants of the borrowings are as follows:-

- (i) Gearing ratio shall not exceed 1.50 times at consolidated level and 0.85 at Company level;
- (ii) Finance Service Cover Ratio of not less than 1.00 times; and
- (iii) 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.

The Group and the Company have complied with the covenants throughout the reporting periods.

20. LEASE LIABILITIES

	The Group	
	2025	2024
	RM'000	RM'000
At 1 January	675	202
Additions (Note 32(b))	80	702
Interest expense recognised in profit or loss	26	14
Reassessment/Modification of Lease Liabilities (Note 32(b))	6	(15)
Repayment of principal	(344)	(214)
Repayment of interest expense	(26)	(14)
At 31 December	417	675
Analysed by:-		
Current liabilities	273	316
Non-current liabilities	144	359
	417	675

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

21. DEFERRED TAX LIABILITIES

	At 1.1.2025 RM'000	Recognised in profit or loss (Note 28) RM'000	At 31.12.2025 RM'000
The Group			
Property, plant and equipment	11,867	(1,677)	10,190
Other temporary differences	(5,631)	2,738	(2,893)
	<u>6,236</u>	<u>1,061</u>	<u>7,297</u>

	At 1.1.2024 RM'000	Recognised in profit or loss (Note 28) RM'000	At 31.12.2024 RM'000
Property, plant and equipment	14,725	(2,858)	11,867
Other temporary differences	(9,345)	3,714	(5,631)
	<u>5,380</u>	<u>856</u>	<u>6,236</u>

	At 1.1.2025 RM'000	Recognised in profit or loss (Note 28) RM'000	At 31.12.2025 RM'000
The Company			
Property, plant and equipment	1,443	70	1,513

	At 1.1.2024 RM'000	Recognised in profit or loss (Note 28) RM'000	At 31.12.2024 RM'000
Property, plant and equipment	1,388	55	1,443

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group	
	2025 RM'000	2024 RM'000
Other deductible temporary differences	510	695
Unused tax losses:		
- expires year of assessment 2033	766	766
- expires year of assessment 2034	3,263	5,870
- expires year of assessment 2035	886	-
	<u>5,425</u>	<u>7,331</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

21. DEFERRED TAX LIABILITIES (cont'd)

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.

22. RETIREMENT BENEFIT OBLIGATIONS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Present value of unfunded defined benefit obligations				
At 1 January	7,229	6,323	2,150	2,039
Past service costs recognised in profit or loss	598	115	252	80
Actuarial loss from re-measurement (Note 29)	-	822	-	31
Payment for the financial year	(718)	(31)	(573)	-
At 31 December	<u>7,109</u>	<u>7,229</u>	<u>1,829</u>	<u>2,150</u>
Analysed by:-				
Non-current liabilities	6,983	7,134	1,760	2,084
Current liabilities	126	95	69	66
	<u>7,109</u>	<u>7,229</u>	<u>1,829</u>	<u>2,150</u>

(a) 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.

(b) The principal actuarial assumptions used are as follows:-

	The Group/ The Company	
	2025 %	2024 %
Discount rate	4.40	4.40
Salary increment rate	5.00	5.00

(c) Management believes that any reasonably possible change in any of these actuarial assumptions would not have a material impact on the profit/loss after taxation of the Group and of the Company.

23. TRADE PAYABLES

	The Group	
	2025 RM'000	2024 RM'000
Third parties	20,408	8,824
Associates	978	1,104
Related parties	199	242
	<u>21,585</u>	<u>10,170</u>

The normal trade credit terms granted to the Group range from 30 to 120 (2024 - 30 to 120) days.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

24. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Other payables:-				
Third parties	1,796	1,606	136	95
Subsidiaries	-	-	1,153	649
Associate	32	329	-	324
	1,828	1,935	1,289	1,068
Accruals	14,462	12,524	1,252	1,240
Advances from customers	7,164	12,320	-	-
Deposits received	1,525	1,041	-	-
Sales and service tax payable	423	310	-	-
	25,402	28,130	2,541	2,308

- (a) Non-trade amounts owing to subsidiaries and an associate represent advances and payments made on behalf which are unsecured, interest-free and repayable on demand. The amounts owing is to be settled in cash.
- (b) The advances from customers are unsecured and interest-free. The amount owing will be offset against future sales to the customers.

25. REVENUE

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers				
<u>Recognised overtime</u>				
Construction contracts	8,640	22,269	-	-
<u>Recognised at a point in time</u>				
Sale of goods	455,201	447,539	-	-
	463,841	469,808	-	-
Revenue from other sources				
Dividend income from:				
- unquoted subsidiaries	-	-	7,500	4,300
- quoted associate	-	-	-	1,780
- unquoted associate	-	-	1,097	1,377
Rental income	6,643	6,235	5,920	6,393
	6,643	6,235	14,517	13,850
	470,484	476,043	14,517	13,850

Revenue of the Group and of the Company are predominantly generated in Malaysia.

(a) Construction contracts

Revenue from construction contracts is recognised over time in the period when the services are rendered using the output method by reference to the progress towards complete satisfaction of that performance obligation if control of the asset transfer over time.

Billings to customers are based on agreed construction progress certified by customer. There is no significant financing component in the selling price as the billings are made on normal credit terms not exceeding 12 months.

A defect liability period of 24 months is given to the customers.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

25. REVENUE (cont'd)

(b) 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 selling price as the sales are made on normal credit terms not exceeding 12 months.

(c) Dividend income

Dividend income is recognised when the shareholders' right to receive payment is established.

(d) 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.

(e) Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 34 to the financial statements.

26. NET IMPAIRMENT LOSSES/(REVERSAL OF IMPAIRMENT LOSSES) ON FINANCIAL ASSETS

	The Group	
	2025	2024
	RM'000	RM'000
Impairment losses (Note 36.1(b)(iii)):		
- trade receivables	273	577
Reversal of impairment losses (Note 36.1(b)(iii)):		
- trade receivables	(246)	(918)
	27	(341)

27. PROFIT BEFORE TAXATION

Other than those disclosed elsewhere in the financial statements, the profit before taxation is arrived at:-

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
After charging/(crediting):-				
Auditors' remuneration:				
- audit fees	253	240	48	45
- non-audit fees	23	21	23	21
Bad debts written off	101	-	-	-
Direct operating expenses on investment properties	-	-	766	392
Fair value loss/(gain) on derivatives	24	(131)	-	-
Interest expenses:				
- term loans	346	524	55	161
- hire purchase payables	184	64	-	-
- bankers' acceptance	1,912	3,124	-	-
- revolving credits	1,143	1,284	792	1,025
- bank overdrafts	46	16	5	-
- lease liabilities	26	14	-	-
Staff costs (including other key management personnel as disclosed in Note 33(c))				
- short-term employee benefits	52,627	45,313	1,855	1,839
- defined contribution benefits	3,742	3,249	105	186
Gain on disposal of property, plant and equipment	(207)	(69)	(56)	-
Gain on lease modification	(4)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

27. PROFIT BEFORE TAXATION (cont'd)

Other than those disclosed elsewhere in the financial statements, the profit before taxation is arrived at (cont'd):-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
After charging/(crediting):- (cont'd)				
Interest income:				
- fixed deposits with licensed banks	(648)	(492)	(8)	(27)
- short-term investments	(588)	(73)	-	-
- amount owing by a subsidiary	-	-	(27)	(193)
Net (gain)/loss on foreign exchange:				
- realised	(28)	(40)	-	-
- unrealised	219	77	-	-

Interest income

Interest income is recognised as it accrues, using the effective interest method.

28. INCOME TAX EXPENSE

(a) Income Tax Expenses Recognised in Profit or Loss

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax:				
- for the financial year	3,623	2,826	515	760
- overprovision in the previous financial year	(65)	(103)	(17)	(4)
	3,558	2,723	498	756
Deferred tax (Note 21):				
- relating to origination and reversal of temporary differences	1,414	969	70	55
- overprovision in the previous financial year	(353)	(113)	-	-
	1,061	856	70	55
	4,619	3,579	568	811

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

28. INCOME TAX EXPENSE (cont'd)

(a) Income Tax Expenses Recognised in Profit or Loss (cont'd)

A reconciliation of the income tax expense applicable to the profit before taxation at the statutory tax rate to the income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before taxation	25,594	15,834	7,181	7,052
Tax at the statutory tax rate of 24% (2024 - 24%)	6,143	3,800	1,723	1,692
Tax effects of:-				
Non-deductible expenses	1,492	1,379	925	912
Non-taxable income	(1,783)	(2,825)	(2,063)	(1,789)
Changes in deferred tax assets not recognised	(457)	1,441	-	-
Others	(358)	-	-	-
Overprovision of tax expenses in previous financial year	(65)	(103)	(17)	(4)
Overprovision of deferred tax in previous financial year	(353)	(113)	-	-
	4,619	3,579	568	811

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 - 24%) of the estimated assessable profit for the financial year.

(b) Income Tax Expenses Recognised in Other Comprehensive Income

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Tax expense on re-measurement of defined benefits liabilities (Note 29)	-	197	-	7

29. OTHER COMPREHENSIVE INCOME

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Items that will not be reclassified subsequently to profit or loss</u>				
Re-measurement of defined benefits liabilities:				
- re-measurement of defined benefits liabilities (Note 22)	-	(822)	-	(31)
- tax effect (Note 28)	-	197	-	7
	-	(625)	-	(24)
Share of other comprehensive income of an equity accounted associate	-	(138)	-	-
	-	(763)	-	(24)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

30. 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 owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting the treasury shares.

	The Group	
	2025	2024
Profit for the financial year attributable to owners of the Company (RM'000)	20,975	12,255
Weighted average number of ordinary shares outstanding (adjusted for treasury shares) ('000)	357,351	359,068
Basic earnings per ordinary share (sen)	5.87	3.41

(b) Diluted earnings per share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares as at the end of the reporting period.

31. DIVIDENDS

	The Group/The Company	
	2025	2024
	RM'000	RM'000
<u>In respect of financial year ended 31 December 2023</u>		
Second interim single-tier dividend of 1.5 sen per ordinary share, declared on 27 February 2024 and paid on 27 March 2024	-	5,386
<u>In respect of financial year ended 31 December 2024</u>		
First interim single-tier dividend of 1.0 sen per ordinary share, declared on 25 November 2024 and paid on 23 December 2024	-	3,591
Second interim single-tier dividend of 0.5 sen per ordinary share, declared on 25 February 2025 and paid on 26 March 2025	1,795	-
	<u>1,795</u>	<u>8,977</u>

32. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment is as follows:-

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Property, Plant and Equipment				
Cost of property, plant and equipment purchased (Note 7)	13,797	10,007	822	7
Less: Acquired through hire purchase arrangements (Note 32(b))	(575)	(2,956)	-	-
	<u>13,222</u>	<u>7,051</u>	<u>822</u>	<u>7</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

32. CASH FLOW INFORMATION (cont'd)

(b) The reconciliation of liabilities arising from financing activities are as follows:-

	Lease Liabilities RM'000	Term Loans RM'000	Hire Purchase RM'000	Other Borrowings RM'000	Total RM'000
The Group					
2025					
At 1 January	675	8,055	3,356	56,755	68,841
<u>Changes in Financing Cash Flows</u>					
Net repayment of principal	(344)	(3,092)	(2,124)	(570)	(6,130)
Repayment of interests	(26)	(346)	(184)	(3,055)	(3,611)
	(370)	(3,438)	(2,308)	(3,625)	(9,741)
<u>Other Changes</u>					
Acquisition of new lease (Note 20)	80	-	-	-	80
Addition of hire purchase (Note 32(a))	-	-	575	-	575
Reassessment/Modification of lease (Note 20)	6	-	-	-	6
Interest expense recognised in profit or loss	26	346	184	3,055	3,611
	112	346	759	3,055	4,272
At 31 December	417	4,963	1,807	56,185	63,372
2024					
At 1 January	202	11,147	750	89,140	101,239
<u>Changes in Financing Cash Flows</u>					
Net repayment of principal	(214)	(3,092)	(350)	(32,385)	(36,041)
Repayment of interests	(14)	(524)	(64)	(4,408)	(5,010)
	(228)	(3,616)	(414)	(36,793)	(41,051)
<u>Other Changes</u>					
Acquisition of new lease (Note 20)	702	-	-	-	702
Addition of hire purchase (Note 32(a))	-	-	2,956	-	2,956
Reassessment/Modification of lease (Note 20)	(15)	-	-	-	(15)
Interest expense recognised in profit or loss	14	524	64	4,408	5,010
	701	524	3,020	4,408	8,653
At 31 December	675	8,055	3,356	56,755	68,841

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

32. CASH FLOW INFORMATION (cont'd)

(b) The reconciliation of liabilities arising from financing activities are as follows (cont'd):-

	Term Loans RM'000	Other Borrowings RM'000	Total RM'000
The Company			
2025			
At 1 January	1,995	18,000	19,995
<u>Changes in Financing Cash Flows</u>			
Net repayment of principal	(1,860)	(5,000)	(6,860)
Repayment of interests	(55)	(792)	(847)
	(1,915)	(5,792)	(7,707)
<u>Other Changes</u>			
Interest expense recognised in profit or loss	55	792	847
At 31 December	135	13,000	13,135
2024			
At 1 January	3,855	19,000	22,855
<u>Changes in Financing Cash Flows</u>			
Net repayment of principal	(1,860)	(1,000)	(2,860)
Repayment of interests	(161)	(1,025)	(1,186)
	(2,021)	(2,025)	(4,046)
<u>Other Changes</u>			
Interest expense recognised in profit or loss	161	1,025	1,186
At 31 December	1,995	18,000	19,995

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

32. CASH FLOW INFORMATION (cont'd)

(c) The total cash outflows for leases as a lessee are as follows:-

	The Group	
	2025	2024
	RM'000	RM'000
Payment of short-term leases and low value assets	440	435
Interest paid on lease liabilities	26	14
Payment of lease liabilities	344	214
	810	663

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Fixed deposits with licensed banks	23,500	5,000	-	-
Cash and bank balances	21,245	24,263	247	751
Short-term investments	27,334	16,215	-	-
	72,079	45,478	247	751
Less: Bank overdrafts	-	(372)	-	-
	72,079	45,106	247	751

33. RELATED PARTY 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 associates as disclosed in Notes 5 and 6 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
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

33. RELATED PARTY DISCLOSURES (cont'd)

(b) Significant Related Party Transactions and Balances

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:-

	The Group	
	2025	2024
	RM'000	RM'000
Transactions with an associate:		
<i>POSCO-MKPC Sdn. Bhd.</i>		
Sales of goods	(75)	(44)
Purchase of goods	15,225	6,338
Rental income	(946)	(1,419)
Transactions with subsidiaries of an associate:		
<i>Tashin Steel Sdn. Bhd.</i>		
Purchase of goods	2,533	1,624
<i>Tashin Hardware Sdn. Bhd.</i>		
Purchase of goods	815	-
Transactions with companies in which the substantial shareholders have financial interests:		
<i>Chiho Hardware Sdn. Bhd.</i>		
Sales of goods	(518)	(520)
Purchases	15	33
Rental paid	150	-
<i>YK Toh (M) Sdn. Bhd.</i>		
Rental paid	-	30
Transactions with a company in which Dato' Toh Yew Peng and Toh Yew Keat have financial interest:		
<i>Syarikat Kwong Nam Hing Sdn. Bhd.</i>		
Sales of goods	(3)	(19)
Transactions with a company in which Toh Yew Chin and Toh Yew Keong have financial interest:		
<i>YK Toh Marketing (S) Pte. Ltd.</i>		
Sales of goods	(4,824)	(3,751)
Purchases	1,110	1,135

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

33. RELATED PARTY DISCLOSURES (cont'd)

(b) Significant Related Party Transactions and Balances (cont'd)

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):-

	The Company	
	2025 RM'000	2024 RM'000
Transactions with subsidiaries:		
Gross dividend income	(7,500)	(4,300)
Rental income	(4,974)	(4,974)
Interest income	(27)	(193)
Transactions with associates:		
<i>POSCO-MKPC Sdn. Bhd.</i>		
Rental income	(946)	(1,419)
Dividend income	(1,097)	(1,377)
<i>Tashin Holdings Berhad</i>		
Dividend income	-	(1,780)

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.

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in Notes 11, 13, 23 and 24 to the financial statements respectively.

(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:-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(a) Directors				
<u>Directors of the Company</u>				
Fees	287	277	287	277
Short-term employee benefits	6,394	5,606	1,499	1,212
Defined contribution benefits	1,212	1,062	282	229
	<u>7,893</u>	<u>6,945</u>	<u>2,068</u>	<u>1,718</u>
<u>Directors of the Subsidiaries</u>				
Short-term employee benefits	2,261	2,218	-	-
Defined contribution benefits	365	350	-	-
	<u>2,626</u>	<u>2,568</u>	<u>-</u>	<u>-</u>
Total directors' remuneration	<u>10,519</u>	<u>9,513</u>	<u>2,068</u>	<u>1,718</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

33. RELATED PARTY DISCLOSURES (cont'd)

(c) Compensation of key management personnel (cont'd)

The remuneration of directors and other key management personnel during the financial year was as follows (cont'd):-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(b) Other Key Management Personnel				
Short-term employee benefits	1,673	1,521	383	363
Defined contribution benefits	232	212	68	58
	<u>1,905</u>	<u>1,733</u>	<u>451</u>	<u>421</u>

The estimated monetary value of benefits-in-kind received by the directors and other key management personnel otherwise than in cash from the Group and from the Company amounted to RM152,000 (2024 - RM111,000) and RM33,000 (2024 - RM34,000) respectively.

34. 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 loans and 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

34. OPERATING SEGMENTS (cont'd)

2025	Investment RM'000	Trading RM'000	Manufacturing RM'000	Total RM'000
Revenue				
Total revenue	14,517	119,912	382,952	517,381
Inter-segment revenue	(13,571)	(2,074)	(31,252)	(46,897)
Revenue from external customers	946	117,838	351,700	470,484
Results				
Segment (loss)/profit	(599)	(381)	22,543	21,563
Interest expense	(852)	(877)	(1,928)	(3,657)
Interest income	8	309	919	1,236
Share of results of associates	6,452	-	-	6,452
Profit/(Loss) before taxation	5,009	(949)	21,534	25,594
Other information				
Depreciation	1,140	3,004	4,925	9,069
Income tax expense	(568)	352	(4,403)	(4,619)
Impairment losses on property, plant and equipment	-	-	2,041	2,041
Net impairment losses/(reversal of impairment losses) on trade receivables	-	157	(130)	27
Net gain on disposal of property, plant and equipment	(55)	(1)	(151)	(207)
Property, plant and equipment written off	-	5	72	77
Inventories written down	-	704	728	1,432
Reversal of inventories written down	-	(73)	(1,000)	(1,073)
Capital expenditure	822	4,132	8,843	13,797
Segment assets	232,559	78,459	270,505	581,523
Segment liabilities	17,504	25,538	74,439	117,481
2024				
Revenue				
Total revenue	13,850	133,764	375,046	522,660
Inter-segment revenue	(12,431)	(2,721)	(31,465)	(46,617)
Revenue from external customers	1,419	131,043	343,581	476,043
Results				
Segment profit	561	1,064	11,731	13,356
Interest expense	(1,186)	(871)	(2,969)	(5,026)
Interest income	27	113	425	565
Share of results of associates	6,939	-	-	6,939
Profit before taxation	6,341	306	9,187	15,834

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

34. OPERATING SEGMENTS (cont'd)

2024	Investment RM'000	Trading RM'000	Manufacturing RM'000	Total RM'000
Other information				
Depreciation	1,109	2,269	4,711	8,089
Income tax expense	(811)	(446)	(2,322)	(3,579)
Impairment losses on property, plant and equipment	-	-	539	539
Net reversal of impairment losses on trade receivables	-	(74)	(267)	(341)
Net gain on disposal of property, plant and equipment	-	(10)	(59)	(69)
Property, plant and equipment written off	-	1	3	4
Inventories written down	-	36	716	752
Reversal of inventories written down	-	(87)	(41)	(128)
Capital expenditure	7	6,893	3,107	10,007
Segment assets	228,048	80,292	239,726	548,066
Segment liabilities	24,452	24,454	65,845	114,751

Reconciliations of reportable segment assets and liabilities to the corresponding amounts of the Group are as follows:-

	2025 RM'000	2024 RM'000
Assets		
Total assets for reportable segments	581,523	548,066
Current tax assets	1,885	12,539
Goodwill	1,675	1,675
Total assets of the Group per statements of financial position	585,083	562,280
Liabilities		
Total liabilities for reportable segments	117,481	114,751
Current tax liabilities	1,203	214
Deferred tax liabilities	7,297	6,236
Total liabilities of the Group per statements of financial position	125,981	121,201

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

35. COMMITMENTS

(a) Capital commitments

	The Group	
	2025 RM'000	2024 RM'000
Capital expenditure in respect of purchase of property, plant and equipment:		
- Contracted but not provided for	295	369
- Approved but not contracted for	96	69
	391	438

(b) Operating lease commitments - 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 (2024 - one (1) to five (5) years) and one (1) to two (2) years (2024 - one (1) to two (2) years) respectively. The monthly rental consists of a fixed base rent.

The Group and the Company have aggregated future minimum lease receivables as at the end of each reporting period as follows:-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Not later than one (1) year	4,782	5,946	4,974	6,038
Later than one (1) year and not later than two (2) years	2,550	3,198	-	4,974
Later than two (2) years and not later than three (3) years	958	2,092	-	-
Later than three (3) years and not later than four (4) years	128	708	-	-
Later than four (4) years and not later than five (5) years	-	103	-	-
	8,418	12,047	4,974	11,012

36. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management's policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

36.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD") and others. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against its foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currency for working capital purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(a) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	United States Dollar RM'000	Others* RM'000	Ringgit Malaysia RM'000	Total RM'000
2025				
<u>Financial Assets</u>				
Trade receivables	1,568	111	83,657	85,336
Cash and bank balances	3,452	18	17,775	21,245
	<u>5,020</u>	<u>129</u>	<u>101,432</u>	<u>106,581</u>
<u>Financial Liability</u>				
Trade payables	1,375	469	19,741	21,585
Net financial assets/(liabilities)	3,645	(340)	81,691	84,996
Less: Net financial assets denominated in the Group's functional currencies	-	-	(81,691)	(81,691)
Add: Forward foreign currency contracts (contracted notional principal)	516	471	-	987
Currency Exposure	<u>4,161</u>	<u>131</u>	<u>-</u>	<u>4,292</u>

Note:-

* - Others represent Chinese Renminbi, Singapore Dollar and Thai Baht.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(a) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below (cont'd):-

Foreign Currency Exposure (cont'd)

The Group	United States Dollar RM'000	Others* RM'000	Ringgit Malaysia RM'000	Total RM'000
2024				
<u>Financial Assets</u>				
Trade receivables	894	-	82,741	83,635
Cash and bank balances	850	45	23,368	24,263
	<u>1,744</u>	<u>45</u>	<u>106,109</u>	<u>107,898</u>
<u>Financial Liability</u>				
Trade payables	1,119	442	8,609	10,170
Net financial assets/(liabilities)	625	(397)	97,500	97,728
Less: Net financial assets denominated in the Group's functional currencies	-	-	(97,500)	(97,500)
Add: Forward foreign currency contracts (contracted notional principal)	5,897	237	-	6,134
Currency Exposure	<u>6,522</u>	<u>(160)</u>	<u>-</u>	<u>6,362</u>

Note:-

* - Others represent Chinese Renminbi, Singapore Dollar and Thai Baht.

Foreign Currency Risk Sensitivity Analysis

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have a material impact on the profit after taxation and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate exposure arises mainly from the bank borrowings of the Group and of the Company and is managed through effective negotiation with financial institutions for best available rates.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(a) Market Risk (cont'd)

(ii) Interest Rate Risk (cont'd)

Interest Rate Risk Sensitivity Analysis

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence are not exposed to equity price risk.

(b) 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 RM92,200,000 (2024 - RM82,000,000) to minimise the credit risk. Trade receivables are monitored on an ongoing basis through the management reporting procedures of the Group.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit risk concentration profile

The Group does not have any significant credit risk related to any individual customer or counterparty.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk (except trade receivables) is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

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:-

	The Group	
	2025	2024
	RM'000	RM'000
Maximum exposure	85,336	83,635
Collateral obtained	(59,278)	(50,900)
	26,058	32,735

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of impairment losses

The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost, is credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of the following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- when there is a breach of financial covenants by the counterparty; or
- 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.

Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including related parties) have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of impairment losses (cont'd)

Trade Receivables (cont'd)

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

The Group	Non-credit Impaired RM'000	Credit Impaired RM'000	Total RM'000
At 1.1.2024	1,940	631	2,571
Additions during the financial year (Note 26)	78	499	577
Reversals during the financial year (Note 26)	(631)	(287)	(918)
At 31.12.2024/1.1.2025	1,387	843	2,230
Additions during the financial year (Note 26)	194	79	273
Reversals during the financial year (Note 26)	(189)	(57)	(246)
At 31.12.2025	1,392	865	2,257

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2025				
Current (not past due)	66,787	-	(692)	66,095
1 to 30 days past due	9,930	-	(166)	9,764
31 to 60 days past due	1,896	-	(72)	1,824
61 to 90 days past due	691	-	(57)	634
More than 90 days past due	914	-	(288)	626
Credit impaired	865	(865)	-	-
Trade receivables	81,083	(865)	(1,275)	78,943
Unbilled receivables	6,510	-	(117)	6,393
	87,593	(865)	(1,392)	85,336
2024				
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
Credit impaired	853	(843)	-	10
Trade receivables	85,865	(843)	(1,387)	83,635

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of impairment losses (cont'd)

Trade Receivables (cont'd)

Allowance for Impairment Losses (cont'd)

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.

Financial Guarantee Contracts

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 2025, the fair value of and expected credit loss of the financial guarantees have been assessed as negligible.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

(c) Liquidity 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 fall due. The exposures of the Group and the Company to liquidity risk arise principally from various lease liabilities, payables and borrowings.

The Group and the Company actively manage their 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 and the Company measure and forecast their cash commitments and maintain a level of cash and cash equivalents deemed adequate to finance the activities of the Group and the Company. The directors have assessed the cash flow position of the Group and the Company for the next twelve (12) months to ensure that the Group and the Company have sufficient funds to meet their 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 and the Company aim at maintaining the flexibility in funding by keeping committed credit lines available.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(c) Liquidity Risk (cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2025					
<u>Non-derivative Financial Liabilities</u>					
Loans and borrowings	62,955	63,623	58,905	4,671	47
Lease liabilities	417	432	285	147	-
Trade payables	21,585	21,585	21,585	-	-
Other payables and accruals	16,290	16,290	16,290	-	-
<u>Derivative Financial Liability</u>					
Derivatives liabilities	13	-	-	-	-
- gross payments	-	2,942	2,942	-	-
- gross receipts	-	(2,929)	(2,929)	-	-
	101,260	101,943	97,078	4,818	47
2024					
<u>Non-derivative Financial Liabilities</u>					
Loans and borrowings		68,538	69,671	62,170	7,501
Lease liabilities		675	710	340	370
Trade payables		10,170	10,170	10,170	-
Other payables and accruals		14,459	14,459	14,459	-
<u>Derivative Financial Liability</u>					
Derivatives liabilities		9	-	-	-
- gross payments		-	1,941	1,941	-
- gross receipts		-	(1,932)	(1,932)	-
		93,851	95,019	87,148	7,871

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(c) Liquidity Risk (cont'd)

Maturity Analysis (cont'd)

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (cont'd):-

The Company	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000
2025				
<u>Non-derivative</u>				
<u>Financial Liabilities</u>				
Loans and borrowings	13,135	13,136	13,136	-
Other payables and accruals	2,541	2,541	2,541	-
Financial guarantee contract	-	76,011	76,011	-
	<u>15,676</u>	<u>91,688</u>	<u>91,688</u>	<u>-</u>
2024				
<u>Non-derivative</u>				
<u>Financial Liabilities</u>				
Loans and borrowings	19,995	20,059	19,924	135
Other payables and accruals	2,308	2,308	2,308	-
Financial guarantee contract	-	75,257	75,257	-
	<u>22,303</u>	<u>97,624</u>	<u>97,489</u>	<u>135</u>

The potential exposure of the financial guarantee contracts is equivalent to the outstanding amount of the credit facilities of the said subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements because their fair values on initial recognition were not material.

36.2 CAPITAL RISK MANAGEMENT

The primary objective of the capital management of the Group and the Company is to ensure that entities of the Group and the Company would be able to continue as going concerns whilst maximising return to shareholders through the optimisation of the debt and equity ratio.

The Group and the Company manage their capital structure and make adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders or issue new shares.

The Group and the Company monitor capital on the basis of gearing ratio which is total external debts divided by net tangible assets. The Group and the Company have a target gearing ratio of 1.50 and 0.85 times respectively. External debts comprise loans and borrowings owing to financial institutions and lease liabilities. Net tangible assets represents shareholders' funds less goodwill.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.2 CAPITAL RISK MANAGEMENT (cont'd)

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loans and borrowings	62,955	68,538	13,135	19,995
Lease liabilities	417	675	-	-
	<u>63,372</u>	<u>69,213</u>	<u>13,135</u>	<u>19,995</u>
Shareholders' funds	459,102	441,079	156,592	152,931
Less: Goodwill	(1,675)	(1,675)	-	-
	<u>457,427</u>	<u>439,404</u>	<u>156,592</u>	<u>152,931</u>
Net tangible assets				
	<u>457,427</u>	<u>439,404</u>	<u>156,592</u>	<u>152,931</u>
Gearing ratio	0.14	0.16	0.08	0.13

The Group and the Company maintain a gearing ratio that complies with debt covenants and regulatory requirements in countries where the Group and the Company operate.

There was no change in the approach to capital management during the financial year.

36.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments	27,334	16,215	-	-
Derivative assets	2	22	-	-
	<u>27,336</u>	<u>16,237</u>	<u>-</u>	<u>-</u>
<u>Amortised Cost</u>				
Trade receivables	85,336	83,635	-	-
Other receivables	521	571	175	2,564
Fixed deposits with licensed banks	23,500	5,000	-	-
Cash and bank balances	21,245	24,263	247	751
	<u>130,602</u>	<u>113,469</u>	<u>422</u>	<u>3,315</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (cont'd)

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial Liabilities				
<u>Fair Value Through Profit or Loss</u>				
Derivative liabilities	13	9	-	-
<u>Amortised Cost</u>				
Loans and borrowings	62,955	68,538	13,135	19,995
Trade payables	21,585	10,170	-	-
Other payables and accruals	16,290	14,459	2,541	2,308
	<u>100,830</u>	<u>93,167</u>	<u>15,676</u>	<u>22,303</u>

36.4 (GAINS) OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net (gains)/losses on:-				
- Financial assets at fair value through profit or loss	(588)	(180)	-	-
- Financial assets at amortised cost	(755)	(921)	(35)	(220)
- Financial liabilities at fair value through profit or loss	24	(24)	-	-
- Financial liabilities at amortised cost	<u>3,619</u>	<u>4,983</u>	<u>852</u>	<u>1,186</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	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		
The Group								
2025								
<u>Financial Assets</u>								
Short-term investments	-	27,334	-	-	-	-	27,334	27,334
Derivatives assets	-	2	-	-	-	-	2	2
<u>Financial Liabilities</u>								
Term loan	-	-	-	-	4,963	-	4,963	4,963
Hire purchase payables	-	-	-	-	1,807	-	1,807	1,807
Derivatives liabilities	-	13	-	-	-	-	13	13
2024								
<u>Financial Assets</u>								
Short-term investments	-	16,215	-	-	-	-	16,215	16,215
Derivatives assets	-	22	-	-	-	-	22	22
<u>Financial Liabilities</u>								
Term loan	-	-	-	-	8,055	-	8,055	8,055
Hire purchase payables	-	-	-	-	3,356	-	3,356	3,356
Derivatives liabilities	-	9	-	-	-	-	9	9

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.5 FAIR VALUE INFORMATION (cont'd)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (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		
The Company								
2025								
<u>Financial Liability</u>								
Term loan	-	-	-	-	135	-	135	135
2024								
<u>Financial Liability</u>								
Term loan	-	-	-	-	1,995	-	1,995	1,995

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

36. FINANCIAL INSTRUMENTS (cont'd)

36.5 FAIR VALUE INFORMATION (cont'd)

(a) Fair Value of Financial Instruments Carried at Fair Value

The fair value above have been determined using the following basis:-

- (i) The fair value of unquoted short-term investments is determined by reference to the counter party quotes at the close of the business at the end of the reporting period.
- (ii) 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.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

- (i) The fair value of term loans that carrying floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair value of hire purchase payables that carry fixed interest rates approximated their carrying amounts as the impact of discounting is not material. The fair value is determined by discounting the relevant cash flows using weighted average interest rate of 5.70% (2024 - 5.69%).

37. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 17 December 2025, the Company announced that its wholly-owned subsidiaries, PPTSB, DDSSB and PESB, intend to enter into a sale and purchase agreement ("SPA") with Landmark Concord Resorts Sdn. Bhd., a related party, for the proposed acquisition of industrial land and factory building at Serendah Technology Park, Rawang North, Selangor Darul Ehsan, for an indicative purchase consideration of RM17,000,000, subject to the finalisation of terms and condition and upon execution of SPA. As at the reporting date, the SPA has yet to be executed.

38. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year:-

	The Company	
	As Restated RM'000	As Previously Reported RM'000
<i>Statement of Financial Position (Extracted):-</i>		
<u>Non-current assets</u>		
Property, plant and equipment	236	45,416
Right-of-use assets	-	11,333
Investment properties	56,513	-
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)

38. COMPARATIVE FIGURES (cont'd)

The following figures have been reclassified to conform with the presentation of the current financial year (cont'd):-

	The Group	
	As Restated RM'000	As Previously Reported RM'000
<i>Statement of Financial Position (Extracted):-</i>		
<u>Non-current assets</u>		
Property, plant and equipment	137,840	133,950
Right-of-use assets	12,001	15,891
<u>Current assets</u>		
Inventories	93,850	85,881
Trade and other receivables	-	96,422
Trade receivables	83,635	-
Other receivables, deposits and prepayments	4,818	-
<u>Non-current liabilities</u>		
Loans and borrowings	6,891	4,962
Lease liabilities	359	2,288
<u>Current liabilities</u>		
Loans and borrowings	61,647	60,220
Lease liabilities	316	1,743
Trade and other payables	-	38,300
Trade payables	10,170	-
Other payables and accruals	28,130	-
<i>Statement of Profit or Loss and Other Comprehensive Income (Extracted):-</i>		
Other income	7,076	6,511
Interest income	-	565
<i>Statement of Cash Flows (Extracted):-</i>		
Net cash from operating activities	75,699	75,793
Net cash for financing activities	(50,028)	(50,122)

LIST OF PROPERTIES FOR FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Tenure	Built-up Area (sq ft)	Year of Expiry	Description /Existing Use	Carrying Amount (RM'000)	Age of Building (years)	Date of Acquisition/ Revaluation
GM 4895, Lot 1298 Mukim of Rawang, District of Gombak, Selangor Darul Ehsan	Freehold	585,019	nil	Corporate office cum manufacturing site for subsidiaries	37,402	18 to 30	9 Oct 2025
P.M. 5176, Lot 72471 and P.M. 5177, Lot 72470, Pekan Subang, Daerah Petaling, Negeri Selangor Darul Ehsan	99 years Leasehold *(90 years)	58,022	2115	Office cum Warehouse for Prestar Marketing Sdn Bhd	18,062	8	9 Jan 2019
Geran 86261, Lot 162 (Lot 39), Seksyen 19, Bandar Rawang, District of Gombak, Selangor Darul Ehsan	Freehold	92,836	nil	Office cum manufacturing site	14,092	32	17 Aug 2015
Geran 86347, Lot 202 (Lot 3), Seksyen 19, Bandar Rawang, District of Gombak, Selangor Darul Ehsan	Freehold	43,930	nil	Office cum manufacturing site	15,841	26	18 Oct 2019
Lot 1113, 65A, Jalan Perak, 10150 Penang	Freehold	2,904	nil	Office cum warehouse	682	63	29 Dec 1993

* Balance of Leasehold Tenure

STATISTICS OF SHAREHOLDINGS AS AT 31 MARCH 2026

Total number of issued shares	: 360,589,156 ordinary shares (including treasury shares)
Class of Shares	: Ordinary shares
Number of Shareholders	: 4,970 (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	24.84	-	-
Toh Yew Keat	6,751,284	1.90	⁽¹⁾ 88,354,896	24.84
Dato' Toh Yew Peng	20,000,198	5.62	⁽¹⁾ 88,354,896	24.84
Soh Tik Siew	18,114,936	5.09	-	-

Note:

⁽¹⁾ Deemed interested by virtue of their shareholdings in Fabulous Essence Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1 - 99	529	10.64	24,341	0.01
100 - 1,000	273	5.49	108,732	0.03
1,001 - 10,000	1,956	39.36	9,716,355	2.73
10,001 - 100,000	1,920	38.63	55,745,416	15.67
100,001 - 17,782,460 (*)	290	5.84	187,616,549	52.75
17,782,461 and above (**)	2	0.04	102,437,832	28.80
Total	4,970	100.00	355,649,225	100.00

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	0.34	0	0
Dato' Toh Yew Peng	Malaysian	20,000,198	5.62	*92,726,029	26.07
Toh Yew Seng	Malaysian	1,905,796	0.54	@9,238,503	2.60
Kenny Toh Jin Tat	Malaysian	2,668,000	0.75	0	0
Toh Hui Yi	Malaysian	1,930,000	0.54	0	0
Andy Toh Jin Hong	Malaysian	2,659,358	0.75	0	0
Jason Toh Jin Hin	Malaysian	2,500,000	0.70	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 by virtue of his shareholding in Fabulous Essence Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016 and the shareholding of his son in Prestar Resources Berhad pursuant to Section 59(11) of the Companies Act 2016.

@ Deemed interested by virtue of the shareholdings of his sons in Prestar Resources Berhad pursuant to Section 59(11) of the Companies Act 2016.

STATISTICS OF SHAREHOLDINGS AS AT 31 MARCH 2026 (cont'd)

THIRTY (30) LARGEST SHAREHOLDERS

No.	Shareholders	No. of Shares Held	Percentage (%)
1.	FABULOUS ESSENCE SDN. BHD.	84,322,896	23.71
2.	SOH TIK SIEW	18,114,936	5.09
3.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR DATO' TOH YEW PENG)	11,862,900	3.34
4.	TOH POH KHUAN	8,662,254	2.44
5.	TOH YEW KAR	7,016,488	1.97
6.	TOH YEW KEAT	6,751,284	1.90
7.	TOH JIN WEI	5,238,503	1.47
8.	TAN LYE HUAT	4,578,000	1.29
9.	TOH YEW CHIN	4,531,423	1.27
10.	TOH YEW KEONG	4,507,133	1.27
11.	RHB NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR DATO' TOH YEW PENG)	4,391,100	1.23
12.	ALAN TOH JIN JOO	4,371,133	1.23
13.	FABULOUS ESSENCE SDN. BHD.	4,032,000	1.13
14.	TOH JIN-YANG	4,000,000	1.12
15.	TAN AIK CHOON	3,971,755	1.12
16.	TOH YEW HOE	3,807,306	1.07
17.	DATO' TOH YEW PENG	3,746,198	1.05
18.	IAN TOH JIN HU	2,688,086	0.76
19.	KENNY TOH JIN TAT	2,668,000	0.75
20.	ANDY TOH JIN HONG	2,659,358	0.75
21.	JASON TOH JIN HIN	2,500,000	0.70
22.	UOB KAY HIAN NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK)	2,392,100	0.67
23.	TAY YING LIM @ TAY ENG LIM	1,984,624	0.56
24.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR GOALKEY SYSTEM SDN. BHD. (MY14 61))	1,930,000	0.54
25.	TOH HUI YI	1,930,000	0.54
26.	TOH YEW SENG	1,905,796	0.54
27.	UOB KAY HIAN NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI)	1,882,400	0.53
28.	JANICE TOH MEI LING	1,759,000	0.49
29.	HLB NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR YEE WAI LENG)	1,732,500	0.49
30.	MICHELLE TOH MEI CHING	1,600,000	0.45

Note : The analysis of shareholdings is based on the total number of issued shares of the Company after deducting 4,939,931 ordinary shares bought back by the Company and held as treasury shares as at 31 March 2026.

PRESTAR RESOURCES BERHAD

[Registration no. 198401010527 (123066-A)]
(Incorporated in Malaysia)

No. of Shares Held	CDS Account No.

FORM OF PROXY

*I/We (full name in block capitals),

*NRIC/Passport/CompanyRegistration No. Contact No..... Email

of (full address)

being a *member/members of PRESTAR RESOURCES BERHAD ("the Company"), 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 Forty-First Annual General Meeting ("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 Thursday, 18 June 2026 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):

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 Encik Shamsudin @ Samad Bin Kassim.		
4.	To re-elect Ms. Toh Hui Yi.		
5.	To re-elect Mr. Wang Eng Lon.		
6.	To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
7.	Authority to Issue Shares pursuant to the Companies Act 2016 and Waiver of Pre-Emptive Rights.		
8.	Proposed Renewal of Share Buy-Back Authority.		
9.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

* Strike out whichever not applicable.

Signed this day of 2026

.....

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 2026 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 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

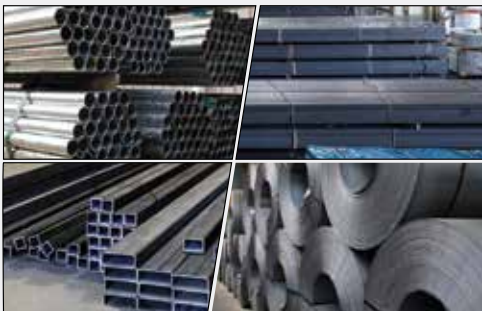
Your Partner In Flat Steel

www.prestar.com.my (603) 6090 8218

PRESTAR is an established investment holding company with subsidiaries engaged in Steel Processing and Steel Product Manufacturing since 1984. Today, we are one of the leading groups in the industry, focusing on the following key activities.



STEEL PROCESSING UNIT



Equipped with advanced machinery and skilled expertise, our steel processing unit ensures precision cutting, bending and fabrication to meet industrial standards.

- Steel Pipes & Hollow Sections
- Automotive Steel Tubes
- Steel Coils & Sheets Supply And Processing
- Flat Bars & Expanded Metal

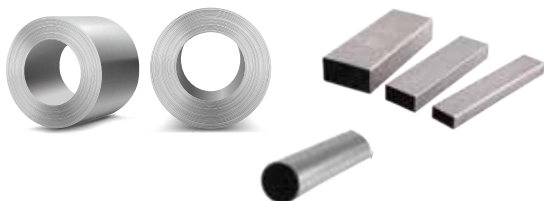


PRODUCT MANUFACTURING UNIT



From concept to completion, we manufacture durable and reliable products designed for heavy-duty performance across various industries.

- Wheelbarrows & Platform Trucks
- Boltless Shelving & Racking Systems
- Guardrails & Handrails
- Hot-Dip Galvanizing Services



info@prestar.com.my

Lot 1298, Rawang Industrial Estate, 16 ½ Miles Jalan Ipoh, 48000 Rawang, Selangor, Malaysia



PRESTAR RESOURCES BERHAD

198401010527 (123066-A)

Level 7, Menara Milenium, Jalan Damanlela,
Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur
Malaysia

T: 03 2084 9000 • F: 03 2094 9940/2095 0292

www.prestar.com.my